

May 6, 2026

Director of Local Government Audits,

Attached please find the Annual Comprehensive Financial Report for PCWRA for fiscal year 2025. The Authority's Board approved this financial report at its regular meeting held on Wednesday, April 29, 2026. If you have any questions or need additional information, please contact our office at 303-688-1991. Acknowledgment of receipt is appreciated.

Respectfully,

Lisa Coney
Assistant Director of Administrative Services



PLUM CREEK WATER RECLAMATION AUTHORITY
CASTLE ROCK, COLORADO

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the years ended December 31, 2025 and 2024

Prepared by:
Lissa Oelkers, Director of Administrative Services

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INTRODUCTORY SECTION

April 29, 2026

TO: Board of Directors, Plum Creek Water Reclamation Authority
Citizens of The Town of Castle Rock, The City of Castle Pines, and the Village at
Castle Pines

State law requires that all local governments publish, within seven months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (US GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of Plum Creek Water Reclamation Authority (the Authority) for the fiscal year ended December 31, 2025.

This report consists of management's representations concerning the finances of the Authority. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control framework that is designed both to protect the Authority's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with US GAAP. Because the cost of internal controls should not outweigh their benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Authority's financial statements have been audited by Haynie, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Authority for the fiscal year ended December 31, 2025, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Authority's financial statements for the fiscal year ended December 31, 2025, are fairly presented in conformity with US GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

US GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditors' report.

Profile of the Government

The Authority was organized by an Establishing Agreement among the Town of Castle Rock, Castle Pines Metropolitan District and Castle Pines North Metropolitan District to provide wastewater treatment and treated effluent for its members. All original Authority members are political subdivisions of the State of Colorado. In addition, the Authority serves two unincorporated areas, Silver Heights and Castleton Center, which are not represented on the Board of Directors.

The agreement established a Board of Directors as the governing body of the Authority. The Board consists of three directors. Each original member appoints one director.

The Board of Directors has the power to represent the Authority and has exclusive responsibility and power to adopt the annual budget for the operation of the Authority. The Authority does not have the power to levy taxes.

The annual budget serves as the foundation for the Authority's financial planning and control. All departments of the Authority are required to submit requests for appropriation to the Director of Administrative Services. The Director of Administrative Services uses these requests as the starting point for developing a proposed budget and provides a draft to the Authority Manager. The Authority Manager then presents a proposed budget to the Board of Directors (the Board) for review prior to October 15. The Board is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 31, the close of the Authority's fiscal year. Budget-to-actual comparisons are provided in this report on pages 56 and 57, as part of the required supplemental disclosure.

Factors Affecting Financial Condition

Useful information in assessing the Authority's economic condition encompasses the health of the local economy; long-term financial planning; relevant financial policies and risk management.

Local Economy

The Authority is located within Douglas County, Colorado. Douglas County unemployment rate for 2024 was 3.4 percent and increased to 3.6 percent in 2025. Growth in the Authority's service area had been trending down since 2022 when it was 2.5 percent with 2023 growth at 2.1 percent and 2024 at 1.34 percent; however, growth increased in 2025 to 2.3 percent. The total service area population estimate for 2025 is 108,512. The median household income for the county increased by approximately 3 percent, while the Authority's service area increased 6 percent in the rolling five-year period estimates starting with 2019 – 2023 and comparing to 2020 – 2024, with Castle Pines Village comprising most of that increase.

Long-Term Financial Planning

The Authority must plan for essential annual replacements. However, the fluctuation of capital replacement requirements is difficult for members to absorb and calculate their rates to customers. Therefore, to alleviate the financial stress on members, the Authority has budgeted \$600,000 in capital replacement each year for 2023, 2024, and 2025 and, with Board approval, commits funds from the Capital Reserve account to meet additional needs. Incremental increases of \$100,000 to the capital replacement budget will occur every three years with a cap of \$800,000 per year. The next increase

was to have started in 2026; however, in an effort to keep the increase to our member rates at a more acceptable level, the Board approved delaying the next incremental increase to the 2027 budget. Planned purchases in excess of the amount budgeted from rates will be presented in the budget document and will utilize capital reserves. Any unexpended amount under the budgeted amount from rates will be deposited in the Capital Reserve account to build reserves for large replacement years. The Authority applies sound judgment to replacement requirements in an attempt to level out expenditures over subsequent years rather than all replacements being required at once. Furthermore, certain new State regulations may require additional capital projects, which the Authority continues to monitor.

PCWRA began analyzing growth and capacity needs in 2017 by awarding a study to plan for a large expansion to Carollo Engineering. Upon completion of the study, the Board directed the Authority to begin the process of designing an additional 3 MGD of capacity. The project was fully funded by the participating members rather than through a loan. All assets were contributed to the Authority in 2021 and the final retainage was paid on August 22, 2023. With Board approval, the Authority still holds the escrow funds while finishing some after-project improvements. A redundant biofilter system project began during 2025 and will be completed in 2026, which will likely deplete the balance of the escrow. As of December 31, 2025, the escrow balance was \$1,519,164.

In April 2020, management requested RFPs for renovation of the reuse reservoir and constructing a new pump station to replace aging infrastructure. The engineering of the project was completed by GEI Consultants. After being put on hold in March 2021 while the members evaluated future requirements, the Board directed Authority staff to obtain quotes for a reduced effort or phased approach. The Authority obtained a quote and has subsequently signed a construction agreement with GSE Construction Company Inc. to complete the project at a cost of \$7,634,700. A Notice to Proceed was signed on December 29, 2025 and construction began in January 2026. To cover the cost of the project, the Authority secured a State Revolving Fund (SRF) direct loan in January 2026 for \$3,500,000 and a second SRF direct loan for an additional \$3,500,000 in March 2026. Also, upon board approval, Castle Pines Metropolitan District opted to self-fund a portion of their obligation.

To aid in long-term planning, the Authority signed a Services Agreement dated May 11, 2023 with Carollo Engineers, Inc. for a Utility Plan Update. Carollo presented their findings at the Authority's board meeting on January 24, 2024. The Authority is monitoring regulatory changes and plans to update the Utility Plan once the discharge limits are confirmed. Currently, the Authority is collaborating with the Colorado Department of Public Health and Environment (CDPHE) on its new permit.

Additionally, of significant note, the Authority will be paying off its final Colorado Water Resources and Power Development Authority (CWRPDA) loan from the 2005 era of loans. The final payment occurs August 1, 2026. Additional information can be found in the Notes to the Financial Statements in Section C. Long-term debt on page 29.

Relevant Financial Policies

The Authority sets its rate structure each year based on a cost-of-service model which uses a formula based on five-year average waste strength, prior year flow, growth projections, budget year O&M costs, debt service and capital purchases/replacement. The cost for sewer treatment is fixed for the year. Therefore, each member will pay a fixed monthly fee. Reuse volumetric rates use the same cost-of-service model. However, those rates are based on per 1000 gallons and fluctuate with usage. As

previously mentioned, beginning with the 2023 budget, the reuse customers pay a flat monthly capital fee regardless of use. Those fees will be kept in a separate account in Colotrust for future reuse repairs and capital replacements. As of December 31, 2025, the balance in the account was \$373,846.35

Risk Management

The Authority is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters. In order to manage these risks, the Authority is a member of the Colorado Special Districts Property and Liability Pool. The Authority participates in the Pool's Cost Containment strategies for safety and risk management.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its annual comprehensive financial report for the fiscal years ended December 31, 1995 through December 31, 2024. This was the thirtieth consecutive year the Authority received this prestigious award. In order to be awarded a Certificate of Achievement, the Authority must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report satisfies both US GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the Authority's accounting staff; Authority Management; and Haynie. We would like to express our appreciation to all employees of the Authority and the Douglas County Department of Community Development who assisted and contributed to the preparation of this report. Credit must also be given to the Board of Directors for their unfailing support for maintaining the highest standards of professionalism in the management of the Authority's finances.

Respectfully submitted,



Weston Martin
Authority Manager



Lissa Oelkers
Director of Administrative Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Plum Creek Water Reclamation Authority
Colorado**

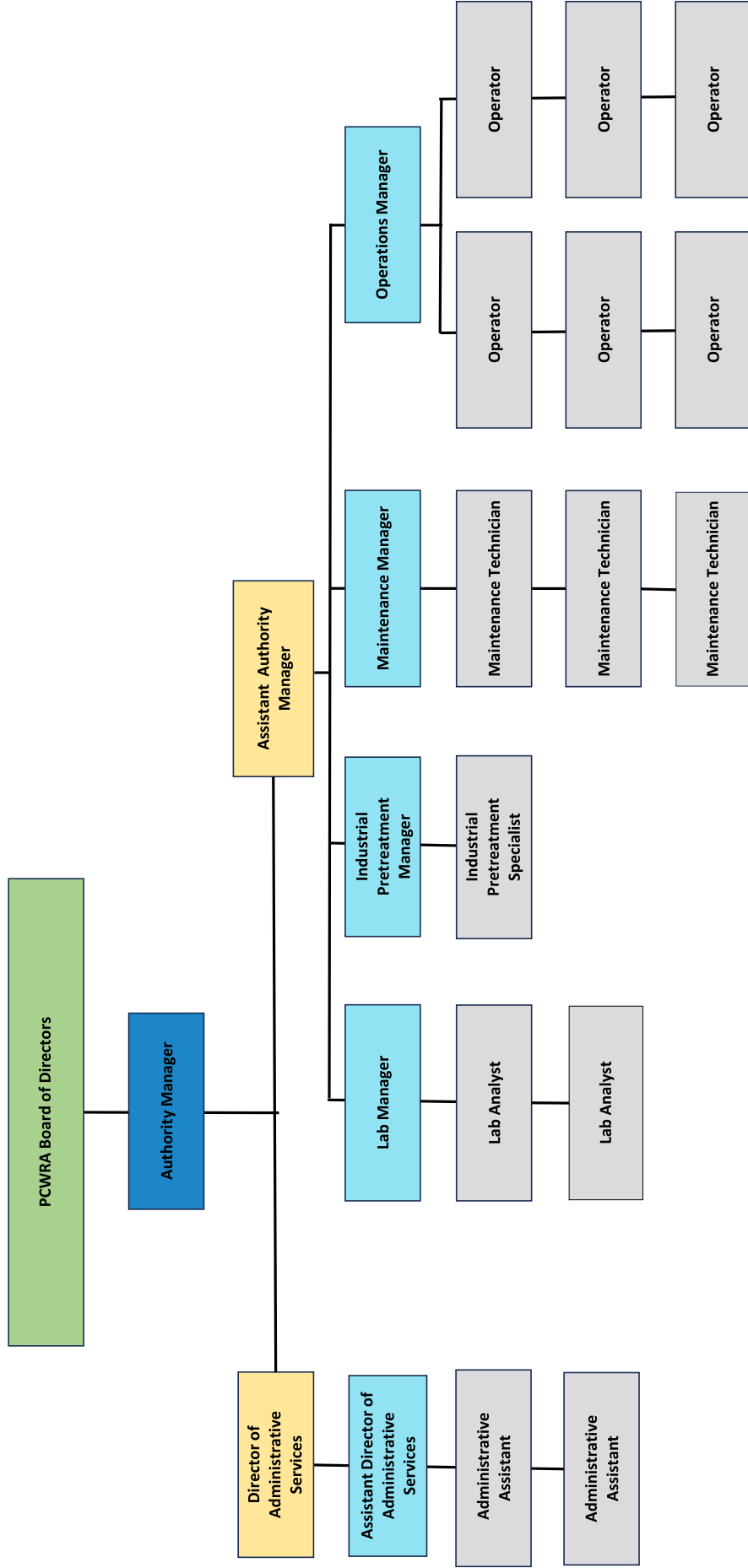
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO

Plum Creek Water Reclamation Authority - 2025



PLUM CREEK WATER RECLAMATION AUTHORITY
Appointed Officials - as of December 31, 2025

APPOINTED OFFICIALS

PCWRA OFFICE

Mr. Mark Marlowe
Town of Castle Rock - Water Dept

President

Mr. Joshua Shackelford
Castle Pines Metropolitan District

Vice-President

Mr. Nathan Travis
Castle Pines North Metro District

Secretary/Treasurer

AUTHORITY MANAGER

Mr. Weston Martin

ASSISTANT AUTHORITY MANAGER

Mr. Kirby Clark

CONSULTANTS

Authority Counsel:
Mr. Darryl Farrington
Semple, Farrington, Everall & Case, PC

FINANCIAL SECTION



Independent Auditors' Report

Board of Directors
Plum Creek Water Reclamation Authority
Castle Rock, Colorado

Opinions

We have audited the accompanying financial statements of the business-type activities of Plum Creek Water Reclamation Authority (the "Authority") as of and for the years ended December 31, 2025 and 2024 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority as of December 31, 2025 and 2024, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority 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 opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing

standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

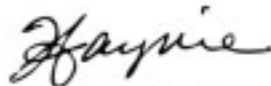
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relate directly to the

underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules are fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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



Littleton, Colorado
April 15, 2026

Management's Discussion and Analysis

As management of the Plum Creek Water Reclamation Authority (Authority), we offer readers this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 to 4 of this report.

Financial Highlights

The assets and deferred outflows of resources of the Authority exceeded their liabilities and deferred inflows at the close of the most recent fiscal year by \$48,662,407. This reflects a decrease in net position from 2024 to 2025 of \$890,429. Total Operating Expenses increased from 2024 to 2025 by \$798,512. Attributing to the increase was a combination of increased repair and maintenance services of \$126,570, pension expense of \$186,192, and personnel services of \$355,894. In 2024, the Authority engaged a third-party to perform a compensation market analysis, resulting in an adjustment of employee compensation to align with current market rates. PERA actuaries calculated a net pension expense of \$44,313 for 2024 compared to \$230,505 for 2025, resulting in an increase in expense of \$186,192 from year to year. The increase in current expenses is related to a significant decrease in deferred outflows regarding investment earnings, which decreased from 2023 to 2024 by \$217,241 and further by \$164,428 from 2024 to 2025. Further information is reflected in Section IV of the Notes. Deferred inflow and outflow of resources are directly related to the pension and OPEB income and expenses from PERA with total deferred inflow increasing by \$5,890 and total deferred outflow decreasing by \$161,677 from 2024 to 2025. Since PERA reports one year in arrears, the changes in investment are reflected for 2024. Total liabilities decreased by \$670,000 from 2024 to 2025, driven primarily by the settlement of accounts payable liabilities from 2024, in which multiple construction projects - including a roof repair on Building 7, boiler replacement in Building 11, and new centrifuge recirculation piping - began at the end of 2024 and were completed at the beginning of 2025. The decrease in pension liability was also a contributing factor. Additional information regarding PERA can be found in Section IV of the Notes on pages 30 - 51.

Of note is the Loss on Impairment of Capital Assets of \$348,620 from a fire to an MAU unit and appurtenances in 2024. Insurance coverage of \$232,976 was paid in 2024, with an additional \$100,524 paid in 2025 and is reflected in the Miscellaneous Income. The repair project was completed in 2025.

The Authority secured approximately \$26 million from multiple loans beginning in 2002 for an expansion completed in 2005. The last of the three loans from that expansion will be paid off on August 1, 2026. Due to an aging liner and State regulations, the Authority awarded a contract to GSE Construction, Inc. on December 29, 2025, for a Reuse Reservoir Rehabilitation Project, which commenced in January 2026. The total cost of the project is expected to be \$8,235,380. The Authority secured a \$3,500,000 State Revolving Fund (SRF) direct loan with the Colorado Water Resources and Power Development Authority (CWRPDA) on January 15, 2026 and an additional \$3,500,000 SRF direct loan on March 19, 2026. Furthermore, the Castle Pines Metropolitan District opted to self-fund a portion of their obligation. The project is expected to be completed in early 2027.

To plan for future reuse related capital projects, users of the reuse system began paying a monthly flat fee into a capital reserve fund in 2023. As of December 31, 2025, the balance in the reuse reserve account held with COLOTRUST was \$373,846.35.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statement. The Authority's financial statements comprise two components: 1) financial statements, and 2) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Financial Statements The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as an underlying event giving rise to the change occurs, regardless of the time of related cash flows.

Fund Financial Statements A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Authority has one proprietary fund, an Enterprise Fund, to account for its wastewater treatment operations.

Notes to the Financial Statements The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 20 - 51 of this report.

Other Information In addition to the basic financial statements and accompanying notes, this report also includes certain required supplementary information concerning the Authority's retirement plan information, as well as budget to actual comparison for the fiscal year. All required supplementary and supplementary information can be found on pages 52-57.

Financial Analysis

As noted, net position may, over time, serve as a useful indicator of the Authority's financial position. Assets exceeded liabilities by \$48,662,407 at the close of the most recent fiscal year and by \$49,552,836 at the close of the 2024 fiscal year.

By far, the largest portion (80 percent) of the Authority's total net position reflects its investment in capital assets net of depreciation (e.g. land, building, machinery and equipment) less any related outstanding debt used to acquire those assets. The Authority uses these capital assets to provide services to its members; consequently, these assets are reported net of related debt. It should be noted that resources to repay this debt must be provided from member rates, since the capital assets

themselves cannot be used to liquidate these liabilities. The final loan related to these assets with a principal amount of \$95,350 will mature in 2026.

Net Position

The Authority reports a decrease to the net position of \$890,429 from 2024 to 2025, which is similar to decreases in previous years. From 2023 to 2024 and 2022 to 2023, the Authority reported a decrease to the net position of \$574,826 and \$672,756 respectively. The main contributing factor of the decrease from 2024 to 2025 was a significant increase in accumulated depreciation, reflecting a net decrease in capital assets of \$837,532. Slightly offsetting this decrease in assets was a reduction in \$670,700 in liabilities. Also, a contributing factor in prior years' decreases was the depreciation of assets contributed from the 3.0 Expansion project in 2021.

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 12,466,556	\$ 13,022,586	\$ 12,094,556
Capital assets	<u>38,899,269</u>	<u>39,736,801</u>	<u>41,088,889</u>
Total current and other assets	51,365,825	52,759,387	53,183,445
Deferred outflow of resources - Pension	433,426	597,854	815,095
Deferred outflow of resources - OPEB	<u>20,004</u>	<u>17,253</u>	<u>19,726</u>
Total assets and deferred outflows of resources	51,819,255	53,374,494	54,018,266
Current liabilities	2,145,471	2,497,669	2,068,000
Noncurrent liabilities	<u>977,027</u>	<u>1,295,529</u>	<u>1,777,763</u>
Total liabilities	3,122,498	3,793,198	3,845,763
Deferred inflow of resources - Pension	5,311	1,150	7,502
Deferred inflow of resources - OPEB	<u>29,039</u>	<u>27,310</u>	<u>37,339</u>
Total liabilities and deferred inflows of resources	3,156,848	3,821,658	3,890,604
Net position	<u><u>48,662,407</u></u>	<u><u>49,552,836</u></u>	<u><u>50,127,662</u></u>
Net investment in capital assets	38,803,919	39,555,844	40,827,358
Restricted - Debt Service	1,250,000	1,250,000	1,250,000
Unrestricted	<u>8,608,488</u>	<u>8,746,992</u>	<u>8,050,304</u>
Total net position	<u>\$ 48,662,407</u>	<u>\$ 49,552,836</u>	<u>\$ 50,127,662</u>

The restricted asset for Debt Service is a requirement from the CWRPDA for the loan obtained in 2005, Exhibit F, as an Operations and Maintenance (O&M) Reserve Fund. The Exhibit states, "The Governmental Agency shall maintain an operations and maintenance reserve in an amount equal to three months of operation and maintenance expenses excluding depreciation of the System as set forth in the annual budget for the current fiscal year but in no event greater than \$1,250,000."

Change in Net Position

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Operating Revenues:			
Charges for services	\$ 6,479,131	\$ 6,131,338	\$ 6,054,740
Total operating revenues	6,479,131	6,131,338	6,054,740
Operating Expenses:			
Personnel & administrative fee	2,449,470	2,095,376	1,926,231
Power & heat	1,023,027	987,285	949,768
Biosolids hauling	153,243	171,823	168,291
Chemicals	674,333	658,053	554,638
Operating supplies	244,006	246,912	221,102
Repairs & maintenance	532,606	314,511	500,888
Capital replacement	33,043	-	34,902
Legal fees	24,568	17,004	29,282
Engineering fees	17,477	44,801	185,283
Administrative overhead	441,329	469,439	396,820
Pension (Income)Expense	230,505	44,313	139,519
Depreciation	2,130,690	2,106,268	2,147,909
Total operating expenses	7,954,297	7,155,785	7,254,633
Operating Income (Loss)	<u>(1,475,166)</u>	<u>(1,024,447)</u>	<u>(1,199,893)</u>
Nonoperating			
Investment Earnings	439,229	512,053	487,872
Interest Expense	(7,047)	(11,532)	(14,252)
Loss on Impairment of Capital	-	(348,620)	-
Lease Income	35,700	35,700	35,700
Other	116,855	262,020	17,817
Total nonoperating	584,737	449,621	527,137
Income	<u>(890,429)</u>	<u>(574,826)</u>	<u>(672,756)</u>
Changes in net position	<u>(890,429)</u>	<u>(574,826)</u>	<u>(672,756)</u>
Net position, January 1	<u>49,552,836</u>	<u>50,127,662</u>	<u>50,800,418</u>
Net position, December 31	<u>\$ 48,662,407</u>	<u>\$ 49,552,836</u>	<u>\$ 50,127,662</u>

From 2024 to 2025, charges for service increased 6 percent, whereas the operating expenses increased 10 percent, compared to 2024 to 2023, which remained relatively flat in both categories. From 2024 to 2025, the largest operating expense increases were personnel, pension expense, and repair and maintenance services. Personnel costs saw a slight upward trend in 2024, driven by a strategic focus on talent retention and market-aligned compensation. Personnel services increased by \$355,894 and by \$169,145 between 2024 to 2025 and 2023 to 2024 respectively. During the same time frame, the cost of chemicals has continued to increase; however, they minimally increased between 2025 and 2024 by 2 percent, compared to the 19 percent increase in 2024 and 2023. Management sometimes chooses to expense capital repairs rather than capitalize to assets. The total capital costs expensed in 2025 were \$33,043 for a ditch cleanout project. All capital purchases in 2024 were capitalized and are being depreciated. The total capital costs expensed in 2023 were \$34,902 and included repairing damaged electrical wires and a new breaker for a Turblex blower; relocation of PLCs and replacement of a level sensor for pond 17; and a rebuild and reinstallation of a clarifier gearbox. Depreciation slightly increased by \$24,422 in 2025. The Authority experienced an impairment to one of the facility buildings due to a

fire at an estimated cost of \$348,620 in 2024. Since the repairs were not started in 2024, the impairment was booked to accumulated depreciation reducing the net value of the building in 2024. However, the repairs were completed in 2025. The loss on impairment contributed to the change in nonoperating income from 2024 to 2025, resulting in an increase of \$135,116.

Capital Assets and Debt Administration

Capital Assets The Authority's investment in capital assets as of December 31, 2025 was \$38,899,269 (net of accumulated depreciation). This investment in capital assets includes land and other non-depreciable assets; buildings; improvements other than buildings; machinery and equipment; and vehicles. Total capital asset additions (new and replacement) during the year and being depreciated were acquired at \$795,470. A fire panel and communications replacement in building 1 was started in 2024. \$36,375 was put into CIP and was capitalized in 2025 with an additional \$9,094 added to the finished project. A new centrifuge recirculation pipe was also started in 2024. \$126,159 was put into CIP and was capitalized in 2025 with an additional \$30,697 added to the finished project. A replacement vehicle was purchased for \$47,068 to maintain reliability and safety of the Operators for emergency coverage of the plant. Other purchases over \$20,000 included an HVAC system in the headworks room of building 8B and an MAU unit and exhaust fan for building 8B totaling \$358,500; as well as two centrifuge polymer skids at a cost of \$36,331 each; and a new fume hood for the laboratory metals room for a total cost of \$30,826. A Biofilter expansion project was started in 2025 and put into CIP to be completed in 2026 for a total of \$723,898. The Authority disposed of old equipment valued at \$108,214, most of which was fully depreciated. There was a \$12,000 gain on a vehicle trade-in; however, there was a loss of \$23,380 on the MAU equipment and exhaust fan, resulting in a net loss of \$11,380. The impairment on the MAU equipment and subsequent ducting and appurtenances on building 8B in 2024 resulted in booking \$348,620 to accumulated depreciation in 2024. The Authority's insurance paid \$232,976 in 2024 and an additional \$100,524 in 2025 toward replacing the damaged equipment and other parts of the asset. The project was completed in 2025.

As of 2017, the board directed the Authority to engage in a design contract with Burns and McDonnell for an expansion project of an additional 3 MGD capacity. The project was fully self-funded by the members with all funds kept in an escrow account reserved for the 3.0 Capacity Expansion Project in COLOTRUST. At the end of 2025, the escrow held a balance of \$1,519,164. The final retainage of \$94,944 was paid on August 22, 2023. The Authority gained approval from the board to use the balance of the escrow to construct a second biofilter for redundancy and odor control. This project was started in 2025, with \$723,898 in assets being added to CIP. The project is expected to be completed in 2026. The Authority continues to update the Board on the progress of the project and management of the escrow funds.

Additional information on the Authority's capital assets can be found in Note III B.

Long Term Debt At the end of the current fiscal year, the Authority had outstanding long-term debt of \$95,350. The Authority paid \$85,607 toward the long-term debt during 2025. The Authority paid off the 2001 loan, the largest annual principal debt the Authority held, on August 1, 2021 and the 2002 loan on August 1, 2023. The final loan from 2005 comprises the balance of the outstanding debt and will mature in 2026. The Authority secured new debt totaling \$7,000,000 for the rehabilitation of the reuse reservoir in January and March 2026.

Additional information on the Authority's long-term debt can be found in Note III C.

Risks & Uncertainties

Regulatory changes from the State and EPA continue to pose uncertainty as the potential costs for these changes could be out of reach. The Authority has yet to obtain an updated permit to secure the additional 3.0 MGD of hydraulic capacity from the State. While the ability to calculate the newer capacity into the overall function of the Authority is important, the uncertainty of the regulations imposed along with the new permit are of concern. A Utility Plan Update completed by Carollo Engineers in 2024 indicates astronomical costs as a result of those potential regulations. As funding has been difficult for the reuse reservoir project, the ability to fund such large improvements is completely unknown.

Request for Information

This financial report is designed to provide an overview of the Plum Creek Water Reclamation Authority's finances for all interested parties. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the Director of Administrative Services: Lissa Oelkers, 4255 N. US Highway 85, Castle Rock, CO 80108.

Basic Financial Statements

PLUM CREEK WATER RECLAMATION AUTHORITY

Statements of Net Position
December 31, 2025 and 2024

ASSETS	2025	2024
Current Assets:		
Cash and Investments	\$ 8,578,184	\$ 9,426,946
Receivables - From Other Governments	964,344	574,416
Other Receivable	4,389	4,161
Prepays	3,506	648
Inventories	146,969	161,124
3.0 Expansion Member Contributions	1,519,164	1,605,291
Total Current Assets	11,216,556	11,772,586
Noncurrent Assets:		
Restricted Assets:		
Investments - Debt Service ₁	1,250,000	1,250,000
Capital Assets:		
Non-Depreciable Assets:		
Land & Capacity	3,514,347	3,514,347
Construction in Progress	759,073	238,007
Buildings	25,096,871	25,096,871
Improvements Other Than Buildings	19,914,364	19,711,138
Machinery and Equipment	20,304,450	19,844,575
Vehicle	349,187	325,031
Total Capital Assets	69,938,292	68,729,969
Less Accumulated Depreciation	(31,039,023)	(28,993,168)
Total Capital Assets Net of Depreciation	38,899,269	39,736,801
Total Noncurrent Assets	40,149,269	40,986,801
TOTAL ASSETS	51,365,825	52,759,387
Deferred Outflow of Resources		
Deferred Outflow Related to Pension	433,426	597,854
Deferred Outflow Related to OPEB	20,004	17,253
Total Deferred Outflow of Resources	453,430	615,107
Total Assets and Deferred Outflow of Resources	51,819,255	53,374,494
LIABILITIES		
Current Liabilities:		
Accounts Payable	350,609	661,265
3.0 Expansion Project	1,519,164	1,605,291
Accrued Benefits	178,473	141,021
Accrued Interest Payable	1,875	4,485
Current Portion of the Long-Term Debt	95,350	85,607
Total Current Liabilities	2,145,471	2,497,669
Noncurrent Liabilities:		
Revenue Loan Payable, Net	-	95,350
Pension Liability, Net	923,274	1,120,194
OPEB Liability, Net	53,753	79,985
Total Noncurrent Liabilities	977,027	1,295,529
TOTAL LIABILITIES	3,122,498	3,793,198
Deferred Inflow of Resources		
Deferred Inflow Related to Pension	5,311	1,150
Deferred Inflow Related to OPEB	29,039	27,310
Total Deferred Inflow of Resources	34,350	28,460
Total Liabilities and Deferred Inflow of Resources	3,156,848	3,821,658
NET POSITION		
Net Investment in Capital Assets	38,803,919	39,555,844
Restricted - Debt Service ₁	1,250,000	1,250,000
Unrestricted	8,608,488	8,746,992
Total Net Position	\$ 48,662,407	\$ 49,552,836

The notes to the financial statements are an integral part of this statement.

₁ See Note I.C.6. Restricted Assets for loan agreements.

PLUM CREEK WATER RECLAMATION AUTHORITY
Statements of Revenues, Expenses and Changes in Net Position
for the
Fiscal Years Ended December 31, 2025 and 2024

	2025	2024
Operating Revenue :		
Service Charges	\$ 6,479,131	\$ 6,131,338
Total Operating Revenues	6,479,131	6,131,338
Operating Expenses:		
Personnel Services	2,449,470	2,093,576
Administrative Fees	-	1,800
Power & Heat	1,023,027	987,285
Biosolids Hauling	153,243	171,823
Telephone	37,286	35,466
Chemicals	674,333	658,053
Operating Supplies	244,006	246,912
Gas & Oil	19,570	15,163
Uniform	16,707	18,038
Repair & Maintenance Supplies	110,163	18,638
Repair & Maintenance Services	422,443	295,873
Permits & Fees	34,855	33,092
Legal Fees	24,568	17,004
Auditing	16,000	15,000
Engineering Fees	17,477	44,801
USGS Monitoring	20,866	19,666
Laboratory Fees	27,673	24,690
Insurance	89,506	78,977
Membership Fees	85,955	89,832
Office Expenses	92,911	139,515
Repair & Replacement	33,043	-
Pension Expense	230,505	44,313
Depreciation	2,130,690	2,106,268
Total Operating Expenses	7,954,297	7,155,785
Operating Income (Loss)	(1,475,166)	(1,024,447)
Nonoperating Revenues (Expenses):		
Investment Earnings	439,229	512,053
Interest Expense	(10,407)	(16,178)
Gain (Loss) on Retirement of Assets	(11,380)	3,935
Loss on Impairment of Capital Assets	-	(348,620)
Lease Income	35,700	35,700
Forgiveness of Interest	3,360	4,646
Miscellaneous Income	128,235	258,085
Total Nonoperating Revenues (Expenses)	584,737	449,621
Change in Net Position	(890,429)	(574,826)
Total Net Position - Beginning of Year	49,552,836	50,127,662
Total Net Position - End of Year	\$ 48,662,407	\$ 49,552,836

The notes to the financial statements are an integral part of this statement.

PLUM CREEK WATER RECLAMATION AUTHORITY
Statements of Cash Flows
for the Fiscal Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities:		
Receipts from Customers and Users	\$ 6,089,203	\$ 6,155,972
Payments to Suppliers	(6,138,241)	(5,092,533)
Lease Income	35,700	35,700
Other Receipts	125,149	285,190
	<u>111,811</u>	<u>1,384,329</u>
Net Cash Provided by Operating Activities		
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(1,304,538)	(1,098,865)
Principal Paid on Capital Debt	(85,607)	(80,574)
Interest Paid on Capital Debt	(9,657)	(12,080)
	<u>(1,399,802)</u>	<u>(1,191,519)</u>
Net Cash (Used) in Capital and Related Financing Activities		
Cash Flows from Investing Activities:		
Interest Received	439,229	512,053
	<u>439,229</u>	<u>512,053</u>
Net Cash Provided by Investing Activities		
Net Increase (Decrease) in Cash and Cash Equivalents	(848,762)	704,863
Cash and Cash Equivalents		
Beginning of Year	10,676,946	9,972,083
	<u>\$ 9,828,184</u>	<u>\$ 10,676,946</u>
End of Year		
	<u>\$ 9,828,184</u>	<u>\$ 10,676,946</u>
Detail of Cash and Cash Equivalents:		
Cash and Investments	8,578,184	9,426,946
Restricted Investments - Debt Service	1,250,000	1,250,000
Total Cash and Cash Equivalents	<u>\$ 9,828,184</u>	<u>\$ 10,676,946</u>
Net Cash Provided by Operating Activities:		
Operating Income (Loss)	\$ (1,475,166)	\$ (1,024,447)
Adjustments to Reconcile Operating Income to		
Net Cash Provided by Operating Activities:		
Depreciation and Amortization	2,130,690	2,106,268
Miscellaneous Income	128,235	258,085
Lease Income	35,700	35,700
(Increase) Decrease in Current Assets:		
Accounts Receivable - Other Governments	(389,928)	24,634
Other Receivable	(3,086)	27,105
Inventory	14,155	(4,758)
(Increase) Decrease in Deferred Outflow of Resources:		
Deferred Outflow Related to Pension	164,428	273,821
Deferred Outflow Related to OPEB	(2,751)	2,472
Increase (Decrease) in Current Liabilities:		
Accounts Payable	(310,656)	145,225
Accrued Benefits	37,452	9,810
Pension Liability	(223,152)	(396,626)
(Increase) Decrease in Deferred Inflow of Resources:		
Deferred Inflow Related to Pension	4,161	(62,931)
Deferred Inflow Related to OPEB	1,729	(10,029)
Total Adjustments	<u>1,586,977</u>	<u>2,408,776</u>
Net Cash Provided by Operating Activities	<u>\$ 111,811</u>	<u>\$ 1,384,329</u>

The notes to the financial statements are an integral part of this statement.

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

I: Summary of significant accounting policies

Plum Creek Water Reclamation Authority (Authority) was formed by an agreement among the Town of Castle Rock, Castle Pines Metropolitan District and Castle Pines North Metropolitan District (Members) dated December 14, 1989, with final executed documents on January 12, 1990. All Members are political subdivisions of the State of Colorado. The Authority is governed by an appointed Board of Directors consisting of three directors. Each Member appoints one director.

The primary function of the Authority is to provide wastewater treatment services to the Members and two unincorporated areas, Silver Heights and Castleton Center.

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following summary of significant accounting policies of the Authority is presented to assist in understanding the Authority's financial statements. The accounting policies of the Authority conform to GAAP as applicable to governmental units.

A. Reporting entity

The Authority has no component units as defined by the GASB Statements 14 and 39.

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

The Authority has the following fund type:

Proprietary Funds – are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred. Proprietary funds include the following fund type:

Enterprise Funds – are used to account for those operations where the Board has decided that the determination of revenues earned, cost incurred and/or net income is necessary for management accountability.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the Authority's enterprise fund are charges for providing wastewater treatment and reuse effluent services. The Authority's operating expenses include the cost of providing wastewater treatment and reuse effluent service, administrative expenses, and depreciation on capital assets. All other revenues and expenses are reported as non-operating revenues and expenses.

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

C. Assets, liabilities, and equity

1. Deposits and investments

For purposes of the statement of cash flows, cash equivalents consist of cash on hand and amounts deposited in the bank, money markets and state regulated pooled accounts subject to immediate withdrawal. Investments are reported at fair value and will have a maturity of no more than five years. The reported value of the state pool is the same as the fair value.

2. Fair value of financial instruments

The Authority's financial instruments include cash and cash equivalents, restricted cash, deposit with trustee, accounts receivable, and accounts payable. The Authority estimates that the fair value of all financial instruments at December 31, 2025 and 2024 does not materially differ from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amounts of these financial instruments approximate fair value, because of the short maturity of these instruments.

3. Estimates

The preparation of financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

4. Capital assets

Capital assets include property, plant machinery and equipment, vehicles, improvements, as well as intangible/non-depreciable assets such as land. The Authority defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life of two years minimum. Such assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at acquisition value as of the date received.

Depreciation of all exhaustible capital assets is charged as expenses against operations. Accumulated depreciation is reported on the statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	50
Improvements	5 - 20
Equipment	5 - 20
Vehicle	10

5. Inventory

Inventories are valued at cost using the first in/first out (FIFO) method. The only inventories maintained for the Authority are grease/oil, chemicals, and fuel.

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

6. Restricted assets

The Authority secured loans in 2001, 2002 and 2005 to fund the 2005 plant expansion and biosolids program. As part of the loan agreement with Colorado Water Resources and Power Development Authority (CWRPDA), the Authority is required to restrict three months of operating expenditures, up to \$1,250,000, in a reserve fund. The Authority has reserved \$1,250,000 for this purpose in 2025.

7. Escrow funds

The Town of Castle Rock began discussions of a plant expansion in mid-2017 resulting in RFPs for design and engineering services being sent out on July 13, 2017. The expansion should increase treatment capacity from 6.44 MGD to 9.44 MGD once the CDPHE finalizes a new permit for the Authority. The final total contribution from each member for this project was: Town of Castle Rock, \$30,847,495; Castle Pines North, \$4,948,344; Castle Pines Metro District, \$348,333; Silver Heights, \$17,392; and Castleton Center, \$4,969. All interest is tracked and distributed accordingly to each member by percentage of contribution. The funds are transferred from COLOTRUST to the Authority's FirstBank checking account in exact amounts to pay for specific approved invoices.

All funds and their earned interest are tracked by member in an escrow account in COLOTRUST. Expenditures totaled \$37,322,421 as of December 31, 2025, and \$35,579,476 as of December 31, 2024. The total balance in the escrow account is \$1,519,164 as of December 31, 2025, and \$1,605,291 as of December 31, 2024. A retainage was held but not fully paid out at the end of the project due to certain equipment not meeting specifications. The remaining retainage amount was returned to the cash balance as of 2024.

If any funds remain, they will be reimbursed to each member accordingly. However, the balance of the escrow will likely be utilized to pay for an additional biofilter for redundancy and odor control which began in 2025 and is expected to be completed in 2026. The project and utilization of funds was approved by the board of directors.

8. Accrued Benefits

The Authority accrues sick pay for full-time employees at 3.08 hours per pay period with a max accrual of 160 hours. Vacation accrual is at the following rates:

Length of Service	Accrual Rate for Full Time	Accrual Rate for Part Time
Hire date through 60 months	3.08 hours per pay period (80 hours/year) Max Accrual 160	0.0385 per hour worked
61 months through 120 months	4.62 hours per pay period (120 hours/year) Max Accrual 240	0.0578 per hour worked
121 months 240 months	6.16 hours per pay period (160 hours/year) Max Accrual 320	0.077 per hour worked
241 months and beyond	6.77 hours per pay period (176 hours/year) Max Accrual 352	N/A

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

The Authority will pay employees for their accrued/unused vacation time upon termination of employment with sufficient notice at their full hourly rate. The accrued compensated absence liability amounted to \$ 174,892 at December 31, 2025 and \$138,422 at December 31, 2024. These amounts are recorded within "Accrued Benefits" on the statements of net position.

During 2024, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 101, which updated the recognition and measurement guidance for compensated absences. In addition to the value of unused vacation owed to employees upon separation of employment, the Authority now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of this change in accounting principle were not material to the financial statements and did not require a restatement of beginning net position.

9. Long-term obligations

Long-term debt is reported as a liability in the statement of net position. Bond premiums are deferred and amortized over the life of the loan.

10. Net position

The Authority applies Operating Revenue resources first and COLOTRUST General Funds second when an expense is incurred. Restricted Assets are not used and remain for emergency use only. The Authority has not needed to use any amount of the Restricted Assets.

11. Subsequent Events

The Authority has evaluated subsequent events through April 29, 2026, the date on which these financial statements were available for management review. On January 15, 2026, the Authority secured a \$3,500,000 State Revolving Fund (SRF) direct loan with the Colorado Water Resources and Power Development Authority (CWRPDA). An additional \$3,500,000 SRF direct loan with identical terms was secured on March 19, 2026. These 30-year, fixed-rate (3.5 percent) loans feature semi-annual payments and mature on November 1, 2055 and May 1, 2056 respectively.

12. Reclassifications

Certain amounts in the financial statements were reclassified in the 2024 ACFR to enhance consistency and comparability with that current year's financial presentation. To provide meaningful comparative information, the 2023 amounts presented in the Management's Discussion and Analysis (MD&A) and the financial statements were reclassified to conform to the 2024 presentation. These reclassifications had no impact on previously reported net position or change in net position.

13. Risks & Uncertainties

The 2025 unemployment rate for Colorado returned to the 2023 rate of 3.8% after an increase to 4.6% in 2024. Inflation and potential supply chain issues continue to create risks and uncertainties for all industries. The cost of operating the facility remains high due to increased costs for chemicals, fuel, and commodities such as electricity and natural gas. The war in Iran will likely exacerbate the inflationary costs of much of the chemicals and fuel used to operate the facility in 2026. Additionally, these same economic conditions create a difficult environment for living in the Castle Rock area, thus putting a constraint on the livelihood of current staff, many of whom are required to live within 30 minutes of the

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

facility for emergency situations. In 2024, the Authority retained a third-party professional to perform a compensation market evaluation. Based on this analysis, several salary ranges were adjusted and warranted an increase in the salaries for some employees. The Authority was fully staffed for most of 2025 with 22 full-time employees. Additionally, regulatory changes from the State and EPA pose an even greater uncertainty as the potential costs for these changes could be out of reach. The Authority's discharge permit has been in administrative extension since 2017; however, the State began reviewing the permit in 2026 and management has attempted to work closely with the State on the limits imposed.

The Authority reports \$6,479,131 of revenue from its members, with 80 percent associated with one member. A loss of revenue from that member could adversely affect the Authority. However, the loss of revenue from this member is unlikely given it is a town that maintains a structurally balanced budget, utilizes robust development impact fees paid by developers to fund new infrastructure, and is supported by high-income residential growth.

D. New Accounting Pronouncements

The GASB issued the following Statements with a 2025 implementation:

No. 102, "Certain Risk Disclosures." – Implemented, See Note 1. C. 13.

The GASB issued the following Statements with a 2026 implementation:

No. 103, "Financial Reporting Model Improvements." – The Authority expects a minimal impact upon implementation of this standard.

No. 104, "Disclosure of Certain Capital Assets." – The Authority does not expect an impact upon implementation of this standard.

II: Stewardship, compliance, and accountability

A. Budgetary information

Formal budgetary integration is employed as a management control device during the year for all the funds, as well as to comply with the State of Colorado Budget Law. The Board of Directors adopted the Authority budget in accordance with the Colorado Revised Statutes.

The budget is adopted on a basis which differs from GAAP in that depreciation of capital assets is not provided and capital expenditures are included in the budget. Total fund expenses cannot exceed appropriations.

The Board of Directors may amend the budget subsequent to adoption, in accordance with provisions of Colorado Revised State Statutes.

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

III: Detailed notes on all funds

A. Deposits and investments

Cash and investments are reflected on the December 31, 2025 and 2024 statements of net position as follows:

	2025	2024
Current Assets:		
Cash and Investments	\$8,578,184	\$ 9,426,946
Restricted Assets:		
Investments-Debt Service	1,250,000	1,250,000
	\$9,828,184	\$ 10,676,946

Cash deposits and investments by classification as of December 31, 2025 and 2024 are as follows:

	2025	2024
Cash in Bank	\$ 532,123	\$ 451,360
Cash Equivalents - State Pool	9,296,061	10,225,586
Total	\$ 9,828,184	\$ 10,676,946

1. Cash and cash equivalents

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. The State Regulatory Commissions for banks and savings and loan associations are required by Statute to monitor the naming of eligible depositories and the reporting of the uninsured deposits and assets maintained in the collateral pools.

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. As of December 31, 2025, the Authority's deposits were not exposed to custodial credit risk as all deposits were insured by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with PDPA. On December 31, 2025, the Authority's carrying amount of bank deposits was \$777,907 with a book balance of \$532,123. On December 31, 2024, the Authority's carrying amount of bank deposits was \$499,722, with a book balance of \$451,360.

As of December 31, 2025, and 2024, the Authority had \$5,558,404 and \$6,267,704 respectively, invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) Plus+, an investment pool established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. The trusts operate similarly to money market funds, with each share maintaining a value of \$1.00. Investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. Designated custodian banks provide safekeeping and depository services to the trusts. As of December 31, 2025, COLOTRUST Plus+ was rated AAAM by Standard & Poor's. COLOTRUST records its

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

investments at fair value, and the Authority records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

2. Investments

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

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. and local governmental entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The Authority invested capital reserve funds in COLOTRUST EDGE with \$3,737,657 as of December 31, 2025; and \$3,957,882 as of December 31, 2024. This trust operates similarly to money market funds, with each share maintaining a variable value of \$10.00. The share value was \$9.99 as of December 31, 2024 and 2025. Investments consist of U.S. Treasury notes, Asset Backed Commercial Paper, Commercial Paper, and Certificates of Deposit. Substantially all securities owned by the trust are held by the Federal Reserve Bank in the account maintained for the custodial banks. The custodians' internal records identify the investments owned by COLOTRUST. Information regarding COLOTRUST's financial statements is available at its website, www.COLOTRUST.com. As of December 31, 2025, EDGE was rated AAf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the Authority records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

The EDGE portfolio performs very similarly to the Plus+ portfolio with the main differences in the liquidity of next-day and daily respectively. Also, the EDGE has a variable net asset value of \$10 per share while the Plus+ has a stable net asset value of \$1 per share. The Authority experienced a year-to-date unrealized gain of \$31 in the EDGE portfolio while recording \$179,110 year-to-date earned income as of December 31, 2025.

Interest rate risk As a means of limiting its exposure to fair value losses arising from prevailing market interest rates, the Authority investment policy states that the maximum maturity of any investment shall be no longer than 5 years. During 2025, the Authority was solely invested in COLOTRUST. The COLOTRUST PLUS+ portfolio may invest in securities with a maximum maturity of 365 days or less, 270 days in the case of commercial paper, and an average weighted maturity not in excess of 60 days. COLOTRUST EDGE is a variable net asset value (NAV) local government investment pool that offers weekly liquidity to Participants. EDGE is suitable for a local government's strategic reserves/non-operating funds and has a NAV that is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE measures its investments at fair value so investments in EDGE are not required to be categorized within the fair value hierarchy and is rated 'AAf/S1' by Fitch Ratings. As

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of December 31, 2025, COLOTRUST EDGE possessed a weighted average maturity of 122 days and a weighted average life of 212 days.

Credit risk The Authority's investment policy is to apply the prudent person rule where investments are made as a prudent person would be expected to act. The Authority's investment policy limits investments in fixed-income securities to: U.S. Treasury bills, notes, and bonds; certificates of deposit; commercial paper; federal agencies and instrumentalities; money market accounts; and Colorado public investment pools.

Fair Value Measurement and Application The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. All of the Authority's investments are measured at fair value using Level 1 inputs.

B. Capital assets

Capital asset activity for the year ended December 31, 2025 was as follows:

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital assets, not being depreciated:				
Land	\$ 3,514,347	\$ -	\$ -	\$ 3,514,347
Construction in progress	238,007	723,898	(202,832)	759,073
Total capital assets, not being depreciated	<u>3,752,354</u>	<u>723,898</u>	<u>(202,832)</u>	<u>4,273,420</u>
Capital assets, being depreciated:				
Buildings	25,096,871	-	-	25,096,871
Improvements other than buildings	19,711,138	210,194	(6,968)	19,914,364
Machinery and equipment	19,844,575	538,208	(78,334)	20,304,450
Vehicles	325,031	47,068	(22,912)	349,187
Total capital assets being depreciated	<u>64,977,615</u>	<u>795,470</u>	<u>(108,214)</u>	<u>65,664,872</u>
Less accumulated depreciation for:				
Buildings	9,406,542	511,316	-	9,917,858
Improvements other than buildings	8,527,819	507,883	(6,968)	9,028,734
Machinery and equipment	10,895,443	1,077,807	(54,954)	11,918,296
Vehicles	163,364	33,684	(22,912)	174,135
Total Accumulated depreciation	<u>28,993,168</u>	<u>2,130,690</u>	<u>(84,834)</u>	<u>31,039,023</u>
Total capital assets being depreciated, net	<u>35,984,448</u>	<u>(1,335,219)</u>	<u>(23,380)</u>	<u>34,625,849</u>
Total capital assets, net	<u>\$ 39,736,802</u>	<u>\$ (611,321)</u>	<u>\$ (226,212)</u>	<u>\$ 38,899,269</u>

Total depreciation expense for the years 2025 and 2024 was \$2,130,690 and \$2,454,888, respectively. In 2024, the Authority experienced a fire in an MAU unit and its appurtenances on top of building 8b,

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causing an impairment to the capital asset of \$348,620 and was included in the additions to depreciation expense for 2024. The impairment was expensed in 2024 and booked to accumulated depreciation to net the book value of the asset. Insurance paid \$333,500 for repairs in two payments occurring in 2024 and 2025. The repairs were completed in 2025. Capital assets with a value of \$108,214 were disposed of during 2025.

The Authority capitalized \$1,316,536 in total for new and replacement capital in 2025. A biofilter expansion project was started but not completed in 2025, resulting in \$723,898 for the total 2025 CIP. \$202,832 was removed from the 2024 CIP and added to \$39,791 of the 2025 expenses to complete the fire panel in building 1 and the centrifuge recirculation pipe assets. Asset disposals and trade-ins yielded a net retirement loss of \$11,380, representing a \$23,380 loss on retired assets, partially mitigated by a \$12,000 gain on an asset trade-in.

Capital asset activity for the year ended December 31, 2024 was as follows:

	Balance 1/1/2024	Additions	Deletions	Balance 12/31/2024
Capital assets, not being depreciated:				
Land	\$ 3,514,347	\$ -	\$ -	\$ 3,514,347
Construction in progress	120,472	202,832	(85,297)	238,007
Total capital assets, not being depreciated	<u>3,634,819</u>	<u>202,832</u>	<u>(85,297)</u>	<u>3,752,354</u>
Capital assets, being depreciated:				
Buildings	24,910,111	221,399	(34,639)	25,096,871
Improvements other than buildings	19,332,606	378,532	-	19,711,138
Machinery and equipment	19,582,855	306,869	(45,149)	19,844,575
Vehicles	263,415	90,031	(28,415)	325,031
Total capital assets being depreciated	<u>64,088,987</u>	<u>996,831</u>	<u>(108,203)</u>	<u>64,977,615</u>
Less accumulated depreciation for:				
Buildings	8,609,295	826,142	(28,895)	9,406,542
Improvements other than buildings	8,040,262	487,557	-	8,527,819
Machinery and equipment	9,819,350	1,115,421	(39,328)	10,895,443
Vehicles	166,010	25,768	(28,414)	163,364
Total Accumulated depreciation	<u>26,634,917</u>	<u>2,454,888</u>	<u>(96,637)</u>	<u>28,993,168</u>
Total capital assets being depreciated, net	<u>37,454,070</u>	<u>(1,458,057)</u>	<u>(11,566)</u>	<u>35,984,447</u>
Total capital assets, net	<u>\$ 41,088,889</u>	<u>\$ (1,255,225)</u>	<u>\$ (96,863)</u>	<u>\$ 39,736,801</u>

The Authority owns land for the purpose of disposing of biosolids. The land is leased to Denali for \$15,000 per year; however, \$7,500 is used for maintenance on roads, fences and wells on the property, netting \$7,500 for the Authority in farm lease income. There is no depreciation on the asset for the lease since the only asset is land. The cost and income of the lease is immaterial to the Authority's financials. Additionally, the Authority leases space on the corner roof of one building to T-Mobile for a cell tower. Again, the lease totals \$20,700 in lease income annually for the Authority and is immaterial to the financials.

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C. Long-term debt

The long-term debt activity for the years ended December 31, 2025 and 2024 is as follows:

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025	Current Portion
CWRPDA Loan 2005	\$ 180,957	\$ -	\$ 85,607	\$ 95,350	\$ 95,350
Total long-term debt	<u>\$ 180,957</u>	<u>\$ -</u>	<u>\$ 85,607</u>	<u>\$ 95,350</u>	<u>\$ 95,350</u>

	Balance 1/1/2024	Additions	Deletions	Balance 12/31/2024	Current Portion
CWRPDA Loan 2005	\$ 261,530	\$ -	\$ 80,573	\$ 180,957	\$ 85,607
Total long-term debt	<u>\$ 261,530</u>	<u>\$ -</u>	<u>\$ 80,573</u>	<u>\$ 180,957</u>	<u>\$ 85,607</u>

Clean Water Revenue Bonds, 2005 Series A – May 1, 2005 – The Authority executed a note with the Colorado Water Resources & Power Development Authority (CWRPDA) in the amount of \$1,510,000 to provide funds for purchase of approximately 1,920 acres of land for biosolids processing, and the purchase of biosolids processing, monitoring, and laboratory equipment. The note is payable from “net revenue” as defined in the contract. Note proceeds were deposited with a third-party trustee to disburse the amounts on deposit upon receipt of a requisition executed by an authorized officer of the Authority and approved by the CWRPDA. The note has an interest rate of 3.35 percent and is payable in 42 installments over 21 years.

On May 13, 2016, the Authority received a letter from the Colorado Water Resources & Power Development Authority (CWRPDA) regarding the refinancing of the bond issue(s) that provided the funds for the 2005 loan from the Water Pollution Control Revolving Fund. The total anticipated savings provided to the Authority is \$82,189. The last several loan repayments include anticipated refunding credits to the principal portion of the Authority’s loan. These anticipated credits are reflected in the revised loan repayment schedule. The note has a new effective yield of 0.90 percent with the installments continuing as originally scheduled.

On January 8, 2020, the Authority received a letter from the Colorado Water Resources & Power Development Authority (CWRPDA) regarding the structure of the bond issues that provided the funds for the 2002 loan from the Water Pollution Control Revolving Fund. The aforementioned letter dated February 28, 2013 originally provided a payment schedule which presented the interest payments becoming negative in the later years. The schedule was rewritten to reduce the principal rather than the interest.

Annual debt service requirements to maturity for the note are as follows:

Year Ending December 31,	Principal	Interest
2026	\$ 95,350	\$ 4,500
Total	<u>\$ 95,350</u>	<u>\$ 4,500</u>

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The Authority is not in default of its covenants and obligations under these loans. The Authority maintained operation and maintenance reserve funds totaling \$1,250,000 and has established rates and charges for its services and products in accordance with the covenants of these loans.

D. Reconciliation of Budgetary Basis to U.S. GAAP Basis

	2025	2024
Change in Fund Balance, Non-GAAP Basis	\$ 70,260	\$ 735,467
Adjustments:		
Principal Paid on Loan	95,350	85,607
Loss on Impairment of Assets	-	(348,620)
Gain(Loss) on Retirement of Assets	(11,380)	3,935
Replacement Costs Capitalized	586,136	843,790
Capital Outlay Costs Capitalized	730,400	255,576
Pension Expense	(230,505)	(44,313)
Depreciation	(2,130,690)	(2,106,268)
Total Adjustments	(960,689)	(1,310,293)
Change in Net Position, GAAP Basis	\$ (890,429)	\$ (574,826)

For 2025, the Authority's capital purchases, both new and replacement, were either capitalized or booked to CIP in the amount of \$1,316,536 and 2024 in the amount of \$1,099,366. Of the \$1,316,536, the fire panel in building 1 and the centrifuge recirculation pipe assets had \$162,534 in CIP from 2024, which was included in the depreciation expense for 2025. In 2024, the Authority also recorded a loss on impairment of assets of \$348,620 with offsetting insurance proceeds of \$333,500 due to a fire in an MAU unit and appurtenances of one of its buildings.

IV: Retirement Commitments

Defined Benefit Pension Plan

A. Summary of Significant Accounting Policies

Pensions

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

B. General Information About the Pension Plan

Plan Description

Eligible employees of the Plum Creek Water Reclamation Authority are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan

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benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

Benefits Provided as of December 31, 2024

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

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

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

The service retirement benefit is limited to 100 percent of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent 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 will receive the maximum annual increase (AI) or AI cap of 1.00 percent 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 percent 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 percent 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 percent 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 lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

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

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Contributions Provisions as of December 31, 2024

Eligible employees of the Authority and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of January 1, 2024 through December 31, 2025 are summarized in the following table:

	January 1, 2024 through December 31, 2024	January 1, 2025 through December 31, 2025
Employee contribution	9.00%	9.00%

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

The employer contribution requirements are summarized in the table below:

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

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

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Authority were \$249,625 for the year ended December 31, 2025.

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

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

At December 31, 2025 the Authority reported a liability of \$923,274 for its proportionate share of the net pension liability.

At December 31, 2024, the Authority's proportion was .1505 percent, which was a decrease of .0021 percent from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Authority recognized pension expense of \$221,294. At December 31, 2025, the Authority 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
Differences between expected and actual experience	\$ 69,669	\$ -
Changes of assumptions or other inputs	27,248	-
Net difference between projected vs. actual earnings on pension plan investments	86,884	-
Change in proportion and differences between contributions recognized and proportionate share of contributions	-	5,311
Contributions subsequent to the measurement date	249,625	-
Total	\$ 433,426	\$ 5,311

The \$249,625 reported as deferred outflows of resources resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending December 31,	
2026	\$ 163,984
2027	219,787
2028	(147,061)
2029	(58,220)
	\$ 178,490

At December 31, 2024 the Authority reported a liability of \$1,120,194 for its proportionate share of the net pension liability.

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At December 31, 2023, the Authority's proportion was 0.1526 percent, which was a decrease of 0.0025 percent from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Authority recognized pension expense of \$24,755.

At December 31, 2024, the Authority 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
Differences between expected and actual experience	\$ 60,622	\$ 1,150
Net difference between projected vs. actual earnings	327,101	-
Change in proportion and differences between contributions recognized and proportionate share of contributions	11,449	-
Contributions subsequent to the measurement date	198,682	-
Total	\$ 597,854	\$ 1,150

The \$198,682 of deferred outflows of resources resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending December 31,	
2025	\$ 73,716
2026	138,534
2027	275,876
2027	(90,103)
	\$ 398,023

Actuarial Assumptions

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

<u>Actuarial cost method</u>	<u>Entry age</u>
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.20 – 11.30 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount Rate	7.25 percent

Post-retirement benefit increases:

PERA benefit structure hired prior to 1/1/07	1.00 percent
PERA benefit structure hired after 12/31/06 ¹	Financed by the Annual Increase Reserve

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.

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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 to generational mortality. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019.

Pre-Retirement	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Employee	N/A

Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Healthy Retiree	Males: 94% of the rates prior to age 80/ 90% of the rates age 80 and older Females: 87% of the rates prior to age 80/ 107% of the rates age 80 and older

Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 97% of the rates for all ages Females: 105% of the rates for all ages

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

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

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

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

Salary scale assumptions were altered to better reflect actual experience.

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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 percent to 0.45 percent.

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

Pre-Retirement	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Employee	N/A

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

Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 92% of the rates for all ages Females: 100% of the rates for all ages

Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages

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

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

The PERA Board first adopted the 7.25 percent 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

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

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

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

Discount Rate

The discount rate used to measure the TPL was 7.25 percent. 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 percent.
- 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 AAP assessment. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan 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 fiduciary net 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.

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

Based on the above assumptions and methods, LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent 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 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Authority'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 percent, 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 percent) or 1-percentage point higher (8.25 percent) than the current rate:

	Discount Rate	Authority's proportionate share of net pension liability (asset)
1% Decrease current Discount rate	6.25%	2,020,861
	7.25%	923,274
1% Increase	8.25%	1,175

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..

Payables to the Pension Plan

The Authority did not record any payables to the LGDTF as of December 31, 2025.

Defined Contribution Pension Plan

Voluntary Investment Program (PERAPlus 401(k) Plan)

Plan Description

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

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

Funding Policy

The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the CRS, as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended December 31, 2025 and 2024, program members contributed \$149 and \$5,478 to the PERAPlus 401(k) plan, respectively.

Defined Contribution Retirement Plan (PERA DC Plan)

Plan Description

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

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

Funding Policy

All participating employees in the PERA DC Plan and the Authority are required to contribute a percentage of the participating employees' PERA-includable salary to the PERA DC Plan. The employee and employer contribution rates for the period January 1, 2024 through December 31, 2025 are summarized in the tables below:

	January 1, 2024 Through December 31, 2024	January 1, 2025 Through December 31, 2025
Employee Contribution Rates:	9.00%	9.00%
Employer Contribution Rates:	10.00%	10.00%

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

Additionally, the employers are required to contribute AED, SAED, and other statutory amounts to the LGDTF as follows:

	January 1, 2024 Through December 31, 2024	January 1, 2025 Through December 31, 2025
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	1.50%	1.50%
Automatic Adjustment Provision (AAP), as specified in C.R.S. § 24-51-413 ¹	1.00%	1.00%
Additional Contribution Supplement as specified in C.R.S. § 24-51-415	0.08%	0.11%
Total employer contribution rate to the LGDTF¹	4.78%	4.81%

¹Contribution rate for the DC Plan are expressed as a percentage of salary as defined in CRS 24-51-101(42)

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Notes to the Financial Statements

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Contribution requirements are established under Title 24, Article 51, Section 1505 of the CRS, as amended. Participating employees of the PERA DC Plan are immediately vested in their own contributions and investment earnings and are immediately 50 percent vested in the amount of employer contributions made on their behalf. For each full year of participation, vesting of employer contributions increases by 10 percent. Forfeitures are used to pay expenses of the PERA DC Plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the CRS. As a result, forfeitures do not reduce pension expense. Participating employees in the PERA DC Plan contributed \$30,109 and the Authority recognized pension expense and a liability of \$29,658 and \$123,736 respectively, for the PERA DC Plan.

Deferred Compensation Plan (PERAPlus 457 Plan)

Plan Description

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

Funding Policy

The PERAPlus 457 Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1603 of the C.R.S., as amended. Members are immediately vested in their own contributions and investment earnings. For the year ended December 31, 2025 and 2024, members contributed \$53,944 and \$41,935 to the plan, respectively.

D. Defined Benefit Other Post-Employment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

Plan Description

Eligible employees of the Authority 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 from time to time by the Colorado General

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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 are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

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

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent 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 on behalf of benefit recipients not covered by Medicare Part A.

Contributions

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

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Notes to the Financial Statements

December 31, 2025 and 2024

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the Authority were \$17,212 for December 31, 2025 and \$13,839 for the year ended December 31, 2024.

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

At December 31, 2025, the Authority reported a liability of \$53,753 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The Authority's proportion of the net OPEB liability was based on the Authority'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 Authority's proportion was 0.0112 percent, which was an increase of 0.00003 percent from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Authority recognized OPEB benefit of \$10,041. At December 31, 2025, the Authority 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
Differences between expected and actual experience	\$ -	\$ 11,857
Changes in assumptions or other inputs	616	17,182
Net difference between projected and actual earnings on OPEB	182	-
Change in proportion and differences between contributions recognized and proportionate share of contributions	1,994	-
Contributions subsequent to the measurement date	17,212	-
Total	\$ 20,004	\$ 29,039

\$17,212 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:

December 31,

2026	\$ (9,203)
2027	(3,574)
2028	(5,353)
2029	(3,801)
2030	(2,813)
Thereafter	(1,502)
	\$ (26,247)

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

At December 31, 2024, the Authority reported a liability of \$79,985 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2023. The Authority's proportion of the net OPEB liability was based on the Authority's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the Authority's proportion was 0.0112 percent, which was an decrease of 0.00004 percent from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Authority recognized OPEB benefit of \$5,537. At December 31, 2024, the Authority 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
Differences between expected and actual experience	\$ -	\$ 16,393
Changes in assumptions or other inputs	940	8,481
Net difference between projected and actual earnings on OPEB plan	2,474	-
Change in proportion and differences between contributions recognized and proportionate share of contributions	-	2,436
Contributions subsequent to the measurement date	13,839	-
Total	\$ 17,253	\$ 27,310

\$13,839 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	
2025	\$ (13,898)
2026	(6,146)
2027	(528)
2028	(2,301)
2029	(758)
Thereafter	(266)
Total	\$ (23,896)

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Notes to the Financial Statements

December 31, 2025 and 2024

Actuarial Assumptions

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

<u>Actuarial cost method</u>	<u>Entry age</u>
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

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.

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Notes to the Financial Statements

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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

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.

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Notes to the Financial Statements

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

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

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

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

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

Pre-Retirement	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
<hr/>		
Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	Males: 94% of the rates prior to age 80/90% of the rates age 80 and older Females: 87% of the rates prior to age 80/ 107% of the rates age 80 and older

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Notes to the Financial Statements

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Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 97% of the rates for all ages Females: 105% of the rates for all ages
Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages

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

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

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

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

Salary increases, including wage inflation:

Members other than Safety Officers	3.40%-13.00%
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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.

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December 31, 2025 and 2024

- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

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

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

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

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

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

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

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

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

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

Sensitivity of the Authority'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%
Net OPEB Liability	\$52,305	\$53,753	\$55,392

¹For the January 1, 2025, plan year.

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

Discount Rate

The discount rate used to measure the TOL was 7.25 percent. 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 percent.
- 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 HCTF’s FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent 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 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Authority’s proportionate share of the net OPEB liability to changes in the discount rate

The following table presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, 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 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 65,876	\$53,753	\$43,303

PLUM CREEK WATER RECLAMATION AUTHORITY

Notes to the Financial Statements

December 31, 2025 and 2024

OPEB plan fiduciary net position

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

Payables to the OPEB plan

The Authority did not record any payables to the HCTF as of December 31, 2025.

V: Other information

A. Risk management

The Authority is exposed to various risks of torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. In order to manage these risks, the Authority is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool was established by the Colorado Special District Association (SDA) to provide property, liability, public official's liability, boiler and machinery and worker compensation coverage to its members. The Pool provides coverage for property claims up to \$45,588,784 and liability coverage for claims up to \$2,000,000 with excess liability coverage of up to \$5,000,000 per occurrence. In addition, the Authority opted for \$5,000,000 earthquake, as well as \$15,000,000 flood coverage. The Authority also participates in the Pool's Cost Containment strategies for safety and risk management.

The Authority pays annual premiums to the Pool for liability, property, and public official's coverage, which are recorded as expenses. In the event the aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from Pool members. Any excess funds that the Pool determines are not needed for purpose of the Pool, may be returned to the members pursuant to a distribution formula. Settled claims have not exceeded this coverage in any of the last three fiscal years.

B. Tax, spending, and debt limitation

Colorado voters passed Amendment 1 to the State Constitution, Article X, Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR), which contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and local governments.

On November 16, 1993, the Authority adopted a resolution to establish a Wastewater Activity Enterprise in accordance with Article 45.1, Title 37, Colorado Revised Statutes, as an instrument of the Authority for the purpose of pursuing wastewater activities, including the construction, operation, repair, and replacement of wastewater facilities, and conducting all business related thereto. The Authority's management believes provisions of Amendment 1 do not apply to the Wastewater Activity Enterprise.

Enterprises, defined by TABOR as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The Authority's management believes the Authority qualifies for this exclusion. However, TABOR is complex and subject to interpretation. Many of its provisions, including qualification as an enterprise, may require further judicial review.

Required Supplementary Information

PLUM CREEK WATER RECLAMATION AUTHORITY
Retirement Plan Supplementary Information

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios

<u>Year Ending*</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)</u>
12/31/2017	0.138%	\$ 1,863,308	\$ 836,381	222.78%	73.65%
12/31/2018	0.161%	1,792,599	1,015,651	176.50%	79.40%
12/31/2019	0.167%	2,105,281	1,098,341	191.68%	75.96%
12/31/2020	0.151%	1,101,247	1,054,394	104.44%	86.26%
12/31/2021	0.151%	788,528	1,109,911	71.04%	90.88%
12/31/2022	0.143%	(122,371)	1,176,376	-10.40%	101.49%
12/31/2023 (1),(2)	0.150%	1,505,011	1,408,481	106.85%	82.99%
12/31/2024 (1),(2)	0.153%	1,120,194	1,533,665	73.04%	88.03%
12/31/2025 (1),(2)	0.150%	923,274	1,607,620	57.43%	90.45%

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

* The data provided in this schedule is based as of the measurement date of the Authority's net pension liability, which is as of the beginning of the year.

(1)—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information: 2024 Changes in Plan Provisions Since 2023

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

(1)—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information: 2023 Changes in Plan Provisions Since 2022

- 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 payment received on December 4, 2023 and a \$2,000 receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1,033 and \$24,967, respectively.

(1)—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information: 2022 Changes in Plan Provisions Since 2021

- 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.

(2)—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information: 2024 Changes in Assumptions or Other Inputs Since 2023

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The 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)—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information: 2023 Changes in Assumptions or Other Inputs Since 2022

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

(2)—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information: 2022 Changes in Plan Provisions Since 2021

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

PLUM CREEK WATER RECLAMATION AUTHORITY
 Retirement Plan Supplementary Information

Schedule of Employer Contributions

<u>Year Ending</u>	<u>Statutorily Required Contributions</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/(Deficiency)</u>	<u>Actual Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2017	\$ 128,784	\$ 128,784	\$ -	\$ 1,015,651	12.7%
12/31/2018	139,270	139,270	-	1,098,341	12.7%
12/31/2019	138,793	139,422	629	1,054,394	13.2%
12/31/2020	131,516	139,422	7,906	1,109,911	12.6%
12/31/2021	138,121	142,974	4,853	1,176,376	12.2%
12/31/2022	140,187	155,603	15,416	1,408,481	11.0%
12/31/2023	165,437	165,877	440	1,533,665	10.8%
12/31/2024	184,209	184,209	-	1,607,620	11.5%
12/31/2025	198,682	198,682	-	2,022,034	9.8%

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

Per GASB 75 for 2018 the previous years are restated.

PLUM CREEK WATER RECLAMATION AUTHORITY
Other Post Employment Benefit Supplementary Information

Schedule of Proportionate Share of the Net OPEB Liability and Related Ratios

<u>Year Ending*</u>	<u>Proportion of the Net OPEB Liability</u>	<u>Proportionate Share of the Net OPEB Liability</u>	<u>Actual Covered Payroll</u>	<u>Net OPEB Liability as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total OPEB Liability</u>
12/31/2018	0.013%	\$ 162,585	\$ 1,015,651	16.01%	7.80%
12/31/2019	0.013%	176,684	1,098,341	16.09%	17.03%
12/31/2020	0.011%	129,010	1,032,030	12.50%	24.49%
12/31/2021	0.011%	107,726	1,048,371	10.28%	32.78%
12/31/2022	0.010%	90,834	1,008,281	9.01%	39.40%
12/31/2023 ^{(1),(2)}	0.011%	91,794	1,140,863	8.05%	38.57%
12/31/2024 ^{(1),(2)}	0.011%	79,985	1,238,384	6.46%	46.16%
12/31/2025 ^{(1),(2)}	0.011%	53,753	1,356,773	3.96%	59.83%

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

* The data provided in this schedule is based as of the measurement date of the Authority's net OPEB liability, which is as of the beginning of the year.

(1)—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information: 2024 Changes in Plan Provisions Since 2023

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

(1)—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information: 2023 Changes in Plan Provisions Since 2022

- 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 payment received on December 4, 2023 and a \$2,000 receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1,033 and \$24,967, respectively.

(1)—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information: 2022 Changes in Plan Provisions Since 2021

- 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.

(2)—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information: 2024 Changes in Assumptions or Other Inputs Since 2023

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The 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)—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information: 2023 Changes in Assumptions or Other Inputs Since 2022

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

(2)—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information: 2022 Changes in Plan Provisions Since 2021

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

PLUM CREEK WATER RECLAMATION AUTHORITY
 Other Post Employment Benefit Supplementary Information

Schedule of Employer Contributions

<u>Year Ending</u>	<u>Statutorily Required Contributions</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/(Deficiency)</u>	<u>Actual Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2017	\$ 10,360	\$ 10,360	\$ -	\$ 1,015,651	1.0%
12/31/2018	11,203	11,203	-	1,098,341	1.0%
12/31/2019	11,165	11,203	38	1,032,030	1.1%
12/31/2020	11,165	10,527	(638)	1,048,371	1.0%
12/31/2021	10,693	11,203	510	1,008,281	1.1%
12/31/2022	10,284	11,712	1,428	1,140,863	1.0%
12/31/2023	11,637	11,636	(1)	1,238,384	0.9%
12/31/2024	12,632	12,632	-	1,356,773	0.9%
12/31/2025	13,839	13,839	-	1,687,492	0.8%

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

Supplementary Information

PLUM CREEK WATER RECLAMATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual - Budgetary (Non-GAAP) Basis
December 31, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Operating Revenue :			
Service Charges	\$ 6,725,662	\$ 6,479,131	\$ (246,531)
Total Operating Revenues	<u>6,725,662</u>	<u>6,479,131</u>	<u>(246,531)</u>
Operating Expenses:			
Personnel Services	3,337,000	2,449,470	887,530
Power & Heat	1,055,000	1,023,027	31,973
Biosolids Hauling	232,000	153,243	78,757
Telephone	40,000	37,286	2,714
Chemicals	736,000	674,333	61,667
Operating Supplies	274,500	244,006	30,494
Gas & Oil	46,000	19,570	26,430
Uniforms	15,000	16,707	(1,707)
Repair & Maintenance Supplies	34,000	110,163	(76,163)
Repair & Maintenance Services	786,500	422,443	364,057
Permits & Fees	36,000	34,855	1,145
Legal Fee	45,000	24,568	20,432
Auditing	16,000	16,000	-
Engineering Fee	105,000	17,477	87,523
USGS Monitoring	21,000	20,866	134
Laboratory Fee	31,500	27,673	3,827
Insurance	95,000	89,506	5,494
Membership Fees	100,000	85,955	14,045
Office Expenses	135,500	92,911	42,589
Repair & Replacement	700,000	619,179	80,821
Contingency	100,000	-	100,000
Total Operating Expenses	<u>7,941,000</u>	<u>6,179,238</u>	<u>1,761,762</u>
Total Operating Income	<u>(1,215,338)</u>	<u>299,893</u>	<u>1,515,231</u>
Nonoperating Revenues(Expenses) :			
Interest Income	300,000	439,229	139,229
Lease Income	35,700	35,700	-
Miscellaneous Income	20,000	128,235	108,235
Principal Paid on Loan	(189,997)	(95,350)	94,647
Interest Paid on Loan	(160,364)	(7,047)	153,317
Capital Outlay	(735,000)	(730,400)	4,600
Total Nonoperating Revenues(Expenses)	<u>(729,661)</u>	<u>(229,633)</u>	<u>500,028</u>
Change in funds Available, Non-GAAP Basis	(1,944,999)	70,260	2,015,259
Funds Available - Beginning of Year	6,120,306	9,415,938	3,295,632
Funds Available - End of Year	<u>\$ 4,175,307</u>	<u>\$ 9,486,198</u>	<u>\$ 5,310,891</u>
Change in Funds Available, Non-GAAP Basis		<u>\$ 70,260</u>	
Adjustments:			
Principal Paid on Loan		95,350	
Loss on Retirement of Assets		(11,380)	
Replacement Costs Capitalized		586,136	
Capital Outlay Costs Capitalized		730,400	
Pension Expense		(230,505)	
Depreciation		(2,130,690)	
Total Adjustments		<u>(960,689)</u>	
Change in Net Postion, GAAP Basis		<u>\$ (890,429)</u>	

See the independent auditors' report.

PLUM CREEK WATER RECLAMATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual - Budgetary (Non-GAAP) Basis
December 31, 2024

	Original and Final Budget	Actual	Variance
Operating Revenue :			
Service Charges	\$ 6,391,470	\$ 6,131,338	\$ (260,132)
Total Operating Revenues	6,391,470	6,131,338	(260,132)
Operating Expenses:			
Personnel Services	2,957,000	2,093,576	863,424
Administrative Fee	4,500	1,800	2,700
Power & Heat	1,110,000	987,285	122,715
Biosolids Hauling	203,000	171,823	31,177
Telephone	37,000	35,466	1,534
Chemicals	734,000	658,053	75,947
Operating Supplies	206,500	246,912	(40,412)
Gas & Oil	46,000	15,163	30,837
Uniforms	18,500	18,038	462
Repair & Maintenance Supplies	32,000	18,638	13,362
Repair & Maintenance Services	457,500	295,873	161,627
Permits & Fees	36,000	33,092	2,908
Legal Fee	45,000	17,004	27,996
Auditing	12,500	15,000	(2,500)
Engineering Fee	60,000	44,801	15,199
USGS Monitoring	20,000	19,666	334
Laboratory Fee	31,000	24,690	6,310
Insurance	80,000	78,977	1,023
Membership Fees	86,000	89,832	(3,832)
Office Expenses	130,000	139,515	(9,515)
Repair & Replacement	811,500	843,790	(32,290)
Contingency	100,000	-	100,000
Total Operating Expenses	7,218,000	5,848,994	1,369,006
Total Operating Income	(826,530)	282,344	1,108,874
Nonoperating Revenues(Expenses) :			
Interest Income	200,000	512,053	312,053
Lease Income	35,700	35,700	-
Miscellaneous Income	20,000	258,085	238,085
Principal Paid on Loan	(80,573)	(85,607)	(5,034)
Interest Paid on Loan	(12,080)	(11,532)	548
Capital Outlay	(1,026,000)	(255,576)	770,424
Total Nonoperating Revenues(Expenses)	(862,953)	453,123	1,316,076
Change in funds Available, Non-GAAP Basis	(1,689,483)	735,467	2,424,950
Funds Available - Beginning of Year	7,809,789	8,907,767	1,097,978
Funds Available - End of Year	\$ 6,120,306	\$ 9,643,234	\$ 3,522,928
Change in funds Available, Non-GAAP Basis		\$ 735,467	
Adjustments:			
Principal Paid on Loan		85,607	
Loss on Impairment of Capital Assets		(348,620)	
Gain on Retirement of Assets		3,935	
Replacement Costs Capitalized		843,790	
Capital Outlay Costs Capitalized		255,576	
Pension Expense		(44,313)	
Depreciation		(2,106,268)	
Total Adjustments		(1,310,293)	
Change in Net Postion, GAAP Basis		\$ (574,826)	

See the independent auditors' report.

STATISTICAL SECTION

PLUM CREEK WATER RECLAMATION AUTHORITY
STATISTICAL SECTION
TABLE OF CONTENTS

This section of the Plum Creek Water Reclamation Authority’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the Authority’s overall financial health.

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PLUM CREEK WATER RECLAMATION AUTHORITY
Net Position by Component
Last Ten Years
Business-Type Activities
Unaudited

Fiscal Year	Net Investment in Capital Assets	Restricted	Unrestricted	Business-Type Activities Net Position
2016	\$ 21,177,159	834,875	6,264,561	\$ 28,276,595
2017	\$ 24,068,019	854,775	3,500,763	\$ 28,423,557
2018	\$ 25,287,699	869,025	3,551,141	\$ 29,707,865
2019	\$ 25,788,496	909,522	5,150,476	\$ 31,848,494
2020	\$ 26,161,691	935,375	6,293,352	\$ 33,390,418
2021	\$ 43,542,075	994,625	6,427,907	\$ 50,964,607
2022	\$ 42,240,416	1,200,000	7,360,002	\$ 50,800,418
2023	\$ 40,827,358	1,250,000	8,040,304	\$ 50,117,662
2024	\$ 39,555,844	1,250,000	8,746,992	\$ 49,552,836
2025	\$ 38,803,919	1,250,000	8,608,488	\$ 48,662,407

PLUM CREEK WATER RECLAMATION AUTHORITY

Changes in Net Position

(Accrual Basis of Accounting)

Last Ten Years

Unaudited

Total

Fiscal Year	Operating Revenues	Operating Expenses	Operating Income	Nonoperating		Income/(Loss) before Capital Contributions	Capital Contributions	Change in Net Position
				Revenues/ (Expenses)				
2016	\$ 6,331,449	4,058,040	2,273,409	(402,350)		1,871,059	-	\$ 1,871,059
2017	\$ 6,534,801	6,261,049	273,752 (1)	(126,790)		(61,617)	208,579	\$ 146,962
2018	\$ 6,525,479	5,063,790	1,461,689	(177,381)		1,284,308	-	\$ 1,284,308
2019	\$ 6,578,342	4,332,098	2,246,244	(105,615)		2,140,629	-	\$ 2,140,629
2020	\$ 6,708,779	4,925,576	1,783,203	(241,279)		1,541,924	-	\$ 1,541,924
2021	\$ 6,263,843	5,759,911	503,932 (2)	17,070,257		451,244	17,122,945	\$ 17,574,189
2022	\$ 5,692,751	6,253,343	(560,592) (3)	396,403		(374,189)	210,000	\$ (164,189)
2023	\$ 6,054,740	7,254,633	(1,199,893) (4)	527,137		(672,756)	-	\$ (672,756)
2024	\$ 6,131,338	7,155,785	(1,024,447) (5)	449,621		(574,826)	-	\$ (574,826)
2025	\$ 6,479,131	7,954,297	(1,475,166)	584,737		(890,429)	-	\$ (890,429)

(1) PERA pension liability was realized for the first year in 2017 impacting the Operating Income. Additionally, the Castle Pines North flume project (Lagae Ranch) was completed in 2017 and the value of the flume was contributed via an IGA executed on May 21, 2014 by and between PCWRA and Castle Pines North Metropolitan District.

(2) The 3.0 Capacity Expansion project was put into service during 2021 and equipment was contributed from the members to PCWRA through the 3.0 Capacity Expansion Agreement dated December 18, 2018.

(3) Economic conditions in 2022 presented challenges with inflation and supply chain issues impacting Operating Expenses.

(4) The PERA actuarial analysis changed from income to expense in 2023 & planned large projects contributed to a large negative Operating Income.

(5) Historically the Authority only stated expensed capital rather than the total cost of expensed plus capitalized assets. As of 2024 the full cost is stated in the ACFR and increase the nonoperating revenues. Additionally the Authority booked insurance proceeds as well as increased investment earnings in 2024.

PLUM CREEK WATER RECLAMATION AUTHORITY
Operating Revenue by Source - Budgetary Basis
Last Ten Years
Unaudited

<u>YEAR</u>	<u>Sewer Fee</u>	<u>Reuse Water Sales</u>	<u>Total</u>
2016	\$ 5,701,301	244,389	\$ 5,945,690
2017	\$ 5,906,152	250,549	\$ 6,156,701
2018	\$ 5,840,504	245,359	\$ 6,085,863
2019	\$ 5,965,089	265,342	\$ 6,230,431
2020	\$ 6,020,435	277,423	\$ 6,297,858
2021	\$ 6,108,860	192,436	\$ 6,301,296
2022	\$ 5,499,320	200,926	\$ 5,700,246
2023	\$ 5,846,841 (1)	491,066	\$ 6,337,907
2024	\$ 5,907,310	484,160	\$ 6,391,470
2025	\$ 6,280,393	445,269	\$ 6,725,662

(1) 2023 began requiring reuse customers to contribute a flat annual fee into a capital reserves fund.

PLUM CREEK WATER RECLAMATION AUTHORITY

Operating Expenses

Last Ten Years

Unaudited

Fiscal Year	Personnel & Administrative	Power and Heat	Biosolids Hauling	Chemicals	Operating Supplies	Household Hazardous Waste Round Up Expenses	Repairs and Maintenance	Capital Replacement Expensed	Administrative Costs	PERA Pension Expense (Income)	Subtotal, Expenses before Depreciation	Total Operating Expenses
2016	\$ 1,200,224	589,946	217,880	135,813	154,673	33,000	124,191	-	355,598	-	2,811,325	\$ 4,058,040
2017	\$ 1,334,690	567,235	217,080	152,046	138,509	34,878	74,310	31,764	469,842	(1) 1,965,471	4,985,824	\$ 6,261,048
2018	\$ 1,422,370	600,969	269,204	139,706	144,104	33,000	180,683	-	414,276	326,388	3,530,700	\$ 5,063,790
2019	\$ 1,362,498	559,717	270,974	188,058	108,631	33,000	155,801	-	353,444	(50,423)	2,981,700	\$ 4,332,098
2020	\$ 1,457,134	599,519	287,742	170,188	89,490	33,000	109,587	251,942	379,548	30,697	3,408,847	\$ 4,925,576
2021	\$ 1,513,661	891,823	132,098	452,795	76,883	-	115,131	107,366	402,726	(2) 6,018	3,698,501	\$ 5,759,911
2022	\$ 1,804,620	982,702	153,625	529,358	169,447	-	160,149	130,726	470,720	(3) (309,350)	4,091,997	\$ 6,253,343
2023	\$ 1,926,231	949,768	168,291	554,638	221,102	-	500,888	34,902	611,385	(4) 139,519	5,106,724	\$ 7,254,633
2024	\$ 2,095,376	987,285	171,823	658,053	246,912	-	314,511	-	531,244	44,313	5,049,517	\$ 7,155,785
2025	\$ 2,449,470	1,023,027	153,243	674,333	244,006	-	532,606	33,043	483,374	230,505	5,823,607	\$ 7,954,297

(1) Beginning with the 2020 audit, PERA Pension Expense was added as a separate column for better comparison of administrative costs. Transfer of pension expense from Castle Pines Metropolitan District occurred in 2017.

(2) Startup of the 3.0 Capacity Expansion project and changes to the process. Electricity and Chemical costs increased and Biosolids Hauling decreased. Depreciation expenses increased due to putting a equipment in service early in the year at a large value and depreciating that value over the year.

(3) Due to inflation and supply chain issues in 2022, Personnel/Administrative, Power/Heat, Operating Supplies, and Chemicals costs were all impacted by increases. Depreciation will remain high while the 3.0 Expansion equipment depreciates over time.

(4) A new maintenance department was developed in 2023 resulting in focus on planned repairs. PERA actuarial calculation reversed the 2022 income to an expense in 2023.

PLUM CREEK WATER RECLAMATION AUTHORITY
Nonoperating Revenue and Expenses

Last Ten Years

Unaudited

YEAR	Interest and Fiscal Charges	Interest Income	Miscellaneous Income	Bond Premium	Lease Income	Gain (Loss) on Disposal of Capital Assets	Loss on Impairment of Capital Assets	Contribution	Total Non Operating (Expenses) Revenue
2016 (1)	\$ (554,945)	53,640	25,392	38,583	33,000	1,980	-	-	\$ (402,350)
2017 (2)	\$ (477,264)	61,083	33,479	38,583	33,000	(24,250)	-	208,579	\$ (126,790)
2018	\$ (408,518)	108,899	33,542	38,583	33,000	17,113	-	-	\$ (177,381)
2019	\$ (330,389)	141,720	71,576	38,583	33,000	(60,105)	-	-	\$ (105,615)
2020	\$ (180,306)	49,059	40,286	38,583	33,029	(221,930)	-	-	\$ (241,279)
2021 (3)	\$ (89,184)	2,305	29,566	38,583	35,700	(69,658)	-	17,122,945	\$ 17,070,257
2022 (4)	\$ (27,313)	138,031	24,608	16,163	35,700	(786)	-	210,000	\$ 396,403
2023 (5)	\$ (14,252)	487,872	27,323	-	35,700	(9,506)	-	-	\$ 527,137
2024 (6)	\$ (11,532)	512,053	258,085	-	35,700	3,935	(348,620)	-	\$ 449,621
2025	\$ (7,047)	439,229	128,235	-	35,700	(11,380)	-	-	\$ 584,737

(1) Veris Environmental began paying a farm lease on Pankake Ranch.

(2) The Castle Pines North flume project (Lagae Ranch) was completed in 2017. The value of the flume was contributed via an IGA executed on May 21, 2014 by and between PCWRA and Castle Pines North Metropolitan District.

(3) The 3.0 Capacity Expansion project was put into service during 2021 and equipment was contributed from the members to PCWRA through the 3.0 Capacity Expansion Agreement dated December 18, 2018.

(4) A new 900kw generator was donated from the 3.0 Expansion Project. Interest rates began to rise in 2022.

(5) Interest rates increasing resulted in a significant increase in interest income. The bond premium from the 2001 - 2005 expansion loans was fully amortized as of 2022.

(6) Insurance proceeds increase Miscellaneous Income and is offset by Loss on Impairment of Capital Assets due to damage sustained from a fire to a building. Repairs to the damage will occur in 2025

PLUM CREEK WATER RECLAMATION AUTHORITY

Sewer and Reuse Rates

Last Ten Years

Unaudited

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sewer Rates										
Town of Castle Rock	\$ 3.71	\$ 3.45	\$ 3.43	\$ 3.48	\$ 3.49	\$ 3.40	\$ 2.87	\$ 2.90	\$ 3.00	\$ 2.80
Castle Pines Metro District	2.49	2.38	2.42	2.68	2.70	2.71	3.09	3.26	3.35	3.17
Castle Pines North Metro District	3.08	2.84	3.02	3.25	3.20	3.14	2.95	3.05	3.08	2.98
Castleton Center	2.53	4.61	4.75	4.11	3.92	4.27	5.94	5.74	5.82	5.36
Silver Heights	2.61	2.83	2.53	2.61	2.76	2.66	2.71	2.72	2.81	2.76
Reuse Rates										
The International Golf Club	\$ 1.88	\$ 1.59	\$ 1.82	\$ 1.78	\$ 1.38	\$ 0.99	\$ 1.05	\$ 0.72 ⁽²⁾	\$ 0.64	\$ 0.49
Country Club at Castle Pines	1.87	1.72	1.88	1.71	1.23	0.85	0.90	0.59	0.67	0.51
The Ridge Golf Club at CPN	1.88	1.71	1.86	1.72	1.28	0.87	0.92	0.59	0.65	0.51
Red Hawk Golf Club ⁽¹⁾				1.16	1.16	0.74	0.78	0.46	0.46	0.40

(1) Red Hawk Golf Club brought reuse online in 2019 and began receiving reuse water at the end of the year.

(2) 2023 began lower per thousand gallon rates with a flat capital contribution to ensure funds for maintenance and capital replacement for reuse customers in the future.

Note: sewer rates are per 1k gallon projected flows; reuse rates are per 1k gallon used

PLUM CREEK WATER RECLAMATION AUTHORITY

Ten Largest Customers ⁽¹⁾

Last Ten Years

Unaudited

	<u>Town of Castle Rock</u>		<u>Balance from Other Members</u>		<u>Grand Total</u>	
2016	\$ 4,908,031	78%	1,423,418	22%	\$ 6,331,449	100%
2017	\$ 5,027,547	77%	1,507,254	23%	\$ 6,534,801	100%
2018	\$ 5,027,139	77%	1,498,340	23%	\$ 6,525,479	100%
2019	\$ 5,130,290	78%	1,448,052	22%	\$ 6,578,342	100%
2020	\$ 5,220,477	78%	1,488,302	22%	\$ 6,708,779	100%
2021	\$ 5,109,483	82%	1,154,360	18%	\$ 6,263,843	100%
2022	\$ 4,469,446	79%	1,223,305	21%	\$ 5,692,751	100%
2023	\$ 4,750,080	78%	1,304,660	22%	\$ 6,054,740	100%
2024	\$ 4,795,492	78%	1,335,846	22%	\$ 6,131,338	100%
2025	\$ 5,136,214	79%	1,342,917	21%	\$ 6,479,131	100%

(1) The Authority has five total members. The Authority provides sewer & reuse treatment to it's members only.

PLUM CREEK WATER RECLAMATION AUTHORITY

Ratios of Outstanding Debt to Service Charges

Last Ten Years

Unaudited

Fiscal Year End December 31,	CWRPDA Loan 2001	CWRPDA Loan 2002	CWRPDA Loan 2005	Premium	Total	Service Charges	Percent Service Charges to Debt Service
2016	\$ 8,315,000	1,295,000	830,000	209,078	\$ 10,649,078	\$ 6,331,449	59%
2017	\$ 6,805,000	1,125,000	755,000	170,495	\$ 8,855,495	\$ 6,534,801	74%
2018	\$ 5,235,000	942,862	663,391	131,912	\$ 6,973,165	\$ 6,525,479	94%
2019	\$ 3,605,000	767,862	588,391	93,330	\$ 5,054,583 ⁽¹⁾	\$ 6,578,342	130%
2020	\$ 1,870,000	588,309	508,391	54,746	\$ 3,021,446	\$ 6,708,779	222%
2021	\$ -	403,836	428,391	16,163	\$ 848,390	\$ 6,263,843	738%
2022	\$ -	206,675	344,673	-	\$ 551,348	\$ 5,692,751	1033%
2023	\$ -	-	261,530	-	\$ 261,528 ⁽²⁾	\$ 6,054,740	2315%
2024	\$ -	-	180,957	-	\$ 180,957	\$ 6,131,338	3388%
2025	\$ -	-	95,350	-	\$ 95,350	\$ 6,479,131	6795%

(1) Letter from CWRPDA dated January 8, 2020 with re-written schedule to reduce principal rather than interest beginning with first payment in 2020.
see Note III.C.

(2) As loans from 2001, 2002 and soon 2005 are paid off, service charges shift to fund capital repair and replacement requirements.

PLUM CREEK WATER RECLAMATION AUTHORITY

Pledged Revenue Debt Coverage

Last Ten Years

Unaudited

Fiscal Year	Gross Revenue	Operating Expenses ¹	Net Revenue Available for Debt Services	Debt Service Requirements		Coverage	
				Principal	Interest		Total
2016	\$ 6,558,328	2,811,325	3,747,003	1,685,000	629,229	\$ 2,314,229	1.62
2017 ⁽²⁾	\$ 6,788,743	4,985,825	1,802,918	1,755,000	565,061	\$ 2,320,061	0.78
2018	\$ 6,829,358	3,530,700	3,298,658	1,815,000	498,373	\$ 2,313,373	1.43
2019	\$ 6,945,605	2,981,700	3,963,905	1,908,747	412,773	\$ 2,321,520	1.71
2020	\$ 6,978,231	3,408,847	3,569,384	1,994,553	288,801	\$ 2,283,354	1.56
2021	\$ 6,422,179	3,698,501	2,723,678	2,134,473	141,366	\$ 2,275,839	1.20
2022 ⁽³⁾	\$ 5,921,440	4,091,997	1,829,443	280,879	41,500	\$ 322,379	5.67
2023	\$ 6,615,925	5,106,724	1,509,201	289,818	24,542	\$ 314,360	4.80
2024	\$ 6,941,822	5,049,517	1,892,305	80,573	16,178	\$ 96,751	19.56
2025	\$ 7,085,655	5,823,607	1,262,048	85,607	10,407	\$ 96,014	13.14

(1) Total operating expenses exclusive of depreciation and capital outlay.

(2) Net revenue available for debt services decreased in 2017 due to full recognition of PERA pension liability.

(3) The Authority's largest loan was paid off in 2021 leaving two smaller loans in debt service.

PLUM CREEK WATER RECLAMATION AUTHORITY

Demographic and Economic Indicators

Last Ten Years (where available)

Undaunted

Median Household Income

	Douglas County	Town of Castle Rock**	Castle Pines Village**	City of Castle Pines**
2015	107,650	88,294	216,384	130,609
2016	109,292	93,153	221,071	140,764
2017	111,482	101,122	221,250	157,550
2018	119,615	104,642	228,800	156,144
2019	127,476	109,700	236,016	163,819
2020	121,492	113,585	225,278	178,036
2021	129,299	121,388	179,882	186,976
2022	140,003	135,985	250,000	189,280
2023	145,737	143,031	219,083	189,918
2024	149,594	145,197	250,000	191,229

Source: U.S. Census Bureau, American Community Survey

**rolling 5 year estimates. Source: U.S. Census Bureau, American Community Survey

Per Capita Income

	Douglas County	Town of Castle Rock**	Castle Pines Village**	City of Castle Pines**
2015	45,500	37,800	106,285	59,110
2016	49,724	38,610	100,389	62,070
2017	49,790	40,236	101,115	61,798
2018	53,900	42,611	107,134	64,580
2019	55,579	44,250	114,448	66,140
2020	53,836	44,419	102,342	64,910
2021	59,027	49,138	108,989	72,139
2022	65,814	55,031	132,948	76,842
2023	66,810	58,933	125,858	79,046
2024	69,608	62,170	169,971	79,845

Population Estimates

	Town of Castle Rock & Silver Heights	Castle Pines Village & North	Total Area
2016	62,700	15,375	78,075
2017	65,015	15,440	80,455
2018	69,300	15,940	85,240
2019	73,070	16,440	89,510
2020	75,563	17,485	93,048
2021	79,705	20,313	100,018
2022	81,697	20,820	102,517
2023	83,413	21,257	104,670
2024	84,531	21,542	106,073
2025	86,475	22,037	108,512

Source: Douglas County Community Planning and Sustainable Development

Census Population

	Town of Castle Rock	Castle Pines Village	City of Castle Pines	Total Area
2010	48,231	3,614	10,360	62,205
2020	65,176	4,558	11,036	80,770

Percent difference in population with 2020 Census: 34%

Source: U.S. Census Bureau

Note: The Authority serves the Town of Castle Rock, Castle Pines Village, Castle Pines North & Silver Heights, therefore the Douglas County information covers a much broader area than that which is served by the Authority but is the only information available.

PLUM CREEK WATER RECLAMATION AUTHORITY
Principal Employers in the Authority's Service Area

Ten Year Period

Unaudited

Top Ten Employers in the Authority's Service Area	2025			2024			Douglas County Unemployment Rates		
	Approx. # of employees	Rank	%Total Employment	Approx. # of employees	Rank	%Total Employment			
Douglas County School District	8294	1	22	8087	1	33.8	2015	3.1%	
Douglas County Government	1620	2	4.3	1433	2	6	2016	2.6%	
Town of Castle Rock Government	1113	3	3	880	3	3.7	2017	2.3%	
Wal-Mart	376	6	1	397	6	1.7	2018	2.9%	
King Soopers (3 stores)				510	5	2.1	2019	2.4%	
Douglas Cty Library (CR & CPN)	329	7	0.9	315	7	1.3	2020	2.4%	
Whole Foods				167	9	0.7	2021	5.0%	
Home Depot				171	8	0.7	2022	2.9%	
Castle Pines Golf Club	327	8	0.9				2023	2.3%	
Hudick Excavating Inc.	520	4	1.4	520	4	2.2	2024	3.4%	
Kraemer North America LLC	423	5	1.1				2025	3.6%	
Target				166	10	0.7			
Rocky Mountain Excavating	315	9	0.8						
Leevers Supermarkets Inc	239	10	0.6						
Top Ten Employers in the Authority's Service Area	2023			2022			2021		
	Approx. # of employees	Rank	%Total Employment	Approx. # of employees	Rank	%Total Employment	Approx. # of employees	Rank	%Total Employment
Douglas County School District	7442	1	26	1517	1	6.56	1500	1	6.21
Douglas County Government	1435	2	5	1337	2	5.55	1343	2	5.56
Town of Castle Rock Government	946	3	3.3	999	3	3.55	955	3	3.32
Wal-Mart	382	6	1.3	366	6	1.27	375	6	1.4
King Soopers (3 stores)	509	4	1.8	516	5	2.45	545	5	2.36
Douglas Cty Library (CR & CPN)	302	8	1.1						
Castle Pines Golf Club	261	10	0.9	255	9	1	266	10	0.97
Hudick Excavating Inc.	477	5	1.7	571	4	2.5	553	4	2.1
Kraemer North America LLC	317	7	1.1	265	8	1	283	9	1.13
Castle Rock Adventist Hospital				280	7	1.21	278	8	1.18
Rocky Mountain Excavating	266	9	0.9	225	10	1	336	7	1.39
Top Ten Employers in the Authority's Service Area	2020			2019			2018		
	Approx. # of employees	Rank	%Total Employment	Approx. # of employees	Rank	%Total Employment	Approx. # of employees	Rank	%Total Employment
Douglas County School District	1482	1	6	1525	1	7	1550	1	7
Douglas County Government	1326	2	6	1290	2	6	1260	2	6
Town of Castle Rock Government	793	3	3	825	3	4	785	3	4
Wal-Mart	333	7	1	295	6	1	280	7	1
King Soopers (3 stores)	563	4	2	570	5	2	520	4	2
Castle Pines Golf Club	232	10	1						
Brookside Inn (nursing home)				165	8	1			
Home Depot				163	9	1	175	9	1
TPM Staffing Services							190	8	1
Hudick Excavating Inc.	501	5	2	580	4	2	390	5	2
Kraemer North America LLC	269	9	1						
Castle Rock Adventist Hospital	281	8	1	280	7	1	290	6	1
Sam's Club				160	10	1	160	10	1
Rocky Mountain Excavating	361	6	2						
Top Ten Employers in the Authority's Service Area	2017			2016					
	Approx. # of employees	Rank	%Total Employment	Approx. # of employees	Rank	%Total Employment			
Douglas County School District	1550	1	8	1555	1	8			
Douglas County Government	1235	2	6	1195	2	6			
Town of Castle Rock Government	755	3	4	720	3	3			
Wal-Mart	300	6	1	300	5	1			
King Soopers (3 stores)	470	4	2	420	4	2			
Brookside Inn (nursing home)				160	9	1			
Douglas Cty Library (CR & CPN)				150	10	1			
Home Depot	160	10	1						
TPM Staffing Services	225	8	1	230	8	1			
Hudick Excavating Inc.	240	7	1	245	7	1			
Kraemer North America LLC				145		1			
Castle Rock Adventist Hospital	295	5	1	285	6	1			
Sam's Club	180	9	1						

PLUM CREEK WATER RECLAMATION AUTHORITY

Operating and Capital Indicators

Last Ten Years

Unaudited

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Wastewater Treatment										
Miles of Sewers	0	0	0	0	0	0	0	0	0	0
Number of Treatment Plants	1	1	1	1	1	1	1	1	1	1
Number of Service Connections (Wholesale)	5	5	5	5	5	5	5	5	5	5
Treatment Capacity (MGD)	6.44	6.44	6.44	6.44	6.44	6.44	6.44	6.44	6.44	6.44
Annual Engineering Maximum Plant Capacity (MG)	2351	2351	2351	2351	2351	2351 ⁽¹⁾	2351	2351	2351	2351
Amount Treated Annually (MG)	1708	1669	1678	1754	1827	1907	1918	2104	2127	2106
Unused Permitted Capacity (MG)	648	682	673	597	524	444	433	247	224	245
Percentage of Permitted Hydraulic Capacity Utilized	72%	71%	71%	75%	78%	81%	82%	90%	90%	90%
Treatment Costs per Million Gallons (Operating Expenses less capital replacement, depreciation and debt service)	\$ 1,651	\$ 2,968	\$ 2,104	\$ 1,700	\$ 1,728	\$ 1,883	\$ 2,065	\$ 2,344	\$ 2,374	\$ 2,750

Note: PCWRA service does not include collections therefore, there are zero miles of sewers to report.

Sources: PCWRA Operation Flow Data
CDPHE Permit # CO0038547

(1) The Authority completed an expansion project for an additional 3 MGD in 2021 however, CDPHE has not permitted the facility to the new capacity of 9.44MGD.