CASTLE PINES NORTH
METROPOLITAN DISTRICT

Regular Board Meeting- July 27, 2026

Castle Pines North Metropolitan District
7404 Yorkshire Drive, Castle Pines, CO 80108
2026-07-27 18:00 - 20:00 MDT

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XII. Adjourn

CASTLE PINES NORTH METROPOLITAN DISTRICT
REGULAR BOARD MEETING MINUTES
June 22, 2026 – 6:00 p.m.

HELD: Monday, June 22, 2026, at 6:00 p.m. All attendees participated via videoconference.

ATTENDEES: Directors Jason Blanckaert, Leah Enquist, Tera Radloff, James Mulvey, and Jana Krell were present. Also present were: Eric Harris and Molly Janzen, Elevated Clarity; Nathan Travis, District Manager; Rene Santini, Deputy District Manager; Paul Polito, Seter, Vander Wall & Mielke, P.C.; Adam Marquez, Kennedy Jenks Consultants; Jeffrey Huff, Hidden Pointe Metropolitan District Board President; and John Berenger, Brambleridge HOA.

CONFLICTS: None.

QUORUM: Present.

CALL MEETING TO ORDER: The Regular Meeting was called to order at approximately 6:00 p.m. by President Blanckaert.

PUBLIC COMMENT PERIOD

President Blanckaert opened the public comment period. There being no members of the public wishing to comment, the public comment period was closed.

CONSENT AGENDA

The Board reviewed the following items on the Consent Agenda:

A. Approve May 26, 2026, Regular Board Meeting Minutes

B. Approve May 18, 2026, Work Session Minutes

C. Ratify claims for payment including check numbers 29692–29729 and electronic payments issued from May 13, 2026, to June 10, 2026, totaling $1,600,653.59

D. Adopt the Rules and Regulations Update re Enforcement (Article 16)

E. Approve the Waterline Easement Agreement – Foundry Church

F. Approve the Main Extension Agreement – Foundry Church

G. Approve The Ridge at Castle Pines North Water Service Agreement

Upon motion duly made by President Blanckaert, seconded, and unanimously carried, the Board approved the items as presented in the Consent Agenda.

PUBLIC HEARING – INCLUSION OF HIDDEN POINTE METROPOLITAN DISTRICT TERRITORY

Mr. Polito introduced the public hearing on the proposed inclusion into the District of the real property comprising the Hidden Pointe Metropolitan District, pursuant to § 32-1-401(2), C.R.S. Upon motion duly made by President Blanckaert, seconded, and unanimously carried, the Board opened the public hearing.

Mr. Polito stated that the area proposed for inclusion is the territory of Hidden Pointe, Filings 1A and 1B of the Green Valley Subdivision plat and related replat. He confirmed that notice of the hearing was published in the Douglas County News-Press in accordance with §§ 32-1-401(2)(b) and 32-1-103(15), C.R.S., and that letter notification was mailed to the property owners within the area to be included within the required 20-to-30-day window before the meeting in accordance with § 32-1-401(3), C.R.S. He noted that, as of the statutory deadline ten days before the meeting, no petition objecting to the inclusion under § 32-1-401(2)(g), C.R.S., had been filed with the Board, and he invited any interested person, municipality, or county able to provide service to the property to state any objection, with written objections to be submitted for the record. No objections were raised, and Mr. Travis confirmed that no written objections or objection petitions had been received.

At the request of Doug Polzin, President of the Hidden Pointe Homeowners Association, who was unable to attend, Mr. Polito read Mr. Polzin's letter of support into the record. The letter expressed the HOA's appreciation for the collaborative work between the CPNMD and HPMD boards, noted that the inclusion, if approved by the voters in November, will eliminate Hidden Pointe's non-district status and allow residents to receive the same in-district water and wastewater rates as the rest of the community, observed that the 2023 parks mill levy increase had already aligned Hidden Pointe properties with the overall mill levy of other areas of Castle Pines, and stated the HOA's full support and its commitment to communicating with homeowners and educating the community about the ballot measure.

Jeffrey Huff, President of the Board of Directors of the Hidden Pointe Metropolitan District and a Hidden Pointe homeowner of 26 years, addressed the Board. Mr. Huff thanked District staff and legal counsel for the work leading to the inclusion agreement and resolution, and stated that the inclusion will end Hidden Pointe's non-district status, reduce the cost of water and wastewater services to Hidden Pointe residents by approximately 25 percent, and achieve those savings without any increase in property taxes. He stated that, if voters approve the inclusion in November, the HPMD board intends to promptly initiate a full dissolution of the Hidden Pointe Metropolitan District, eliminating a layer of government and its associated administrative, accounting, and legal expenses, and confirmed the HPMD board's support for the agreement.

There being no further comment, upon motion duly made, seconded, and unanimously carried, the Board closed the public hearing.

Consideration of Resolution No. 2026-6-2 Approving the Inclusion

Mr. Polito presented Resolution No. 2026-6-2, a resolution of the Board of Directors approving the inclusion of certain real property into the District pursuant to § 32-1-401(2), C.R.S. He explained that the resolution recites the steps the District has taken to satisfy the statutory notice requirements, incorporates the Board's findings, approves the inclusion, approves the filing of an order of inclusion with the Douglas County District Court, provides for submission of the question to the eligible electors at the November 3, 2026 election, incorporates by reference the conditions of the inclusion agreement previously adopted by the Board, authorizes and directs the District's officers, legal counsel, and agents to take any further necessary actions, and is effective immediately.

Upon motion duly made by Director Radloff, seconded by Director Mulvey, and unanimously carried, the Board adopted Resolution No. 2026-6-2.

LEAK ADJUSTMENT REQUEST: BRAMBLERIDGE HOA

John Berenger, 8511 Bramble Ridge Drive, treasurer of the Brambleridge Village Patio Homes HOA board, presented the HOA's request for a leak adjustment. Mr. Berenger explained that the neighborhood's integrated irrigation system, which serves all 79 home sites and adjacent open space, is approximately 26 years old and leak-prone, and that the HOA activated the system early in April, on its landscaper's recommendation, solely to conduct wet testing and complete repairs before the normal May start of irrigation. Due to a miscommunication between the HOA's two contractors, the system was left running on several occasions after repair work, and average April usage reached approximately 180,000 gallons per controller across the four controllers, well above the 80,000-gallon April budget per controller, placing all four controllers in tier four. Mr. Berenger stated that the HOA has corrected the coordination issue and asked the Board for relief from the tier structure.

Mr. Travis explained that leak adjustments are handled routinely under the Rules and Regulations: the District still bills all water used, but at the tier one rate. Board action was required in this instance because the Rules and Regulations limit customers to one adjustment every two years and the HOA received an adjustment in November 2025. Mr. Travis noted that Brambleridge has made a sustained good-faith effort to manage its water use in recent years, including participating in the District's rebate programs and installing smart controllers, and stated that from a staff perspective the adjustment could be warranted and justified. Director Krell confirmed that the adjustment would bill all April usage at the tier one rate and expressed support, noting the situation arose from a contractor error rather than neglect. Director Radloff agreed.

Upon motion duly made by President Blanckaert, seconded by Director Krell, and unanimously carried, the Board approved the Brambleridge HOA request for a leak adjustment, with April usage to be billed at the tier one rate.

PRESENTATION AND CONSIDERATION OF SOUTH TANKS REHAB CMGC AWARD

Mr. Travis presented the selection process for the South Tank Rehabilitation Project construction manager/general contractor (CMGC), with Adam Marquez of Kennedy Jenks Consultants available for questions. Kennedy Jenks assessed both tanks in 2024 and documented its recommendations in a 2025 technical memorandum, and the District issued a CMGC request for proposals in April 2026. Because the tanks are located adjacent to the golf course, the work will be performed over two winters to avoid interfering with the golf course's operations: Tank 1 will be drained in October 2026 for inspection, quantities, and final design, with construction beginning in January 2027, and the process will be repeated for Tank 2 beginning in October 2027 with construction in January 2028.

The scope for both tanks includes interior concrete repairs, overflow and ladder replacement, ventilation upgrades to meet current CDPHE regulations, and installation of redundant low-water alarms. Tank 1 also includes replacement of the deteriorated valve vault, with improved access and safety and removal of old valves and piping, and the capping and abandonment in place of an 8-inch pipe running to an unknown location in the distribution system through an old interconnect with Castle Pines Metropolitan District; because that line is unvalved, a break could otherwise require draining the tank through the break before repairs could be made. Tank 2, a newer tank in better condition, will receive similar work to a lesser extent, along with an upgrade to solar power to reduce reliance on the Country Club's power system. The CMGC scope includes biweekly progress meetings, collaborative design development and construction sequencing, pipeline location and condition assessment, confined space entry permitting, constructability review of the 60% and 90% submittals, cost estimates and a guaranteed maximum price, and division of the contract documents into separate construction packages for each tank.

Mr. Travis reported that seven or eight firms attended the pre-proposal site meeting and two firms submitted proposals: Myers & Sons Construction, with a pre-construction services fee of $72,455.00 and a 10% construction phase markup, and Structural Preservation Systems, with a pre-construction services fee of $213,520.00 and a 10% construction phase markup. Proposals were scored on CMGC project approach, experience with collaborative project delivery, the competence and availability of the proposed project manager and superintendent, and the proposed fees. Mr. Travis, Mr. Santini, and Director Krell reviewed the proposals, and Myers & Sons, which is currently performing the water treatment plant filter rehabilitation, was significantly lower under every analysis and is the staff and Kennedy Jenks recommendation, as reflected in the Kennedy Jenks recommendation letter in the packet.

Director Krell stated that, even setting the cost component aside, she would have selected Myers & Sons based on its relevant project experience, and attributed the price disparity to the level of unknowns reflected in the other proposal. Director Radloff stated that the technical evaluation, independent of price, gave her greater confidence in the selection. Director Mulvey asked how the 8-inch interconnect pipe would be handled, and Mr. Travis confirmed it will be capped and abandoned in place.

Mr. Travis explained that, following approval, staff would finalize the contract with Myers & Sons, including negotiating the methodology for the pipe condition assessment, which could increase the contracted pre-construction price above $72,455.00, and confirming that the confined space permitting is carried in the fee, with the final agreement reviewed by legal counsel. In response to Director Radloff's question about the possibility of a materially higher final price, Mr. Travis stated it would be surprising for the price to come back significantly higher and, in any case, nowhere near the other proposal, and suggested that the Board could also delegate approval authority jointly to the District Manager and Director Krell so that the Board has a representative in the final negotiations. Directors Radloff and Mulvey supported that approach.

Upon motion duly made by Director Radloff, seconded by Director Enquist, and unanimously carried, the Board approved the CMGC Agreement with Myers & Sons for the South Tank Rehabilitation Project and delegated authority to the District Manager and Director Krell to finalize the agreement, negotiate any non-material contract modifications, and execute the agreement, subject to review and approval by legal counsel.

FINANCE REPORT

Molly Janzen of Elevated Clarity presented a high-level financial report, noting that the coming months will include more detailed analysis of the audited 2025 results and the District's position heading into the 2027 budget process. Ms. Janzen reported that cash and investment balances are declining as expected as the District executes the activities in the 2026 budget. Regarding current projects, she stated that the 2025 audit is the most pressing item: the audit has gone well notwithstanding new, larger matters such as the property conveyances to the City, a draft is expected from the auditors this week for initial review by Elevated Clarity, and the draft will be distributed to the Board by the June 30 statutory deadline. Staff is also gathering the paperwork to establish the new InBank and CSAFE accounts authorized by the Board.

Reviewing the financial statements through April 30, 2026, Ms. Janzen reported that the General Fund is closely tracking budget, with an actual change in funds available of $280,112.00 compared to the $250,045.00 change anticipated in the adopted budget, and that this fund's expenditures are more predictable and are expected to remain aligned with budget. In the Water Enterprise Fund, operating expenditures are trending below budget, in contrast to last year's overage driven by repairs and maintenance, although it remains early in the year. In the Wastewater Enterprise Fund, operating expenditures are trending somewhat above budget due to the repairs and maintenance costs discussed at previous meetings; staff will monitor the trend and recommend a budget amendment if needed. Ms. Janzen noted that the supplemental schedules include the property tax reconciliation, with the majority of the remaining property taxes expected to be collected in June, and the aged receivables report. No questions were raised, and President Blanckaert thanked Ms. Janzen and Mr. Harris for the readability of the report.

LEGAL COUNSEL STATUS REPORT

Mr. Polito presented the Legal Counsel Status Report, noting that most matters in the report had been discussed at the June 15 work session and were addressed through the Consent Agenda or the Hidden Pointe public hearing earlier in the meeting. No questions were raised.

DISTRICT MANAGER REPORT

Mr. Travis presented the District Manager's report.

Update: Stantec Regional Water Supply Study

Mr. Travis reported that the in-person workshop with all study participants, previously expected the week of June 8, has been rescheduled to Wednesday, July 1 due to participant scheduling conflicts. He and Mr. Santini will complete the District's scoring input this week for integration by Stantec, and he remains hopeful that the final deliverable can be presented at the July Board meeting. The project remains on budget.

Update: Interconnect Pump Station Surge Modification Project

Mr. Travis reported that, contrary to the direction discussed at the June 15 work session, the surge modification project will be sent out for formal bid. Following the work session, subsequent conversations with legal counsel determined that a formal bid process is required. Mr. Polito explained that state law requires capital projects above $120,000.00 to be advertised for bid so that all interested parties have an opportunity to bid; while the project was originally expected to potentially come in below that threshold, all of the pricing received was well above it. Mr. Travis stated that staff will move through the bid process as expediently as possible and has opened conversations with Highlands Ranch and Operations about options for completing the work this year, even if that means reduced access to the Interconnect Pump Station for a period.

Director Mulvey asked whether the new surge protection design is standard and comparable to what other districts have implemented. Mr. Travis explained that the new design is a much more standard system, using a high-pressure blow-off and valve rather than the existing large bladder system. Mr. Santini added that the need is driven by the combination of large-capacity pumps and a long, straight pipeline, which can generate pressure waves upon a sudden power loss; the blow-off approach is a common method of protecting such facilities, and no other location in the distribution system requires this type of protection.

Update: Water Treatment Plant Filter Upgrade Project

Mr. Travis reported that all six filters at the water treatment plant have been replaced and have been in operation for approximately seven days, performing very well. He noted that when the filters were first brought online, the extended raw water system shutdown produced a significant slug of iron in the influent, which the new filters handled without incident; the prior filters would very likely have generated discolored water complaints. Remaining work includes HVAC, flooring, safety railing, controls programming, and finish items, after which an open house will be scheduled at the plant, targeted for August or September depending on completion of the punch list. President Blanckaert asked whether draining the tanks for the South Tank Rehabilitation would stir up material in the system; Mr. Travis explained that the tanks hold treated water already in the distribution system, that one tank at the same elevation will remain online during lower-demand periods, and that no discolored water or system upset events are anticipated.

Update: Well Status

Mr. Travis reported that reinstallation of wells A-1, A-2, and A-6 is complete, with the work on A-1 and A-2 performed under warranty, and that staff is working through startup. Well A-2 started smoothly and is running better than it has in years. Well A-1 started well but was observed running intermittently and has been taken offline pending further evaluation. Well A-6 tripped its breaker shortly after initial startup and is awaiting an electrical evaluation of the drive cabinet before being restarted. Mr. Travis noted that staff is taking an intentionally cautious approach with these wells given their history. Operations, Layne Enterprises, Principle Electric, and Mountain Peak Controls will meet on site Wednesday, and Mr. Travis will update the Board on the findings.

Mr. Travis also noted that the Board is expected to return to in-person meetings beginning with the July work session, to be confirmed by July 1.

OPERATIONS & ENGINEERING REPORT

Mr. Travis noted that the Operations and Engineering reports are included in the Board packet. No questions were raised by the Board.

DIRECTOR'S MATTERS

Director Radloff thanked District staff for representing the District at the South Metro Water Supply Authority Water Festival, noting that the event was geared toward educating children about water conservation through hands-on projects, and suggested pursuing the event for Castle Pines next year. Mr. Travis reviewed upcoming events, including the Party in the Pines event, which District staff will attend and to which the Board is invited, various chamber events and concerts at which the District's water cart will be present, and staff assistance with setup for the City's splash day at Elk Ridge Park; he will circulate a list of the events to the Board. Director Mulvey asked about the status of the Tahoma 31 and Dog Tuff turf grass demonstration; Mr. Travis reported that the interested parties are engaged but that the project will likely be scheduled for next year, with a more substantive update expected at the next meeting.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 6:28 p.m.

CASTLE PINES NORTH METROPOLITAN DISTRICT
WORK SESSION MINUTES
June 15, 2026 – 5:30 p.m.

HELD: Monday, June 15, 2026, at 5:30 p.m. All attendees participated via videoconference.

ATTENDEES: Directors Jason Blanckaert, Jana Krell, Tera Radloff, Leah Enquist, and James Mulvey were present at roll call. Also present were: Molly Janzen, Elevated Clarity; Nathan Travis, District Manager; Rene Santin, Deputy District Manager; and Paul Polito, Seter, Vander Wall & Mielke, P.C.

CONFLICTS: None.

QUORUM: Present.

CALL MEETING TO ORDER: The Work Session was called to order at approximately 5:30 p.m.

FINANCE ITEMS

Review: Monthly Claims for Payments Made from May 13, 2026 to June 10, 2026

Molly Janzen of Elevated Clarity reviewed the monthly payment claims totaling $1,600,653.59, consisting of $1,438,933.00 in checks and $161,720.59 in electronic payments. All invoices included in the Payment Claims Presented for Review were reviewed and evaluated for compliance with the Financial Controls Policy/Matrix. Ms. Janzen highlighted the most notable capital project payment, $893,357.81 to Myers & Sons Construction LLC for the Filter Beds Rehabilitation. She noted that a comprehensive financial report, including an analysis of financial activity through April 30, 2026, will be presented at the June 22 Board meeting.

Ms. Janzen reported that fieldwork for the 2025 audit is underway and that she had met with the auditors that day to address their final questions. The auditors have completed the majority of testing, and a draft of the audited financial statements is in the auditors' internal review process. The District remains on track to receive the initial draft by June 22, 2026, to provide a draft audit to the Board by the June 30, 2026 statutory deadline, and to submit the final audit to the State Auditor's Office by July 31, 2026.

Director Radloff asked about a payment to Bartle Wells Associates coded to rate study work performed in February. Ms. Janzen and Mr. Travis reviewed the invoice and confirmed that the charge reflects February hours that the consultant did not bill until late April, consistent with the firm's billing practice observed during the rate study. Ms. Janzen also noted that the District's transition to a once-monthly check run is working well, with no issues reported by vendors.

LEGAL ITEMS

Legal Status Report

Legal Counsel Paul Polito presented the Legal Status Report. He noted that four matters will require Board action at the June 22, 2026 regular meeting: the Article 16 (Enforcement) amendments to the Rules and Regulations, the two Foundry Church agreements, and the Water Service Agreement with The Ridge at Castle Pines North, each of which was also a separate review item on the evening's agenda. Regarding matters in progress, Mr. Polito reported that the three-party Castle Pines Water Infrastructure Cooperative Agreement, previously approved by the Board, has been circulated for signature; that a resolution approving the Hidden Pointe Metro District inclusion will be presented at the June 22 meeting, after which counsel will forward the resolution to the Douglas County District Court to set a November election; and that the Service Plan amendment has been filed with Douglas County, which has everything it needs, with the District awaiting first review. The two inactive matters, the sale of farm properties and the water rights memoranda of understanding with Castle Pines Metropolitan District, are unchanged.

Director Radloff asked who will bear the cost of the coordinated November election on the Hidden Pointe inclusion. Mr. Polito confirmed that Hidden Pointe will bear the cost of the election, which the District will conduct.

Review May 18, 2026 Work Session Meeting Minutes and May 26, 2026 Board Meeting Minutes

Mr. Polito presented the May 18, 2026 Work Session minutes and the May 26, 2026 Board Meeting minutes for review, noting that no items are approved at a work session and that the minutes will be presented for approval at the June 22 meeting.

Director Mulvey asked whether counsel had investigated the statute of limitations issue raised by Mr. Dawes during public comment at the May 26 meeting concerning the unauthorized water use matter. Mr. Polito confirmed that he had reviewed the issue before it was raised publicly. He explained that the proposed amount due was tied to the recovery clearly available to the District and not reasonably subject to challenge, and that attempting to reach further back would have added only a few thousand dollars while making the District's claim substantially more vulnerable to dispute. Director Mulvey stated that he was comfortable with counsel's analysis and with proceeding as proposed.

President Blanckaert observed that the unauthorized use matter should have been discussed in executive session at the prior meeting given the sensitive information involved, and stated that similar matters should be taken into executive session going forward. Mr. Polito agreed. Mr. Polito also noted that the proposed Article 16 amendments will provide a clear enforcement framework for future violations. Director Enquist asked whether the District's ability to refer violations for criminal prosecution must be stated explicitly in the Rules and Regulations. Mr. Polito responded that the District's broad statutory powers would likely support a criminal referral in any event, and that the proposed rules expressly account for referral in the pertinent sections. Mr. Travis asked whether the resident's appeal of the violation findings, anticipated at the July Board meeting, must be heard in executive session; Mr. Polito confirmed that the appeal will be heard in a public meeting.

Review: Rules and Regulations Update re Enforcement (Article 16)

Mr. Polito presented a clean copy and a redline of the proposed amendments to Article 16 (Enforcement) of the Rules and Regulations, which he prepared in coordination with Mr. Travis and Mr. Santini following the Board's May 18 direction to bring the District's penalties in line with peer providers. Key revisions include increasing the minimum penalties to $2,000.00 for illegal discharges, unauthorized connections to the sanitary sewer system, and unauthorized use of fire hydrants or blow-off valves, with new per-day penalties for continuing violations. The unauthorized water use provision imposes a minimum penalty of $1,000.00 and adds a charge equal to four times the District's estimated unmetered usage billed at the current-year lowest tiered rate, provides a thirty-day window to cure, imposes a $250.00 per-day fine and disconnection of service if the violation is not corrected within that window, and bars violators from the District's Conservation Rebate Program. A new standalone provision governs unauthorized sanitary sewer connections and permits referral to law enforcement. The prior standalone meter tampering provision is consolidated into the unauthorized water use provision, and stormwater references are removed because the District no longer provides that service.

Director Mulvey asked whether the City of Castle Pines has been notified of the changes so that it can address the drainage side of enforcement. Mr. Travis stated that he would confirm with the City, which already has extensive stormwater regulations in place. He also noted his intent to open a discussion with the City about incorporating the District's enforcement provisions into the municipal code, which would simplify criminal referrals to the City or Douglas County, observing that Parker has a similar arrangement and that Castle Rock refers violations to its municipal code as a full-service municipality. Mr. Polito invited any further comments during the week or at the June 22 meeting.

Review: Waterline Easement Agreement – Foundry Church

Mr. Polito presented the Water Easement Agreement under which Castle Pines Community Church (Foundry Church) will dedicate to the District two perpetual, non-exclusive easements across its Lagae Ranch property: a fifty-foot easement area of approximately 7,543 square feet and a thirty-foot easement area of approximately 12,650 square feet. The easements accommodate water mains and appurtenant facilities that will serve the church and will be conveyed to and owned by the District. Mr. Polito explained that the agreement is drafted to protect the District, including restrictions barring buildings, fences, trees, grade changes, and parallel utilities within the easement areas; limits on the District's restoration obligations so that the District need not restore unauthorized or specialty improvements; the Grantor's warranty of title and lien-subordination obligations; covenants that run with the land; and preservation of the District's governmental immunity and TABOR protections. The agreement pairs with the Main Extension Agreement that follows and was presented for review, with final approval anticipated at the June 22, 2026 regular meeting. No questions were raised.

Review: Main Extension Agreement – Foundry Church

Mr. Polito presented the Water and Sanitary Sewer Main Extension Agreement under which the church, as Developer, will design and construct an eight-inch water main extension and an eight-inch sanitary sewer main extension at its sole cost, with the District taking ownership and responsibility for operation once the improvements are complete, tested, and accepted. Because a portion of the sewer line lies within City of Castle Pines property, the District obtained a separate easement from the City, approved by the Board on May 26, and the Developer will act as the District's contractor for work within that easement. Mr. Polito noted that the agreement protects the District throughout: the Developer bears all costs, the District holds perpetual statutory liens, and the agreement requires full insurance, indemnification, and a two-year warranty backed by warranty security, while preserving the District's governmental immunity and TABOR protections. The redline reflects a tightening of the scope of facilities the District will take over. The agreement was presented for review, with final approval anticipated at the June 22, 2026 regular meeting. No questions were raised.

The Ridge at Castle Pines North – Water Service Agreement

Mr. Polito presented the Water Service Agreement with Ridge CPN, LLC, which replaces the parties' 2016 Raw Water Agreement and carries forward the District's obligation, originating in 1996, to supply treated effluent for irrigation of the golf course. Under the agreement, the District leases to the Ridge up to 240 acre-feet of water per year, drawn primarily from treated effluent, with a minimum of 0.375 million gallons per day made available, delivered to the pond on hole 16 of the course. The Ridge will pay a Water Service Fee of $0.51 per 1,000 gallons of metered usage, adjusted annually under the District's raw water rate model, together with a fixed Capital Improvement Fee of $22,562.98 per month for the seven months from April through October. Mr. Polito highlighted terms the District negotiated for: the District makes no warranty as to the quality or quantity of the water, retains all return flows, and may cap the Ridge's deliveries at 500,000 gallons per day during District-imposed mandatory drought restrictions.

Director Radloff asked about the thirty-year term, expressing concern about a long commitment given uncertainty in the District's water supply. Mr. Travis explained that the thirty-year term aligns with the thirty-year repayment period on the Reclaim Reservoir project loan, which is baked into the rates charged to the Ridge, and noted that the agreement currently in force has no end date at all. Mr. Polito directed the Board to the term provision, under which either party may terminate unilaterally upon two years' advance written notice, or the parties may terminate immediately by mutual agreement. Director Radloff stated that the termination provisions addressed her concern. Mr. Polito noted that the Ridge has executed the agreement, which will be presented for approval at the June 22, 2026 regular meeting. No further questions were raised.

DISTRICT MANAGER ITEMS

Discussion: Interconnect Pump Station Surge Modifications

Mr. Travis presented the bid tabulation prepared by Level Engineering for the replacement of the surge protection system at the CPNMD-CWSD Interconnect Pump Station. Pricing was solicited from six firms, and three responded: Glacier Construction Co., Inc. at $441,364.00; Myers & Sons Construction at $263,600.00; and T. Lowell Construction, Inc. at $293,000.00. All three responses significantly exceed the engineer's estimate of $130,000.00 from late 2025, which places the project within the formal bid requirements of the District's Financial Controls Policy. Mr. Travis outlined the options of conducting a formal bid process, which he did not expect to materially change pricing, or shelving the project to see whether pricing recedes, which would push construction to May 2027.

Mr. Travis explained that the risk of delay is that the existing surge protection system is not functioning and cannot be repaired, and that a sudden loss of power to the station could cause catastrophic damage that would take the Interconnect Pump Station out of service for months. Director Enquist asked whether the gap between the estimate and the responses reflects broader market conditions or opportunistic pricing; Mr. Travis responded that he has seen no signs of opportunistic pricing from the respondents and attributed the difference primarily to material costs, including substantial custom pipe, and constructability challenges such as coring the floor and capturing the cores inside the wet well. Director Mulvey recalled a prior site visit at which the existing surge bladders were observed at zero p.s.i. and asked whether venting discharge outside the building would reduce cost; Mr. Travis explained that the District lacks a discharge permit and estimated any savings at roughly $20,000.00, which the Board agreed was not material. Director Radloff asked about bid item 34, the controls and sensor modifications, which no respondent priced; Mr. Travis explained that the controls work is minor and will be performed directly with Mountain Peak Controls, the District's integrator, as the project is largely a mechanical solution.

Director Krell commented that she has generally observed construction pricing declining in 2026, but stated that it would be reckless not to proceed with the project given the risk involved. Directors Radloff, Mulvey, and President Blanckaert concurred. Mr. Travis stated his recommendation to proceed with the lowest responsive bid given the project's risk profile, and, with the Board's consensus, indicated that he will present a notice of award for approval at the June 22, 2026 Board meeting.

ADJOURNMENT

There being no further business to come before the Board, the Work Session was adjourned at approximately 6:08 p.m.

Castle Pines North Metro District

Customer Transaction Summary

Customer Information

Account No: 7530
THOMAS HASTY
1077 TIMBERCREST DRIVE
CASTLE PINES, CO 80108

Location Information

Location No: 1130235
1077 TIMBERCREST DRIVE
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
11/30/2024	Charge	11/30/2024	1641	1	1000	0.00	68.94	68.94
12/27/2024	Payment	CHECK				68.94	-68.94	0.00
12/31/2024	Charge	12/31/2024	1642	1	1000	0.00	68.94	68.94
01/31/2025	Charge	01/31/2025	1643	1	1000	68.94	74.00	142.94
02/04/2025	Payment	CHECK				142.94	-68.94	74.00
02/28/2025	Charge	02/28/2025	1644	1	1000	74.00	74.00	148.00
03/04/2025	Payment	CHECK				148.00	-74.00	74.00
03/31/2025	Charge	03/31/2025	1644	1	0	74.00	68.68	142.68
04/03/2025	Payment	CHECK				142.68	-74.00	68.68
04/26/2025	Payment	CREDIT CARD				68.68	-68.68	0.00
04/30/2025	Charge	04/30/2025	1645	1	1000	0.00	74.00	74.00
05/26/2025	Payment	CREDIT CARD				74.00	-74.00	0.00
05/31/2025	Charge	05/31/2025	1648	1	3000	0.00	84.64	84.64
06/29/2025	Payment	CREDIT CARD				84.64	-84.64	0.00
06/30/2025	Charge	06/30/2025	1650	1	2000	0.00	79.32	79.32
07/24/2025	Payment	CHECK				79.32	-79.32	0.00
07/31/2025	Charge	07/31/2025	1654	1	4000	0.00	89.96	89.96
08/31/2025	Charge	08/31/2025	1942	1	288000	89.96	4878.02	4967.98
09/02/2025	Payment	CHECK				4967.98	-89.96	4878.02
09/26/2025	Payment	E-CHECK				4878.02	-300.00	4578.02
09/26/2025	Adjustment					4578.02	-3277.18	1300.84
09/29/2025	Adjustment					1300.84	-695.87	604.97
09/30/2025	Charge	09/30/2025	2030	1	88000	604.97	1232.71	1837.68
10/25/2025	Payment	E-CHECK				1837.68	-500.00	1337.68
10/31/2025	Charge	10/31/2025	2032	1	2000	1337.68	79.32	1417.00
11/21/2025	Payment	E-CHECK				1417.00	-500.00	917.00
11/30/2025	Charge	11/30/2025	2033	1	1000	917.00	74.00	991.00
12/22/2025	Payment	CHECK				991.00	-500.00	491.00
12/31/2025	Charge	12/31/2025	2033	1	0	491.00	68.68	559.68
12/31/2025	Adjustment		0		1000	559.68	0.00	559.68
12/31/2025	Adjustment		0		1000	559.68	0.00	559.68
01/31/2026	Charge	01/31/2026	2034	1	1000	559.68	77.53	637.21
02/06/2026	Payment	CHECK				637.21	-559.68	77.53
02/27/2026	Payment	CHECK				77.53	-77.53	0.00
02/28/2026	Charge	02/28/2026	2034	1	0	0.00	71.93	71.93
02/28/2026	Adjustment		0		1000	71.93	0.00	71.93
02/28/2026	Adjustment		0		1000	71.93	0.00	71.93
03/31/2026	Charge	03/31/2026	2035	1	1000	71.93	77.53	149.46
04/21/2026	Payment	CHECK				149.46	-149.46	0.00
04/30/2026	Charge	04/30/2026	2114	1	79000	0.00	1435.08	1435.08

To Whom It May Concern:

I respectfully request an adjustment to my 4/30/2026 bill to account for a malfunction in my sprinkler system. I was granted a similar adjustment for my August 2025 and September 2025 assessments, which were $4,878.02 and $1,337.68, respectively. I was informed that an adjustment could only be granted once over a two year period, and I am respectfully requesting an exception to this policy.

As background, in August/September 2025, a clamp on my sprinkler system broke resulting in the release of over 376,000 gallons of water before I was aware of the problem. I was told the problem was caused by the malfunction of the clamp, which was repaired after the incident. Usage for the next six months returned to my normal range (low of 1,000 and high of 4,000 gallons per month). However, in April 2026, I noticed water was being released again from my sprinkler system. I turned off the water when I noticed the leak, however, at that time 79,000 gallons of water had already been released. I was told there was a pressure problem with my system, so the fix required replacement of the PVC piping in the sprinkler system box. I do not expect a similar problem to reoccur after this repair.

As you can see from my payment history (attached), I have always paid my bills in a timely manner and my average bill from November 2024 to present (without including the August/September 2025 and April 2026 months) is approximately $70.50. I believe I have demonstrated the capacity to consistently conserve my use of water. The August/September 2025 and April 2026 months are anomalies that were unforeseen and unexpected. I immediately repaired what I believed was the problem with my system on each occasion to prevent additional waste of water.

I was on a payment plan for the August/September mishap, which I completed in Feb 2026. I am currently on a payment plan for my April 2026 bill, which I will complete in the next couple months; however, I am requesting an adjustment to my balance similar to the one previously granted in my case. I did not expect this event to happen again, and it has placed an unanticipated financial burden on me. I have been a resident in this community since 2016, and nothing like this has happened to me before. I know I am responsible for maintaining my sprinkler system, and I understand that I am ultimately responsible for the waste of a significant amount of water. However, I repaired what I believed was the problem in both instances and did not expect this problem to reoccur in April.

As noted above, I am respectfully requesting an exception to your policy in granting some sort of adjustment to my April 2026 assessment to lessen the financial burden of this unexpected occurrence. Please let me know if you require additional information regarding this matter. I am available at your convenience to discuss. Thanks in advance for your favorable consideration of my request.

Regards,

Thomas J. Hasty, III
1077 Timbercrest Drive
Castle Pines, CO 80108
817-914-8736 (mobile)
Email: jdbsce81@yahoo.com

Glen Oaks Home Owners Association
Castle Pines, Colorado 80108

TO: Castle Pines North Board
FROM: Glen Oaks HOA Board
RE: Glen Oaks Front Entrance Irrigation
DATE: July 11, 2026

Requests:

1. **Request to CPNMD: Consideration for reduction of Glen Oaks Water bills for June, July, August, September and October, 2025. ($13,873.81)**
2. **Request to City Of Castle Pines: Consideration for reimbursement of cost to repair water leakage, likely caused by the city's work on Monarch. ($14,320.42)**

Highlights of the issue:
A water leak near the front entrance of the Glen Oaks neighborhood caused the water bills to spike to $1,824.97, $3,238.60, $3,525.64, $3,724.58 and $1,560.02 (Total $13,873.81) in the five months of June-October in 2025. Our normal monthly water rates in those same months tends to be about $400-$500.

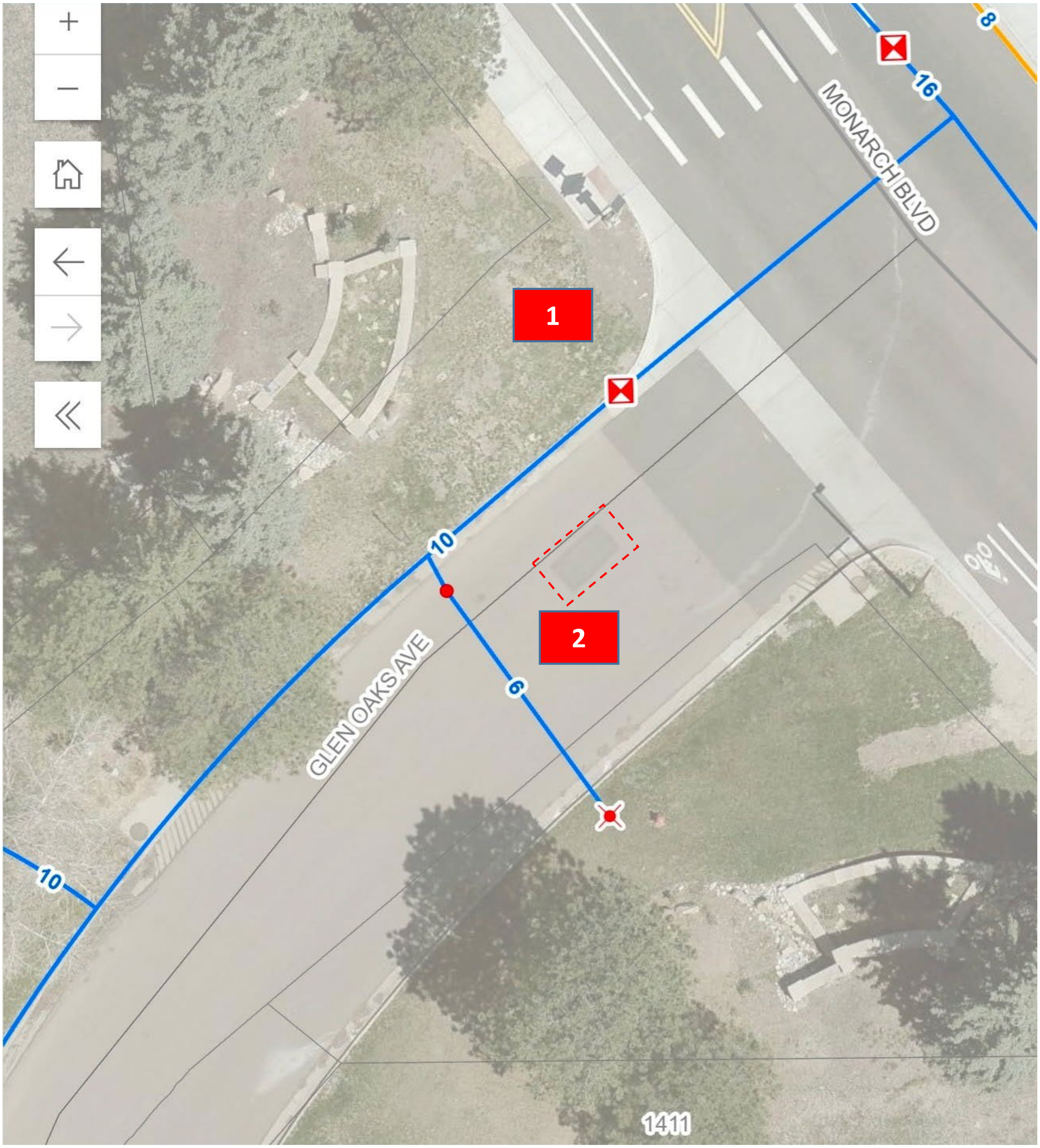
Background
The city performed road work on Monarch in 2024 and 2025. Parts of our front entrance were used as a staging area for equipment during the project (See #1 on the attached photo for the location). For those two years, we essentially did not turn on our water to irrigate the front area.

There is an asphalt patch located approximately 50–100 feet west of Monarch Boulevard that, based on information provided by City staff, we understand was used by a subcontractor as a bore pit to complete utility re-locations as part of the preparation work for the project. When we located our copper waterline, it ran directly through this roadway repair (see Location #2 on the attached photo).

Upon turning on our water for the 2025 season, we experienced the spike in bills mentioned above.

The problem and the fix.
During the summer of 2025, numerous efforts were made to identify the source of the leak. Meetings with representatives of the City of CP, the CPNMD and Weston landscaping were held to attempt to find the leak. To no avail, while the bills kept mounting. Finally, in October of 2025, representatives of the city of CP, CPNMD, Weston landscaping and the Glen Oaks HOA all met together at the site. We all agreed that the leak was occurring under the entrance. The location of

the water meters on either side of the entrance (a new meter pit was added as part of the project on the south side of our entrance, the existing water meter was installed on the north side of the neighborhood entrance, and was abandoned in place) would indicate that the leak was almost certainly located under the roadway, and likely located near the concrete patch. We opted to bore a hole and thread a new pipe rather than excavate roadway to save money. Excavating the front entrance was estimated to cost $25,000-$30,000.



MONARCH BLVD
GLEN OAKS AVE
1
2
10
16
8
6
10
1411

Glen Oaks HOA Common area water bill								
	April	May	June	July	August	September	October	November
2021	$62.80	$867.00	$1,146.09	$250.00	$489.85	$536.65	$1,719.20	$1,787.21
2022	$42.80	$42.80	$414.30	$568.78	$42.80	$42.80	$42.80	$1,879.80
2023	$42.80	$42.80	$42.80	$42.80	$218.30	$589.89	$776.25	$1,313.13
2024	$42.80	$42.80	$42.80	$42.80	$469.85	$364.55	$42.80	$42.80
2025	$45.81	$45.81	$1,824.97	$3,238.60	$3,525.64	$3,724.58	$1,560.02	
							Water shutoff Oct 9, 2025	

CASTLE PINES NORTH

METROPOLITAN DISTRICT™

May 26, 2026
Douglas Polzin
8422 High Ridge Court
Castle Pines, CO 80108

Subject: Notice Regarding Water Service and Instructions for Compliance

Mr. Polzin,

During a recent review of water service accounts within your neighborhood, Castle Pines North Metropolitan District identified a discrepancy between the apparent irrigated landscape area at your property and the water usage recorded on your account. Based on aerial imagery, the property appears to contain approximately 16,560 square feet of irrigated turf and 9,425 square feet of xeric landscaped areas, while recorded water usage has consistently remained between approximately 3,000 and 7,000 gallons throughout the year.

To better understand this discrepancy and confirm that the meter was functioning and installed correctly, the District issued a work order to inspect and replace the meter. During that inspection, District staff identified a connection located upstream of the water meter that is supplying irrigation water outside of the metered system. Our records indicate this condition may have existed since approximately 2008, or eighteen years.

The District recognizes that situations such as this can arise for a variety of reasons, including prior property modifications or installations that may not have been fully understood by property owners. Nevertheless, all water supplied through the District's system must be properly metered in accordance with District Rules and Regulations to ensure fairness to all customers and to support responsible stewardship of the community's water resources.

Under the District's Rules and Regulations, unauthorized connections or unmetered water use is subject to fines, estimated usage charges, recovery of administrative costs, and other enforcement measures. Pursuant to Sections 11.4, 16.1, 16.2.2, 16.2.4, and 16.2.5 of the District's Rules and Regulations, the following charges have been assessed to your account:

- Unauthorized use penalty: $1,500.00
- Estimated unbilled water usage: $10,249.89
- District staff, consultant, and legal costs: $1450

Total Amount Due: $13,199.89

7404 Yorkshire Drive Castle Pines, CO 80108
Phone: 303.688.8550 | www.CPNMD.org

CASTLE PINES NORTH
METROPOLITAN DISTRICT™

The District requires that this matter be resolved no later than June 30, 2026. On or before that date, please:

• Correct the condition so that all water service is properly metered;
• Bring the account current; and coordinate with the District to allow inspection of the service line and verification of compliance.

Once corrective action has been completed, please contact the District office at 303-688-8550 to schedule the required inspection.

If you disagree with this determination or would like the opportunity to provide additional information, you may request a hearing before the District's Board of Directors pursuant to Article 17 of the District's Rules and Regulations. A written request must be submitted to the District Manager within fifteen (15) days of receipt of this letter and should include any information or documentation you would like the Board to consider. If a hearing request is submitted in a timely manner, the compliance deadline and any potential service disconnection will be stayed pending the Board's final written determination.

Please note that this letter constitutes a formal notice of violation involving your account with the Castle Pines North Metropolitan District. Failure to resolve this matter by the stated deadline will result in additional enforcement action, including disconnection of water service and additional fees or costs as authorized by the District's Rules and Regulations.

For your reference, supporting documentation, including a summary of the estimated water usage and photographs from the inspection, is enclosed.

The District appreciates your prompt attention and cooperation in resolving this matter. Our goal is to ensure accurate metering and equitable water use across the community while working collaboratively with residents to achieve compliance.

Nothing contained in this letter shall constitute a waiver of any rights or remedies available to the District under applicable law or the District's Rules and Regulations, all of which are expressly reserved.

Regards,

Nathan J. Travis

Nathan J. Travis
District Manager
Nathan@cpnmd.org
Direct: 303.242.3262

APPENDIX A: Photo of unauthorized connection

Appendix B: Calculations

Turf Irrigation rates Based on weekly average use of 2.25" (Per CSU) over a 4 month irrigation season
Xeric Irrigation Rates Based on weekly average use of .625" (Per CSU) over a 4 month irrigation season

Total to be Charged	**$ 13,199.89**

Parameter	**Value**	**Units**	**Description**
Landscape Area Turf	16560	Square Feet	Enter irrigated area in square feet
Precipitation / Irrigation	36	Inches	Enter inches of water applied
Landscape Area Xeric	9425	Square Feet	Enter irrigated area in square feet
Precipitation / Irrigation	10	Inches	Enter inches of water applied
Gallons Used Per Year	430125.43	Gallons	Calculated gallons of water used
Number of Years	3	Years	3 years Max: Statute of Limitations
Total Gallons	1290376.29	gallons	Total Gallons of usage over term

Usage Calculator (three year max)

Year	**Tier 1 (per Kgal usage)**	
2023	$ 7.76	$ 3,337.77
2024	$ 7.76	$ 3,337.77
2025	$ 8.31	$ 3,574.34
	Total:	**$ 10,249.89**

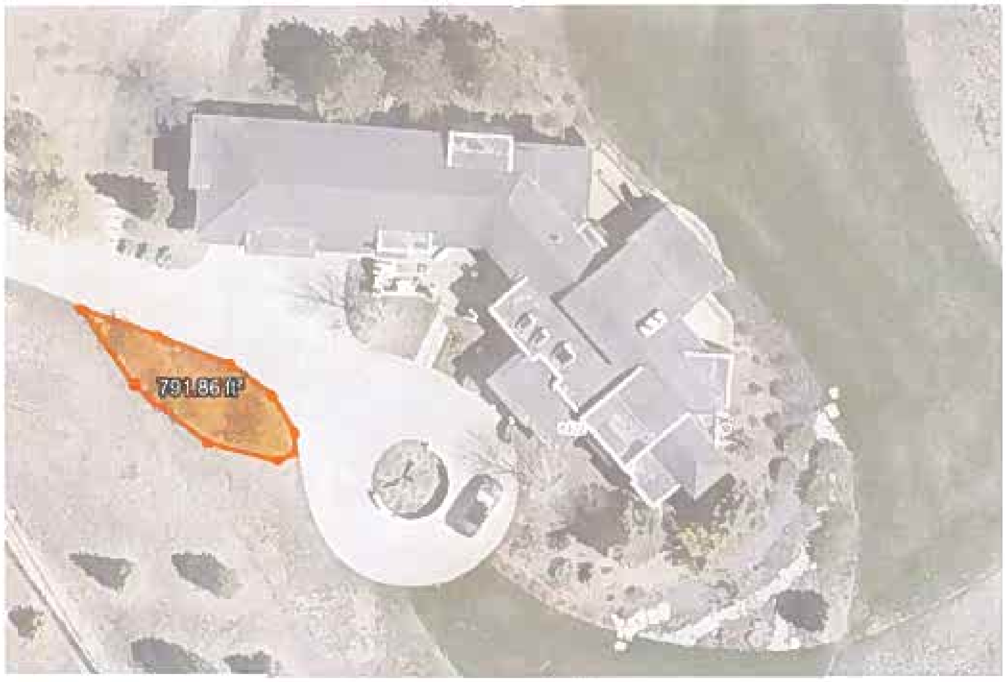
Penalty/fine	**(minimum $500)**	**$ 1,500.00**	**$500.00 per year**

Staffing Calculator			
Staff / Consultant	**Hours**	**Rate $/hr**	**cost**
Technician Inspection	2	$ 100.00	$ 200.00
Office Admin	2	$ 125.00	$ 250.00
Executive	2	$ 150.00	$ 300.00
Legal Review (fixed)	1	$ 700.00	$ 700.00
	Total:	**$ 1,450.00**	

APPENDIX C: Aerial Images and measurements

Turf

Xeric


791.86 ft²


581.29 ft²


4,206.07 ft²

APPENDIX D: Usage history (see following pages)

Castle Pines North Metro District

Customer Transaction Summary

Customer Information
Account No. 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information
Location No. 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
12/31/2006	F Charge	12/31/2006	1	1	1000	0.00	23.16	23.16
01/22/2007	Payment	CHECK				23.16	-23.16	0.00
01/31/2007	Charge	01/31/2007	5	1	4000	0.00	86.04	86.04
02/07/2007	Payment	CHECK				86.04	-52.63	33.41
02/28/2007	Payment	DRAFT				33.41	-33.41	0.00
02/28/2007	Charge	02/28/2007	9	1	4000	0.00	86.04	86.04
03/27/2007	Payment	DRAFT				86.04	-86.04	0.00
03/31/2007	Charge	03/31/2007	13	1	4000	0.00	86.04	86.04
04/30/2007	Payment	DRAFT				86.04	-86.04	0.00
04/30/2007	Charge	04/30/2007	17	1	4000	0.00	86.04	86.04
05/29/2007	Payment	DRAFT				86.04	-86.04	0.00
05/31/2007	Charge	05/31/2007	22	1	5000	0.00	90.34	90.34
06/27/2007	Payment	DRAFT				90.34	-90.34	0.00
06/30/2007	Charge	06/30/2007	26	1	4000	0.00	76.04	76.04
07/30/2007	Payment	DRAFT				76.04	-76.04	0.00
07/31/2007	Charge	07/31/2007	29	1	3000	0.00	75.23	75.23
08/29/2007	Payment	DRAFT				75.23	-75.23	0.00
08/31/2007	Charge	08/31/2007	32	1	3000	0.00	75.23	75.23
09/27/2007	Payment	DRAFT				75.23	-75.23	0.00
09/30/2007	Charge	09/30/2007	35	1	3000	0.00	75.23	75.23
10/29/2007	Payment	DRAFT				75.23	-75.23	0.00
10/31/2007	Charge	10/31/2007	39	1	4000	0.00	78.89	78.89
11/30/2007	Payment	DRAFT				78.89	-78.89	0.00
11/30/2007	Charge	11/30/2007	47	1	8000	0.00	93.53	93.53
12/27/2007	Payment	DRAFT				93.53	-93.53	0.00
12/31/2007	Charge	12/31/2007	54	1	7000	0.00	89.87	89.87
01/28/2008	Payment	DRAFT				89.87	-89.87	0.00
01/31/2008	Charge	01/31/2008	60	1	6000	0.00	90.17	90.17
02/28/2008	Payment	DRAFT				90.17	-90.17	0.00
02/29/2008	Charge	02/29/2008	66	1	6000	0.00	90.65	90.65
03/27/2008	Payment	DRAFT				90.65	-90.65	0.00
03/31/2008	Charge	03/31/2008	72	1	6000	0.00	110.49	110.49
04/28/2008	Payment	DRAFT				110.49	-110.49	0.00
04/30/2008	Charge	04/30/2008	77	1	5000	0.00	101.68	101.68
05/29/2008	Payment	DRAFT				101.68	-101.68	0.00
05/31/2008	Charge	05/31/2008	86	1	9000	0.00	117.08	117.08
06/27/2008	Payment	DRAFT				117.08	-117.08	0.00
06/30/2008	Charge	06/30/2008	92	1	6000	0.00	105.53	105.53
07/21/2008	Adjustment					105.53	-175.00	-69.47
07/30/2008	Adjustment					-69.47	0.00	-69.47
07/31/2008	Charge	07/31/2008	97	1	5000	-69.47	101.68	32.21
08/27/2008	Payment	DRAFT				32.21	-32.21	0.00
08/31/2008	Charge	08/31/2008	102	1	5000	0.00	101.68	101.68
09/29/2008	Payment	DRAFT				101.68	-101.68	0.00
09/30/2008	Charge	09/30/2008	109	1	7000	0.00	109.38	109.38
10/27/2008	Payment	DRAFT				109.38	-109.38	0.00

Castle Pines North Metro District

Customer Transaction Summary

Customer Information

Account No: 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information

Location No. 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
10/31/2008	Charge	10/31/2008	114	I	5000	0.00	101.68	101.68
11/28/2008	Payment	DRAFT				101.68	-101.68	0.00
11/30/2008	Charge	11/30/2008	120	I	6000	0.00	105.53	105.53
12/29/2008	Payment	DRAFT				105.53	-105.53	0.00
12/31/2008	Charge	12/31/2008	127	I	7000	0.00	109.38	109.38
01/27/2009	Payment	DRAFT				109.38	-109.38	0.00
01/31/2009	Charge	01/31/2009	132	I	5000	0.00	107.33	107.33
02/27/2009	Payment	DRAFT				107.33	-107.33	0.00
02/28/2009	Charge	02/28/2009	139	I	7000	0.00	115.59	115.59
03/30/2009	Payment	DRAFT				115.59	-115.59	0.00
03/31/2009	Charge	03/31/2009	147	I	8000	0.00	119.72	119.72
04/29/2009	Payment	DRAFT				119.72	-119.72	0.00
04/30/2009	Charge	04/30/2009	151	I	4000	0.00	103.20	103.20
05/27/2009	Payment	DRAFT				103.20	-103.20	0.00
05/31/2009	Charge	05/31/2009	156	I	5000	0.00	107.33	107.33
06/29/2009	Payment	DRAFT				107.33	-107.33	0.00
06/30/2009	Charge	06/30/2009	160	I	4000	0.00	103.20	103.20
07/27/2009	Payment	DRAFT				103.20	-103.20	0.00
07/31/2009	Charge	07/31/2009	164	I	4000	0.00	103.20	103.20
08/27/2009	Payment	DRAFT				103.20	-103.20	0.00
08/31/2009	Charge	08/31/2009	168	I	4000	0.00	103.20	103.20
09/30/2009	Payment	DRAFT				103.20	-103.20	0.00
09/30/2009	Charge	09/30/2009	172	I	4000	0.00	103.20	103.20
10/27/2009	Payment	DRAFT				103.20	-103.20	0.00
10/31/2009	Charge	10/31/2009	177	I	5000	0.00	107.33	107.33
11/27/2009	Payment	DRAFT				107.33	-107.33	0.00
11/30/2009	Charge	11/30/2009	181	I	4000	0.00	103.20	103.20
12/29/2009	Payment	DRAFT				103.20	-103.20	0.00
12/31/2009	Charge	12/31/2009	186	I	5000	0.00	107.33	107.33
01/27/2010	Payment	DRAFT				107.33	-107.33	0.00
01/31/2010	Charge	01/31/2010	191	I	5000	0.00	110.12	110.12
02/26/2010	Payment	DRAFT				110.12	-110.12	0.00
02/28/2010	Charge	02/28/2010	197	I	6000	0.00	114.53	114.53
03/29/2010	Payment	DRAFT				114.53	-114.53	0.00
03/31/2010	Charge	03/31/2010	201	I	4000	0.00	99.81	99.81
04/28/2010	Payment	DRAFT				99.81	-99.81	0.00
04/30/2010	Charge	04/30/2010	205	I	4000	0.00	99.81	99.81
05/27/2010	Payment	DRAFT				99.81	-99.81	0.00
05/31/2010	Charge	05/31/2010	211	I	6000	0.00	108.63	108.63
06/28/2010	Payment	DRAFT				108.63	-108.63	0.00
06/30/2010	Charge	06/30/2010	217	I	6000	0.00	108.63	108.63
07/27/2010	Payment	DRAFT				108.63	-108.63	0.00
07/31/2010	Charge	07/31/2010	223	I	6000	0.00	108.63	108.63
08/10/2010	Payment	CREDIT CARD				108.63	-108.63	0.00
08/31/2010	Charge	08/31/2010	226	I	3000	0.00	95.40	95.40
09/12/2010	Payment	CREDIT CARD				95.40	-95.40	0.00

Castle Pines North Metro District

Customer Transaction Summary

Customer Information
Account No: 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information
Location No: 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
09/30/2010	Charge	09/30/2010	231	I	5000	0.00	104.22	104.22
10/15/2010	Payment	CREDIT CARD				104.22	-104.22	0.00
10/31/2010	Charge	10/31/2010	235	I	4000	0.00	99.81	99.81
11/12/2010	Payment	CREDIT CARD				99.81	-99.81	0.00
11/30/2010	Charge	11/30/2010	239	I	4000	0.00	99.81	99.81
12/13/2010	Payment	CREDIT CARD				99.81	-99.81	0.00
12/31/2010	Charge	12/31/2010	243	I	4000	0.00	99.81	99.81
01/24/2011	Payment	CREDIT CARD				99.81	-99.81	0.00
01/31/2011	Charge	01/31/2011	248	I	5000	0.00	104.22	104.22
02/11/2011	Payment	CREDIT CARD				104.22	-104.22	0.00
02/28/2011	Charge	02/28/2011	252	I	4000	0.00	99.81	99.81
03/11/2011	Payment	CREDIT CARD				99.81	-99.81	0.00
03/31/2011	Charge	03/31/2011	257	I	5000	0.00	98.32	98.32
04/11/2011	Payment	CREDIT CARD				98.32	-98.32	0.00
04/30/2011	Charge	04/30/2011	261	I	4000	0.00	93.91	93.91
05/13/2011	Payment	CREDIT CARD				93.91	-93.91	0.00
05/31/2011	Charge	05/31/2011	266	I	5000	0.00	98.32	98.32
06/13/2011	Payment	CREDIT CARD				98.32	-98.32	0.00
06/30/2011	Charge	06/30/2011	270	I	4000	0.00	93.91	93.91
07/22/2011	Payment	CREDIT CARD				93.91	-93.91	0.00
07/31/2011	Charge	07/31/2011	274	I	4000	0.00	93.91	93.91
08/16/2011	Payment	CREDIT CARD				93.91	-93.91	0.00
08/31/2011	Charge	08/31/2011	279	I	5000	0.00	98.32	98.32
09/23/2011	Payment	CREDIT CARD				98.32	-98.32	0.00
09/30/2011	Charge	09/30/2011	283	I	4000	0.00	93.91	93.91
10/13/2011	Payment	CREDIT CARD				93.91	-93.91	0.00
10/31/2011	Charge	10/31/2011	287	I	4000	0.00	93.91	93.91
11/14/2011	Payment	CREDIT CARD				93.91	-93.91	0.00
11/30/2011	Charge	11/30/2011	291	I	4000	0.00	93.91	93.91
12/11/2011	Payment	CREDIT CARD				93.91	-93.91	0.00
12/31/2011	Charge	12/31/2011	294	I	3000	0.00	89.50	89.50
01/19/2012	Payment	CREDIT CARD				89.50	-89.50	0.00
01/31/2012	Charge	01/31/2012	299	I	5000	0.00	98.32	98.32
02/13/2012	Payment	CREDIT CARD				98.32	-98.32	0.00
02/29/2012	Charge	02/29/2012	302	I	3000	0.00	89.50	89.50
03/12/2012	Payment	CREDIT CARD				89.50	-89.50	0.00
03/31/2012	Charge	03/31/2012	307	I	5000	0.00	98.32	98.32
04/16/2012	Payment	CREDIT CARD				98.32	-98.32	0.00
04/30/2012	Charge	04/30/2012	311	I	4000	0.00	93.91	93.91
05/14/2012	Payment	CREDIT CARD				93.91	-93.91	0.00
05/31/2012	Charge	05/31/2012	316	I	5000	0.00	98.32	98.32
06/18/2012	Payment	CREDIT CARD				98.32	-98.32	0.00
06/30/2012	Charge	06/30/2012	322	I	6000	0.00	102.73	102.73
07/13/2012	Payment	CREDIT CARD				102.73	-102.73	0.00
07/31/2012	Charge	07/31/2012	326	I	4000	0.00	93.91	93.91
08/13/2012	Payment	CREDIT CARD				93.91	-93.91	0.00

Castle Pines North Metro District

Customer Transaction Summary

Customer Information
Account No 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information
Location No 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
08/31/2012	Charge	08/31/2012	331	1	5000	0.00	98.32	98.32
09/14/2012	Payment	CREDIT CARD				98.32	-98.32	0.00
09/30/2012	Charge	09/30/2012	336	1	5000	0.00	98.32	98.32
10/22/2012	Payment	CREDIT CARD				98.32	-98.32	0.00
10/31/2012	Charge	10/31/2012	340	1	4000	0.00	93.91	93.91
11/11/2012	Payment	CREDIT CARD				93.91	-93.91	0.00
11/30/2012	Charge	11/30/2012	344	1	4000	0.00	93.91	93.91
12/20/2012	Payment	CREDIT CARD				93.91	-93.91	0.00
12/31/2012	Charge	12/31/2012	348	1	4000	0.00	93.91	93.91
01/14/2013	Payment	CREDIT CARD				93.91	-93.91	0.00
01/31/2013	Charge	01/31/2013	353	1	5000	0.00	102.18	102.18
02/12/2013	Payment	CREDIT CARD				102.18	-102.18	0.00
02/28/2013	Charge	02/28/2013	356	1	3000	0.00	93.78	93.78
03/10/2013	Payment	CREDIT CARD				93.78	-93.78	0.00
03/31/2013	Charge	03/31/2013	360	1	4000	0.00	97.98	97.98
04/15/2013	Payment	CREDIT CARD				97.98	-97.98	0.00
04/30/2013	Charge	04/30/2013	363	1	3000	0.00	93.78	93.78
05/14/2013	Payment	CREDIT CARD				93.78	-93.78	0.00
05/31/2013	Charge	05/31/2013	368	1	5000	0.00	102.18	102.18
06/13/2013	Payment	CREDIT CARD				102.18	-102.18	0.00
06/30/2013	Charge	06/30/2013	375	1	7000	0.00	110.58	110.58
07/22/2013	Payment	CREDIT CARD				110.58	-110.58	0.00
07/31/2013	Charge	07/31/2013	378	1	3000	0.00	93.78	93.78
08/31/2013	Charge	08/31/2013	383	1	5000	93.78	102.18	195.96
09/09/2013	Payment	CREDIT CARD				195.96	-93.78	102.18
09/20/2013	Payment	CREDIT CARD				102.18	-102.18	0.00
09/30/2013	Charge	09/30/2013	388	1	5000	0.00	102.18	102.18
10/14/2013	Payment	CREDIT CARD				102.18	-102.18	0.00
10/31/2013	Charge	10/31/2013	392	1	4000	0.00	97.98	97.98
11/09/2013	Payment	CREDIT CARD				97.98	-97.98	0.00
11/30/2013	Charge	11/30/2013	398	1	6000	0.00	107.64	107.64
12/12/2013	Payment	CREDIT CARD				107.64	-107.64	0.00
12/31/2013	Charge	12/31/2013	402	1	4000	0.00	97.98	97.98
01/16/2014	Payment	CREDIT CARD				97.98	-97.98	0.00
01/31/2014	Charge	01/31/2014	407	1	5000	0.00	108.17	108.17
02/14/2014	Payment	CREDIT CARD				108.17	-108.17	0.00
02/28/2014	Charge	02/28/2014	412	1	5000	0.00	108.17	108.17
03/13/2014	Payment	CREDIT CARD				108.17	-108.17	0.00
03/31/2014	Charge	03/31/2014	417	1	5000	0.00	114.88	114.88
04/11/2014	Payment	CREDIT CARD				114.88	-114.88	0.00
04/30/2014	Charge	04/30/2014	422	1	5000	0.00	114.88	114.88
05/31/2014	Charge	05/31/2014	429	1	7000	114.88	123.76	238.64
06/09/2014	Payment	CREDIT CARD				238.64	-238.64	0.00
06/30/2014	Charge	06/30/2014	436	1	7000	0.00	123.76	123.76
07/10/2014	Payment	CREDIT CARD				123.76	-123.76	0.00
07/31/2014	Charge	07/31/2014	443	1	7000	0.00	123.76	123.76

Castle Pines North Metro District

Customer Transaction Summary

Customer Information
Account No: 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information
Location No: 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
08/09/2014	Payment	CREDIT CARD				123.76	-123.76	0.00
08/31/2014	Charge	08/31/2014	450	1	7000	0.00	123.76	123.76
09/30/2014	Charge	09/30/2014	458	1	8000	123.76	128.20	251.96
10/08/2014	Payment	CREDIT CARD				251.96	-251.96	0.00
10/31/2014	Charge	10/31/2014	465	1	7000	0.00	123.76	123.76
11/30/2014	Charge	11/30/2014	472	1	7000	123.76	128.89	252.65
12/10/2014	Payment	CREDIT CARD				252.65	-252.65	0.00
12/31/2014	Charge	12/31/2014	479	1	7000	0.00	128.89	128.89
01/31/2015	Charge	01/31/2015	483	1	4000	128.89	129.27	258.16
02/06/2015	Payment	CREDIT CARD				258.16	-258.16	0.00
02/28/2015	Charge	02/27/2015	487	1	4000	0.00	129.27	129.27
03/09/2015	Payment	CREDIT CARD				129.27	-129.27	0.00
03/31/2015	Charge	03/31/2015	493	1	6000	0.00	140.02	140.02
04/10/2015	Payment	CREDIT CARD				140.02	-140.02	0.00
04/30/2015	Charge	04/30/2015	503	1	10000	0.00	147.41	147.41
05/08/2015	Payment	CREDIT CARD				147.41	-147.41	0.00
05/31/2015	Charge	05/31/2015	509	1	6000	0.00	128.65	128.65
06/05/2015	Payment	CREDIT CARD				128.65	-128.65	0.00
06/30/2015	Charge	06/30/2015	514	1	5000	0.00	123.96	123.96
07/13/2015	Payment	CREDIT CARD				123.96	-123.96	0.00
07/31/2015	Charge	07/31/2015	518	1	4000	0.00	119.27	119.27
08/06/2015	Payment	CREDIT CARD				119.27	-119.27	0.00
08/31/2015	Charge	08/31/2015	522	1	4000	0.00	119.27	119.27
09/09/2015	Payment	CREDIT CARD				119.27	-119.27	0.00
09/30/2015	Charge	09/30/2015	527	1	5000	0.00	123.96	123.96
10/09/2015	Payment	CREDIT CARD				123.96	-123.96	0.00
10/31/2015	Charge	10/31/2015	532	1	5000	0.00	123.96	123.96
11/08/2015	Payment	CREDIT CARD				123.96	-123.96	0.00
11/30/2015	Charge	11/30/2015	536	1	4000	0.00	119.27	119.27
12/09/2015	Payment	CREDIT CARD				119.27	-119.27	0.00
12/31/2015	Charge	12/31/2015	540	1	4000	0.00	119.27	119.27
01/08/2016	Payment	CREDIT CARD				119.27	-119.27	0.00
01/31/2016	Charge	01/31/2016	544	1	4000	0.00	128.71	128.71
02/09/2016	Payment	CREDIT CARD				128.71	-128.71	0.00
02/29/2016	Charge	02/29/2016	549	1	5000	0.00	133.96	133.96
03/07/2016	Payment	CREDIT CARD				133.96	-133.96	0.00
03/31/2016	Charge	03/31/2016	553	1	4000	0.00	121.27	121.27
04/10/2016	Payment	CREDIT CARD				121.27	-121.27	0.00
04/30/2016	Charge	04/30/2016	557	1	4000	0.00	121.27	121.27
05/12/2016	Payment	CREDIT CARD				121.27	-121.27	0.00
05/31/2016	Charge	05/31/2016	563	1	6000	0.00	131.77	131.77
06/11/2016	Payment	CREDIT CARD				131.77	-131.77	0.00
06/30/2016	Charge	06/30/2016	567	1	4000	0.00	121.27	121.27
07/11/2016	Payment	CREDIT CARD				121.27	-121.27	0.00
07/31/2016	Charge	07/31/2016	571	1	4000	0.00	121.27	121.27
08/07/2016	Payment	CREDIT CARD				121.27	-121.27	0.00

Castle Pines North Metro District

Customer Transaction Summary

Customer Information
Account No: 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information
Location No: 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
08/31/2016	Charge	08/31/2016	577	I	6000	0.00	131.77	131.77
09/13/2016	Payment	CREDIT CARD				131.77	-131.77	0.00
09/30/2016	Charge	09/30/2016	582	I	5000	0.00	126.52	126.52
10/11/2016	Payment	CREDIT CARD				126.52	-126.52	0.00
10/31/2016	Charge	10/31/2016	587	I	5000	0.00	126.52	126.52
11/30/2016	Charge	11/30/2016	592	I	5000	126.52	126.52	253.04
12/08/2016	Payment	CREDIT CARD				253.04	-253.04	0.00
12/31/2016	Charge	12/31/2016	596	I	4000	0.00	121.27	121.27
01/10/2017	Payment	CREDIT CARD				121.27	-121.27	0.00
01/31/2017	Charge	01/31/2017	601	I	5000	0.00	150.19	150.19
02/07/2017	Payment	CREDIT CARD				150.19	-150.19	0.00
02/28/2017	Charge	02/28/2017	605	I	4000	0.00	144.69	144.69
03/08/2017	Payment	CREDIT CARD				144.69	-144.69	0.00
03/31/2017	Charge	03/31/2017	611	I	6000	0.00	157.32	157.32
04/10/2017	Payment	CREDIT CARD				157.32	-157.32	0.00
04/30/2017	Charge	04/30/2017	616	I	5000	0.00	150.19	150.19
05/10/2017	Payment	CREDIT CARD				150.19	-150.19	0.00
05/31/2017	Charge	05/31/2017	621	I	5000	0.00	150.19	150.19
06/30/2017	Charge	06/30/2017	625	I	4000	150.19	144.69	294.88
07/11/2017	Payment	CREDIT CARD				294.88	-294.88	0.00
07/31/2017	Charge	07/31/2017	629	I	4000	0.00	144.69	144.69
08/08/2017	Payment	CREDIT CARD				144.69	-144.69	0.00
08/31/2017	Charge	08/31/2017	634	I	5000	0.00	150.19	150.19
09/08/2017	Payment	CREDIT CARD				150.19	-150.19	0.00
09/30/2017	Charge	09/30/2017	639	I	5000	0.00	150.19	150.19
10/07/2017	Payment	CREDIT CARD				150.19	-150.19	0.00
10/31/2017	Charge	10/31/2017	645	I	6000	0.00	155.69	155.69
11/08/2017	Payment	CREDIT CARD				155.69	-155.69	0.00
11/30/2017	Charge	11/30/2017	648	I	3000	0.00	139.19	139.19
12/08/2017	Payment	CREDIT CARD				139.19	-139.19	0.00
12/31/2017	Charge	12/31/2017	653	I	5000	0.00	150.19	150.19
01/09/2018	Payment	CREDIT CARD				150.19	-150.19	0.00
01/31/2018	Charge	01/31/2018	659	I	6000	0.00	159.97	159.97
02/07/2018	Payment	CREDIT CARD				159.97	-159.97	0.00
02/28/2018	Charge	02/28/2018	665	I	6000	0.00	159.97	159.97
03/08/2018	Payment	CREDIT CARD				159.97	-159.97	0.00
03/31/2018	Charge	03/31/2018	671	I	6000	0.00	159.97	159.97
04/09/2018	Payment	CREDIT CARD				159.97	-159.97	0.00
04/30/2018	Charge	04/30/2018	678	I	7000	0.00	163.96	163.96
05/14/2018	Payment	CREDIT CARD				163.96	-163.96	0.00
05/31/2018	Charge	05/31/2018	684	I	6000	0.00	158.29	158.29
06/08/2018	Payment	CREDIT CARD				158.29	-158.29	0.00
06/30/2018	Charge	06/30/2018	689	I	5000	0.00	168.14	168.14
07/13/2018	Payment	CREDIT CARD				168.14	-168.14	0.00
07/31/2018	Charge	07/31/2018	694	I	5000	0.00	168.14	168.14
08/10/2018	Payment	CREDIT CARD				168.14	-168.14	0.00

Customer Transaction Summary

Customer Information
Account No: 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information
Location No: 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
08/31/2018	Charge	08/31/2018	700	1	6000	0.00	173.81	173.81
09/10/2018	Payment	CREDIT CARD				173.81	-173.81	0.00
09/30/2018	Charge	09/30/2018	706	1	6000	0.00	173.81	173.81
10/12/2018	Payment	CREDIT CARD				173.81	-173.81	0.00
10/31/2018	Charge	10/31/2018	712	1	6000	0.00	173.81	173.81
11/11/2018	Payment	CREDIT CARD				173.81	-173.81	0.00
11/30/2018	Charge	11/29/2018	718	1	6000	0.00	175.49	175.49
12/08/2018	Payment	CREDIT CARD				175.49	-175.49	0.00
12/31/2018	Charge	12/28/2018	722	1	4000	0.00	162.47	162.47
01/09/2019	Payment	CREDIT CARD				162.47	-162.47	0.00
01/31/2019	Charge	01/31/2019	727	1	5000	0.00	172.02	172.02
02/06/2019	Payment	CREDIT CARD				172.02	-172.02	0.00
02/28/2019	Charge	02/28/2019	732	1	5000	0.00	172.02	172.02
03/07/2019	Payment	CREDIT CARD				172.02	-172.02	0.00
03/31/2019	Charge	03/29/2019	738	1	6000	0.00	171.52	171.52
04/04/2019	Payment	CREDIT CARD				171.52	-171.52	0.00
04/30/2019	Charge	04/30/2019	743	1	5000	0.00	163.94	163.94
05/04/2019	Payment	CREDIT CARD				163.94	-163.94	0.00
05/31/2019	Charge	05/31/2019	749	1	6000	0.00	169.79	169.79
06/06/2019	Payment	CREDIT CARD				169.79	-169.79	0.00
06/30/2019	Charge	07/01/2019	753	1	4000	0.00	158.09	158.09
07/04/2019	Payment	CREDIT CARD				158.09	-158.09	0.00
07/31/2019	Charge	07/31/2019	758	1	5000	0.00	163.94	163.94
08/31/2019	Charge	08/30/2019	765	1	7000	163.94	175.64	339.58
09/06/2019	Payment	CREDIT CARD				339.58	-339.58	0.00
09/30/2019	Charge	09/30/2019	771	1	6000	0.00	169.79	169.79
10/31/2019	Charge	10/30/2019	778	1	7000	169.79	175.64	345.43
11/06/2019	Payment	CREDIT CARD				345.43	-345.43	0.00
11/30/2019	Charge	11/27/2019	783	1	5000	0.00	163.94	163.94
12/11/2019	Payment	CREDIT CARD				163.94	-163.94	0.00
12/31/2019	Charge	12/30/2019	789	1	6000	0.00	171.52	171.52
01/13/2020	Payment	CREDIT CARD				171.52	-171.52	0.00
01/31/2020	Charge	01/31/2020	794	1	5000	0.00	163.94	163.94
02/10/2020	Payment	CREDIT CARD				163.94	-163.94	0.00
02/29/2020	Charge	02/28/2020	799	1	5000	0.00	167.58	167.58
03/05/2020	Payment	CREDIT CARD				167.58	-167.58	0.00
03/31/2020	Charge	03/31/2020	806	1	7000	0.00	203.36	203.36
04/08/2020	Payment	CREDIT CARD				203.36	-203.36	0.00
04/30/2020	Charge	04/30/2020	814	1	8000	0.00	185.67	185.67
05/31/2020	Charge	05/29/2020	822	1	8000	185.67	185.67	371.34
06/05/2020	Payment	CREDIT CARD				371.34	-371.34	0.00
06/30/2020	Charge	06/30/2020	830	1	8000	0.00	185.67	185.67
07/10/2020	Payment	CREDIT CARD				185.67	-185.67	0.00
07/31/2020	Charge	07/31/2020	836	1	6000	0.00	173.61	173.61
08/06/2020	Payment	CREDIT CARD				173.61	-173.61	0.00
08/31/2020	Charge	08/31/2020	844	1	8000	0.00	185.67	185.67

Castle Pines North Metro District

Customer Transaction Summary

Customer Information
Account No: 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information
Location No: 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
09/07/2020	Payment	CREDIT CARD				185.67	-185.67	0.00
09/30/2020	Charge	09/30/2020	850	1	6000	0.00	173.61	173.61
10/08/2020	Payment	CREDIT CARD				173.61	-173.61	0.00
10/31/2020	Charge	10/30/2020	857	1	7000	0.00	179.64	179.64
11/30/2020	Charge	11/30/2020	864	1	7000	179.64	186.54	366.18
12/01/2020	Payment	CREDIT CARD				366.18	-179.64	186.54
12/07/2020	Payment	CREDIT CARD				186.54	-186.54	0.00
12/31/2020	Charge	12/30/2020	869	1	5000	0.00	167.58	167.58
01/17/2021	Payment	CREDIT CARD				167.58	-167.58	0.00
01/31/2021	Charge	01/29/2021	876	1	7000	0.00	190.10	190.10

Castle Pines North Metro District

Customer Transaction Summary

Customer Information
Account No: 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information
Location No: 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
12/30/2019	Charge					17779.10	656.25	18435.35
12/31/2019	Charge	12/30/2019	789	I	6000	0.00	171.52	171.52
01/31/2020	Charge	01/31/2020	794	I	5000	0.00	163.94	163.94
02/29/2020	Charge	02/28/2020	799	I	5000	0.00	167.58	167.58
03/31/2020	Charge	03/31/2020	806	I	7000	0.00	203.36	203.36
04/30/2020	Charge	04/30/2020	814	I	8000	0.00	185.67	185.67
05/31/2020	Charge	05/29/2020	822	I	8000	185.67	185.67	371.34
06/30/2020	Charge	06/30/2020	830	I	8000	0.00	185.67	185.67
07/31/2020	Charge	07/31/2020	836	I	6000	0.00	173.61	173.61
08/31/2020	Charge	08/31/2020	844	I	8000	0.00	185.67	185.67
09/30/2020	Charge	09/30/2020	850	I	6000	0.00	173.61	173.61
10/31/2020	Charge	10/30/2020	857	I	7000	0.00	179.64	179.64
11/30/2020	Charge	11/30/2020	864	I	7000	179.64	186.54	366.18
12/31/2020	Charge	12/30/2020	869	I	5000	0.00	167.58	167.58
01/31/2021	Charge	01/29/2021	876	I	7000	0.00	190.10	190.10
02/28/2021	Charge	02/28/2021	881	I	5000	190.10	170.59	360.69
03/31/2021	Charge	03/31/2021	888	I	7000	360.69	190.10	550.79
04/30/2021	Charge	04/30/2021	894	I	6000	0.00	176.80	176.80
05/31/2021	Charge	06/01/2021	902	I	8000	0.00	189.22	189.22
06/30/2021	Charge	06/30/2021	908	I	6000	0.00	176.80	176.80
07/31/2021	Charge	07/31/2021	914	I	6000	0.00	176.80	176.80
08/31/2021	Charge	08/31/2021	920	I	6000	-6.21	176.80	170.59
09/30/2021	Charge	09/30/2021	924	I	4000	-6.21	164.38	158.17
10/31/2021	Charge	10/31/2021	929	I	5000	0.00	170.59	170.59
11/30/2021	Charge	11/30/2021	933	I	4000	0.00	164.38	164.38
12/31/2021	Charge	12/31/2021	937	I	4000	0.00	164.38	164.38
01/31/2022	Charge	01/31/2022	943	I	6000	164.38	159.88	324.26
03/03/2022	Charge	02/28/2022	947	I	4000	0.00	145.63	145.63
04/01/2022	Charge	03/31/2022	951	I	4000	0.00	130.25	130.25
04/30/2022	Charge	04/30/2022	955	I	4000	0.00	142.75	142.75
05/31/2022	Charge	05/31/2022	961	I	6000	0.00	155.17	155.17
06/30/2022	Charge	06/30/2022	968	I	7000	0.00	161.38	161.38
07/31/2022	Charge	07/31/2022	973	I	5000	0.00	148.96	148.96
08/31/2022	Charge	08/31/2022	978	I	5000	0.00	148.96	148.96
09/30/2022	Charge	09/30/2022	983	I	5000	0.00	148.96	148.96
10/31/2022	Charge	10/31/2022	988	I	5000	0.00	148.96	148.96
11/30/2022	Charge	11/30/2022	992	I	4000	0.00	142.75	142.75
12/31/2022	Charge	12/31/2022	997	I	5000	0.00	148.96	148.96
01/31/2023	Charge	01/31/2023	1002	I	5000	0.00	148.96	148.96
02/28/2023	Charge	02/28/2023	1006	I	4000	148.96	142.75	291.71
03/31/2023	Charge	03/31/2023	1011	I	5000	0.00	148.96	148.96
04/30/2023	Charge	04/30/2023	1016	I	5000	0.00	142.71	142.71
05/31/2023	Charge	05/31/2023	1022	I	6000	0.00	148.92	148.92
06/30/2023	Charge	06/30/2023	1031	I	9000	0.00	167.55	167.55
07/31/2023	Charge	07/31/2023	1039	I	8000	0.00	161.34	161.34
08/31/2023	Charge	08/31/2023	1047	I	8000	0.00	161.34	161.34

Castle Pines North Metro District

Customer Transaction Summary

Customer Information
Account No: 4676
DOUGLAS POLZIN
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Location Information
Location No: 2701371
8422 HIGH RIDGE COURT
CASTLE PINES, CO 80108

Date	Type	More Info	Reading		Usage	Prior Balance	Transaction Amount	Balance
09/30 2023	Charge	09 30 2023	1054	I	7000	0.00	155.13	155.13
10 31 2023	Charge	10 31 2023	1060	I	6000	155.13	148.92	304.05
11/30 2023	Charge	11 30 2023	1066	I	6000	148.92	150.75	299.67
12/31 2023	Charge	12/31 2023	1069	I	3000	0.00	130.29	130.29
01/31 2024	Charge	01/31/2024	1076	I	7000	0.00	162.22	162.22
02/29/2024	Charge	02/29/2024	1080	I	4000	0.00	136.50	136.50
03/31/2024	Charge	03/31/2024	1085	I	5000	0.00	142.71	142.71
04/30/2024	Charge	04/30/2024	1090	I	5000	0.00	142.71	142.71
05/31/2024	Charge	05/31/2024	1096	I	6000	0.00	148.92	148.92
06/30/2024	Charge	06/30/2024	1101	I	5000	0.00	142.71	142.71
07/31/2024	Charge	07/31/2024	1107	I	6000	142.71	148.92	291.63
08/31/2024	Charge	08/31/2024	1115	I	8000	0.00	161.34	161.34
09/30/2024	Charge	09/30/2024	1120	I	5000	0.00	142.71	142.71
10/31/2024	Charge	10/31/2024	1122	I	2000	0.00	124.08	124.08
11/30/2024	Charge	11/30/2024	1127	I	5000	0.00	142.71	142.71
12/31/2024	Charge	12/31/2024	1131	I	4000	0.00	136.50	136.50
01/31/2025	Charge	01/31/2025	1135	I	4000	0.00	146.71	146.71
02/28/2025	Charge	02/28/2025	1139	I	4000	0.00	146.71	146.71
03/31/2025	Charge	03/31/2025	1142	I	3000	0.00	133.82	133.82
04/30/2025	Charge	04/30/2025	1146	I	4000	0.00	140.47	140.47
05/31/2025	Charge	05/31/2025	1151	I	5000	0.00	147.12	147.12
06/30/2025	Charge	06/30/2025	1156	I	5000	0.00	147.12	147.12
07/31/2025	Charge	07/31/2025	1162	I	6000	0.00	153.77	153.77
08/31/2025	Charge	08/31/2025	1166	I	4000	0.00	140.47	140.47
09/30/2025	Charge	09/30/2025	1169	I	3000	0.00	133.82	133.82
10/31/2025	Charge	10/31/2025	1172	I	3000	0.00	133.82	133.82
11/30/2025	Charge	11/30/2025	1175	I	3000	0.00	133.82	133.82
12/31/2025	Charge	12/31/2025	1179	I	4000	0.00	140.47	140.47
01/31/2026	Charge	01/31/2026	1183	I	4000	0.00	148.04	148.04
02/28/2026	Charge	02/28/2026	1188	I	5000	0.00	155.04	155.04
03/31/2026	Charge	03/31/2026	1192	I	4000	0.00	151.38	151.38
04/30/2026	Charge	04/30/2026	1196	I	4000	0.00	151.38	151.38

Dear Mr. Travis,

I am writing in response to the District's Notice Regarding Water Service and Instructions for Compliance dated May 26, 2026, concerning my property at 8422 High Ridge Court (Account No. 4676). Pursuant to Article 17 of the Castle Pines North Metropolitan District Rules and Regulations, I hereby formally request a hearing before the Board of Directors to contest the assessed charges, specifically the estimated unbilled water usage of $10,249.89, as well as the unauthorized use penalty and staff/legal costs.

I do not dispute the existence of the unmetered irrigation connection (the technician explained to me while visiting) and will promptly correct the condition so that all water service is properly metered. I have already begun coordinating the necessary repairs and will contact the District office at 303-688-8550 to schedule the required post-correction inspection as soon as the work is complete.

To our knowledge, there was no intent whatsoever to bypass the District's metering system, and we were unaware of the condition until the District's recent inspection. When the technician visited, I was fully cooperative and immediately showed him the meter and all related components with complete transparency.

My primary disagreement concerns the District's estimated water usage calculation in Appendix B, which relies on standard Kentucky bluegrass irrigation rates of 36 inches per year for the 16,560 sq ft of turf. This assumption does not accurately reflect the actual water needs or practices at the property for the following reasons:

1. **Reveille® Hybrid Bluegrass Sod**: The lawn consists of Reveille hybrid bluegrass (Kentucky × Texas bluegrass cross), a CSU-bred variety specifically developed for improved drought resistance, deeper rooting, and lower water requirements than standard Kentucky bluegrass. CSU Extension resources and Colorado-specific turf studies confirm that Reveille hybrids perform well at approximately **75% ET** replacement and have measured seasonal evapotranspiration of **23.5 inches** (Kc = 0.81) — 14% less than standard mixes. The Reveille installation can be confirmed if needed.
    - Sources: • CSU PlantTalk 1544: https://planttalk.colostate.edu/topics/lawns/1544-modern-bluegrass-varieties-better-heat-tolerance-drought-resistance/ • Arapahoe County Extension (CSU): Water-Saving Turf graph showing Reveille at 75% ET: https://arapahoe.extension.colostate.edu/2023/07/02/water-saving-turf-whats-new/

2. **Precipitation Water Delay / Rain Sensor System**: The irrigation controller is equipped with a working precipitation delay (rain sensor) that automatically interrupts cycles after rainfall, further reducing unnecessary watering by an estimated 20–30% (per CSU Extension guidance on rain sensors).

3. **Conservative Actual Watering Schedule**: The system is programmed with only 11 turf zones run for 30 minutes each and 3 xeric drip zones watered every 3 days for 30 minutes. Combined with the drought-tolerant sod and rain sensor, actual irrigation applied has been significantly below the District's blanket assumptions. This is corroborated by the property's consistently low historical metered usage (typically 3,000–7,000 gallons per billing period).

We also live a highly sustainable and energy-efficient lifestyle that aligns with responsible water stewardship. The property features a full solar array, and we drive three electric vehicles. These choices reflect our broader commitment to conservation, which extends to our careful management of landscape irrigation. To that point, to the detriment of our very light watering you will notice our grass is not "green" like neighbors and if anything, our lower water use has led to mite infiltration of our lawn with this dryer than normal winter (see photos).

I also respectfully request that the Board consider a discount or reduction on the $1,500 unauthorized use penalty and the $1,450 in District staff, consultant, and legal costs. While I understand the need for enforcement under the Rules and Regulations, I believe some leniency is warranted given my long-standing support and contributions to the Castle Pines community. I have served as President of the Hidden Pointe HOA (and have been actively involved in related Castle Pines HOA and community matters) for several years, and I have consistently worked collaboratively with the City of Castle Pines and the District on various neighborhood and community issues.

I have attached the following supporting documentation for the Board's consideration:

- Photographs of the rain sensor and irrigation controller
- Detailed irrigation zone schedule and run times
- Side-by-side recalculation table using the District's methodology but applying Reveille-specific rates (75% ET / 23.5 inches) plus rain-sensor adjustment (showing a potential reduction of the usage charge by approximately $3,000–$4,500)
- Photograph of the solar array on the property
- Excerpts/links to the CSU sources cited above

I appreciate the District's recognition that these situations can arise from prior installations and your stated goal of working collaboratively with residents. I am committed to full compliance and accurate metering going forward. I respectfully request that the Board adjust the estimated unbilled usage charge and consider a discount on the penalty and costs to better reflect the actual lower water needs, the lack of any knowing intent, my good-faith cooperation, and my ongoing contributions to the community.

Please let me know if you require any additional information or documentation prior to the hearing. I am available at your earliest convenience.

Thank you for your attention to this matter.

Sincerely,


PGM A Set Run Times
1 0:30
Valve Hrs Min
+ -
ART TIMES
YSTEM
B C D
GRAM
ALARM


WR2 Quick Reference
Referencia Rápida del WR2
Programming
Programación
RESTORE
Contractor Default
RESTAURAR
la programación del instalador
Temperature Set Point (WR2-RFC)
Punto de ajuste de la temperatura
41°F (5°C)
37°F (3°C)
33°F (0.5°C)
Rainfall Set Point
Punto de ajuste de lluvia
1/2" = 13mm
1/4" = 6mm
1/8" = 3mm
Irrigation Mode
Modo de riego
Programmed
Programado
Override Sensor 72 hrs.
Suspend 72 hrs.
WR2 WIRELESS SENSOR
RAIN BIRD
Musured in In. (inches)
1
2
3
4
5
6

Doug Polzin

8422 High Ridge Court

Castle Pines, CO 80108

303.809.6483

table-16

Scenario	Turf Inches/Year	Xeric Inches/Year	Annual Gallons	3-Year Total Gallons	Approx. Usage Charge*	Savings vs. District
District (standard KBG)	36	10	430,125	1,290,376	$10,249.89	—
Reveille only (USBR/CO study)	23.5 (actual measured ET, Kc=0.81)	10	301,165	903,494	≈ $7,170	≈ $3,080
Reveille + Rain Sensor (25% further reduction)	23.5 × 0.75 = 17.6	10 × 0.75 = 7.5	≈ 240,000	≈ 720,000	≈ $5,700	≈ $4,550
Conservative max adjustment (your full system)	24 (Reveille) + rain sensor/drip efficiency	6–8 (drip + sensor)	≈ 220,000–250,000	660k–750k	≈ $5,200–$6,000	$4,250–$5,050

CASTLE PINES NORTH
METROPOLITAN DISTRICT

TO: **Board of Directors – Castle Pines North Metropolitan District**

FROM: **Eric Harris, Elevated Clarity (EC)**

DATE: **July 27, 2026**

RE: **Financial Report – July 2026 Board of Directors Meeting**

General Fund Activity

	Actual Through 5/31/26	Budget Through 5/31/26	Favorable/(Unfavorable)
Beginning Funds Available	$524,010	$197,782	$326,228
Revenues	$1,210,360	$1,334,630	$(124,270)
Total Expenditures	$988,275	$1,054,371	$66,096
Change in Funds Available	**$222,085**	**$280,259**	**$(58,174)**
Ending Funds Available	**$746,095**	**$478,041**	**$268,054**

Revenues came in $124,270 below the year-to-date budget. The largest drivers were indirect cost revenue billed to the Water Fund ($93,604 under budget, a mirror of the Water Fund's own indirect-cost variance discussed below), oil royalty revenues ($31,440 under budget), and general property taxes ($30,868 under budget, likely a timing difference in county remittances rather than a shortfall in the levy). These were partly offset by indirect cost revenue from the Wastewater Fund running $37,721 ahead of budget.

Expenditures were $66,096 under budget overall. Salaries and Benefits were $68,565 under budget, consistent with vacancy/timing savings and no spending yet against the budgeted overtime/bonus line. Professional Services ($31,059 under) and Firm Commitments ($22,708 under) also ran favorable. These savings were partially offset by two notable overages: Property & Liability Insurance is $125,755 actual against an $85,000 year-to-date budget ($40,755 over), and Software Support is $84,409 actual against $48,152 budgeted ($36,257 over).

Net of the above, the change in funds available is $58,174 unfavorable to budget — the revenue shortfall was not fully offset by expenditure savings. The fund still ends the period with $746,095 available versus a $478,041 budget, but that favorable ending position is driven almost entirely by the $326,228 favorable beginning balance carried over from 2025, not by year-to-date operating performance.

Enterprise Fund Activity

Billed water usage for May 2026 was 48,448,000 gallons and 154,138,000 gallons year to date, representing a 2.87% increase over the prior year-to-date period.

	Total Billable Usage (Gallons)							
	2023	Cumulative	2024	Cumulative	2025	Cumulative	2026	Cumulative
January	26,439,000	26,439,000	20,217,000	20,217,000	20,222,000	20,222,000	21,463,000	21,463,000
February	17,334,000	43,773,000	16,844,000	37,061,000	18,852,000	39,074,000	20,709,000	42,172,000
March	17,766,000	61,539,000	17,744,000	54,805,000	18,810,000	57,884,000	24,612,000	66,784,000
April	24,839,000	86,378,000	25,517,000	80,322,000	30,472,000	88,356,000	38,906,000	105,690,000
May	37,307,000	123,685,000	44,494,000	124,816,000	61,357,000	149,713,000	48,448,000	154,138,000
June	45,739,003	169,424,003	104,276,000	229,092,000	82,618,000	232,331,000		
July	82,846,000	252,270,003	111,770,000	340,862,000	116,398,000	348,729,000		
August	77,494,000	329,764,003	90,502,000	431,364,000	97,641,000	446,370,000		
September	69,434,000	399,198,003	93,912,000	525,276,000	78,316,000	524,686,000		
October	61,514,000	460,712,003	72,133,000	597,409,000	52,041,000	576,727,000		
November	20,852,000	481,564,003	22,591,000	620,000,000	25,644,000	602,371,000		
December	17,116,000	498,680,003	20,563,000	640,563,000	20,648,000	623,019,000		

Water services revenues (volumetric charges) for May 2026 were $294,614. Wastewater services revenues (volumetric charges) for the same period were $169,710. Wastewater service charges are assessed and set based upon the winter usage for individual account holders.

The following table summarizes year-to-date accounts receivable and revenues activity:

YTD ACCOUNTS RECEIVABLE AND REVENUES (unaudited)				
	BEGINNING BALANCE	REVENUES	PAYMENTS / ADJUSTMENTS	ENDING BALANCE
1/31/2026	$ 623,359	$ 603,649	$ (563,650)	$ 663,358
2/28/2026	663,358	598,480	(594,280)	667,558
3/31/2026	667,558	608,897	(633,646)	642,809
4/30/2026	642,809	722,538	(606,238)	759,109
5/31/2026	759,109	780,763	(678,826)	861,046
6/30/2026				-
7/31/2026				-
8/31/2026				-
9/30/2026				-
10/31/2026				-
11/30/2026				-
12/31/2026				-
YTD		$ 3,314,327	$ (3,076,640)	

Water Enterprise Fund

	Actual Through 5/31/26	Budget Through 5/31/26	Favorable/ (Unfavorable)
Beginning Funds Available	$43,042,997	$41,656,958	$1,386,039
Revenues	$2,968,879	$2,696,321	$272,558
Total Expenditures	$5,504,352	$5,981,260	$476,908
Change in Funds Available	**$(2,535,473)**	**$(3,284,939)**	**$749,466**
Ending Funds Available	**$40,507,524**	**$38,372,019**	**$2,135,505**

The Fund began 2026 with $43,042,997 in total funds available: $15,565,618 restricted for renewable water, $18,810,972 restricted for capital, and $8,666,407 unrestricted. Through May, operating revenues of $1,238,508 exceeded the $1,119,863 budget by $118,645, led by Water Service Revenue ($936,270 actual vs. $799,536 budget, +$136,734).

Direct operating expenditures of $2,034,212 came in $624,029 under the $2,658,241 year-to-date budget, mainly because several maintenance and program lines have not yet been spent. Partly offsetting these savings were higher-than-budgeted Centennial Delivery Charges ($420,608 actual vs. $280,455 budget, –$140,153, reflecting greater delivered water volume) and Electricity for IPP Pumping Costs ($64,664 vs. $14,271 budget, –$50,393) – together pointing to a shift toward interconnect (IPP) water delivery over well pumping this year.

Net of all activity, funds available decreased $2,535,473, which was $749,466 better than budgeted, leaving ending funds available of $40,507,524 – $2,135,505 above the $38,372,019 budget. Of that balance, $15,626,318 is restricted for renewable water, $16,655,928 is restricted for capital, and $8,225,278 is unrestricted (running $1,439,844 ahead of budget).

Wastewater Enterprise Fund

	Actual Through 5/31/26	Budget Through 5/31/26	Favorable/ (Unfavorable)
Beginning Funds Available	$5,681,913	$5,310,631	$371,282
Revenues	$1,367,283	$1,268,913	$98,370
Total Expenditures	$3,201,413	$4,423,600	$1,222,187
Change in Funds Available	**$(1,834,130)**	**$(3,154,687)**	**$1,320,557**
Ending Funds Available	**$3,847,783**	**$2,155,944**	**$1,691,839**

The Fund began 2026 with $5,681,913 in total funds available ($1,335,757 restricted for capital, $4,346,156 unrestricted). Operating revenues of $1,260,944 exceeded the $1,227,247 budget by $33,697.

Direct operating expenditures of $1,029,286 ran $251,480 over the $777,806 year-to-date budget, driven almost entirely by Collection – Repairs and Maintenance. This was partly offset by savings in Collection – Main Inspection and Cleaning (+$61,127). Total operating expenditures of $1,183,679 exceeded budget by $384,532, and operating income of $77,265 came in $350,835 below the budgeted $428,100.

Overall, funds available decreased $1,834,130, which was $1,320,557 better than the budgeted $3,154,687 decrease, leaving ending funds available of $3,847,783 against a $2,155,944 budget – a $1,691,839 favorable variance, all in the unrestricted category (the Fund currently carries no capital-restricted balance).

Cash and Investment Activity

The following table summarizes the District's Monthly Cash Position:

CASH BALANCE BY MONTH - unaudited			
	CITYWIDE/UMB	COLOTRUST	TOTAL
6/30/2025	$ 879,796	$ 48,537,702	$ 49,417,498
7/31/2025	902,244	49,032,569	49,934,813
8/31/2025	801,581	49,097,776	49,899,357
9/30/2025	683,418	49,300,256	49,983,674
10/31/2025	988,795	49,451,543	50,440,338
11/30/2025	746,352	49,625,162	50,371,514
12/31/2025	769,203	49,321,024	50,090,227
1/31/2026	451,581	48,948,294	49,399,875
2/28/2026	718,648	47,110,528	47,829,176
3/31/2026	674,060	47,169,060	47,843,120
4/30/2026	1,036,037	45,835,685	46,871,722
5/31/2026	1,148,386	45,096,032	46,244,418

Accounts Payable Activity

The following table summarizes the District's year-to-date monthly disbursements summary:

DISBURSEMENTS SUMMARY (unaudited)		
BOARD MEETING MONTH	DISBURSEMENT DATES	TOTAL
AUGUST 2025	7/17/25-8/13/25	$ 938,297.29
SEPTEMBER 2025	8/14/25-9/9/25	1,246,538.25
OCTOBER 2025	9/10/25-10/15/25	1,077,226.22
NOVEMBER 2025	10/16/25-11/13/25	1,255,195.94
JANUARY 2026	11/14/25-1/13/26	2,665,662.73
FEBRUARY 2026	1/14/26-2/11/26	1,895,968.59
MARCH 2026	2/12/26-3/11/26	1,859,339.06
APRIL 2026	3/12/26-4/15/26	1,425,616.50
MAY 2026	4/16/26-5/12/26	1,966,413.96
JUNE 2026	5/13/26-6/10/26	1,600,653.59
JULY 2026	6/11/26-7/15/26	1,839,316.59
		$ 17,770,228.72

District staff and consultants presented $1,839,316.59 in expenditures for review at the work session held on July 20, 2026. These expenditures were brought to the attention of the Board for consideration of ratification at the Board of Directors Meeting to be held July 27, 2026.

Current Projects

Currently, EC is working with District staff and contractors on implementing the following process changes and projects:

- Assist with the implementation of CUSI (billing system) UB4. CUSI has converted rates and account information to the new platform.
- The District engaged Blackbaud Advisory consultants to strengthen the District's general ledger and financial system configuration. Next-quarter priorities are to (i) build report groupings to streamline financial reporting and (ii) update the Vendor Master File in preparation for transitioning to the online AP function (Payment Assist) and expense management modules which will streamline and enhance monthly financial reporting.
- Once accepted by the Board, the District's audit will be finalized and filed with the State Auditor's Office by July 31, 2026.
- We have started a second-round review of the proposed District Records Management Structure with District Staff. We also met with Greystone in early June to discuss a scope of work for potentially moving the District from a local server to an online SharePoint solution. More details will be forthcoming as they become available.
- Establish accounts with InBank and CSAFE as authorized by the Board. The Board will be kept informed of our progress as we implement these new solutions into the District's treasury management systems.
- Evaluate reserve levels and types of reserves to develop, recommend, and ultimately adopt a reserves policy.
- Update and streamline reporting for capital projects.

Anticipated Upcoming Schedule (subject to change)

July 27, 2026 – Monthly Board Meeting
July 31, 2026 – Deadline for Submitting 2025 Audit to State Auditor's Office
August 17, 2026 – Monthly Board Meeting
August 24, 2026 – Monthly Board Work Session

CASTLE PINES NORTH

METROPOLITAN DISTRICT

STATEMENT OF REVENUES & EXPENDITURES

BUDGETARY (NON-GAAP) BASIS

December 31, 2025 Actual, 2026 Adopted Budget

2026 Actuals, Budget and Variance Through May 31, 2026

CASTLE PINES NORTH METROPOLITAN DISTRICT
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS
BUDGETARY (NON-GAAP) BASIS
December 31, 2025 Actual
Actual, Projected Actual, Budget and Variance Through May 31, 2026

SUMMARY - ALL FUNDS

DESCRIPTION	12/31/2025 AUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 5/31/2026	BUDGET THROUGH 5/31/2026	FAVORABLE (UNFAVOR-ABLE) VARIANCE
GENERAL FUND					
Beginning Funds Available					
Restricted for TABOR	$ 57,298	$ 75,372	$ 43,242	$ 75,372	$ (32,130)
Unrestricted	95,832	122,410	480,768	122,410	358,358
Total Beginning Funds Available	**$ 153,130**	**$ 197,782**	**$ 524,010**	**$ 197,782**	**$ 326,228**
Revenues	**$ 2,732,485**	**$ 2,556,272**	**$ 1,210,360**	**$ 1,334,630**	**$ (124,270)**
Expenditures					
Salaries and Benefits	**$ 436,588**	**$ 698,356**	**$ 225,333**	**$ 293,898**	**$ 68,565**
Other					
Professional Services	$ 1,076,939	$ 942,608	$ 363,978	$ 395,037	$ 31,059
Insurance	116,146	85,000	125,755	85,000	(40,755)
Office & Other	248,189	288,491	180,795	150,558	(30,237)
Staff Support	23,440	28,649	3,119	7,770	4,651
Operations Support	63,629	78,564	23,150	33,255	10,105
Total Expenditures - Other	**$ 1,528,343**	**$ 1,423,312**	**$ 696,797**	**$ 671,620**	**$ (25,177)**
Firm Commitments	**$ 396,674**	**$ 184,559**	**$ 66,145**	**$ 88,853**	**$ 22,708**
Total Expenditures	**$ 2,361,605**	**$ 2,306,227**	**$ 988,275**	**$ 1,054,371**	**$ 66,096**
Change in Funds Available	**$ 370,880**	**$ 250,045**	**$ 222,085**	**$ 280,259**	**$ (58,174)**
Restricted for TABOR	$ 43,242	$ 42,694	$ 22,096	$ 23,833	$ (1,737)
Unrestricted	480,768	405,133	723,999	454,208	269,791
ENDING FUNDS AVAILABLE	**$ 524,010**	**$ 447,827**	**$ 746,095**	**$ 478,041**	**$ 268,054**
CONSERVATION TRUST FUND					
Beginning Funds Available	**$ 46**	**$ -**	**$ -**	**$ -**	**$ -**
Revenues	**$ 78,332**	**$ 100,500**	**$ 26,601**	**$ 25,209**	**$ 1,392**
Expenditures	**78,378**	**100,500**	**26,601**	**25,209**	**(1,392)**
Change in Funds Available	**$ (46)**	**$ -**	**$ -**	**$ -**	**$ -**
ENDING FUNDS AVAILABLE	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
WATER ENTERPRISE FUND					
Beginning Funds Available					
Restricted for Renewable Water	$ 15,383,518	$ 15,464,451	$ 15,565,618	$ 15,464,451	$ 101,167
Restricted for Capital	20,911,236	18,453,564	18,810,972	18,453,564	357,408
Unrestricted	7,419,482	7,738,943	8,666,407	7,738,943	927,464
Total Beginning Funds Available	**$ 43,714,236**	**$ 41,656,958**	**$ 43,042,997**	**$ 41,656,958**	**$ 1,386,039**
Operating Revenues	**$ 4,546,525**	**$ 4,184,142**	**$ 1,238,508**	**$ 1,119,863**	**$ 118,645**
Operating Expenditures - Direct					
Annual Charges/Assessments	$ 658,936	$ 644,958	$ 630,930	$ 637,380	$ 6,450
Centennial Delivery Charges	93,161	350,000	420,608	280,455	(140,153)
Operations	565,756	754,998	200,993	348,263	147,270
Professional Services	428,030	583,503	151,639	182,628	30,989
Repairs and Maintenance	1,368,547	1,611,427	438,495	654,338	215,843
Salaries and Benefits - Water Specific	31,361	90,330	38,530	37,638	(892)
Utilities	1,110,685	1,242,102	153,017	517,539	364,522
Total Operating Expenditures - Direct	**$ 4,256,476**	**$ 5,277,318**	**$ 2,034,212**	**$ 2,658,241**	**$ 624,029**
Indirect Costs to General Fund (15% of Direct Costs)	**$ 884,811**	**$ 791,598**	**$ 305,132**	**$ 171,309**	**$ (133,823)**
Total Operating Expenditures	**$ 5,141,287**	**$ 6,068,916**	**$ 2,339,344**	**$ 2,829,550**	**$ 490,206**
Operating Income/(Loss)	**$ (594,762)**	**$ (1,884,774)**	**$ (1,100,836)**	**$ (1,709,687)**	**$ 608,851**
Non-Operating Revenues	$ 4,317,587	$ 3,783,505	$ 1,730,371	$ 1,576,458	$ 153,913
Non-Operating Expenditures	$ 4,394,064	$ 13,170,000	$ 3,165,008	$ 3,151,710	$ (13,298)
Non-Operating Income/(Loss)	**$ (76,477)**	**$ (9,386,495)**	**$ (1,434,637)**	**$ (1,575,252)**	**$ 140,615**
Change in Funds Available	**$ (671,239)**	**$ (11,271,269)**	**$ (2,535,473)**	**$ (3,284,939)**	**$ 749,466**
Restricted for Renewable Water	$ 15,565,618	$ 15,464,451	$ 15,626,318	$ 15,464,451	$ 161,867
Restricted for Capital	18,810,972	7,316,069	16,655,928	16,148,730	533,794
Unrestricted	8,666,407	7,605,169	8,225,278	6,758,838	1,439,844
ENDING FUNDS AVAILABLE	**$ 43,042,997**	**$ 30,385,689**	**$ 40,507,524**	**$ 38,372,019**	**$ 2,135,505**

Sustainably all disclosures required by GAAP are omitted. No Assurance is provided on these financial statements.

CASTLE PINES NORTH METROPOLITAN DISTRICT
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS
BUDGETARY (NON-GAAP) BASIS
December 31, 2025 Actual
Actual, Projected Actual, Budget and Variance Through May 31, 2026

SUMMARY - ALL FUNDS (CONTINUED)

DESCRIPTION	12/31/2025 AUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 5/31/2026	BUDGET THROUGH 5/31/2026	FAVORABLE (UNFAVOR-ABLE) VARIANCE
WASTEWATER ENTERPRISE FUND					
Beginning Funds Available					
Restricted for Capital	$ 2,702,189	$ 1,185,196	$ 1,335,757	$ 1,185,196	$ 150,561
Unrestricted	3,059,662	4,125,435	4,346,156	4,125,435	220,721
Total Beginning Funds Available	**$ 5,761,851**	**$ 5,310,631**	**$ 5,681,913**	**$ 5,310,631**	**$ 371,282**
Operating Revenues	**$ 2,650,270**	**$ 3,038,589**	**$ 1,260,944**	**$ 1,227,247**	**$ 33,697**
Operating Expenditures - Direct					
PCWRA Sewer Charges	$ 723,490	$ 777,200	$ 332,785	$ 323,834	$ (8,951)
Operations	380,982	496,525	137,752	203,304	65,552
Professional Services	12,537	13,736	9,673	5,724	(3,949)
Repairs and Maintenance	176,981	310,271	492,303	186,966	(305,337)
Salaries and Benefits - Wastewater Specific	7,840	22,153	9,632	9,232	(400)
Utilities	97,768	160,352	47,141	48,746	1,605
Total Operating Expenditures - Direct	**$ 1,399,598**	**$ 1,780,237**	**$ 1,029,286**	**$ 777,806**	**$ (251,480)**
Indirect Costs to General Fund (15% of Direct Costs)	**$ 221,203**	**$ 267,036**	**$ 154,393**	**$ 21,341**	**$ (133,052)**
Total Operating Expenditures	**$ 1,620,801**	**$ 2,047,273**	**$ 1,183,679**	**$ 799,147**	**$ (384,532)**
Operating Income/(Loss)	**$ 1,029,469**	**$ 991,316**	**$ 77,265**	**$ 428,100**	**$ (350,835)**
Non-Operating Revenues	$ 346,029	$ 4,900,000	$ 106,339	$ 41,666	$ 64,673
Non-Operating Expenditures	$ 1,455,436	$ 7,509,328	$ 2,017,734	$ 3,624,453	$ 1,606,719
Non-Operating Income/(Loss)	**$ (1,109,407)**	**$ (2,609,328)**	**$ (1,911,395)**	**$ (3,582,787)**	**$ 1,671,392**
Change in Funds Available	**$ (79,938)**	**$ (1,618,012)**	**$ (1,834,130)**	**$ (3,154,687)**	**$ 1,320,557**
Restricted for Capital	$ 1,335,757	$ -	$ -	$ -	$ -
Unrestricted	4,346,156	3,692,619	3,847,783	2,155,944	1,691,839
ENDING FUNDS AVAILABLE	**$ 5,681,913**	**$ 3,692,619**	**$ 3,847,783**	**$ 2,155,944**	**$ 1,691,839**
COMBINED WATER AND WASTEWATER ENTERPRISE FUNDS					
Beginning Funds Available					
Restricted for Renewable Water	$ 15,383,518	$ 15,464,451	$ 15,565,618	$ 15,464,451	$ 101,167
Restricted for Capital	23,613,425	19,638,760	20,146,729	19,638,760	507,969
Unrestricted	10,479,144	11,864,378	13,012,563	11,864,378	1,148,185
Total Beginning Funds Available	**$ 49,476,087**	**$ 46,967,589**	**$ 48,724,910**	**$ 46,967,589**	**$ 1,757,321**
Operating Revenues	**$ 7,196,795**	**$ 7,222,731**	**$ 2,499,452**	**$ 2,347,110**	**$ 152,342**
Operating Expenditures - Direct					
Annual Charges/Assessments - Water Fund	$ 658,936	$ 644,958	$ 630,930	$ 637,380	$ 6,450
Centennial Delivery Charges - Water Fund	93,161	350,000	420,608	280,455	(140,153)
PCWRA Sewer Charges - Wastewater Fund	723,490	777,200	332,785	323,834	(8,951)
Operations - Water and Wastewater Funds	946,738	1,251,523	338,745	551,567	212,822
Professional Services - Water and Wastewater Funds	440,567	597,239	161,312	188,352	27,040
Repairs and Maintenance - Water and Wastewater Funds	1,545,528	1,921,698	930,798	841,304	(89,494)
Salaries and Benefits - Water and Wastewater Funds	39,201	112,483	48,162	46,870	(1,292)
Utilities - Water and Wastewater Funds	1,208,453	1,402,454	200,158	566,285	366,127
Total Operating Expenditures - Direct	**$ 5,656,074**	**$ 7,057,555**	**$ 3,063,498**	**$ 3,436,047**	**$ 372,549**
Indirect Costs to General Fund (15% of Direct Costs)	**$ 1,106,014**	**$ 1,058,634**	**$ 459,525**	**$ 192,650**	**$ (266,875)**
Total Operating Expenditures	**$ 6,762,088**	**$ 8,116,189**	**$ 3,523,023**	**$ 3,628,697**	**$ 105,674**
Operating Income/(Loss)	**$ 434,707**	**$ (893,458)**	**$ (1,023,571)**	**$ (1,281,587)**	**$ 258,016**
Non-Operating Revenues	$ 4,663,616	$ 8,683,505	$ 1,836,710	$ 1,618,124	$ 218,586
Non-Operating Expenditures	$ 5,849,500	$ 20,679,328	$ 5,182,742	$ 6,776,163	$ 1,593,421
Non-Operating Income/(Loss)	**$ (1,185,884)**	**$ (11,995,823)**	**$ (3,346,032)**	**$ (5,158,039)**	**$ 1,812,007**
Change in Funds Available	**$ (751,177)**	**$ (12,889,281)**	**$ (4,369,603)**	**$ (6,439,626)**	**$ 2,070,023**
Restricted for Renewable Water	$ 15,565,618	$ 15,464,451	$ 15,626,318	$ 15,464,451	$ 161,867
Restricted for Capital	20,146,729	7,316,069	16,655,928	16,148,730	533,794
Unrestricted	13,012,563	11,297,788	12,073,061	8,914,782	3,131,683
ENDING FUNDS AVAILABLE	**$ 48,724,910**	**$ 34,078,308**	**$ 44,355,307**	**$ 40,527,963**	**$ 3,827,344**

CASTLE PINES NORTH METROPOLITAN DISTRICT
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS
BUDGETARY (NON-GAAP) BASIS
December 31, 2025 Actual
Actual, Projected Actual, Budget and Variance Through May 31, 2026

General Fund

DESCRIPTION	12/31/2025 AUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 5/31/2026	BUDGET THROUGH 5/31/2026	FAVORABLE (UNFAVOR-ABLE) VARIANCE
Beginning Funds Available					
Restricted for TABOR	$ 57,298	$ 75,372	$ 43,242	$ 75,372	$ (32,130)
Unrestricted	95,832	122,410	480,768	122,410	358,358
Total Beginning Funds Available	**$ 153,130**	**$ 197,782**	**$ 524,010**	**$ 197,782**	**$ 326,228**
Revenues					
General Property Taxes	$ 985,509	$ 970,577	$ 614,955	$ 645,823	$ (30,868)
Specific Ownership Taxes	76,003	67,961	27,893	28,316	(423)
Indirect Cost Revenue - Water Fund	884,811	791,598	305,132	398,736	(93,604)
Indirect Cost Revenue - Wastewater Fund	221,203	267,036	154,393	116,672	37,721
Interest Earnings	13,869	5,000	7,559	2,084	5,475
CORE Electric Cooperative Rebate	28,037	25,000	-	-	-
City of Castle Pines IGA Reimbursable Costs	157,522	50,000	14,398	25,000	(10,602)
Farm Lease Revenues	42,600	42,600	-	-	-
Miscellaneous Revenues	-	-	507	-	507
Oil Royalty Revenues	256,091	266,500	57,393	88,833	(31,440)
Cell Phone Lease Revenues	66,840	70,000	28,130	29,166	(1,036)
Total Revenues	**$ 2,732,485**	**$ 2,556,272**	**$ 1,210,360**	**$ 1,334,630**	**$ (124,270)**
Expenditures					
Salaries and Benefits					
Director Compensation	$ 6,365	$ 12,918	$ 4,098	$ 5,383	$ 1,285
Salaries	269,407	428,980	141,588	178,741	37,153
Salaries - Hourly	55,995	55,432	24,633	23,096	(1,537)
Salaries - OT/ Employee Bonuses	-	24,221	-	10,091	10,091
PERA Employer Contribution	47,257	75,020	26,263	31,259	4,996
Unemployment Insurance Taxes	378	210	227	88	(139)
Workers' Compensation Insurance	1,017	5,000	2,701	5,000	2,299
Employer Contributions Health Insurance	43,561	67,995	19,280	28,331	9,051
Employer Contributions Medicare	4,718	14,048	2,410	5,854	3,444
PERA Matchmaker Contribution	7,890	14,532	4,133	6,055	1,922
Total Salaries and Benefits	**$ 436,588**	**$ 698,356**	**$ 225,333**	**$ 293,898**	**$ 68,565**
Other					
Professional Services					
Accounting and Payroll	$ 417,898	$ 303,330	$ 134,773	$ 126,388	$ (8,385)
Audit	53,000	57,240	29,500	21,597	(7,903)
Communications - Public Outreach	197,918	198,469	71,265	82,695	11,430
Election	1,650	-	-	-	-
Engineering Services	19,361	22,238	5,895	9,265	3,370
Engineering Services - Mineral Rights	30,006	-	-	-	-
GIS/Asset Management	19,240	22,908	22,500	19,669	(2,831)
Human Resources	6,916	15,000	4,258	7,997	3,739
Information Technology	25,368	26,931	8,199	11,221	3,022
Legal Services	233,412	276,492	79,798	115,205	35,407
Rates and Fees Study	72,170	20,000	3,463	1,000	(2,463)
Security Master Plan, Risk & Resilience Assess, ERP U	-	-	4,327	-	(4,327)
Sub-Total Professional Services	**$ 1,076,939**	**$ 942,608**	**$ 363,978**	**$ 395,037**	**$ 31,059**
Insurance					
Property and Liability Insurance	$ 116,146	$ 85,000	$ 125,755	$ 85,000	$ (40,755)
Sub-Total Property & Liability Insurance	**$ 116,146**	**$ 85,000**	**$ 125,755**	**$ 85,000**	**$ (40,755)**
Office & Other					
Bank and Credit Card Fees	$ 15,088	$ 15,708	$ 6,598	$ 6,545	$ (53)
Building Cleaning	9,745	10,100	4,160	4,209	49
Building Costs/Supplies	1,444	25,446	6,568	6,503	(65)
Building Repairs and Maintenance	10,302	4,000	1,138	1,666	528
Building Utilities	12,718	12,562	5,798	5,235	(563)
Fuel	125	-	-	-	-
Miscellaneous	6,870	1,000	223	416	193
Office Furniture/Equipment	23,263	5,000	12,486	5,000	(7,486)
Office Supplies	7,523	7,226	1,988	3,010	1,022
Phone/Security	72,081	95,527	36,716	51,385	14,669
Postage and Freight	24,433	23,873	12,972	9,946	(3,026)
Printing and Copying	16,258	16,058	5,860	6,690	830
Software Support	44,132	67,666	84,409	48,152	(36,257)
Trash Removal	4,207	4,325	1,879	1,801	(78)
Sub-Total Office & Other	**$ 248,189**	**$ 288,491**	**$ 180,795**	**$ 150,558**	**$ (30,237)**
Staff Support					
Professional Education/Conferences	$ 11,790	$ 14,453	$ 1,099	$ 6,021	$ 4,922
Professional Memberships/Subscriptions	11,650	14,196	2,020	1,749	(271)
Sub-Total Staff Support	**$ 23,440**	**$ 28,649**	**$ 3,119**	**$ 7,770**	**$ 4,651**
Operations Support					
SCADA	$ 13,511	$ 16,988	$ 5,173	$ 7,079	$ 1,906
Small Tools	5,561	7,167	354	2,986	2,632
Snow Removal	4,500	6,240	-	3,120	3,120
Underground Utility Locates	40,057	48,169	15,833	20,070	4,237
Uniforms - Clothing and PPE	-	-	1,790	-	(1,790)
Sub-Total Operations Support	**$ 63,629**	**$ 78,564**	**$ 23,150**	**$ 33,255**	**$ 10,105**
Total Expenditures - Other	**$ 1,528,343**	**$ 1,423,312**	**$ 696,797**	**$ 671,620**	**$ (25,177)**
Firm Commitments					
County Treasurer Collection Fees	$ 14,791	$ 14,559	$ 9,220	$ 9,687	$ 467
IGA - City of Castle Pines - Cell Phone Lease Revenue:	66,840	70,000	28,130	29,166	1,036
IGA - City of Castle Pines - Parcel Transfer Costs	315,043	100,000	28,795	50,000	21,205
Sub-Total Firm Commitments	**$ 396,674**	**$ 184,559**	**$ 66,145**	**$ 88,853**	**$ 22,708**
Total Expenditures	**$ 2,361,605**	**$ 2,306,227**	**$ 988,275**	**$ 1,054,371**	**$ 66,096**
Change in Funds Available	**$ 370,880**	**$ 250,045**	**$ 222,085**	**$ 280,259**	**$ (58,174)**
Restricted for TABOR	$ 43,242	$ 42,694	$ 22,096	$ 23,833	$ (1,737)
Unrestricted	480,768	405,133	723,999	454,208	269,791
ENDING FUNDS AVAILABLE	**$ 524,010**	**$ 447,827**	**$ 746,095**	**$ 478,041**	**$ 268,054**

CASTLE PINES NORTH METROPOLITAN DISTRICT
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS
BUDGETARY (NON-GAAP) BASIS
December 31, 2025 Actual
Actual, Projected Actual, Budget and Variance Through May 31, 2026

Conservation Trust Fund

DESCRIPTION	12/31/2025 AUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 5/31/2026	BUDGET THROUGH 5/31/2026	FAVORABLE (UNFAVOR-ABLE) VARIANCE
Beginning Funds Available	**$ 46**	**$ -**	**$ -**	**$ -**	**$ -**
Revenues					
Lottery Proceeds	$ 77,851	$ 100,000	$ 26,511	$ 25,000	$ 1,511
Interest Earnings	481	500	90	209	(119)
Total Revenues	**$ 78,332**	**$ 100,500**	**$ 26,601**	**$ 25,209**	**$ 1,392**
Expenditures					
IGA - City of Castle Pines - CTF Revenues	$ 78,378	$ 100,500	$ 26,601	$ 25,209	$ (1,392)
Total Expenditures	**$ 78,378**	**$ 100,500**	**$ 26,601**	**$ 25,209**	**$ (1,392)**
Change in Funds Available	**$ (46)**	**$ -**	**$ -**	**$ -**	**$ -**
ENDING FUNDS AVAILABLE	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

CASTLE PINES NORTH METROPOLITAN DISTRICT
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS
BUDGETARY (NON-GAAP) BASIS
December 31, 2025 Actual
Actual, Projected Actual, Budget and Variance Through May 31, 2026

Water Enterprise Fund					
DESCRIPTION	**12/31/2025 AUDITED ACTUAL**	**2026 ADOPTED BUDGET**	**ACTUAL THROUGH 5/31/2026**	**BUDGET THROUGH 5/31/2026**	**FAVORABLE (UNFAVOR-ABLE) VARIANCE**
Beginning Funds Available					
Restricted for Renewable Water	$ 15,383,518	$ 15,464,451	$ 15,565,618	$ 15,464,451	$ 101,167
Restricted for Capital	20,911,236	18,453,564	18,810,972	18,453,564	357,408
Unrestricted	7,419,482	7,738,943	8,666,407	7,738,943	927,464
Total Beginning Funds Available	**$ 43,714,236**	**$ 41,656,958**	**$ 43,042,997**	**$ 41,656,958**	**$ 1,386,039**
Water Operating Revenues					
Water Service Revenue	$ 3,634,913	$ 3,415,360	$ 936,270	$ 799,536	$ 136,734
Golf Course Water Delivery	173,456	-	-	-	-
Water Customer Charges	617,754	642,582	265,370	267,743	(2,373)
Late Fees - Water Activity	26,978	20,000	9,767	8,334	1,433
Inspection Fees	7,800	-	2,600	-	2,600
Cross Connection Control Program	-	60,000	12,589	25,000	(12,411)
Reimbursable Costs	58,984	31,200	11,541	13,000	(1,459)
Miscellaneous	26,640	15,000	371	6,250	(5,879)
Total Water Operating Revenues	**$ 4,546,525**	**$ 4,184,142**	**$ 1,238,508**	**$ 1,119,863**	**$ 118,645**
Water Operating Expenditures - Direct					
Annual Charges/Assessments					
Centennial Capacity Readiness	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ -
Chatfield Reservoir Mitigation Annual Assessment	161,966	168,000	152,912	168,000	15,088
Ditch Operating Assessments	49,635	50,343	56,652	50,343	(6,309)
Reuter-Hess Maintenance Obligations	26,968	7,578	-	-	-
Sensus USA Annual Software Support	3,700	3,885	4,699	3,885	(814)
South Metro Water Supply Authority Dues	16,667	15,152	16,667	15,152	(1,515)
Sub-Total Annual Charges/Assessments	**$ 658,936**	**$ 644,958**	**$ 630,930**	**$ 637,380**	**$ 6,450**
Centennial Delivery Charges					
Centennial Delivery Charges	$ 93,161	$ 350,000	$ 420,608	$ 280,455	$ (140,153)
Sub-Total Centennial Delivery Charges	**$ 93,161**	**$ 350,000**	**$ 420,608**	**$ 280,455**	**$ (140,153)**
Operations					
Chemicals	$ 93,955	$ 106,478	$ 2,177	$ 40,888	$ 38,711
Ditch/Land Rights Operating Expenses	16,677	17,447	6,890	7,270	380
IPS Surge Modifications	44,066	46,826	5,796	19,510	13,714
Emergency Generators Fuel	-	-	849	-	(849)
Laboratory Testing	2,442	3,109	-	1,295	1,295
Leak Detection	50,625	70,200	-	67,708	67,708
Operations Staffing Contract	255,498	272,938	109,687	113,725	4,038
SCADA	33,616	30,993	13,464	12,914	(550)
Vehicle Fuel and Mileage	574	2,000	911	834	(77)
Vehicle Repairs and Maintenance	-	2,000	214	834	620
Water Meters	45,321	180,000	53,356	75,000	21,644
Water Programs	11,535	6,701	3,000	1,490	(1,510)
Water Quality Testing	11,447	16,306	4,649	6,795	2,146
WTP Solids Disposal	-	-	-	-	-
Sub-Total Operations	**$ 565,756**	**$ 754,998**	**$ 200,993**	**$ 348,263**	**$ 147,270**
Professional Services					
Backflow Program	$ 120,000	$ 150,000	$ 49,020	$ 62,500	$ 13,480
Engineering Services	42,978	52,979	28,240	22,075	(6,165)
Engineering Services Reimbursable	58,984	31,200	11,541	13,000	1,459
Water Resource Study	21,728	50,000	365	11,112	10,747
Water Rights Consultants	89,466	103,733	37,650	43,221	5,571
Water Rights Legal Services	26,790	12,498	13,796	5,208	(8,588)
WTP Site Plan / O&M Manual Development	68,084	183,093	11,027	25,512	14,485
Sub-Total Professional Services	**$ 428,030**	**$ 583,503**	**$ 151,639**	**$ 182,628**	**$ 30,989**
Repairs and Maintenance					
Grounds Maintenance	$ -	$ 30,000	$ -	$ 10,000	$ 10,000
Valve, Hydrant and PRV Maintenance	255,784	256,427	138,386	106,845	(31,541)
Water Distribution Repairs	987,377	750,000	147,135	312,500	165,365
Water Treatment Plant Repairs	45,821	75,000	1,764	31,250	29,486
Wells Expenditures	79,565	500,000	151,210	193,743	42,533
Sub-Total Repairs and Maintenance	**$ 1,368,547**	**$ 1,611,427**	**$ 438,495**	**$ 654,338**	**$ 215,843**
Salaries and Benefits - Water Specific					
Salaries	$ 20,169	$ 57,410	$ 24,502	$ 23,920	$ (582)
Salaries - OT/ Employee Bonuses	-	2,296	130	956	826
PERA Employer Contribution	2,987	9,071	3,892	3,780	(112)
Unemployment Insurance Taxes	40	34	49	15	(34)
Employer Contributions Health Insurance	7,873	18,132	9,600	7,555	(2,045)
Employer Contributions Medicare	292	1,665	357	694	337
PERA Matchmaker Contribution	-	1,722	-	718	718
Sub-Total Salaries and Benefits - Water Specific	**$ 31,361**	**$ 90,330**	**$ 38,530**	**$ 37,638**	**$ (892)**
Utilities					
Electricity for Booster Pump Station	$ 25,673	$ 27,218	$ 9,992	$ 11,340	$ 1,348
Electricity for IPP Pumping Costs	42,024	34,252	64,664	14,271	(50,393)
Electricity for Water Treatment Plant	105,422	118,193	9,804	49,245	39,441
Electricity for Well Pumping	864,713	1,043,125	44,012	434,635	390,623
Phone/Security	21,608	19,314	24,545	8,048	(16,497)
Reuse Pumping	51,245	-	-	-	-
Sub-Total Utilities	**$ 1,110,685**	**$ 1,242,102**	**$ 153,017**	**$ 517,539**	**$ 364,522**
Total Water Operating Expenditures - Direct	**$ 4,256,476**	**$ 5,277,318**	**$ 2,034,212**	**$ 2,658,241**	**$ 624,029**
Indirect Costs to General Fund (15% of Direct Costs)	**$ 884,811**	**$ 791,598**	**$ 305,132**	**$ 171,309**	**$ (133,823)**
Total Operating Expenditures	**$ 5,141,287**	**$ 6,068,916**	**$ 2,339,344**	**$ 2,829,550**	**$ 490,206**
Operating Income/(Loss)	**$ (594,762)**	**$ (1,884,774)**	**$ (1,100,836)**	**$ (1,709,687)**	**$ 608,851**

CASTLE PINES NORTH METROPOLITAN DISTRICT
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS
BUDGETARY (NON-GAAP) BASIS
December 31, 2025 Actual
Actual, Projected Actual, Budget and Variance Through May 31, 2026

Water Enterprise Fund

DESCRIPTION	12/31/2025 AUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 5/31/2026	BUDGET THROUGH 5/31/2026	FAVORABLE (UNFAVOR-ABLE) VARIANCE
Water Non-Operating Revenues					
Capital Improvement Fees	$ 1,950,000	$ 2,032,505	$ 895,364	$ 846,876	$ 48,488
Connect Fees	343,800	-	114,600	-	114,600
Interest Earnings	1,841,687	1,750,000	659,341	729,166	(69,825)
Miscellaneous	-	1,000	366	416	(50)
Renewable Water Resources Fees	182,100	-	60,700	-	60,700
Total Water Non-Operating Revenues	**$ 4,317,587**	**$ 3,783,505**	**$ 1,730,371**	**$ 1,576,458**	**$ 153,913**
Water Non-Operating Expenditures					
Arapahoe Wells Re-Drill	$ -	$ 250,000	$ -	$ -	$ -
Booster Pump Station	-	20,000	-	-	-
Castle Pines Parkway Waterline Replacement - Phase II	24,562	1,800,000	15,609	15,609	-
Croft Court Waterline Replacement	-	-	13,298	-	(13,298)
Interconnect Pump Station - Surge Protection System	-	135,000	10,604	10,604	-
Monarch Waterline Replacement - Phase III	1,827,040	800,000	91,493	91,493	-
Sampling Station Installation	-	200,000	-	-	-
System Condition Assessment - Distribution	-	140,000	5,379	5,379	-
Transfer to Wastewater Enterprise Fund	-	4,800,000	-	-	-
Water Distribution Repairs and Maintenance - Capital Outlay	63,161	-	-	-	-
Water Equipment Purchase	-	-	-	-	-
Water Tank Project - Rehabilitation	-	450,000	91,859	91,859	-
Well Control Vault Rehab Program	446,157	-	-	-	-
Well Electrical Equipment Replacement	-	75,000	-	-	-
Wells Repairs and Maintenance - Capital Outlay	569,378	-	-	-	-
WTP Repairs and Maintenance - Capital Outlay	12,950	-	-	-	-
WTP Filter Rehabilitation Program	1,315,994	4,500,000	2,936,766	2,936,766	-
WTP Liquid Ammonia Sulfate	62,039	-	-	-	-
WTP Process Tank Rehab	44,126	-	-	-	-
Vehicle Purchase	28,657	-	-	-	-
Total Water Non-Operating Expenditures	**$ 4,394,064**	**$ 13,170,000**	**$ 3,165,008**	**$ 3,151,710**	**$ (13,298)**
Non-Operating Income/(Loss)	**$ (76,477)**	**$ (9,386,495)**	**$ (1,434,637)**	**$ (1,575,252)**	**$ 140,615**
Change in Funds Available	**$ (671,239)**	**$ (11,271,269)**	**$ (2,535,473)**	**$ (3,284,939)**	**$ 749,466**
Restricted for Renewable Water	$ 15,565,618	$ 15,464,451	$ 15,626,318	$ 15,464,451	$ 161,867
Restricted for Capital	18,810,972	7,316,069	16,655,928	16,148,730	533,794
Unrestricted	8,666,407	7,605,169	8,225,278	6,758,838	1,439,844
WATER - ENDING FUNDS AVAILABLE	**$ 43,042,997**	**$ 30,385,689**	**$ 40,507,524**	**$ 38,372,019**	**$ 2,135,505**

Sustainably all disclosures required by GAAP are omitted. No Assurance is provided on these financial statements.

CASTLE PINES NORTH METROPOLITAN DISTRICT
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS
BUDGETARY (NON-GAAP) BASIS
December 31, 2025 Actual
Actual, Projected Actual, Budget and Variance Through May 31, 2026

Wastewater Enterprise Fund

DESCRIPTION	12/31/2025 AUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 5/31/2026	BUDGET THROUGH 5/31/2026	FAVORABLE (UNFAVOR-ABLE) VARIANCE
Beginning Funds Available					
Restricted for Capital	$ 2,702,189	$ 1,185,196	$ 1,335,757	$ 1,185,196	$ 150,561
Unrestricted	3,059,662	4,125,435	4,346,156	4,125,435	220,721
Total Beginning Funds Available	**$ 5,761,851**	**$ 5,310,631**	**$ 5,681,913**	**$ 5,310,631**	**$ 371,282**
Wastewater Operating Revenues					
Sewer Service Charges	$ 1,912,389	$ 2,057,618	$ 932,437	$ 857,340	$ 75,097
Sewer Customer Charges	736,646	781,115	325,968	325,465	503
Late Fees - Sewer Activity	1,013	-	712	-	712
Golf Course Water Delivery	-	198,856	1,827	44,026	(42,199)
Miscellaneous	222	1,000	-	416	(416)
Total Wastewater Operating Revenues	**$ 2,650,270**	**$ 3,038,589**	**$ 1,260,944**	**$ 1,227,247**	**$ 33,697**
Wastewater Operating Expenditures - Direct					
PCWRA Sewer Fees					
PCWRA Sewer Fees	$ 723,490	$ 777,200	$ 332,785	$ 323,834	$ (8,951)
Sub-Total PCWRA Sewer Fees	**$ 723,490**	**$ 777,200**	**$ 332,785**	**$ 323,834**	**$ (8,951)**
Operations					
Collection - Chemical Treatment	$ -	$ 18,420	$ -	$ 4,094	$ 4,094
Collection - Main Inspection and Cleaning	221,259	306,812	66,712	127,839	61,127
Collection - Wet Well Cleaning	23,626	27,409	11,581	11,420	(161)
Operations Staffing Contract	126,086	132,396	56,704	55,165	(1,539)
Emergency Generators Fuel	-	-	991	-	(991)
SCADA	9,868	10,688	1,710	4,454	2,744
Vehicle Fuel and Mileage	143	400	-	166	166
Vehicle Repairs and Maintenance	-	400	54	166	112
Sub-Total Operations	**$ 380,982**	**$ 496,525**	**$ 137,752**	**$ 203,304**	**$ 65,552**
Professional Services					
Engineering Services	$ 12,537	$ 13,736	$ 9,673	$ 5,724	$ (3,949)
Sub-Total Professional Services	**$ 12,537**	**$ 13,736**	**$ 9,673**	**$ 5,724**	**$ (3,949)**
Repairs and Maintenance					
Collection - Emergency Response	$ 7,152	$ 54,528	$ 984	$ 22,720	$ 21,736
Collection - Repairs and Maintenance	145,723	207,879	478,342	145,970	(332,372)
Grounds Maintenance	-	20,000	-	6,666	6,666
Lift Station - Generator Repairs and Maintenance	24,106	27,864	12,977	11,610	(1,367)
Sub-Total Repairs and Maintenance	**$ 176,981**	**$ 310,271**	**$ 492,303**	**$ 186,966**	**$ (305,337)**
Salaries and Benefits - Wastewater Specific					
Salaries	$ 5,042	$ 14,353	$ 6,126	$ 5,980	$ (146)
Salaries - OT/ Employee Bonuses	-	144	32	60	28
PERA Employer Contribution	747	2,268	973	945	(28)
Unemployment Insurance Taxes	10	8	12	4	(8)
Employer Contributions Health Insurance	1,968	4,533	2,400	1,889	(511)
Employer Contributions Medicare	73	416	89	174	85
PERA Matchmaker Contribution	-	431	-	180	180
Sub-Total Salaries and Benefits - Wastewater Specific	**$ 7,840**	**$ 22,153**	**$ 9,632**	**$ 9,232**	**$ (400)**
Utilities					
Electricity for Wastewater Pumping	$ 92,920	$ 94,831	$ 43,467	$ 39,514	$ (3,953)
Natural Gas for Lift Stations	4,278	4,539	1,426	1,891	465
Phone/Security	570	562	165	141	(24)
Reuse Pumping	-	60,420	2,083	7,200	5,117
Sub-Total Utilities	**$ 97,768**	**$ 160,352**	**$ 47,141**	**$ 48,746**	**$ 1,605**
Total Wastewater Operating Expenditures - Direct	**$ 1,399,598**	**$ 1,780,237**	**$ 1,029,286**	**$ 777,806**	**$ (251,480)**
Indirect Costs to General Fund (15% of Direct Costs)	**$ 221,203**	**$ 267,036**	**$ 154,393**	**$ 21,341**	**$ (133,052)**
Total Operating Expenditures	**$ 1,620,801**	**$ 2,047,273**	**$ 1,183,679**	**$ 799,147**	**$ (384,532)**
Operating Income/(Loss)	**$ 1,029,469**	**$ 991,316**	**$ 77,265**	**$ 428,100**	**$ (350,835)**
Wastewater Non-Operating Revenues					
Connect Fees	$ 89,004	$ -	$ 29,668	$ -	$ 29,668
Interest Earnings	257,025	100,000	76,671	41,666	35,005
Transfers In - Water Fund	-	4,800,000	-	-	-
Total Wastewater Non-Operating Revenues	**$ 346,029**	**$ 4,900,000**	**$ 106,339**	**$ 41,666**	**$ 64,673**
Wastewater Non-Operating Expenditures					
Debt Service	$ 347,844	$ 344,690	$ 37,341	$ -	$ (37,341)
Flume Replacement - Daniels Gate	-	300,000	-	300,000	300,000
Lift Station Renovations	1,076,011	5,465,000	1,952,432	1,952,432	-
Lift Station Repairs and Maintenance - Capital Outlay	16,150	-	-	-	-
Pond Lining Reuse System	-	200,000	-	200,000	200,000
PCWRA Golf Course Improvements Debt Service	-	47,343	27,961	19,726	(8,235)
PCWRA Golf Course Improvements Cash Funding	-	1,152,295	-	1,152,295	1,152,295
Vehicle Purchase	15,431	-	-	-	-
Total Wastewater Non-Operating Expenditures	**$ 1,455,436**	**$ 7,509,328**	**$ 2,017,734**	**$ 3,624,453**	**$ 1,606,719**
Non-Operating Income/(Loss)	**$ (1,109,407)**	**$ (2,609,328)**	**$ (1,911,395)**	**$ (3,582,787)**	**$ 1,671,392**
Change in Funds Available	**$ (79,938)**	**$ (1,618,012)**	**$ (1,834,130)**	**$ (3,154,687)**	**$ 1,320,557**
Restricted for Capital	$ 1,335,757	$ -	$ -	$ -	$ -
Unrestricted	4,346,156	3,692,619	3,847,783	2,155,944	1,691,839
WASTEWATER - ENDING FUNDS AVAILABLE	**$ 5,681,913**	**$ 3,692,619**	**$ 3,847,783**	**$ 2,155,944**	**$ 1,691,839**

SUPPLEMENTAL INFORMATION

CASTLE PINES NORTH METROPOLITAN DISTRICT
Property Tax Reconciliation
2026

	Property Tax	Delinquent Tax, Rebates, Exempt Abatements, TIF	Specific Ownership Tax	Interest	Treasurer's Fees	Total Amount Received	% of Levied Property Tax Received Monthly	% of Levied Property Tax Received Y-T-D	CUMULATIVE TAXES 2026	2025 Property Tax Received	2025 % of Levied Property Tax Received Monthly	2025 % of Levied Property Tax Received Y-T-D
January	$ 15,825.55	$ (3.60)	$ 6,095.29		$ (237.32)	$ 21,679.92	1.63%	1.63%	21,679.92	$ 19,702.34	2.00%	2.00%
February	382,054.43	(912.74)	5,346.48		(5,717.15)	380,771.02	39.27%	40.90%	402,450.94	398,127.87	40.40%	42.40%
March	59,787.52	(140.30)	5,677.51	19.71	(895.02)	64,449.42	6.15%	47.05%	466,900.36	38,878.32	3.94%	46.34%
April	111,359.24	(378.44)	5,329.58	11.66	(1,659.11)	114,662.93	11.43%	58.48%	581,563.29	136,704.51	13.87%	60.21%
May	47,760.19	(396.36)	5,444.32	36.92	(711.03)	52,134.04	4.88%	63.36%	633,697.33	62,349.32	6.33%	66.54%
June							0.00%	63.36%	633,697.33	311,505.16	31.61%	98.15%
July						-	0.00%	63.36%	633,697.33	10,953.98	1.11%	99.26%
August						-	0.00%	63.36%	633,697.33	4,234.81	0.43%	99.69%
September						-	0.00%	63.36%	633,697.33	1,130.24	0.11%	99.80%
October						-	0.00%	63.36%	633,697.33	188.61	0.02%	99.82%
November						-	0.00%	63.36%	633,697.33	1,733.87	0.18%	100.00%
December						-	0.00%	63.36%	633,697.33	-	0.00%	100.00%
TOTAL	**$ 616,786.93**	**$ (1,831.44)**	**$ 27,893.18**	**$ 68.29**	**$ (9,219.63)**	**$ 633,697.33**	**63.36%**	**63.36%**		**$ 985,509.03**	**100.00%**	**100.00%**
		614,955.49										

	Assessed Valuation	Mill Levy	Amount Levied	% of Levied	Amount Received	% Amount Received to Amount Levied
Property Tax from Mill Levy						
General Fund	$ 277,307,858	3.500	$ 970,577	100.00%	$ 614,955.49	63.36%

Castle Pines North Metro District

Aged Receivables

As of **05/31/2026**

Service	0-30 days	31-60 days	61-90 days	91-120 days	> 120 days	Balance
Grand Total						
WATER	277369.76	25292.08	385.77	-2369.07	-5285.89	295392.65
WATER Penalty	1775.00	348.10	120.86	24.96	-87.61	2181.31
WATER Misc	120.00	48.00	-12.00	0.00	0.00	156.00
SEWER	167014.97	17870.65	3593.79	216.79	-274.94	188421.26
SEWER Penalty	175.00	25.00	38.00	50.00	500.00	788.00
DRAINAGE	0.00	0.00	0.00	0.00	-3.87	-3.87
CAP MAINT WT	167915.70	17608.70	3284.10	322.57	726.72	189857.79
CUST CHG WTR	52337.80	6579.70	1265.27	141.70	284.44	60608.91
CUST CHG WTR Penalty	0.00	25.00	0.00	0.00	0.00	25.00
CUST CHG SWR	64370.29	8493.60	1666.30	181.50	347.33	75059.02
RENEWABL WTR	0.00	0.00	0.00	0.00	3.39	3.39
CROSS CONNEC	3225.00	206.06	0.00	0.00	0.00	3431.06
CAP IMP FEE	22562.98	22562.98	0.00	0.00	0.00	45125.96
	756866.50	99059.87	10342.09	-1431.55	-3790.43	861046.48
Number of Accounts in Each Column:	4059	561	127	22	41	

Total Number of Outstanding Accounts: **4,077**

Castle Pines North Metropolitan District
Payment Claims
For the Period June 11, 2025 - July 15, 2026
PRESENTED FOR APPROVAL

CHECKS - 29730 through 29770 (Refer to Check Detail Report)	Amount
Voucher Checks	$ 1,702,973.43
One-Time Checks (Customer Refunds)	2,157.73
TOTAL CHECKS PRESENTED FOR APPROVAL	**$ 1,705,131.16**

ELECTRONIC PAYMENTS

Item #		
1	Bank and Credit Card Fees	$ 1,433.17
2	Centennial Water and Sanitation	62.06
3	CenturyLink (2 Months)	327.28
4	Chargeback Items (Returned Customer Payments)	3,277.57
5	Core Electric	19,844.27
6	Greystone Technology	3,571.95
7	Home Depot	727.20
8	JAN-PRO Cleaning Systems	837.00
9	Konica Minolta Lease Payment	470.00
10	Payroll and Payroll-Related Items (Staff and Board of Directors)	82,244.79
11	Payroll Billing Fees	280.00
12	UMB Visa Credit Card Payment	4,373.85
13	Verizon	264.89
14	Waste Management (formerly HBS Monthly Trash Service)	768.01
15	Xcel	15,703.39
	TOTAL ELECTRONIC PAYMENTS PRESENTED FOR APPROVAL	**$ 134,185.43**

Total Payments Presented for Approval	**$ 1,839,316.59**

Check Detail Report
June 11, 2026 - July 15, 2026

Item #	Vendor name	Invoice number	Invoice description	Amount	Paid by
1	American Security Professionals Inc	2997	Alarm Monitoring-Quarterly-WTP	$165.00	Check #29730
2	American Security Professionals Inc	2996	Alarm Monitoring-Quarterly-7404 Yorkshire Dr	$165.00	Check #29730
3	American Security Professionals Inc	2995	Alarm Monitoring-Quarterly-7125 Monarch	$165.00	Check #29730
4	American Security Professionals Inc	2994	Alarm Monitoring-Quarterly-BPS	$165.00	Check #29730
5	American Security Professionals Inc	2993	Alarm Monitoring-Quarterly-LS 3	$165.00	Check #29730
6	American Security Professionals Inc	2992	Alarm Monitoring-Quarterly-IPS	$165.00	Check #29730
7	Backflow Secure; Management Secure LLC	897	Backflow Services Program-June	$9,000.00	Check #29731
8	Bartle Wells Associates	559D-1006	Rate Study-BWA Job #559D- May 2026	$855.00	Check #29732
9	Castle Pines Connection	15839	Full Page Ad	$2,350.00	Check #29733
10	Colorado Mechanical Systems LLC	7034	Qtrly Billing-Preventative Maintenance- LSs Sites	$414.00	Check #29734
11	Colorado Mechanical Systems LLC	7033	Qtrly Billing-Preventative Maintenance-Non LS Sites	$5,736.00	Check #29734
12	Colorado Networks Inc	20260601-13	System Support	$555.00	Check #29735
13	COMCAST	8497202420365418	HS Internet-WTP	$643.63	Check #29737
14	Comcast Business	001004236603	Ethernet Internet-7404 Yorkshire Drive	$815.67	Check #29736
15	Core & Main LP	Z173225	Meters & Parts	$25,830.00	Check #29738
16	Dominion Water and Sanitation District	1105	Water Study-January	$364.61	Check #29739
17	DTC Print Brokers	2726	Bill Inserts-5/31/26	$795.00	Check #29740
18	Elevated Clarity LLC	501067	Finance & Accounting-May	$30,595.63	Check #29741
19	Emergency Pipe Repairs & Excavation LLC	4126	Coyote Ridge Park- Line Repair	$15,038.45	Check #29743
20	Emergency Pipe Repairs & Excavation LLC	4132	12943 Horizon Trail-Curb Stop Repair	$1,760.00	Check #29743
21	Emergency Pipe Repairs & Excavation LLC	4131	8165 Briar Cliff Dr- Curb Stop Repair	$1,584.00	Check #29743
22	Emergency Pipe Repairs & Excavation LLC	4120	101 Croft Lane- Main Repair	$51,902.31	Check #29743
23	ENLIVE tv Services LLC	0214	CDN & Captioning-June	$3,690.00	Check #29742
24	Highlands Ranch Water	111780468	Water Delivery-May	$147,966.06	Check #29744
25	Jehn Water Consultants Inc.	871.1/6-26	Hock Hocking Share-May	$1,644.63	Check #29745
26	Jehn Water Consultants Inc.	125.6/6-26	Resume Review-May	$125.00	Check #29745
27	Jehn Water Consultants Inc.	125.1/6-26	General Water Rights-May	$8,437.50	Check #29745
28	Kennedy Jenks Consultants Inc	188588	Security Master Plan, RRA & ERP	$4,327.03	Check #29747
29	Kennedy Jenks Consultants Inc	188587	Croft Court Water Line Replacement	$9,298.07	Check #29747
30	Kennedy Jenks Consultants Inc	188586	Water Distribution System Risk Analysis & CIP	$5,379.18	Check #29747
31	Kennedy Jenks Consultants Inc	188585	South Tanks Rehab Design	$28,923.19	Check #29747
32	Kennedy Jenks Consultants Inc	188584	General Engineering	$2,720.01	Check #29747
33	Kennedy Jenks Consultants Inc	188583	Foundry Church	$1,297.80	Check #29747
34	Kennedy Jenks Consultants Inc	188582	Castle Pines Pkwy Water Line Repl Ph 2	$5,586.46	Check #29746
35	Kennedy Jenks Consultants Inc	188581	Monarch Water Line Repl Ph 3	$2,624.96	Check #29746
36	Kennedy Jenks Consultants Inc	188580	Filter Beds Rehab	$66,933.59	Check #29746
37	Kennedy Jenks Consultants Inc	188579	Facility Documentation Program	$6,534.58	Check #29746
38	Kennedy Jenks Consultants Inc	188578	Lift Stations Permitting & Upgrades	$4,445.22	Check #29746
39	Kennedy Jenks Consultants Inc	188577	Lagae PA-7	$687.01	Check #29746
40	Kennedy Jenks Consultants Inc	188156	South Tanks Rehab Design	$26,540.79	Check #29746
41	Kennedy Jenks Consultants Inc	188155	General Engineering	$8,582.99	Check #29746
42	Kennedy Jenks Consultants Inc	188154	Foundry Church	$1,495.82	Check #29746
43	Kennedy Jenks Consultants Inc	188153	CP Pkwy Water Line Replacement Ph 2	$973.35	Check #29746
44	Kennedy Jenks Consultants Inc	188152	Filter Beds Rehab	$49,916.09	Check #29746
45	Kennedy Jenks Consultants Inc	188151	Monarch Water Line Repl Ph 2	$60.69	Check #29746
46	Kennedy Jenks Consultants Inc	188150	Wastewater Cease & Desist Order	$181.80	Check #29746
47	Kennedy Jenks Consultants Inc	188149	Lift Stations Permitting & Upgrades	$8,990.89	Check #29746
48	Kennedy Jenks Consultants Inc	188148	Lagae PA-7	$155.53	Check #29746
49	Land s End Business Outfitters	SIN14301662	Logo Apparel	$67.46	Check #29748
50	Land s End Business Outfitters	SIN14280847	Logo Apparel	$45.51	Check #29748
51	Land s End Business Outfitters	SIN14248836	Logo Apparel	$463.28	Check #29748
52	Land s End Business Outfitters	SIN14232922	Logo Apparel	$172.58	Check #29748
53	Land s End Business Outfitters	SIN14196127	Logo Apparel	$74.26	Check #29748
54	Level Engineering and Inspection	2026-05	Contract 17571-Gen Consult, Parcel Transfer & Tank Eval	$8,741.69	Check #29749
55	Mountain Peak Controls	4313	A6 Alarm Repair	$1,440.00	Check #29750
56	Mountain Peak Controls	4282	Plum Creek Flow Meter	$720.00	Check #29750
57	Mountain Peak Controls	4268	Restore Network Equipment	$720.00	Check #29750
58	Mountain Peak Controls	4267	LS3- P3 Softstart	$3,240.00	Check #29750
59	Mountain Peak Controls	4266	LS3 Level Transmitter Swap	$810.00	Check #29750
60	Myers & Sons Construction LLC	0471-09	Filter Beds Rehab-5/1/26 to 5/31/26	$549,214.00	Check #29751
61	Myers & Sons Construction LLC	0471-06	Filter Beds Rehab-2/1/26 to 2/28/26 (Void & Reissue - Lost Check)	$107,476.00	Check #29751
62	Plum Creek Water Reclamation Authority	RCPN0526	Pond 16-Cap Replacement & Reservoir Project Loan	$10,982.61	Check #29752
63	Plum Creek Water Reclamation Authority	CPNMD0526	Wastewater Treatment-May	$64,649.72	Check #29752
64	Principle Electric	3353	A4 Well Cooling Unit	$275.00	Check #29753
65	Principle Electric	3344	A1 Well Board	$3,490.00	Check #29753
66	PROWT Law	6424	Legal Services-Water Rights-May	$1,179.00	Check #29754
67	QP Services LLC	PJINV003482	MVM Inspections	$4,125.00	Check #29755
68	QP Services LLC	732-003	2026 Jet/CCTV-Tenorm Testing	$4,469.17	Check #29755
69	QP Services LLC	722-005	2026 Spray Roq- 5/1 to 5/31/26	$45,003.98	Check #29755
70	QP Services LLC	722-004	2026 MH Raising-5/1 - 5/31/26	$37,529.92	Check #29755
71	QP Services LLC	719-2	Manholes- Assessment & Inspection	$10,649.80	Check #29755
72	Quality of Colorado Inc	JC10036	First Aid Kit Refills	$42.14	Check #29756
73	RubinBrown LLP	1109750	2026 Audit Services- thru 5/31/26	$22,000.00	Check #29757
74	Semocor Inc	10245	PFAS Sampling	$1,143.75	Check #29758
75	Semocor Inc	10241	ORC, WTP & LSs Ops- May	$34,163.92	Check #29758
76	Seter, Vander Wall & Mielke, P.C.	89604	Legal Service-May	$17,929.13	Check #29759
77	Sigler Communications Inc.	36844	Communications Support-May	$4,570.00	Check #29760
78	Sigler Communications Inc.	36789	Communications Support-April	$12,840.00	Check #29760
79	Streamline	4DA481B0-0021	Streamline Flex-6/1/26 to 6/1/27	$4,904.64	Check #29761
80	The Country Club at Castle Pines	10654	Pond #6A- 2026 Lining Project	$200,000.00	Check #29762
81	Utility Notification Ctr - CO	226050267	Locate Service-May	$193.33	Check #29763
82	Utilo LLC	5362	Locate Service-May	$2,900.00	Check #29764
			Grand Total	**$1,702,973.43**	

Check Detail Report - Totals by Vendor
June 11, 2026 - July 15, 2026

Item #	Row Labels	Sum of Amount
1	American Security Professionals Inc	$990.00
2	Backflow Secure; Management Secure LLC	$9,000.00
3	Bartle Wells Associates	$855.00
4	Castle Pines Connection	$2,350.00
5	Colorado Mechanical Systems LLC	$6,150.00
6	Colorado Networks Inc	$555.00
7	COMCAST	$643.63
8	Comcast Business	$815.67
9	Core & Main LP	$25,830.00
10	Dominion Water and Sanitation District	$364.61
11	DTC Print Brokers	$795.00
12	Elevated Clarity LLC	$30,595.63
13	Emergency Pipe Repairs & Excavation LLC	$70,284.76
14	ENLIVE tv Services LLC	$3,690.00
15	Highlands Ranch Water	$147,966.06
16	Jehn Water Consultants Inc.	$10,207.13
17	Kennedy Jenks Consultants Inc	$235,655.05
18	Land s End Business Outfitters	$823.09
19	Level Engineering and Inspection	$8,741.69
20	Mountain Peak Controls	$6,930.00
21	Myers & Sons Construction LLC	$656,690.00
22	Plum Creek Water Reclamation Authority	$75,632.33
23	Principle Electric	$3,765.00
24	PROWT Law	$1,179.00
25	QP Services LLC	$101,777.87
26	Quality of Colorado Inc	$42.14
27	RubinBrown LLP	$22,000.00
28	Semocor Inc	$35,307.67
29	Seter, Vander Wall & Mielke, P.C.	$17,929.13
30	Sigler Communications Inc.	$17,410.00
31	Streamline	$4,904.64
32	The Country Club at Castle Pines	$200,000.00
33	Utility Notification Ctr - CO	$193.33
34	Utilo LLC	$2,900.00
	Grand Total	**$1,702,973.43**

CASTLE PINES NORTH METROPOLITAN DISTRICT

AUDITOR COMMUNICATIONS

DECEMBER 31, 2025

Board of Directors and Management
Castle Pines North Metropolitan District
Castle Pines, Colorado

We have audited the financial statements of Castle Pines North Metropolitan District (the District) as of and for the year ended December 31, 2025, and have issued our report thereon dated July XX, 2026. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 4, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects Of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended December 31, 2025. We noted no transactions entered into during the year for which there was a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred. There are no instances where we consider a significant accounting practice that is acceptable under the applicable financial reporting framework not to be most appropriate to the particular circumstances of the District.

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. The transfer of parks and recreation services to the City of Castle Pines is considered a significant unusual transaction, which is disclosed in Note 10 of the financial statements.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements is:

- Management's recognized proportionate share of the Public Employees' Retirement Association of Colorado's (PERA) net pension liability. We evaluated the net pension liability from the PERA report and the proportionate share of the District to determine if the amount recognized by management was reasonable.

The disclosures to the financial statements are neutral, consistent and clear. Certain financial statement disclosures are particularly sensitive because of their significance to the users of the financial statements. The most sensitive disclosure affecting the financial statements is:

- The disclosure of the employee pension plan in Note 5 to the financial statements

Circumstances That Affect The Form And Content Of The Auditors' Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditors' report. There were no circumstances that caused us to modify our auditors' report.

Matters Resulting In Consultation Outside The Engagement Team

There were no significant matters which resulted in consultation outside of our engagement team.

Difficulties Encountered In Performing The Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected And Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. The attached schedule summarizes an uncorrected misstatement. This uncorrected misstatement, if posted, would have decreased change in net position of the Water Fund by $18,669. Management has determined this uncorrected misstatement is not material to the financial statements taken as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule identifies misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements With Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the attached management representation letter.

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to an entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings Or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

This information is intended solely for the information and use of the Members of the Board and Management of the District and is not intended to be and should not be used by anyone other than these specified parties.

July XX, 2026

SCHEDULE OF UNCORRECTED MISSTATEMENTS

Water Fund DESCRIPTION	Increase (Decrease) On Financial Statement Captions If the Following Uncorrected Entries Had Been Recorded ASSETS & DEFERRED OUTFLOWS OF RESOURCES	LIABILITIES & DEFERRED INFLOWS OF RESOURCES	NET POSITION OR FUND BALANCE	REVENUES	EXPENSES OR EXPENDITURES	CHANGE IN NET POSITION OR FUND BALANCE	IMPACT ON FUTURE YEAR CHANGE IN NET POSITION OR FUND BALANCE
To illustrate entry that would be needed to correct Hock Hocking Water Rights Depreciation for 2010 - 2025	$ (280,035)	$ —	$ (280,035)	$ —	$ 18,669	$ (18,669)	No
Effect of uncorrected entries for current year	(280,035)	—	(280,035)	—	18,669	(18,669)	
Effect of uncorrected entries from prior year	[redacted]			—	—	—	
Effect of uncorrected entries for current year	$ (280,035)	$ —	$ (280,035)	$ —	$ 18,669	$ (18,669)	

SCHEDULE OF CORRECTED MISSTATEMENTS

Client:	***33184.0000 - Castle Pines North Metropolitan District***
Engagement:	***2025 AUD - Castle Pines North Metropolitan District***
Trial Balance:	***TB Database***
Workpaper:	***3010 - Adjusting Journal Entries Report***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		**3030**		
PBC AJE: 12/31/2025 Accrued Interest for Waste Water Debt Service				
60-61-00-2210	Accrued Interest Payable		680.00	
60-61-00-7510	Debt Service			680.00
Total			**680.00**	**680.00**
Adjusting Journal Entries JE # 2		**5240**		
Nonattest Service - Entry to bring final GASB 68 account balances to match calculations by fund.				
60-60-00-2510	Net Pension Liability		198,847.00	
60-60-00-2514	Deferred Inflows - Proportionate Share		26,508.00	
60-60-00-2516	Deferred Outflows - Change in Assumptions		336.00	
60-60-00-2518	Deferred Inflows - Investment Earnings		136,837.00	
60-60-00-2519	Deferred Inflows - Experience		216.00	
60-61-00-2510	Net Pension Liability		114,343.00	
60-61-00-2514	Deferred Inflows - Proportionate Share		15,317.00	
60-61-00-2516	Deferred Outflows - Change in Assumptions		84.00	
60-61-00-2518	Deferred Inflows - Investment Earnings		78,685.00	
60-61-00-2519	Deferred Inflows - Experience		120.00	
60-60-00-2511	Deferred Outflows - Investment Earnings			197,157.00
60-60-00-2512	Deferred Outflows - Contributions			24,621.00
60-60-00-2515	Deferred Outflows - Experience			10,518.00
60-60-00-6000	Pension Expense			130,448.00
60-61-00-2511	Deferred Outflows - Investment Earnings			112,637.00
60-61-00-2512	Deferred Outflows - Contributions			14,564.00
60-61-00-2515	Deferred Outflows - Experience			6,127.00
60-61-00-6000	Pension Expense			75,221.00
Total			**571,293.00**	**571,293.00**
Adjusting Journal Entries JE # 3		**7006**		
To update interfund allocation accounts based on updated calculation.				
10-00-00-1990	Pooled Cash		158,356.00	
10-00-00-4245	Indirect Cost Revenue - Water Fund		884,811.00	
10-00-00-4246	Indirect Cost Revenue - Wastewater Fund		221,202.00	
60-60-00-6700	Indirect Costs		149,516.00	
60-61-00-6700	Indirect Costs		8,840.00	
RB-60-60-00-6999	Transfer Out		884,811.00	
RB-60-61-00-6999	Transfer Out		221,202.00	
10-00-00-4245	Indirect Cost Revenue - Water Fund			149,516.00
10-00-00-4246	Indirect Cost Revenue - Wastewater Fund			8,840.00
60-00-00-1990	Pooled Cash			149,516.00
60-60-00-6700	Indirect Costs			884,811.00
60-61-00-1990	Pooled Cash			8,840.00
60-61-00-6700	Indirect Costs			221,202.00
RB-10-00-00-4999	Transfer In			1,106,013.00
Total			**2,528,738.00**	**2,528,738.00**

CASTLE PINES NORTH
METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2025

Contents

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Board of Directors
Castle Pines North Metropolitan District
Castle Pines, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of Castle Pines North Metropolitan District (the District), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis For Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 District and to meet our other ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities Of Management For The Financial Statements

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

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

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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Report On Summarized Comparative Information

We have previously audited the District's 2024 financial statements, and we expressed unmodified audit opinions on those audited financial statements in our report dated July 28, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information for the General Fund on page 45, the schedule of the District's proportionate share of the net pension liability - cost-sharing defined benefit plans on page 46 and the schedule of the District's contributions - cost-sharing defined benefit plans on page 47 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which 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 forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund financial schedules on pages 48 through 49 are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial schedules are fairly stated in all material respects in relation to the financial statements as a whole.

July XX, 2026

CASTLE PINES NORTH METROPOLITAN DISTRICT

STATEMENT OF NET POSITION
December 31, 2025
(With Comparative Totals For December 31, 2024)

	Governmental Activities	Business-Type Activities	2025 Total	2024 Total
Assets				
Cash and cash equivalents	$ 471,669	$ 49,602,239	$ 50,073,908	$ 50,733,104
Cash and cash equivalents - restricted	22,665	—	22,665	18,480
Property taxes receivable	970,577	—	970,577	988,516
Accounts receivable - services	—	869,391	869,391	581,388
Accounts receivable - other	42,601	—	42,601	84,838
Other receivables	—	—	—	271,419
Prepaid items	133,783	—	133,783	118,791
Capital assets, not being depreciated	21,770,930	10,263,352	32,034,282	66,553,366
Capital assets, net of accumulated depreciation	326,866	65,065,989	65,392,855	65,901,629
Total Assets	23,739,091	125,800,971	149,540,062	185,251,531
Deferred Outflows Of Resources				
Deferred outflows relating to pensions	80,664	6,249	86,913	155,931
Liabilities				
Accounts payable	101,240	1,721,956	1,823,196	2,097,196
Accrued expenses	—	6,224	6,224	6,904
Due to other government	39,543	—	39,543	81,561
Accrued payroll	5,925	10,767	16,692	—
Customer deposits	—	14,000	14,000	—
Long-term debt payable - less than one year	—	270,000	270,000	265,000
Long-term debt payable - greater than one year	—	2,154,750	2,154,750	2,424,750
Accrued compensated absences	35,956	169	36,125	27,151
Net pension liability	183,908	14,249	198,157	327,439
Total Liabilities	366,572	4,192,115	4,558,687	5,230,001
Deferred Inflows Of Resources				
Deferred property taxes	970,577	—	970,577	988,516
Deferred inflows of resources relating to pensions	28,399	2,200	30,599	44,361
Total Deferred Inflows Of Resources	998,976	2,200	1,001,176	1,032,877
Net Position				
Net investment in capital assets	22,097,796	72,904,591	95,002,387	129,765,245
Restricted for:				
Emergency reserve	43,242	—	43,242	57,298
Conservation Trust Fund	—	—	—	46
Unrestricted	313,169	48,708,314	49,021,483	49,321,995
Total Net Position	$ 22,454,207	$ 121,612,905	$ 144,067,112	$ 179,144,584

See the notes to financial statements.

CASTLE PINES NORTH METROPOLITAN DISTRICT

STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2025
(With Comparative Totals For The Year Ended December 31, 2024)

Functions/Programs	Total Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants And Contributions	Program Revenues: Capital Grants And Contributions	Net (Expense) Revenue And Changes In Net Position: Governmental Activities	Net (Expense) Revenue And Changes In Net Position: Business-Type Activities	2025 Total	2024 Total
Governmental Activities								
General government	$ 2,164,320	$ 365,533	$ —	$ —	$ (1,798,787)	$ —	$ (1,798,787)	$ 689,451
Parks and open space	—	—	77,851	—	77,851	—	77,851	97,731
Conveyance to other government	39,269,995	—	—	—	(39,269,995)	—	(39,269,995)	(879,437)
Total Governmental Activities	41,434,315	365,533	77,851	—	(40,990,931)	—	(40,990,931)	(92,255)
Business-Type Activities								
Water	5,388,347	4,986,799	—	1,950,000	—	1,548,452	1,548,452	2,067,384
Wastewater	1,820,024	2,738,039	—	—	—	918,015	918,015	(1,692)
Total Business-Type Activities	7,208,371	7,724,838	—	1,950,000	—	2,466,467	2,466,467	2,065,692
Total	$ 48,642,686	$ 8,090,371	$ 77,851	$ 1,950,000	(40,990,931)	2,466,467	(38,524,464)	1,973,437
General Revenues								
Taxes:								
Property taxes					985,509	—	985,509	1,098,843
Specific ownership taxes					76,003	—	76,003	72,908
Miscellaneous income					185,559	86,859	272,418	384,458
Earnings on investments					14,350	2,098,712	2,113,062	2,702,271
Transfers					1,106,013	(1,106,013)	—	—
Total General Revenues					2,367,434	1,079,558	3,446,992	4,258,480
Changes In Net Position					(38,623,497)	3,546,025	(35,077,472)	6,231,917
Net Position At Beginning Of Year					61,077,704	118,066,880	179,144,584	172,912,667
Net Position At End Of Year					$ 22,454,207	$ 121,612,905	$ 144,067,112	$ 179,144,584

See the notes to financial statements.

CASTLE PINES NORTH METROPOLITAN DISTRICT

BALANCE SHEET - GOVERNMENTAL FUND
December 31, 2025
(With Comparative Totals For December 31, 2024)

	2025	2024
Assets		
Cash and cash equivalents	**$ 471,669**	$ 131,419
Cash and cash equivalents - restricted	**22,665**	18,480
Property taxes receivable	**970,577**	988,516
Other receivables	**42,601**	84,838
Prepaid items	**133,783**	—
Total Assets	**$ 1,641,295**	$ 1,223,253
Liabilities		
Accounts payable	**$ 101,240**	$ —
Due to other government	**39,543**	81,561
Accrued payroll	**5,925**	—
Total Liabilities	**146,708**	81,561
Deferred Inflows Of Resources		
Deferred property taxes	**970,577**	988,516
Fund Balance		
Nonspendable:		
Prepaid items	**133,783**	—
Restricted for:		
Emergency reserve	**43,242**	57,298
Conservation Trust Fund	—	46
Unassigned	**346,985**	95,832
Total Fund Balance	**524,010**	153,176
Total Liabilities, Deferred Inflows Of Resources And Fund Balance	**$ 1,641,295**	$ 1,223,253

See the notes to financial statements.

CASTLE PINES NORTH METROPOLITAN DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET WITH THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
December 31, 2025
(With Comparative Totals For December 31, 2024)

		2025	2024
Amounts reported for governmental activities in the statement of net position are different because:			
Total fund balance - governmental fund		**$ 524,010**	$ 153,176
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the fund financial statements.			
Capital assets		**22,097,796**	60,924,528
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the fund financial statements.			
Accrued compensated absences		**(35,956)**	—
Net pension liability and related deferred inflows and deferred outflows of resources are not current financial resources and, therefore, are not reported in the fund financial statements.			
Net pension liability	$ (183,908)		
Deferred outflows of resources relating to pensions	80,664		
Deferred inflows of resources relating to pensions	(28,399)	**(131,643)**	—
Total Net Position - Governmental Activities		**$ 22,454,207**	$ 61,077,704

CASTLE PINES NORTH METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
For The Year Ended December 31, 2025
(With Comparative Totals For The Year Ended December 31, 2024)

	2025	2024
Revenues		
Property taxes	$ **985,509**	$ 1,098,843
Specific ownership taxes	**76,003**	72,908
Conservation Trust Fund	**77,851**	97,731
Farm land revenue	**42,600**	—
Lease income	**66,840**	63,127
Oil royalty income	**256,093**	674,312
Earnings on investments	**14,350**	753
Other income	**185,559**	359,183
Total Revenues	**1,704,805**	2,366,857
Expenditures		
Current:		
General government	**1,979,723**	16,491
Excess Of Revenues Over Expenditures	**(274,918)**	2,350,366
Other Financing Uses		
Conveyance to other government	**(460,261)**	(879,437)
Interfund transfers	**1,106,013**	(1,317,753)
Total Other Financing Uses	**645,752**	(2,197,190)
Net Change In Fund Balance	**370,834**	153,176
Fund Balance - Beginning Of Year	**153,176**	—
Fund Balance - End Of Year	$ **524,010**	$ 153,176

CASTLE PINES NORTH METROPOLITAN DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE WITH THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

For The Year Ended December 31, 2025

(With Comparative Totals For The Year Ended December 31, 2024)

		2025	2024
Amounts reported for governmental activities in the statement of activities are different because:			
Net change in fund balance - governmental fund		**$ 370,834**	$ 153,176
Capital outlay to purchase or build capital assets is reported in governmental funds as expenditures. However, for governmental activities, these costs are capitalized on the statement of net position and depreciated over their estimated useful lives as annual depreciation expense in the statement of activities.			
Depreciation expense		**(16,998)**	(141,673)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.			
Conveyance to other government	$ (38,809,734)		
Change in compensated absences	(35,956)	**(38,845,690)**	—
Pension income (expense) relating to the District's defined benefit retirement plan is recognized on the statement of activities and, therefore, not included in the fund financial statements.		**(131,643)**	110,176
Change In Net Position Of Governmental Activities		**$ (38,623,497)**	$ 121,679

CASTLE PINES NORTH METROPOLITAN DISTRICT

STATEMENT OF NET POSITION - ENTERPRISE FUNDS
December 31, 2025
(With Comparative Totals For December 31, 2024)

	Water	Wastewater	2025 Total	2024 Total
Assets				
Current Assets				
Cash and cash equivalents	$ 43,515,593	$ 6,086,646	$ 49,602,239	$ 50,601,685
Accounts receivable - services	629,209	240,182	869,391	581,388
Other receivables	—	—	—	271,419
Prepaid expenses	—	—	—	118,791
Total Current Assets	44,144,802	6,326,828	50,471,630	51,573,283
Capital Assets				
Property, plant and equipment	86,179,773	19,838,956	106,018,729	100,517,073
Accumulated depreciation	(25,465,377)	(5,224,011)	(30,689,388)	(28,986,606)
Total Capital Assets	60,714,396	14,614,945	75,329,341	71,530,467
Total Assets	104,859,198	20,941,773	125,800,971	123,103,750
Deferred Outflows Of Resources				
Deferred outflows of resources relating to pensions	4,999	1,250	6,249	155,931
Liabilities				
Current Liabilities				
Accounts payable	1,079,194	642,762	1,721,956	2,097,196
Accrued expenses	—	6,224	6,224	6,904
Accrued payroll	8,614	2,153	10,767	—
Customer deposits	14,000	—	14,000	—
Long-term debt payable - less than one year	—	270,000	270,000	265,000
Accrued compensated absences	135	34	169	27,151
Total Current Liabilities	1,101,943	921,173	2,023,116	2,396,251
Long-Term Liabilities				
Net pension liability	11,399	2,850	14,249	327,439
Long-term debt payable - greater than one year	—	2,154,750	2,154,750	2,424,750
Total Long-Term Liabilities	11,399	2,157,600	2,168,999	2,752,189
Total Liabilities	1,113,342	3,078,773	4,192,115	5,148,440
Deferred Inflows Of Resources				
Deferred inflows of resources relating to pensions	1,760	440	2,200	44,361
Total Deferred Inflows Of Resources	1,760	440	2,200	44,361
Net Position				
Net investment in capital assets	60,714,396	12,190,195	72,904,591	68,840,717
Unrestricted	43,034,699	5,673,615	48,708,314	49,226,163
Total Net Position	$ 103,749,095	$ 17,863,810	$ 121,612,905	$ 118,066,880

See the notes to financial statements.

CASTLE PINES NORTH METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - ENTERPRISE FUNDS

For The Year Ended December 31, 2025

(With Comparative Totals For The Year Ended December 31, 2024)

Page 1 Of 2

	Water	Wastewater	2025 Total	2024 Total
Operating Revenues				
Water charges	$ 4,804,699	$ —	$ 4,804,699	$ 5,597,837
Wastewater charges	—	2,738,039	2,738,039	2,853,396
Total Operating Revenues	4,804,699	2,738,039	7,542,738	8,451,233
Operating Expenses				
Water Operations				
General overhead	400,199	—	400,199	990,817
Salaries and wages	5,172	—	5,172	209,679
Employee benefits and taxes	11,192	—	11,192	65,398
Pension benefit	(130,448)	—	(130,448)	(20,576)
Memberships, training and subscriptions	—	—	—	7,805
Engineering	221,962	—	221,962	291,103
Repairs and maintenance	2,306,597	—	2,306,597	1,853,662
Utilities	1,110,685	—	1,110,685	1,086,066
Equipment and supplies	45,321	—	45,321	59,200
Water rebates	11,535	—	11,535	20,529
Other projects	128,817	—	128,817	212,222
Total Water Operations	4,111,032	—	4,111,032	4,775,905
Wastewater Operations				
General overhead	—	126,230	126,230	499,315
Salaries and wages	—	(6,943)	(6,943)	116,775
Employee benefits and taxes	—	2,798	2,798	35,213
Pension benefit	—	(75,221)	(75,221)	(10,038)
Memberships, training and subscriptions	—	—	—	4,203
Engineering	—	12,537	12,537	165,927
Repairs and maintenance	—	431,734	431,734	653,313
Utilities	—	97,768	97,768	130,325
Equipment and supplies	—	—	—	7,932
Treatment costs	—	723,490	723,490	728,348
Total Wastewater Operations	—	1,312,393	1,312,393	2,331,313
Total Operating Expenses	4,111,032	1,312,393	5,423,425	7,107,218
Operating Income Before Depreciation	693,667	1,425,646	2,119,313	1,344,015
Depreciation	1,277,315	425,467	1,702,782	1,672,313

See the notes to financial statements.

CASTLE PINES NORTH METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - ENTERPRISE FUNDS
For The Year Ended December 31, 2025
(With Comparative Totals For The Year Ended December 31, 2024)
Page 2 Of 2

	Water	Wastewater	2025 Total	2024 Total
Operating Income (Loss)	$ (583,648)	$ 1,000,179	$ 416,531	$ (328,298)
Nonoperating Revenues (Expenses)				
Earnings on investments	1,841,687	257,025	2,098,712	2,701,518
Interest expense	—	(82,164)	(82,164)	(97,602)
Reimbursable income	58,984	—	58,984	11,927
Miscellaneous revenues	26,640	1,235	27,875	13,348
Renewable water investment	182,100	—	182,100	667,700
Total Nonoperating Revenues	2,109,411	176,096	2,285,507	3,296,891
Income Before Capital Contributions, And Transfers	1,525,763	1,176,275	2,702,038	2,968,593
Capital Contributions And Transfers				
Capital improvement charges	1,950,000	—	1,950,000	1,823,892
Interfund transfers	(884,811)	(221,202)	(1,106,013)	1,317,753
Change In Net Position	2,590,952	955,073	3,546,025	6,110,238
Net Position - Beginning Of Year	101,158,143	16,908,737	118,066,880	111,956,642
Net Position - End Of Year	$ 103,749,095	$ 17,863,810	$ 121,612,905	$ 118,066,880

CASTLE PINES NORTH METROPOLITAN DISTRICT

STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS
For The Year Ended December 31, 2025
(With Comparative Totals For The Year Ended December 31, 2024)

	Water	Wastewater	2025 Total	2024 Total
Cash Flows From Operating Activities				
Receipts from customers and others	$ 4,547,447	$ 2,992,707	$ 7,540,154	$ 8,183,443
Payments to suppliers	(4,725,810)	(1,147,514)	(5,873,324)	(5,444,997)
Payments to employees	(22,747)	(5,687)	(28,434)	(428,609)
Net Cash Flows Provided By (Used In) Operating Activities	(201,110)	1,839,506	1,638,396	2,309,837
Cash Flows From Noncapital Financing Activities				
Miscellaneous revenue	85,624	1,235	86,859	25,275
Renewable water investment	182,100	—	182,100	667,700
Net Cash Flows Provided By Noncapital Financing Activities	267,724	1,235	268,959	692,975
Cash Flows From Capital And Related Financing Activities				
Capital contributions	1,950,000	—	1,950,000	1,823,892
Principal payments on loans	—	(265,000)	(265,000)	(255,000)
Interest paid on loans	—	(82,844)	(82,844)	(90,698)
Acquisition of capital assets	(4,394,064)	(1,107,592)	(5,501,656)	(7,629,830)
Interfund transfers	(884,811)	(221,202)	(1,106,013)	1,317,753
Conveyance to other government	—	—	—	(24,377)
Net Cash Flows Used In Capital And Related Financing Activities	(3,328,875)	(1,676,638)	(5,005,513)	(4,858,260)
Cash Flows Provided By Investing Activities				
Earnings on investments	1,841,687	257,025	2,098,712	2,701,518
Net Increase (Decrease) In Cash And Cash Equivalents	(1,420,574)	421,128	(999,446)	846,070
Cash And Cash Equivalents, Beginning Of Year	44,936,167	5,665,518	50,601,685	49,755,615
Cash And Cash Equivalents, End Of Year	$ 43,515,593	$ 6,086,646	$ 49,602,239	$ 50,601,685
Reconciliation Of Operating Income (Loss) To Net Cash Flows From Operating Activities				
Operating income (loss)	$ (583,648)	$ 1,000,179	$ 416,531	$ (328,298)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	1,277,315	425,467	1,702,782	1,672,313
Changes in operating assets and liabilities:				
Accounts receivable	(271,252)	(16,751)	(288,003)	3,629
Other receivables	—	271,419	271,419	(271,419)
Prepaid items	77,214	41,577	118,791	(118,791)
Accounts payable	(577,908)	202,668	(375,240)	1,384,561
Accrued payroll	8,614	2,153	10,767	—
Customer deposits	14,000	—	14,000	—
Accrued compensated absences	(14,997)	(11,985)	(26,982)	(1,544)
Net pension liability and related deferred inflows/outflows of resources	(130,448)	(75,221)	(205,669)	(30,614)
Net Cash Flows Provided By (Used In) Operating Activities	$ (201,110)	$ 1,839,506	$ 1,638,396	$ 2,309,837

1. Summary Of Significant Accounting Policies

Form Of Organization

Castle Pines North Metropolitan District (the District) is a quasi-municipal corporation and political subdivision of the State of Colorado under the Special District Act (Title 32, Article 1, Colorado Revised Statutes (CRS)). The District was organized by a court order on June 11, 1984 and is governed by an elected five-member Board of Directors (the Board). The District was established to provide water service, wastewater service, storm drainage service and parks and open space services for the benefit of the property owners, residents and users of the facilities of the District. The District has several agreements with various entities to provide additional water resources for the community. As of December 31, 2023, the District is in the process of transferring storm drainage and parks and open space services to the City of Castle Pines (the City) in accordance with an intergovernmental agreement (IGA), as disclosed in Note 10.

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

Reporting Entity

In conformity with GASB financial reporting standards, the District is the reporting entity for financial reporting purposes. The District is the primary government financially accountable for all activities of the District. The District meets the criteria of a primary government: the Board is the publicly elected governing body; it is a legally separate entity and it is fiscally independent. The District is not included in any other governmental reporting entity.

As defined by GAAP established by GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- Appointment of a voting majority of the component unit's governing board, and either a) it has the ability to impose its will by the primary government or b) there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government or

- Fiscal dependency on the primary government and the potential for the organization to provide specific benefits to, or impose specific financial burdens on, the primary government, regardless of whether the organization has (1) a separately elected governing board or (2) a governing board appointed by a higher level of government, or

- A jointly appointed board

Based on the application of these criteria, there are no component units included in the District's reporting entity.

Government-Wide And Fund Financial Statements

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent in value to the interfund services provided and other charges. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis Of Accounting And Financial Statement Presentation

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

The governmental fund financial statements are accounted for using the current financial resources measurement focus, whereby only current assets, certain deferred outflows of resources, liabilities and certain deferred inflows of resources generally are included in the balance sheet, and the statement of revenues, expenditures and changes in fund balances presents increases and decreases in those components. These funds use the modified accrual basis of accounting, whereby revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recognized only when payment is due.

Property taxes and earnings on investments associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources, except those required to be accounted for in another fund.

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements, a reconciliation is presented that briefly explains the adjustments necessary to reconcile to ending net position and the change in net position.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied and become an enforceable lien on the property. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

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 the proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services provided. Operating expenses for the proprietary fund include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the primary intent is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The District reports the following major enterprise funds:

Water Enterprise Fund - The Water Enterprise Fund accounts for the water operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Wastewater Enterprise Fund - The Wastewater Enterprise Fund accounts for the wastewater operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not in sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the District's audited financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Budgets

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

- By October 15, the District Manager submits to the Board a proposed operating budget for the fiscal year beginning the following January 1. The operating budget includes proposed expenditures and the means of financing them.

- A duly noticed public hearing is conducted to obtain taxpayer comments.

- Prior to December 15, the budget is formally adopted, monies are appropriated by fund and a mill levy is certified through passage of a Board resolution.

- Any budget revisions that alter the total expenditures of any fund must be approved by the Board through passage of a budget amendment after a duly noticed public hearing.

- The District appropriates revenues and expenditures by fund as part of the budget approval process. Budgets for the governmental funds are adopted on a basis consistent with GAAP. Budgetary comparisons presented for the enterprise funds are presented on a non-GAAP budgetary basis.

- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board. All appropriations lapse at year end.

Cash And Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and participation in local government investment pools. All cash equivalents have an original maturity date of less than three months.

The District follows the practice of pooling cash and investments from all funds to maximize earnings on investments. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Earnings on investments are allocated periodically to the participating funds based upon each funds' average equity balance in the total cash and investments.

Receivables

In the government-wide financial statements, receivables are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible. Tap fees, user fees and similar fees set by the Board constitute a perpetual lien on or against the property served until paid. Such liens may be foreclosed upon as provided by the State of Colorado. Therefore, no provision for uncollectible receivables has been made in the financial statements.

Property Taxes

Property taxes are certified by the Board. The levy is based on assessed valuations determined by the Douglas County Assessor generally as of January 1 of each year. The levy is certified by December 15 to the County Commissioners and attach as an enforceable lien on property on January 1 of the following year. Taxes are payable in full on April 30 or in two installments on the last day of February and June 15. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer's office collects property taxes and remits to the District on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflows of resources are recognized as revenue, and the receivable is reduced.

Capital Assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable using the straight-line method. Depreciation is reported on the statement of activities as a current expense.

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

Description	Estimated Lives
Distribution system	50 - 100 years
Collection system	50 - 100 years
Buildings	25 - 60 years
Machinery and equipment	5 - 25 years
Parking lots	15 years
Office furniture and equipment	5 years

Contributions Of Capital

Contributions of capital in government-wide and proprietary fund financial statements arise from outside contributions of capital assets, tap fees or from other outside contributions of resources restricted to capital acquisition and construction.

Interfund Transactions

Activity between funds that represent outstanding balances between funds are reported as "due to/from other funds." The outstanding balances between the funds result mainly from the time lag between the dates that (1) the interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Compensated Absences

Personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise aid in cash or settled through noncash means. The District permits employees to accumulate earned but unused personal leave time. Accumulated, unpaid personal leave time is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund statement of net position.

Deferred Outflows/Inflows Of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The District recognizes deferred outflows of resources related to pensions.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Deferred property taxes are recognized as revenue in the period that the amounts become available. The District also recognizes deferred inflows of resources related to pensions.

Fund Balance And Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. In the government-wide financial statements, net position is classified in the following categories:

Net Investment In Capital Assets **-** This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position **-** This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position **-** This category represents the net position of the District, which is not restricted for any project or other purpose. A deficit will require future funding.

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances of the governmental funds are classified as follows:

Nonspendable **-** amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact

Restricted **-** amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors or the laws or regulations of other governments

Committed **-** amounts that can be used only for specific purposes determined by a formal action of the Board. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified or rescinded only through resolutions approved by the Board.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Board's adopted policy, the Board has the authority to assign the designated fund balance for each governmental fund based on the intended use of resources by the District in the most recently adopted budget.

Unassigned - all other spendable amounts. Only the General Fund reports a positive unassigned fund balance. In other governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to other purposes, the funds would report a negative unassigned fund balance; however, any amount reported as assigned fund balance would have to be eliminated before a negative unassigned fund balance could be reported.

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, the District considers restricted resources to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted fund balance, then committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Pensions

The District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension (asset) liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of 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 at PERA are reported at fair value.

Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

2. Cash, Cash Equivalents And Investments

A summary of cash, cash equivalents and investments as of December 31, 2025, follows:

	S&P Rating		Fair Value	Weighted Ave. Maturity Date (In Days)	Concentration Of Credit Risk
Cash with county treasurer	NR	$	6,348	N/A	N/A
Deposits with financial institutions	NR		769,202	N/A	N/A
Colorado Government Liquid Asset Trust (COLOTRUST)	AAAm		49,321,023	Under 60 days	100.00%
		$	50,096,573		

The above amounts are classified in the statement of net position as follows:

Cash and cash equivalents:		
Governmental activities	$	471,669
Business-type activities		49,602,239
	$	50,096,573

Custodial Credit Risk - Deposits

CRS governs the entity's deposits of cash. For deposits in excess of federally insured limits, CRS requires the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act (PDPA) requires state regulators to certify eligible depositories for public deposit. PDPA requires the eligible depositories with public deposits in excess of the amounts insured by the Federal Deposit Insurance Corporation to create a single institutional collateral pool of obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the assets in the pool must be at least 102% of the uninsured deposits. At December 31, 2025, the District had deposits with financial institutions with a carrying amount of $769,202. The bank balances with the financial institutions were $1,509,787 of which $250,000 was covered by federal depository insurance. The remaining balance of $1,259,787 was collateralized with securities held by the financial institutions' agents but not in the District's name.

Investments

The District has a formal investment policy which follows CRS, which specifies investment instruments meeting defined rating and risk criteria in which the District may invest.

These investments include:

- Certificates of deposit with an original maturity in excess of three months
- Certain obligations of the United States and U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's acceptance 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 District's policy is to hold investments until maturity.

Fair Value

The District categorizes its fair value measurement within the fair value hierarchy established by GAAP. 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; Level 3 inputs are significant unobservable inputs.

Local Government Investment Pools

During 2024, the District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST records its investments at fair value and the District records its investments in COLOTRUST using the net asset value method. As of December 31, 2025, the District had $49,321,023 invested in COLOTRUST PLUS+, one of the three portfolios offered by COLOTRUST, which is included in cash equivalents. COLOTRUST PLUS+ operates similarly to a money market fund and each share is equal in value to $1.00. COLOTRUST is exempt from being measured at fair value and is excluded from the fair value hierarchy. There are no unfunded commitments, the redemption period frequency is daily and there is no redemption notice period. COLOTRUST PLUS+ may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies.

A designated custodial bank serves as custodian for COLOTRUST's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for COLOTRUST's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by COLOTRUST. COLOTRUST PLUS+ is rated AAAm by S&P Global Ratings with a weighted average maturity of under 60 days. Separate financial statements can be obtained by calling 303.864.7474 or going to www.colotrust.com.

Custodial Credit Risk - Investments

For investments, custodial credit risk is the risk that, in the event of a failure of a counterparty, the District would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Due to the limitations specified by Colorado statutes, as of December 31, 2025, the District had no investments exposed to custodial credit risk.

Interest Rate Risk

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

3. Capital Assets

A summary of changes in governmental activity capital assets is as follows:

	Balance December 31, 2024	Additions	Deletions	Balance December 31, 2025
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land and improvements to land	$ 45,583,416	$ —	$ (37,438,456)	$ 8,144,960
Water and water storage rights	13,625,970	—	—	13,625,970
Total Capital Assets, Not Being Depreciated	59,209,386	—	(37,438,456)	21,770,930
Capital Assets, Being Depreciated				
Parking lots	202,710	—	(202,710)	—
Parks, buildings and equipment	2,749,339	—	(2,063,580)	685,759
Concrete trails	2,283,069	—	(2,283,069)	—
Asphalt trails	302,064	—	(302,064)	—
Total Capital Assets, Being Depreciated	5,537,182	—	(4,851,423)	685,759
Less Accumulated Depreciation For:				
Parking lots	(202,710)	—	202,710	—
Parks, buildings and equipment	(2,120,113)	(16,998)	1,778,218	(358,893)
Concrete trails	(1,197,153)	—	1,197,153	—
Asphalt trails	(302,064)	—	302,064	—
Total Accumulated Depreciation	(3,822,040)	(16,998)	3,480,145	(358,893)
Total Capital Assets Being Depreciated, Net	1,715,142	(16,998)	(1,371,278)	326,866
Governmental Activities Capital Assets, Net	$ 60,924,528	$ (16,998)	$ (38,809,734)	$ 22,097,796

Depreciation for governmental activity capital assets has been allocated to general government activity in the statement of activities.

A summary of changes in business-type activity capital assets is as follows:

	Balance December 31, 2024	Additions	Deletions And Transfers	Balance December 31, 2025
Business-Type Activities:				
Capital Assets Not Being Depreciated				
Land and rights of way	$ 103,115	$ —	$ —	$ 103,115
Construction in progress	7,240,865	4,751,803	(1,832,431)	10,160,237
Total Capital Assets Not Being Depreciated	7,343,980	4,751,803	(1,832,431)	10,263,352
Capital Assets Being Depreciated				
Buildings and improvements	16,497,917	44,126	—	16,542,043
Landscaping, fencing and electrical	6,550,840	12,950	1,832,431	8,396,221
Ground water rights	2,956,516	—	—	2,956,516
Distribution system	28,785,829	63,161	—	28,848,990
Collection system	1,480,781	—	—	1,480,781
Water tanks	2,315,654	—	—	2,315,654
Machinery and equipment	12,001,067	585,528	—	12,586,595
Vehicles	177,259	44,088	—	221,347
Developer contributions*	17,226,658	—	—	17,226,658
Plum Creek Water Reclamation Authority (PCWRA) plant expansion	5,180,572	—	—	5,180,572
Total Capital Assets Being Depreciated	93,173,093	749,853	1,832,431	95,755,377
Less Accumulated Depreciation For:				
Buildings and improvements	(4,704,053)	(326,216)	—	(5,030,269)
Landscaping, fencing and electrical	(2,589,786)	(169,060)	—	(2,758,846)
Ground water rights	(390,923)	(10,896)	—	(401,819)
Distribution system	(4,215,599)	(315,468)	—	(4,531,067)
Collection system	(524,852)	(14,808)	—	(539,660)
Water tanks	(1,332,129)	(46,313)	—	(1,378,442)
Machinery and equipment	(9,926,807)	(391,349)	—	(10,318,156)
Vehicles	(145,186)	(8,890)	—	(154,076)
Developer contributions*	(4,184,477)	(172,266)	—	(4,356,743)
PCWRA plant expansion	(972,794)	(247,516)	—	(1,220,310)
Total Accumulated Depreciation	(28,986,606)	(1,702,782)	—	(30,689,388)
Net Capital Assets Being Depreciated	64,186,487	(952,929)	1,832,431	65,065,989
Business-Type Activities Capital Assets, Net	$ 71,530,467	$ 3,798,874	$ —	$ 75,329,341

* Certain classes of assets have been classified and reclassified over time to account for shifts in accounting principles, including but not limited to developer-contributed assets. The developer-contributed assets represent the original water distribution system and wastewater collection system assets that were obtained by the District but not readily identified with specific assets.

Depreciation for business-type activity capital assets has been allocated to the following activities:

Water	$ 1,277,315
Wastewater	425,467
Total Depreciation Expense - Business-Type Activities	$ 1,702,782

4. Long-Term Debt And Liabilities

Governmental Activities Long-Term Liability

The following is a summary of governmental activity long-term liability for the year ended December 31, 2025:

	Balance December 31, 2024	Additions	Retirements	Balance December 31, 2025	Due Within One Year
Governmental Activities					
Compensated absences	$ —	$ 35,956	$ —	$ 35,956	$ 35,956

Business-Type Activities Debt And Long-Term Liability

The following is a summary of business-type activity debt and long-term liability transactions for the year ended December 31, 2025:

	Balance December 31, 2024	Additions	Retirements	Balance December 31, 2025	Due Within One Year
Business-Type Activities					
JP Morgan Chase loan payable	$ 2,689,750	$ —	$ (265,000)	$ 2,424,750	$ 270,000
Compensated absences	27,151	47,941	(74,923)	169	169
Total Business-Type Activities	$ 2,716,901	$ 47,941	$ (339,923)	$ 2,424,919	$ 270,169

A description of the long-term debt as of December 31, 2025 is as follows:

JP Morgan Chase Loan

On December 31, 2018, the District secured a $4,125,000 bank loan for the purpose of paying project costs related to the District's proportionate share in its interest in PCWRA. The project consisted of the design and construction of improvements to expand the treatment capacity of PCWRA which was completed in 2022. Principal payments are due annually on December 1 and interest payments are due each June 1 and December 1 until maturity. The bank loan matures on December 1, 2033 and has a fixed interest rate of 3.08%. The loan security and repayment source is a pledge of the District's Wastewater and Water Activity Enterprise revenues backed by a rate covenant. The loan contains restrictive covenants.

The following is a summary of the annual long-term debt principal and interest requirement for the JP Morgan Chase loan:

Year Ending December 31,	Principal	Interest	Total
2026	$ 270,000	$ 74,690	$ 344,690
2027	280,000	66,374	346,374
2028	290,000	57,750	347,750
2029	300,000	48,818	348,818
2030	310,000	39,578	349,578
2031 - 2033	974,750	60,676	1,035,426
	$ 2,424,750	$ 347,886	$ 2,772,636

5. Employee Pension Plan

Plan Description

Eligible employees of the District are provided with pensions through LGDTF a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of CRS 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 that can be obtained at https://copera.org/forms-resources/financial-reports-and-studies.

Benefits Provided

PERA provides retirement, disability and survivor benefits. Retirement benefits are based upon a defined or fixed multiplier, age, years of credited service, and highest average salary. Retirement eligibility is specified in tables set forth at CRS § 24-51-602, 604, 1713 and 1714.

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

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit

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

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

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers, waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether five 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 are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in CRS, once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all benefit recipients of the Denver Public School (DPS) benefit structure will receive an annual increase of 1.25% unless adjusted by the automatic adjustment provision (AAP) pursuant to CRS § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007 will receive the lessor of an annual increase of 1.25% or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10% of PERA's Annual Increase Reserve (AIR) for LGDTF. AAP may raise or lower the aforementioned annual increase by up to 0.25% based on the parameters specified in CRS § 24-51-413.

Disability benefits are available for eligible employees once they reach 5 years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above, considering a minimum 20 years of service credit, if deemed disabled.

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

Contributions

Eligible employees and the District are required to contribute to LGDTF at a rate set by Colorado statute. The contribution requirements are established under CRS § 24-51-401, et seq. and § 24-51-413. The employer contribution requirements are summarized in the table below:

	January 1, Through December 31, 2024
Employer contribution rate	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund (HCTF) as specified in CRS § 24-51-208(1)(f)	(1.02)%
Amount apportioned to LGDTF	9.98%
Amortization equalization disbursement (AED) as specified in CRS § 24-51-411	2.20%
Supplemental amortization equalization disbursement (SAED) as specified in CRS § 24-51-411	1.50%
Defined contribution supplement as specified in CRS § 24-51-415	0.08%
Total employer contribution rate to LGDTF	13.76%

Note: Rates are expressed as a percentage of salary as defined in CRS § 24-51-101(42).

Employer contributions are recognized by LGDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to LGDTF. Employer contributions recognized by LGDTF from the District were $47,467 for the year ended December 31, 2025.

Pension Liabilities, Pension Income And Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions

At December 31, 2025, the District reported a net pension liability of $198,157 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability 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 total pension liability to December 31, 2024. The District's proportion of the net pension liability was based on District contributions to LGDTF for the calendar year 2024 relative to the total contributions of participating employers to LGDTF.

At December 31, 2024, the District's proportion was 0.03229%, which was a decrease of 0.01231% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the District recognized pension income of $26,560 and 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	$ 14,952	$ —
Changes of assumptions or other inputs	5,848	—
Net difference between projected and actual earnings on pension plan investments	18,646	—
Changes in proportion and differences between contributions recognized and proportionate share of contributions	—	30,599
District contributions subsequent to the measurement date	47,467	—
Total	$ 86,913	$ 30,599

The $47,467 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a decrease of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amortization
2026	$ 7,663
2027	45,243
2028	(31,563)
2029	(12,496)
	$ 8,847

Actuarial Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20 - 11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Future post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	1.00%
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by AIR

The total pension liability as of December 31, 2024, measurement date, was adjusted to 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 LGDTF and HCTF were $486 and $20, respectively.

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 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 pension liability from December 31, 2023 to December 31, 2024.

Salary increases, including wage inflation, assumed for members other than Safety Officers is 3.40% - 13.00%. Salary scale assumptions were altered to better reflect actual experience. Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

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

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives were updated based on the experience. All mortality assumptions are developed on a benefit-weighted basis and apply generational mortality. Note that the mortality tables are generationally projected using the 2024 scale MP-2021.

Pre-retirement mortality assumptions for members other than Safety Officers were based upon the PubG-2010 Employee Table.

Post-retirement nondisabled mortality assumptions for members other than Safety Officers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 90% of the rates for all ages
- Females: 85% of the rates prior to age 85 and 105% of the rates for ages 85 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than Safety Officers were based upon the PubNS-2010 Disabled Retiree Table using 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 for LGDTF, 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 percentage and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's 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%	

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

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The basis for the projection of liabilities and the fiduciary net position used to determine the discount rate was an actuarial valuation performed as of December 31, 2023, and the financial status of the LGDTF as of the current measurement date (December 31, 2024). 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, the total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year and the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. 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 the 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 AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of 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.

- The AIR balance was excluded from the initial fiduciary net position, 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.

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

Sensitivity Of The District's Proportionate Share Of The Net Pension Liability To Changes In The Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the net pension liability	$ 433,725	$ 198,157	$ 252

Subsequent Events

Governmental accounting standards require the net pension liability for financial reporting purposes be measured using the plan provisions in effect as of the pension plan's year end. The passage of Senate Bill (SB) 25-310 into law is considered a nonrecognized subsequent event as these statutory changes to plan provisions did not exists as of the December 31, 2024 measurement date.

SB 25-310: Proposition 130 Implementation, enacted June 2, 2025, and effective immediately, allows PERA to accept a series of warrants from the State Treasurer totaling $500 million (actual dollars) on or after July 1, 2025, and before October 1, 2025. These dollars are to be proportioned over time to replace reductions to future direct distributions intended to fund the Peace Officer Training and Support Fund and, at that time, will be allocated to the appropriate Division Trust Fund(s) within PERA. SB 25-310 also allows for an alternative actuarial method to allocate the direct distribution if the allocation, based on the reported payroll of each participating division, results in an AAP assessment ratio below the 98% benchmark.

Pension Plan Fiduciary Net Position

Detailed information about LGDTF's fiduciary net position is available in PERA's annual comprehensive financial report which can be obtained at https://copera.org/forms-resources/financial-reports-and-studies.

6. Postemployment Healthcare Benefits

Plan Description

The District contributes to HCTF, a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA-participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of CRS, as amended, establishes HCTF 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 health care subsidies. PERA issues a publicly available annual comprehensive financial report that includes financial statements and required supplementary information for HCTF. That report can be obtained at https://copera.org/forms-resources/financial-reports-and-studies.

Funding Policy

The District is required to contribute at a rate of 1.02% of PERA-includable salary for all PERA members, as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of CRS, as amended. The apportionment of the contributions to HCTF is established under Title 24, Article 51, Section 208(1)(f) of CRS, as amended. For the years ending December 31, 2025 and 2024, the District's employer contributions to HCTF were $3,511 and $3,204, respectively, equal to their required contributions for each year. The effect of this plan would result in an immaterial liability and therefore is not recorded at December 31, 2025.

7. Defined Contribution Pension Plan

Plan Description

Employees of the District who are members of LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of CRS, as amended, assigns the authority to establish the 401(k) plan provisions to the state legislature. PERA issues a publicly available annual comprehensive financial report for the program. That report can be obtained at https://copera.org/forms-resources/financial-reports-and-studies.

Funding Policy

The Voluntary Investment Program is funded by voluntary member contributions of up to a maximum limit set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402, of CRS, as amended. The District does not contribute to the Voluntary Investment Program. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended December 31, 2025, the 401(k) plan member contributions were $7,890.

8. Risk Management

The District is exposed to various risks of loss related to workers' compensation; general liability; unemployment; torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (the Pool), which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials' liability and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on a basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula. The District also maintains an active insurance program, whereby the District annually evaluates appropriate liability coverage.

9. TABOR Compliance

In November 1992, Colorado voters passed an amendment (the Amendment or TABOR) to the State Constitution (Article X, Section 20), which limits the revenue raising and spending abilities of state and local districts. The limits on property taxes, revenue and fiscal year spending include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending, as defined by the Amendment, excludes spending from certain revenue and financing sources, such as federal funds, gifts, property sales, fund transfers, damage awards and fund reserves (balances). The Amendment requires voter approval for any increase in mill levy or tax rates, new taxes or creation of multi-year debt. Revenue earned in excess of the spending limit must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate.

The Amendment also requires local districts to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by the Amendment, exclude economic conditions, revenue shortfalls or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The District has restricted $43,242 for this purpose.

The District believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require judicial interpretation.

10. IGAs With The City

IGA Between The City And District Regarding Operation, Maintenance And Transfer Of Recreation Properties

The District and the City entered into an IGA regarding the transfer of the District's parks, recreation, trails and open space assets (the Parks and Recreation IGA), effective March 31, 2023, in order to provide for the transfer of the responsibility for the ownership, operation and maintenance of the parks, recreation, trails and open space assets from the District to the City.

In accordance with the Parks and Recreation IGA, the District is to convey to the City all real property, buildings, fixtures, easements for parks and trails infrastructure and interests therein related to the recreation properties that are owned by the District. During the year ended December 31, 2025, the District conveyed $38,809,734 of net book value to the City, which resulted in additional transfer costs of $315,043. The District expects the conveyance of all such real property interests, facilities and fixtures to be completed in 2026. As of December 31, 2025, the net book value of capital assets expected to be transferred to the City is approximately $5,600,000.

The Parks and Recreation IGA also provides that the District transfer all 2023 available parks and recreation funds to the City to be used for the operation and maintenance of all parks and recreation properties for the benefit of the District taxpayers, the community of Castle Pines and for all persons using such properties.

In 2025, the District received additional funds of $145,218 attributable to the Parks and Recreation IGA that are to be remitted to the City, with $39,543 due to the City which are included in the due to other government in the balance sheet and statement of net position as of December 31, 2025.

Lease Of Real Property

In May 2025, the District conveyed legal title of the real property and improvements related to the community center. In July 2025, the District entered into a lease agreement with the City to allow for the District's ongoing use of the community center property. The lease maturity was December 31, 2025 and automatically renews on a 12-month basis. The District will pay to the City $1 as rent for the lease term and each renewal term. The District is responsible for all costs and expenses associated with the leased premises on a triple net basis during the term of the lease.

Although legal title to the asset was conveyed, the District evaluated the transaction in accordance with GASB guidance to determine whether the transfer qualified as a sale. The District concluded that the transfer does not constitute a sale for financial reporting purposes because the District retains control of the asset. Control is evidenced by the District's continued ability to use the asset and obtain substantially all of its remaining service capacity. Additionally, the District continues to bear significant risks and obligations associated with the asset, and therefore the transaction does not represent a substantive change in economic ownership. Accordingly, the transaction has been accounted for based on its economic substance rather than its legal form.

Therefore, the community center remains recognized in the District's capital assets as the District retains control over its use and service capacity. Depreciation continues to be recorded in accordance with the District's capital asset policy.

Required Supplementary Information

CASTLE PINES NORTH METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL) - GENERAL FUND
For The Year Ended December 31, 2025
(With Comparative Totals For The Year Ended December 31, 2024)

	Original Budget	Final Budget	2025 Actual Amounts Budget Basis	Variance Favorable (Unfavorable)	2024 Actual Amounts Budget Basis
Revenues					
Property taxes	$ 988,516	$ 988,516	$ 985,509	$ (3,007)	$ 1,098,843
Specific ownership taxes	79,110	75,740	76,003	263	72,908
Conservation Trust Fund	—	93,661	77,851	(15,810)	97,731
Farm land revenue	—	42,600	42,600	—	—
Lease income	—	66,839	66,840	1	63,127
Oil royalty income	—	259,176	256,093	(3,083)	674,312
Interfund service income	—	1,048,073	—	(1,048,073)	—
Earnings on investments	—	3,434	14,350	10,916	753
Miscellaneous income	—	278,037	185,559	(92,478)	359,183
Total Revenues	1,067,626	2,856,076	1,704,805	(1,151,271)	2,366,857
Expenditures					
General government:					
Salaries and wages	—	385,725	338,683	47,042	—
Employee benefits and taxes	—	117,251	104,821	12,430	—
Accounting, audit and legal	—	756,923	705,960	50,963	—
Other professional services	—	412,938	378,955	33,983	—
Utilities	—	160,292	133,563	26,729	—
Insurance	—	116,146	116,146	—	—
County collection fees	14,829	14,829	14,791	38	16,491
Memberships, training and subscriptions	—	27,547	33,440	(5,893)	—
Other office expenses	—	93,759	100,602	(6,843)	—
Repairs and maintenance	—	64,953	52,762	12,191	—
Total Expenditures	14,829	2,150,363	1,979,723	170,640	16,491
Excess (Deficiency) Of Revenues Over Expenditures	1,052,797	705,713	(274,918)	(980,631)	2,350,366
Other Financing Uses					
Conveyance to other government	—	(661,107)	(460,261)	200,846	(879,437)
Interfund transfers	(1,012,797)	—	1,106,013	1,106,013	(1,317,753)
Total Other Financing Uses	(1,012,797)	(661,107)	645,752	1,306,859	(2,197,190)
Net Change In Fund Balance	40,000	44,606	370,834	326,228	153,176
Fund Balance - Beginning Of Year	—	153,176	153,176	—	—
Fund Balance - End Of Year	$ 40,000	$ 197,782	$ 524,010	$ 326,228	$ 153,176

CASTLE PINES NORTH METROPOLITAN DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - COST-SHARING DEFINED BENEFIT PLAN

For The Year Ended December 31, 2024 (Measurement Date)

Employee Pension Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.03229%	0.04461%	0.05629%	0.07308%	0.08999%	0.09498%	0.11594%	0.10967%	0.10655%	0.10914%
District's proportionate share of the net pension liability (asset)	$ 198,157	$ 327,439	$ 564,298	$ (62,656)	$ 468,970	$ 694,708	$ 1,457,671	$ 1,221,153	$ 1,438,726	$ 1,202,296
District's covered payroll	$ 314,164	$ 391,889	$ 461,822	$ 543,778	$ 635,974	$ 654,102	$ 727,906	$ 677,776	$ 666,309	$ 648,164
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	63.07%	83.55%	122.19%	11.52%	73.74%	106.21%	200.26%	180.17%	215.92%	185.49%
Plan fiduciary net position as a percentage of the total pension	90.45%	88.03%	82.99%	101.49%	90.88%	86.26%	75.96%	79.37%	73.60%	76.90%

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - COST-SHARING DEFINED BENEFIT PLAN
For The Year Ended December 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	$ 47,467	$ 42,599	$ 53,948	$ 62,030	$ 71,779	$ 82,146	$ 85,599	$ 92,408	$ 87,730	$ 81,004
Contributions in relation to the statutorily required contributions	47,467	42,599	53,948	62,030	71,779	82,146	85,599	92,408	87,730	81,004
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	$ 344,213	$ 314,164	$ 391,889	$ 461,822	$ 543,778	$ 635,974	$ 654,102	$ 727,906	$ 677,776	$ 666,309
Contributions as a percentage of covered payroll	13.79%	13.56%	13.77%	13.43%	13.20%	12.92%	13.09%	12.70%	12.94%	12.16%

See the notes to financial statements.

Other Supplementary Information

CASTLE PINES NORTH METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION (BUDGET AND ACTUAL) - ENTERPRISE FUNDS
For The Year Ended December 31, 2025
(With Comparative Totals For The Year Ended December 31, 2024)
Page 1 Of 2

	Original And Final Budget	2025 Actual Amounts Budget Basis	Variance Favorable (Unfavorable)	2024 Actual Amounts Budget Basis
Revenues				
Water charges	$ 4,047,386	$ 4,804,699	$ 757,313	$ 5,597,837
Wastewater charges	2,526,614	2,738,039	211,425	2,853,396
Capital improvement charges	1,929,204	1,950,000	20,796	1,823,892
Earnings on investments	881,000	2,098,712	1,217,712	2,701,518
Reimbursable income	—	58,984	58,984	11,927
Renewable water investment	121,400	182,100	60,700	667,700
Miscellaneous income	1,017,000	27,875	(989,125)	13,348
Transfers in	1,012,797	—	(1,012,797)	1,317,753
Total Revenues	11,535,401	11,860,409	325,008	14,987,371
Expenditures				
Water Operations				
General overhead	1,142,310	400,199	742,111	990,817
Salaries and wages	369,910	20,169	349,741	213,199
Employee benefits and taxes	87,925	11,192	76,733	65,398
Memberships, training and subscriptions	21,390	—	21,390	7,805
Engineering	439,000	221,962	217,038	291,103
Repairs and maintenance	2,108,830	2,306,597	(197,767)	1,853,662
Utilities	959,060	1,110,685	(151,625)	1,086,066
Equipment and supplies	83,470	45,321	38,149	59,200
Treatment costs	5,250	—	5,250	—
Water rebates	75,000	11,535	63,465	20,529
Other projects	4,730	128,817	(124,087)	212,222
Transfers out	—	884,811	(884,811)	—
Total Water Operations	5,296,875	5,141,288	155,587	4,800,001
Wastewater Operations				
General overhead	598,172	126,230	471,942	499,315
Salaries and wages	199,240	5,042	194,198	114,799
Employee benefits and taxes	47,355	2,798	44,557	35,213
Memberships, training and subscriptions	11,290	—	11,290	4,203
Engineering	112,000	12,537	99,463	165,927
Repairs and maintenance	634,680	431,734	202,946	653,313
Utilities	120,060	97,768	22,292	130,325
Equipment, supplies and other projects	16,340	—	16,340	7,932
Treatment costs	725,000	723,490	1,510	728,348
Debt service - interest	92,852	82,844	10,008	90,698
Debt service - principal	255,000	265,000	(10,000)	255,000
Transfers out	—	221,202	(221,202)	—
Total Wastewater Operations	2,811,989	1,968,645	843,344	2,685,073

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION (BUDGET AND ACTUAL) - ENTERPRISE FUNDS
For The Year Ended December 31, 2025
(With Comparative Totals For The Year Ended December 31, 2024)
Page 2 Of 2

	Original And Final Budget	2025 Actual Amounts Budget Basis	Variance Favorable (Unfavorable)	2024 Actual Amounts Budget Basis
Capital Outlay	$ 10,215,000	$ 5,501,656	$ 4,713,344	$ 7,629,830
Total Expenditures	18,323,864	12,611,589	5,712,275	15,114,904
Change In Net Position - Budgetary Basis	(6,788,463)	(751,180)	6,037,283	(127,533)
Net Position - Beginning Of Year - Budgetary Basis	46,719,850	49,476,087	2,756,237	49,603,620
Net Position - End Of Year - Budgetary Basis	$ 39,931,387	$ 48,724,907	$ 8,793,520	$ 49,476,087
Reconciliation To GAAP Basis				
Change in net position - budgetary basis		$ (751,180)		$ (127,533)
Change in accrued compensated absences		26,982		1,544
Change in accrued interest		680		(6,904)
Pension income		205,669		30,614
Debt service - principal		265,000		255,000
Capital outlay		5,501,656		7,629,830
Depreciation		(1,702,782)		(1,672,313)
Change In Net Position - GAAP Basis		3,546,025		6,110,238
Net Position - Beginning Of Year - GAAP Basis		118,066,880		111,956,642
Net Position - End Of Year - GAAP Basis		$ 121,612,905		$ 118,066,880

Seter, Vander Wall
& Mielke, P.C.
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PAUL J. POLITO
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MEMORANDUM

TO: Castle Pines North Metropolitan District

FROM: Seter, Vander Wall & Mielke, P.C.; Paul Polito, Esq.

DATE: July 24, 2026

RE: Legal Status Report for the July 27, 2026 Board Meeting

MATTERS IN PROGRESS

MATTER: AMENDED AND RESTATED COMMUNITY CENTER LEASE – IGA WITH THE CITY OF CASTLE PINES

Status: Pursuant to the Parks, Open Space and Recreational Facilities IGA, the District conveyed the Community Center Property at 7404 Yorkshire Drive to the City of Castle Pines, and the Parties concurrently entered into an Intergovernmental Agreement for the Lease of Real Property dated July 1, 2025, providing for the District's continued use of the building for its administrative and operational functions. The City has since completed substantial renovations to the Community Center Property, and the Parties' use of the building has changed. District staff and counsel met on July 14, 2026 to identify the revisions necessary to reflect current conditions, and counsel has prepared an Amended and Restated Intergovernmental Agreement for the Lease of Real Property.

The revised lease is in draft form, and has not yet been circulated with the City for review. It is being presented at this board meeting to receive director comments prior to circulation to the City.

The restated Lease revises the description of the leased space. The Leased Premises are limited to the administrative office portion on the main level and a designated storage area within the basement, in each of which the District holds exclusive use and possession. The restrooms, kitchen, IT room, community center conference room, community room, and parking areas are defined separately as "Use Areas," in which the District holds rights of use only and no leasehold interest. The District's "triple net" obligations and maintenance responsibilities are correspondingly limited to the Leased Premises and to the District's use of the Use

Areas, and do not extend to the community room, auditorium, or other renovated portions of the building. Where a building system serves both the Leased Premises and other portions of the property, the cost of repair, refurbishment, or replacement is allocated between the Parties in proportion to square footage.

The restated Lease further confirms that the City is solely responsible for capital improvements to, and capital reserves for, the Community Center Property; shifts casualty and property insurance for the building and the City's improvements to the City, with the District insuring its own contents, equipment, and District-installed improvements; expressly excludes the City's telecommunications assets and building rental activities, and any revenues from either, from the District's leasehold; and updates the meeting provisions, including moving study sessions to the Monday preceding the fourth Monday of each month and requiring notice to the City Clerk of any change to the recurring meeting schedule.

Action: None required at this meeting. This is being presented for discussion purposes only. The Amended and Restated Lease Agreement will be presented for the Board's consideration and approval at a future meeting following the City's review.

MATTER: INTERCONNECT PUMP STATION SURGE MODIFICATIONS – CONSTRUCTION CONTRACT

Status: Counsel reviewed and revised the construction contract documents for the District's Interconnect Pump Station Surge Modifications project, prepared by the District's project engineer, Level Engineering & Architecture. Counsel reviewed the form of construction agreement together with the instructions to bidders, general and supplementary conditions, and related bid forms, and provided comments to conform the package to the District's standard bidding documents and applicable law.

Counsel's principal comments addressed the insurance and indemnity requirements, including extending the waiver of subrogation to the workers' compensation coverage, requiring additional insured endorsements covering both ongoing and completed operations on a primary and non-contributory basis, and requiring delivery of certificates and endorsements before the Notice to Proceed together with thirty days' advance notice of any cancellation or material change in coverage.

Counsel returned the revised agreement to the project engineer, who has compiled the issued-for-bid contract package for release to prospective bidders. Once the District completes the bidding process and selects a contractor, the construction contract will come before the Board for review and award.

Action: None required at this work session. The construction contract will be presented to the Board for award following bid opening.

MATTER: HIDDEN POINTE METRO DISTRICT INCLUSION

Status: The Board previously approved an Inclusion Agreement with the Hidden Pointe Metropolitan District (HPMD) dated April 2, 2026, governing the inclusion of the HPMD territory into the District, and HPMD approved the same. The Board thereafter adopted Resolution No. 2026-6-2 proposing the inclusion of the Inclusion Area, which comprises Green Valley Subdivision Filing Nos. 1A and 1B and is coextensive with the boundaries of HPMD.

The Board held the noticed public meeting on June 22, 2026. No petition objecting to the inclusion was filed, and no municipality or county filed a written objection. At the conclusion of the meeting the Board finally adopted the Resolution and made its order granting the inclusion, subject to the conditions set forth in the Inclusion Agreement.

Because the Inclusion Area contains eligible electors, the question of inclusion must be submitted to those electors. On July 10, 2026, counsel filed the District's Motion for Order Setting Election on Inclusion of Property with the District Court, Douglas County (Case No. 1984CV126), pursuant to C.R.S. § 32-1-401(2). On July 13, 2026, the Court entered its Order Setting Election on Inclusion of Property, finding the statutory requirements satisfied and directing that the question be submitted to the eligible electors of the Inclusion Area.

Under the Order, the election will be held on November 3, 2026, within the Inclusion Area, conducted as an independent mail ballot election by the District's designated election official, who is directed to give published notice of the time and place of the election and of the question to be submitted, together with a summary of the conditions attached to the proposed inclusion. The Court approved the form of the ballot question. The inclusion will become effective only if the ballot question is approved by a majority of the eligible electors of the Inclusion Area voting thereon; if it is not approved, the inclusion will not take effect and the Inclusion Agreement will terminate in accordance with its terms. Upon certification of a favorable result, the District may apply to the Court for an order including the Inclusion Area within the District's boundaries and directing the recording and notice required by statute.

Action: None required at this work session. Counsel will coordinate with the District's designated election official regarding the notice and conduct of the November 3, 2026 election.

MATTER: **SERVICE PLAN AMENDMENT**

Status: The intergovernmental agreements with the City of Castle Pines require CPNMD to amend its Service Plan to eliminate Park and Recreation and Stormwater services. The board approved the second amendment at its February 23, 2026 board meeting. The amendment specifically removes the District's authority to provide, own, or maintain parks, trails, open space, and stormwater systems to reflect the property transfers to the City of Castle Pines. Additionally, it establishes a maximum operations mill levy cap of 7 mills, as required in the IGA regarding Park and Recreation services. Staff met with the Douglas County Planning Department on March 18, 2026, for a pre-application meeting to discuss the logistics and procedure of the amendment filing. The County provided the results of a referral comment review on July 22, 2026. No referral agencies objected to the service plan amendment.

Action: Nothing required at this time.

MATTER: **PARKS, OPEN SPACE AND RECREATIONAL FACILITIES IGA PROPERTY CONVEYANCES**

Status: The Board approved conveyance of properties in all 5 Batches that have nearly been completed.

Quitclaim deed documents related to the Parks, Open Space, and Recreational Facilities IGA property conveyances have been drafted and reviewed for execution. These deeds specifically address parcels without utilities within the District. The District is executing these documents. Counsel continues to collaborate with City counsel to finalize all necessary documentation to complete the conveyances.

Action: None required.

INACTIVE MATTERS

MATTER: **SALE OF FARM PROPERTIES**

Status: The District has received a contract and offer of $469,504.00 for "36.68 estimated mineral acres." Legal counsel communicated with the potential buyer to determine the extent of "mineral acres." This is a price of $12,800.00 per acre but counsel is not certain the buyer is offering anything for the surface rights. This offer is being revised and will increase substantially.

District personnel, including general counsel, water law counsel, district manager, and financial manager, held a conference on March 18, 2025, to discuss ideal timing and efficacy of potential sales of farm property, mineral rights, and water conveyance agreements pertaining to farm properties. General counsel and district manager will continue to update the board as potential sale opportunities arise.

Action: None required.

MATTER: REVISIT MEMORANDA OF UNDERSTANDING BETWEEN CASTLE PINES METRO DISTRICT AND CASTLE PINES NORTH METRO DISTRICT RE WATER RIGHTS

Status: We drafted a Memoranda of Understanding (MOUs) between CPNMD and CPMD regarding the joint use of shared water rights as part of the effort to include in Parker Water. It was not executed once the Parker Water and Sanitation District inclusion was terminated.

We are revisiting the MOUs and discussing them with the water attorneys to ensure clarity, proper documentation, and resolution and will restart discussions with CPMD at that time.

Action: None required.

AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN THE CASTLE PINES NORTH METROPOLITAN DISTRICT AND THE CITY OF CASTLE PINES FOR THE LEASE OF REAL PROPERTY

THIS **AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT FOR THE LEASE OF REAL PROPERTY** (the "Lease Agreement" or "Lease") is entered into this __ day of _________, ~~2025~~2026, between the **CASTLE PINES NORTH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"), and the **CITY OF CASTLE PINES,** a Colorado home rule municipal corporation (the "City") (individually referred to herein as a "Party" and collectively the "Parties").

RECITALS

WHEREAS, the City is a Colorado home rule municipal corporation incorporated as of February, 2008; and

WHEREAS, the District is a special district pursuant to § 32-1-101, *et seq.*, C.R.S. providing public improvements, facilities and services, for water distribution and sewage collection and treatment for the benefit of District residents, users, property owners and the public; and

WHEREAS, pursuant to § 29-1-203, C.R.S., and Article XIV, Section 18(2)(a) of the *Colorado Constitution*, the Parties are encouraged to cooperate to provide any function, service or facility lawfully authorized to each of the Parties; and

WHEREAS, the ~~District is currently~~City is the owner of real property and improvements, collectively known as the Community Center, located at 7404 Yorkshire Drive, Castle Pines, Colorado ("Community Center Property"), as generally depicted and described in **Exhibit A**; and

WHEREAS, pursuant to an Intergovernmental Agreement between the City and District Regarding Operation, Maintenance and Transfer of Recreation Properties dated March 28, 2023 ("Parks IGA"), the District ~~will convey~~conveyed the Community Center Property to the City and the City and District ~~will concurrently enter into this Lease Agreement~~concurrently entered into that certain Intergovernmental Agreement for the Lease of Real Property dated July 1, 2025 (the "Original Lease") to allow for the District's ongoing use of the Community Center Property ~~as set forth in this Lease Agreement.~~ ; and

WHEREAS, following the execution of the Original Lease, the City completed substantial renovations to the Community Center Property and the utilization of the building by the Parties has changed; and

WHEREAS, the Parties desire to amend and restate the Original Lease in its entirety to reflect the renovated Community Center Property and the Parties' current and intended uses thereof.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and in the Parks IGA, the Parties agree as follows:

ARTICLE I: Lease of the Leased Premises

The City leases, demises and lets to the District, and the District accepts the right to possession and use of the following spaces within the Community Center Property:

A. Exclusive use of the administrative office spaces located on the main level (the "Office Portion").

B. Exclusive use of the designated storage area within the basement, as generally depicted in Exhibit B attached hereto and incorporated herein (the "Basement Storage Area"), for storage of equipment, tools, supplies, parts, vehicles, and records. No portion of the basement other than the Basement Storage Area is included within the Leased Premises or the Use Areas. The District may, at its sole cost and expense, install a door, lock, partition, or other barrier to secure the Basement Storage Area, and the City hereby consents to such installation without the need for further approval under Article VI.

~~B.~~C. Nonexclusive use of the restrooms, kitchen, IT room, and ~~small conference room on the main level.~~community center conference room on the main level (the "Conference Room"), which the District may reserve for regularly scheduled board meetings, study sessions, and other District meetings in accordance with Article IV of this Lease Agreement.

~~C.~~D. Nonexclusive use of the community room on the main level ("Community Room") except for reserved times and days in accordance with the terms of Article IV of this Lease Agreement when the District shall enjoy exclusive use of the Community Room.

~~Together, the above spaces shall be referenced collectively herein as the "Leased Premises."~~

~~D. Nonexclusive use of the basement shop, garage, and storage areas for equipment, tools, supplies, storage and maintenance of parts, vehicles, and records.~~

E. Nonexclusive use of the parking lot and parking areas for vehicle parking. Storage of trailers and other equipment is not permitted in the parking lot and parking areas.

F. Exclusions. Notwithstanding anything herein to the contrary, the Leased Premises and the Use Areas do not include, and the District shall have no leasehold or other interest in or right to use: (i) any portion of the basement other than the Basement Storage Area, except for reasonable ingress and egress to and from the Basement Storage Area; (ii) any telecommunications facilities, equipment, or other telecommunications assets located on the Community Center Property, or any revenues generated therefrom; or (iii) building rental or other revenue-generating activities of the City at the Community Center Property, or any revenues generated therefrom.

The Office Portion described in Paragraph A above and the Basement Storage Area described in Paragraph B above, in each of which the District is granted exclusive use and possession, are referred to herein collectively as the "Leased Premises." The spaces described in Paragraphs C, D, and E above are referred to herein collectively as the "Use Areas." The Use Areas are not part of the Leased Premises, and the District's rights in the Use Areas are limited to the rights of use expressly granted in this Article I. The District's periodic exclusive use of the Community Room and the Conference Room during reserved times and days under Article IV is a right of use only and does not create a leasehold interest in those spaces.

ARTICLE II: Lease Term; Renewal; Termination

A. Term. ~~This Lease is effective upon conveyance of the Leased Premises from the District to the City by means of a special warranty deed and continues through December 31, 2025 (the "Lease Term").~~This Lease is effective upon execution by both Parties and continues through December 31, 2026 (the "Lease Term"), and amends, restates, supersedes, and replaces the Original Lease in its entirety.

B. Renewal. The Lease will automatically renew at the end of the Lease Term and at the end of each subsequent term for a renewal term of twelve months (the "Renewal Term"), unless (a) the District gives written notice to the City not less than thirty (30) days prior to the end of a Renewal Term of the District's intention not to renew, or (b) the District has failed to appropriate funds for the ensuing Fiscal Year to support its obligations under the Lease. The terms and conditions of any Renewal Term shall be the same as the terms and conditions of the Lease Term, subject to any amendments made in accordance with Article XVIII(A).

C. Termination. Upon termination of this Lease, the District will return possession of the Leased Premises to the City in substantially the condition of the Leased Premises on the date of conveyance, ordinary wear and deterioration excepted. Personal property of the District shall be removed on or before the effective date of termination and personal property left on the Leased Premises remaining after the effective date of termination shall become the property of the City.

ARTICLE III: Rent

The District will pay to the City the sum of One Dollar ($1.00) as rent for the above described Lease Term and all Renewal Terms. The District's obligations with respect to payment of real and personal property taxes (if any), insurance premiums, utilities, janitorial services, internet service, phone service, restroom supplies, maintenance, and repairs of the Leased Premises, as described herein, shall be deemed additional rent. The District is responsible for all costs and expenses associated with the Leased Premises on a "triple net" basis during the term of this Lease. The District's "triple net" obligations extend only to the Leased Premises and to the District's use of the Use Areas, and do not extend to the Community Room, any auditorium or other renovated portions of the Community Center Property, or any other portion of the Community Center Property not included within the Leased Premises. The City shall be solely responsible for capital improvements to, and the establishment and funding of any capital reserves for, the Community Center Property, and the District shall have no obligation to contribute to the same.

ARTICLE IV: Use of Leased Premises

A. The District will use the Leased Premises for administrative and operational functions necessary to provide water and/or sanitary sewer services to the District's residents, and any other reasonably related or incidental uses.

B. In addition to its other use of the Leased Premises, the District may use the Community Room and the Conference Room for the specific purpose of conducting study sessions and regular District Board meetings. District Board meetings are held on the fourth Monday of each month beginning at 6 p.m. and study sessions, if held, are on ~~the Wednesdays preceding the Monday Board meetings~~the Monday preceding the fourth Monday of each month beginning at 5:30 p.m. The District shall be allowed to use the Community Room and the Conference Room on such days, with a 1.5 hour window before and after the meetings for set-up and break-down. ~~The District shall provide the City Clerk with an annual schedule of its meetings on or before October 1 for the following year.~~The District may establish alternate meeting dates and times for any calendar year by providing the City Clerk with a revised schedule of its meetings on or before January 31 of that calendar year, and shall be allowed to use the Community Room and the Conference Room on such alternate dates on the same terms set forth above. The District shall provide the City Clerk with written notice of any change to its recurring meeting schedule promptly following the District's adoption of the change. In addition to its scheduled meetings, the District may use the Community Room and the Conference Room for special meetings, open houses, and other District functions when the space is available, upon reasonable advance notice to the City and at no additional charge.

C. District staff will be issued keys for use of the Leased Premises. The District must collect any keys to the Leased Premises from District employees upon termination of employment and shall not give keys to any unauthorized parties or individuals. The District is responsible for opening, closing and locking the exterior doors to the Leased Premises.

ARTICLE V: Maintenance, Repair and Upkeep

The District will keep, repair and maintain, at its sole cost and expense, the Leased Premises~~, including without limitation, the exterior walls, foundation and roof of the building, plumbing, electrical and heating and air conditioning system located on the Leased Premises,~~, including the plumbing, electrical, and heating and air conditioning systems exclusively serving the Leased Premises, according to City adopted building codes applicable to buildings of a similar type and use. The City shall be responsible for the repair, maintenance, replacement, and improvement of the exterior walls, foundation, and roof of the building, all building systems not exclusively serving the Leased Premises, the City's renovations and improvements to the Community Center Property, the Community Room and any auditorium or other renovated portions of the Community Center Property, the City's telecommunications, meeting, and audiovisual equipment, and any maintenance, repair, or replacement arising from use of the renovated portions of the Community Center Property by the City or by third parties, and all portions of the Community Center Property not included within the Leased Premises. To the extent any building system, including without limitation the heating, ventilation, and air conditioning system, serves both the Leased Premises and other portions of the Community Center Property, the cost of any repair, refurbishment, or replacement of that system shall be shared by the Parties in proportion to the square footage of the Leased Premises relative to the total square footage of the Community Center Property. The District shall repair any damage to the Use Areas caused by the District's use thereof, but shall have no obligation for the general maintenance, repair, or replacement of the Use Areas. The District will keep any adjoining property within the Leased Premises, such as sidewalks and parking lots, in a neat and clean and well maintained condition. The District will also be responsible for the removal of snow and ice from the Community Center Property.

ARTICLE VI: Alterations and Improvements

All desired alterations, additions, improvements, or changes to the Leased Premises by the District after the commencement of the Lease Term shall be requested through and subject to the written approval of the City. The District shall have the option, at its sole cost and expense, to make improvements to the leased spaces with the prior written consent of the City. Upon termination of this Lease, all fixtures, additions and alterations, except trade fixtures of the District, shall be and remain the property of the City.

ARTICLE VII: Covenant of Title and Quiet Enjoyment

The City will defend the District's right to possession and quiet enjoyment of the Lease Premises from any claimants that are not claiming any right through or by way of the District's former ownership of the premises.

ARTICLE VIII: Taxes

During the Lease Term of this Lease, the District covenants and agrees to pay any assessments of any kind or character and all taxes, including possessory interest taxes, levied or assessed upon the Leased Premises and any improvements thereon, if any.

ARTICLE IX: Indemnification and Insurance

A. Indemnification. The District, to the extent permitted by law, will indemnify the City, its officers and employees and save them harmless from all liability resulting from acts or omissions of the District in connection with any acts taken pursuant to this Lease Agreement as it relates to the District and the Leased Premises. To the extent permitted by law, the District also indemnifies the City and its officers and employees against all claims arising from (a) conduct, management, operation, or use of, or from any work or thing done on the Leased Premises during the term of the Lease Agreement; (b) any condition of the Leased Premises; and (c) any act of negligence of the District or any of its agents, contractors, or employees. The foregoing provisions shall not apply to liability, loss, or damage attributable to acts or omissions of the City or its officers, agents, employees, or contractors.

B. Casualty & Property Insurance. Upon the execution and delivery of this Lease Agreement, the ~~District~~City shall, at its own expense, maintain casualty and property insurance in amounts equal to the replacement value of the ~~Leased Premises, or as otherwise reasonably determined by the City. With the prior written consent of the City, the District may, in its discretion, insure the Leased Premises under blanket insurance policies which insure not only the Leased Premises, but other property as well. Any property damage insurance policy shall show the City as an additional insured.~~ Community Center Property, including the building, its structural components, and the City's renovations and improvements thereto. The District shall, at its own expense, maintain property insurance covering the District's contents, equipment, and furnishings, and any improvements installed by the District within the Leased Premises. Either Party may satisfy its obligations under this Section through blanket insurance policies or through participation in a self-insurance pool.

C. Public Liability Insurance. Upon the execution and delivery of this Lease Agreement, the District shall, at its own expense, cause public liability insurance, including blanket contractual liability or specific contractual liability insurance for this Lease and public officials' errors and omissions coverage, to be carried and maintained with respect to the activities to be undertaken by the District and its officers, officials, agents, and employees in connection with the use and possession of the Leased Premises. All such policies (other than errors and omissions) shall show the City as additional insured. Such coverage shall be in amounts not less than the limits of liability per occurrence set by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as the same may from time to time be amended, to a $1,000,000.00 annual aggregate, for claims to which the defense of sovereign immunity applies. The public liability insurance may be by blanket insurance policy or policies.

D. Certificates. ~~The District will~~Each Party will provide copies of all insurance policies required under this Article IX or certificates of insurance with appropriate endorsements attached evidencing ~~that the City has been named additional insured. The District shall~~the coverage required under this Article IX. Each Party shall furnish the policy or endorsements within forty-five (45) days after execution and delivery of this Lease Agreement.

E. Policy Provider. All insurance required to be carried by the District shall be issued by insurance providers reasonably acceptable to the City.

ARTICLE X: Utilities

The District will pay directly all charges for electricity, sewer, gas, light, power, trash removal, bathroom supplies such as soap and paper products, internet, telephone, and other communication services used, rendered or supplied upon or in the Leased Premises during the term of the Lease Agreement.

ARTICLE XI: Subletting and Assignment

The District may not assign this Lease or any interest or any part thereof, any right or privilege appurtenant thereto, nor mortgage or hypothecate the leasehold.

ARTICLE XII: Damage and Destruction

If, during the term of this Lease (a) the Leased Premises or any part thereof are destroyed (in whole or in part), or damaged by fire or other casualty; or (b) a breach of warranty or a material defect in the construction, manufacture, or design of the Leased Premises or improvements shall become apparent; or (c) title to or use of all or any portion of the Leased Premises shall be lost by reason of a defect in title thereto: ~~the District and the City will cause the proceeds of any insurance policies to be deposited in a separate trust fund held by the City and all proceeds so deposited will be applied to the prompt repair, restoration, modification, improvement, or replacement of the Leased Premises by the District.~~the proceeds of the City's casualty and property insurance shall be applied to the prompt repair, restoration, or replacement of the Community Center Property, including the Leased Premises, by the City, and the proceeds of the District's property insurance shall be applied to the repair or replacement of the District's contents, equipment, furnishings, and District-installed improvements by the District.

ARTICLE XIII: Events of Default

The following shall be considered "Events of Default" under this Lease:

A. Nonpayment. The District fails to make punctual payment of any amounts required to be paid in accordance with the terms of this Lease and such default continues for thirty (30) days after receipt of written notice of default from the City.

B. Failure to Perform. The District neglects or fails to perform any of the other covenants in accordance with the terms of this Lease, and fails to remedy the same (a) within thirty (30) days after receipt of written notice of default from the City specifying such neglect or failure; or (b) within such period, if any, as may be reasonably required to cure such default if it is of such nature that it cannot be cured within said thirty (30) day period, provided that the District shall diligently pursue such cure within said thirty (30) days and shall proceed with due diligence to complete said cure.

Upon the occurrence of an Event of Default and the District's failure to cure in accordance with this Article XIV, the City may provide the District with a written notice of intent to terminate this Lease. Upon receipt of such notice of intent to terminate, the District shall have ninety (90) days to vacate the Leased Premises; and this Lease shall thereupon be terminated.

ARTICLE XIV: Holdover

In the event the District fails to surrender possession of the Leased Premises upon the effective date of any termination of this Lease Agreement, the City is entitled to exercise all legal and equitable remedies available to regain possession.

ARTICLE XV: Hazardous Material

The District shall not store, locate, generate, produce, process, treat, incorporate, discharge, emit, release, or dispose of any hazardous substance or material in, upon, under, over or from the Leased Premises in a manner that violates any federal or State environmental regulation and shall comply with all other environmental regulations which are applicable to the Leased Premises.

ARTICLE XVI: Subordination

The City reserves the right to subject and subordinate this Lease to the lien of any mortgages, deeds of trust, public financing, or other security devices hereafter placed upon its interest. The District will promptly execute and deliver, upon request, such instruments subordinating this Lease, provided that the interest holder agrees not to disturb or interfere with the rights hereunder in the event of any foreclosure so long as the District complies with all of the provisions hereof.

ARTICLE XVII: Right of Entry

During the term of this Lease, the City reserves the right at all reasonable times and with reasonable notice, and at all times during emergencies, for the City or its agents to enter the Leased Premises for the purpose of inspecting, examining and/or taking remedial measures the same.

ARTICLE XVIII: Miscellaneous

A. Modification. This Lease Agreement may not be amended, modified, or changed, in whole or in part, without a written amendment executed by the Parties.

B. Time. Time is of the essence in the performance of this Lease Agreement.

C. Enforcement of Contract. This Lease Agreement may be enforced in law or in equity by a decree of specific performance, damages, or such other legal and equitable relief as may be available to either Party.

D. Notices. Any notice pursuant to the terms and conditions of this Lease Agreement shall be in writing and delivered personally, or sent by certified mail, return receipt requested, or sent by a recognized overnight mail or courier services, with delivery receipt requested, to the addresses set forth below (or to such other address or addresses as may from time to time be specified in writing by the Parties):

To the District:

Castle Pines North Metropolitan District
Attn: Board President and District Manager
7404 Yorkshire Drive
Castle Rock, CO 80108

With a copy to:

Kim J. Seter, Esq.
Seter & Vander Wall, PC
7400 E. Orchard Road, Suite 3300
Greenwood Village, CO 80111

and: kseter@svwpc.com

To the City:

City of Castle Pines
Attn: Mayor and City Manager
360 Village Square Lane, Suite B
Castle Pines, CO 80108

With a copy to:

Linda C. Michow
City Attorney – City of Castle Pines
Michow Guckenberger McAskin, LLP
5299 DTC Blvd Ste. 300
Greenwood Village, CO 80111

Notices shall be effective when received by the Party to whom addressed.

E. Governing Law/Venue This Lease Agreement shall be governed by, and enforced in accordance with, the laws of the State of Colorado. Any suit or proceeding arising from or relating in any way to the subject matter of this Lease Agreement shall be brought only in the District Court for and in Douglas County, Colorado.

F. Binding Agreement. This Lease Agreement shall inure to and be binding on the successors and permitted assigns of the Parties hereto.

G. Entire Agreement. This Lease Agreement along with the terms and conditions of the Parks IGA constitutes the complete and exclusive statement of the agreement of the Parties with respect to the subject matter of this Lease Agreement and supersedes all prior oral and written proposals, negotiations, representations, promises, agreements, warranties, or understandings concerning such subject matter, including the Original Lease.

H. Governmental Immunity. Nothing in this Lease Agreement shall be construed as a waiver of the rights and privileges of the Parties pursuant to the Colorado Governmental Immunity Act, § 24-10-101, *et seq.*, C.R.S., as the same may be amended from time to time.

I. Authority to Enter into Agreement. Each Party hereby confirms it is lawfully authorized to enter into this Lease Agreement, and has taken all steps necessary to authorize the execution of the Lease Agreement by the respective signatories below.

J. Severability. If any provision of this Lease Agreement is held to be illegal, invalid or unenforceable, the legality, validity, and enforceability of the remaining provisions will not be affected and the Lease shall be interpreted in a manner that implements the manifest intent of the Parties as demonstrated herein.

K. Headings. The headings and captions contained in this Lease Agreement are inserted for the convenience of reference only. They are not to be deemed a part of this Lease Agreement, nor are they to be used in the construction of this Lease Agreement.

L. Counterparts. This Lease Agreement may be executed in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument. In addition, the Parties specifically acknowledge and agree that electronic signatures shall be effective for all purposes, in accordance with the provisions of the Uniform Electronic Transactions Act, Title 24, Article 71.3 of the Colorado Revised Statutes.

M. No Third-Party Beneficiaries: Nothing contained in this Lease Agreement is intended to or shall create a contractual relationship with, cause of action in favor of, or claim for relief for, any third-party, including any agent, consultant or contractor of a Party. Absolutely no third-party beneficiaries are intended by this Agreement. Any third-party receiving a benefit from this Agreement is an incidental and unintended beneficiary only.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused this Lease Agreement to be executed the day and year first above written.

DISTRICT:

CASTLE PINES NORTH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: ______________________________
Jason Blanckaert, President

ATTEST:

____
Paul J. Polito, Jr., CO Atty. #60353

CITY:

CITY OF CASTLE PINES,
a Colorado home rule municipal corporation

By: ______________________________
Tracy Engerman, Mayor

ATTEST:

____
City Clerk

Approved as to Form:

By: ______________________________
Linda Michow, City Attorney

EXHIBIT A

LEGAL DESCRIPTION OF THE LEASED PREMISES

Lot 1, Castle Pines North Phase 1, 2nd Replat of a Portion of Tract 2 (being an amended plat of Lots 1, 2, 3 and 4 of Block of Tract 2, Castle Pines North Phase 1) according to the recorded plat thereof recorded at Reception No. 8618298, Douglas County, Colorado

EXHIBIT B

DEPICTION OF BASEMENT STORAGE AREA AND LEASED PREMISES

[Color-coded depiction of the Basement Storage Area.]

CASTLE PINES NORTH
METROPOLITAN DISTRICT™

Memorandum

From: Nathan J. Travis
To: CPNMD Board of Directors
Date: 07/27/26
Re: District Manager's Report

AGENDA ITEMS

South Tank Rehab Capital Project (Agenda Item A)

- We have agreed to all aspects of the approach related to this scope and are working to incorporate the final pricing into the Myer's Preconstruction Service Agreement. We will be doing an expanded pipe condition assessment beyond the tank site, to include the full length a line that runs from our tank site to the distribution system. This Approach will also cover some scope within the ongoing Distribution System Condition assessment.

Well Status Updates (Agenda Item B)

- See additional Memorandum titled "Well Status Update"

ADDITIONAL UPDATES

Interconnect Pump Station- Surge System Modifications

- A pre-bid meeting has been scheduled for July 28th to tour the site with prospective contractors.

Filter Rehab Project Update

- We officially have all 6 filters at our treatment plant up and running! Work remains on several items, including safety railing, flooring, HVAC, and control programming. The filters are performing well, with extremely low post-filter turbidity (water clarity). We look forward to hosting an open house at the facility this coming fall!

- Some floor drain lines have been identified as needing replacement, an RFI has been generated, and Kennedy Jenks is working with the contractor to identify a repair scope. This needs to be completed prior to floor coating.

Stantec Regional Water Supply Study

- Update and next steps to be discussed in Executive Session at the July Board Meeting

PCWRA Reuse Pond Project

- Holdover: This project is well underway with completion expected this fall

Conservation

- Then new rebates are in place and are being well utilized, though sod removal has slowed in July! We have $82,270 remaining of our $110,000.00 conservation rebate budget.

- CPN II HOA has asked if we would be interested in collaborating to install some areas of Tahoma 31 grass that would be available for use as a community demonstration area. I will be meeting on site with the Brambleridge HOA on Thursday August 6th at 9:00am to discuss further

Project Updates (for additional information please refer to the engineering report)

- Lift Station Renovation Program
    - Scope A (Lift Stations 1, 2, & 5) The project remains on schedule. Work has begun on Lift Station 5 North of Crossing Circle this work started much sooner than anticipated!

    - Scope B (Lift Stations 3, 4, & 7) A preliminary schedule has been set, and work is set to begin on this phase late this fall.

- Documentation and Asset Management: Work is underway Kennedy Jenks is currently evaluating our line break history. Rene will spearhead this project. Work is also underway to incorporate the recently completed Well-Vault Rehabilitation Project, with associated equipment being added to the asset hierarchy.

JAM Ranch Inclusion

- Holdover: Jam ranch is moving forward with the formation of their own metro district. Recently filed for a zoning change with the county. CPNMD provided a letter detailing our concerns, this letter was presented to the board at the February work session.

Upcoming Time Off

- None planned

Removed From Prior Monthly Reports

- Crowsnest- no further developments and none are anticipated.
- Staffing- Will include if needed in the future

CASTLE PINES NORTH
METROPOLITAN DISTRICT™

Memorandum

From: Nathan J. Travis

To: CPNMD Board of Directors

Date: 07/27/26

Re: Well Status Update

Overview

District staff continue to address a series of reliability issues affecting several production wells. Recurring electrical equipment failures, aging infrastructure, extreme summer temperatures, and the recent issues involving Wells A6 and DE6 have required increased maintenance efforts and prompted a broader evaluation of both near-term operational improvements and long-term capital replacement strategies.

Please note that as of now, we have been able to meet demands and anticipate being able to continue to do so.

Well A6 – Failure Investigation

Well A6 experienced a significant failure shortly after being returned to service following rehabilitation, raising concerns regarding both equipment reliability and warranty coverage.

District staff questioned whether the failure should be considered a warranty item, noting that the well failed almost immediately after startup and did not provide a meaningful operational period following installation. While Layne indicated a willingness to honor the warranty if a warrantable defect could be identified through additional investigation, it did not offer to perform the initial removal and diagnostic work under warranty.

To ensure prudent stewardship of District funds, staff solicited proposals from multiple reputable well contractors for removal of the equipment and completion of a comprehensive evaluation. After reviewing the proposals, the District selected **Hydro Resources**, which proposed to complete the work for **$11,730.00**, compared to Layne's proposal of approximately **$53,600.00**.

Hydro Resources is contracted to:

- Remove the pumping equipment.

- Complete a downhole video (TV) inspection of the approximately 2,180-foot well.
- Evaluate the condition of the pump, motor, shaft, and associated equipment.
- Assist in determining the root cause of the failure and whether warranty coverage may apply.

During this process, staff also requested pricing and availability for replacement pump and motor assemblies, as well as recommendations for alternative manufacturers that may provide improved long-term reliability.

Hydro Resources mobilized to begin removal of the equipment on July 21, 2026. The results of the inspection and equipment evaluation will be presented to the Board upon completion and will guide recommendations regarding warranty claims, repair, or replacement.

This has been added to the CPNMD "projects" map and added to our website home page as a notification banner.

<u>Well DE6 – Recent Failure</u>

Well DE6 failed during the week of **July 20, 2026**, and was taken out of service pending further evaluation. District staff coordinated a joint field assessment with **Semocor, Mountain Peak, and Hydro Resources** Scheduled for July 28th, 2026, to diagnose the cause of the failure and determine the appropriate path forward.

During initial testing, the well produced significantly more sand than expected, which may indicate deterioration or failure of the well screen. While additional investigation is required to determine the exact cause, this finding raises concerns regarding the overall condition of the well and may have implications for the scope of repairs or rehabilitation required.

The evaluation is currently underway, and additional information regarding the condition of the well, the integrity of the well screen, and any recommended repairs or replacement will be provided to the Board as it becomes available.

<u>Heat-Related Operational Challenges</u>

In addition to the equipment issues described above, staff have observed that several wells are experiencing operational challenges during periods of elevated ambient temperatures. High temperatures are contributing to increased stress on electrical equipment and controls, resulting in intermittent reliability issues at several locations.

To mitigate these impacts during the current operating season, staff is implementing several short-term measures, including the installation of heat-reflective canopies to reduce direct solar loading on electrical equipment and the removal of wind-blocking fencing material where appropriate to improve airflow and ventilation around electrical enclosures.

Concurrently, staff is evaluating longer-term improvements to increase the resilience of the well facilities. These evaluations include replacement of aging electrical equipment, enclosure modifications, enhanced ventilation or cooling systems, and other infrastructure improvements designed to improve reliability during periods of extreme heat.

<u>Wells A1, A3, and A5 – Soft Starter Reliability</u>

Historically, wells A1, A3, and A5 have experienced recurring operational issues related to the existing Benshaw soft starters. Investigation by District contractors identified repeated failures associated with the internal Joslyn Clark contactors. Due to the orientation in which these contactors are installed within the Benshaw assemblies, premature spring wear is believed to be contributing to repeated failures.

A previous failure at Well A1 is believed to have resulted in single-phasing, potentially damaging both the circuit breaker and the well equipment. Similar issues were identified at Well A5 before catastrophic failure occurred, leading to the replacement of all six contactors (inline and bypass) across the affected soft starters.

Unfortunately, the replacement contactors have introduced a separate issue involving failed control boards that prevent the wells from operating. According to Benshaw engineering, these control board failures are a known issue, although the component manufacturer has not acknowledged responsibility.

To maintain reliable operation, staff is replacing failed control boards on an as-needed basis. Benshaw has agreed to warranty the failed control boards; however, replacement boards must first be purchased and installed by the District before the failed components are returned for laboratory evaluation and warranty credit. Replacement control boards cost approximately **$3,700** each, excluding labor.

While these repairs are expected to maintain reliable operation in the near term, staff is also developing budgetary cost estimates for replacement of the A1, A3, and A5 soft starters with equipment from an alternate manufacturer. These estimates will be incorporated into the **2027 budget development process** for Board consideration as part of the District's long-term capital improvement planning.

Current Direction

Staff's current approach is focused on restoring reliable operation while positioning the District for informed long-term investment decisions. Current efforts include:

- Restoring critical well capacity through targeted repairs.
- Completing the root-cause investigation for Well A6 and pursuing warranty remedies where appropriate.
- Evaluating the cause of the DE6 failure, including the potential for a failed screen, and developing recommendations for repair or rehabilitation.
- Replacing failed control boards at Wells A1, A3, and A5 as necessary to maintain reliable operation.
- Soliciting competitive proposals to ensure cost-effective maintenance and repair services.
- Evaluating alternative manufacturers for soft starters, pumps, and motors to improve long-term reliability.
- Implementing operational improvements to reduce the effects of extreme summer temperatures.
- Developing capital budget recommendations for replacement of the A1, A3, and A5 soft starters as part of the 2027 budget process.

Overall Well Field Status

Eight of the District's ten production wells are currently in service. Wells **A6** and **DE6** remain out of service while staff completes evaluations and develops recommendations for repair or rehabilitation.

Well	Current Status	Notes
A1	In Service	Operating normally. Soft starter control board replaced as needed. Planned soft starter replacement under evaluation for the 2027 budget. Occasional overheat shut-down
LDA1	In Service	Operating normally.
A2	In Service	Occasional overheat shut-down.
A3	In Service	Operating normally. Soft starter control board replaced as needed. Planned soft starter replacement under evaluation for the 2027 budget.
A4	In Service	Occasional overheat shut-down.
A5	In Service	Operating normally. Soft starter control board replaced as needed. Planned soft starter replacement under evaluation for the 2027 budget.
A6	Out of Service	Equipment removed by Hydro Resources for inspection. Downhole video and equipment evaluation underway. Warranty determination pending.
DE6	Out of Service	Investigation underway by Semocor, Mountain Peak, and Hydro Resources. Initial testing produced excessive sand, indicating a possible screen failure.
A7	In Service	Operating normally.
DE7	In Service	Operating normally.