

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

TRUCKEE, CALIFORNIA

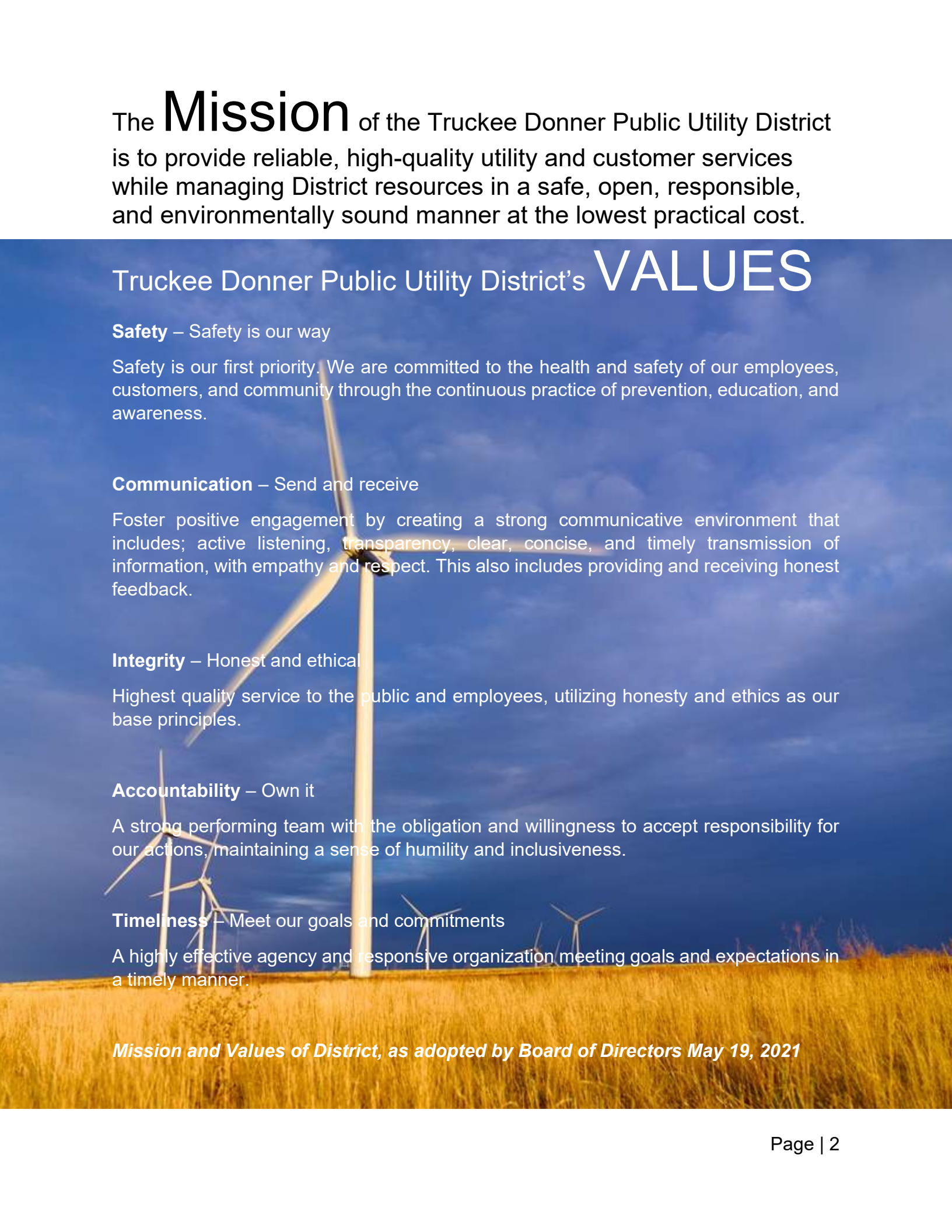
ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025 and 2024



PREPARED BY THE
ACCOUNTING AND
FINANCE DEPARTMENT





The **Mission** of the Truckee Donner Public Utility District is to provide reliable, high-quality utility and customer services while managing District resources in a safe, open, responsible, and environmentally sound manner at the lowest practical cost.

Truckee Donner Public Utility District's **VALUES**

Safety – Safety is our way

Safety is our first priority. We are committed to the health and safety of our employees, customers, and community through the continuous practice of prevention, education, and awareness.

Communication – Send and receive

Foster positive engagement by creating a strong communicative environment that includes; active listening, transparency, clear, concise, and timely transmission of information, with empathy and respect. This also includes providing and receiving honest feedback.

Integrity – Honest and ethical

Highest quality service to the public and employees, utilizing honesty and ethics as our base principles.

Accountability – Own it

A strong performing team with the obligation and willingness to accept responsibility for our actions, maintaining a sense of humility and inclusiveness.

Timeliness – Meet our goals and commitments

A highly effective agency and responsive organization meeting goals and expectations in a timely manner.

Mission and Values of District, as adopted by Board of Directors May 19, 2021

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INTRODUCTORY SECTION

THE *best* WATER RIGHT FROM *your tap.*



TRUCKEE DONNER
PUBLIC UTILITY DISTRICT

Photo by Tim Erskine | ©Erskine Creative Photography



General Manager
Brian C. Wright

Executive Leadership Team

Scott Crow
Assistant General Manager/CIO

Chad J. Reed
Water Utility Director

Mike Swanson
Director of Electric Engineering and Operations

Steven Poncelet
PIO & Strategic Affairs Director

Michael Salmon
Chief Financial Officer

Jillian Steward
Director of Human Resources and Risk Management

Martina Rochefort
District Clerk/ Executive Assistant

Board of Directors

Christa Finn
Tony Lallotis
Jeff Bender
Courtney Murrell
Steve Randall

May 26, 2026

Dear Board of Directors and Customers of the District,

The staff of Truckee Donner Public Utility District (District) is pleased to submit to you the Annual Comprehensive Financial Report (Report) for the year ended December 31, 2025. The Report provides an assessment of the District's financial condition, informs readers about the District's services, gives details of infrastructure replacement projects, discusses current issues and provides financial and demographic trend information. We are proud to announce that the 2024 Report was awarded a Certificate of Achievement of Excellence in Financial Reporting by the Government Finance Officers Association (GFOA). This is the 5th consecutive year for this award which is an excellent example of financial transparency for the District. We will be submitting this 2025 Report for award evaluation.

The Report consists of management's representations of the finances and other information of and for the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established internal controls that are designed to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information to prepare the District's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The cost of internal controls should not outweigh their benefits. Therefore, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The District's financial statements have been audited by Baker Tilly US LLP, an independent firm of licensed certified public accountants. The goal of the audit is to provide reasonable assurance that the financial statements of the District for the year ended December 31, 2025 are free of material misstatement. The independent auditor concluded based upon the audit that there was a reasonable basis for rendering an unmodified or clean opinion that the District's financial statements are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this Report.

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

District Overview

In 1927, the District was formed by and continues to operate under the State of California Public Utility District Act. The District provides electric and water utility services with a service territory of 45.5 square miles, beginning four miles from the northern border just beyond Alder Creek Road, south to Placer County, and 11 miles from just beyond the western shore of Donner Lake eastward to the rim of Boca Dam and the Hirschdale community. As of December 31, 2025, the District served 14,881 electric utility customer accounts and 13,768 water utility customer accounts.

The District's service territory is predominately within the town borders of the Town of Truckee (Truckee). Truckee's historical downtown flourished as a railroad station town and gateway to Lake Tahoe. Truckee is generally considered a resort town or bed base for resort and outdoor recreation activities. Truckee's stated current population of 17,500 varies widely throughout the seasons of the year due to tourism and seasonal residences. Winter months are busy with alpine skiing and other winter activities, summer is robust with hiking, biking, boating and other summer activities, while the shoulder seasons are less busy with primary residents predominately.

While Truckee's downtown base elevation is 5,817 feet (1,773 meters), the District's service territory elevations range from 5,745 feet (1,751 meters) to 7,370 (2,246 meters). This wide range of elevation creates utility service challenges, explained in detail later in this letter.

The District is governed by five elected at-large, Board members. Each elected Board member serves four-year staggered terms. The five-member Board of Directors serve as the governing body with respect to policy and fiduciary responsibility. The General Manager reports to the Board of Directors and all other District employees report up through or directly to the General Manager. An organization chart is provided after this letter to provide additional insights.

The District's electric utility (Electric) sold 160,458 MWh of energy to customers in 2025, down 4.8% to 2024. The decrease in MWh sold is attributed primarily to milder winter weather in 2025 compared to 2024. Electric's system is a transmission-dependent, non-energy producing, distribution electric utility. Electric services 14,900 accounts across 233 miles of distribution lines; 135 miles of overhead pole lines and 98 miles of underground lines.

For energy sources, Electric has aggressively pursued renewable power sources and currently has approximately 60% renewable power procurement. The winter months can be harsh, with extreme cold and an average snowfall of over 400 inches. The summer months consist of high daytime heat, cool nighttime temperatures, low humidity, nominal precipitation and high winds, creating high fire danger. Despite these challenging conditions, Electric has a long history of reliable power and in March 2024 was awarded RP3 Platinum Level by the American Public Power Association's Reliable Public Power Provider program which recognizes utilities that demonstrate high proficiency in reliability, safety, workforce development, and system improvement.

In 2025, the District's water utility produced approximately 1.3 billion gallons of potable water for its customers—a 14% decrease compared to 2024. In large part, this reduction reflects the community's successful adoption of water-efficiency programs and the District's investment in both capital replacement programs and Advanced Metering Infrastructure (AMI), which allows for real-time leak detection and more precise resource management. The District's water system is supplied entirely by high-quality groundwater drawn from the Martis Valley Aquifer. This pristine underground source requires minimal treatment, ensuring that the water delivered to customers consistently meets or exceeds all state and federal drinking water standards. To access this resource, the District operates 13 active wells with a total production capacity of 10,250 gallons per minute, or roughly 14.8 million gallons per day. Reliable water service is provided to 13,800 customer accounts through a complex infrastructure that includes 13 active wells, 35 storage tanks with a combined capacity of 13.1 million gallons, 25 pumping stations, 46 pressure zones, and 239 miles of distribution pipeline. The system spans a service area with a significant elevation range of 1,625 feet (495 meters), creating unique operational challenges—particularly in the harsh environmental conditions of the Sierra Nevada's.

Maintaining the reliability and quality of the water supply is a top priority. The District's wells draw from an extensively studied and tested aquifer that has been confirmed to meet both current and future water demand projections. Importantly, this aquifer has shown resilience to drought conditions, making it a dependable long-term water source. Water quality is rigorously monitored, with over 1000 tests conducted annually to ensure compliance with all federal and state maximum contaminant levels (MCLs). The system has continued to meet or exceeds all regulatory standards.

The District remains committed to transparency and public education regarding water supply and quality. An annual Consumer Confidence Report (CCR) is published to provide customers with key information about their drinking water. Current and past CCRs are available on the District's website at www.tdpud.org.

In addition to core Electric and Water utilities, the District's blended component units include two Community Facilities Districts (CFD), Old Greenwood and Gray's Crossing. In order to finance various public improvements needed to develop property within the Town of Truckee, California, the District formed Community Facilities Districts (CFD), which issued Special Tax Bonds pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. Accordingly, the Bonds are special obligations of the respective Community Facilities Districts and are payable solely from revenues derived from taxes levied on and collected from the owners of the taxable land within the respective Community Facilities Districts.

These Special Tax Bonds are not general or special obligations of the District. The Board of Directors of the District is the legislative body of the Communities Facilities Districts and as such they approve the rates and method of apportionment of the special taxes. As improvements were completed, the infrastructure was donated in the form of a capital contribution to the Town of Truckee, the Truckee Sanitary District, Southwest Gas, and the District.

Local Economic Conditions

Truckee and the greater regional area known as Lake Tahoe, is a very popular summer and winter vacation destination, due in part to the proximity to the Bay Area region of Northern California. Truckee's location near Lake Tahoe causes Truckee to be a gateway bed base for the tourism economy but also has a small-town local economy with its population of approximately 17,500 residents. The District's Electric customers are categorized between primary residential of 40% and secondary (second home) residential of 60%.

With the start of pandemic impacts in March 2020, while the tourism business essentially stopped, Truckee experienced a large increase in second homes utilization, a combination of both the owner of the second homes and short-term rentals of the second homes. The pandemic-driven increase in utilization has only moderately decreased post pandemic.

Truckee residential and commercial real estate development tapered in 2025 compared to 2024. Truckee real estate as of March 2026 indicates a Median Listing Price of \$939,000, down 10% year-over-year (source realtor.com). The March 2026 Zillow Home Value Index for Truckee region of \$1,015,000 is down 1% year-over-year as compared to in March 2025 the index indicated values flat year-over-year.

As California and the nation continue policy decisions regarding net zero carbon emissions and the potential resulting electrification of the state and country, the District is well positioned for the short-term to meet these service needs and has included these potential impacts in the District's long-term planning.

District in 2025 Financial Information and Policies

The Total Net Position of the District was \$156.7 million as of December 31, 2025, increasing \$15.1 million or 10.7% compared to December 31, 2024. Operating income of \$9.5 million accounts for 63% of the Total Net Position increase. The FY 2025 operating income of \$9.5 million represents a margin of 15.9% of operating revenues, which compares to a FY 2024 margin of 9.8%. For 2025 compared to 2024, operating revenues increased 8.2% and operating expenses increased 0.9%. Total non-operating revenue and expenses net to revenue of \$4.2 million and contributed assets of \$1.4 million account for the remainder of the Total Net Position increase.

Total Cash, Cash Equivalents, and Investments was \$63.5 million as of December 31, 2025, increasing \$6.3 million or 11.1% compared to December 31, 2024. The increase was primarily driven by operating income of \$7.8 million and \$1.7 million for electric and water utilities, respectively. Refer to Financial Section's Consolidated Statements of Cash Flows and Note 2 of Notes to Financial Statements for additional information regarding components of cash, cash equivalents, and investments.

The Management's Discussion and Analysis in the Financial Section provides additional information on the FY 2025 financial results and financial condition of the District.

The District reviewed several new GAAP accounting pronouncements and the adoption of GASB Statement No. 102, Certain Risk Disclosures impacted disclosures in the financial statements. Refer to Financial Section, Note 1 & Note 17 of Notes to Financial Statements for additional information regarding all the key financial policies of the District and details on new accounting pronouncements.

Budgetary Controls

As a public agency, the Board and District embrace the fiduciary responsibility and stewardship of the District's financial resources. District staff works with the Board of Directors in workshop meetings and public hearing meetings to develop a biennial budget before Board adoption. The budget serves as a management tool to set appropriate service rates, allocate available resources, and includes a ten-year financial master plan.

The legal level of budgetary control is maintained at the fund, department, and object account level. Key budgetary control is provided in District Code Title 3 Finance and Accounting, which includes extensive financial, budget, accounting, purchasing, reserves, investments, and other internal control policies.

Board level budgetary controls include approval thresholds for expenditures and personnel additions, as well as Board semi-annual review of financial statements and monthly review of disbursements and reserve fund balances. Management budgetary controls include monthly financial statement and budget report review, as well as financial policies and procedures in accordance with aforementioned District Code.

Long Term Financial Planning, Public Outreach and Initiatives

2025 was a strategic and operating execution year for the District's adopted Budget which includes the Water and Electric 10-year Capital Improvement Plans. These plans provide valuable short- and long-term information to assist with resource planning in the FY 2024 and FY 2025 biennial budget cycle, which includes a 10-year Financial Master Plan and was approved in fall of 2023. 2025 activity included the FY 2026 and FY 2027 biennial budget cycle preparation, review public workshops and public hearing and board approval.

Comprehensive cost of service analysis report and resulting revenue requirements and customer rate changes were completed in 2025 for Water (2026 through 2030 rates) and for Electric (2026 through 2027 rates). The review of these analyses is held in open/noticed Board meetings, as well as, noticed Public Hearings.

In May 2021, the District completed an extensive strategic planning process, which included significant community outreach. Community participation exceeded the District's expectations and provided valuable feedback for not only the strategic plan, but also perceptions and insights into the District as a whole as part of our community. An update to the strategic plan was completed in 2024. The District sincerely thanks the community for their valued engagement with the District. The Board adopted Strategic Plan includes the following four key initiatives:

- Community Broadband
- Service Reliability and Safety
- Net Carbon Reduction
- Local Watershed Stewardship

More information on the strategic plan can be found on the District website (tdpud.org).

The District conducts regular Board meetings, generally on the first Wednesday of each month, which are noticed and open to the public. The dates of upcoming meetings and an archive of past meetings can be found on the District's website (tdpud.org).

Closing Comments

We would like to thank the many staff involved in preparing this Report, a true team effort. Further, we would like to thank all our valued employees for their service and dedication to the District and the community during these unique and challenging times.

Respectfully submitted,



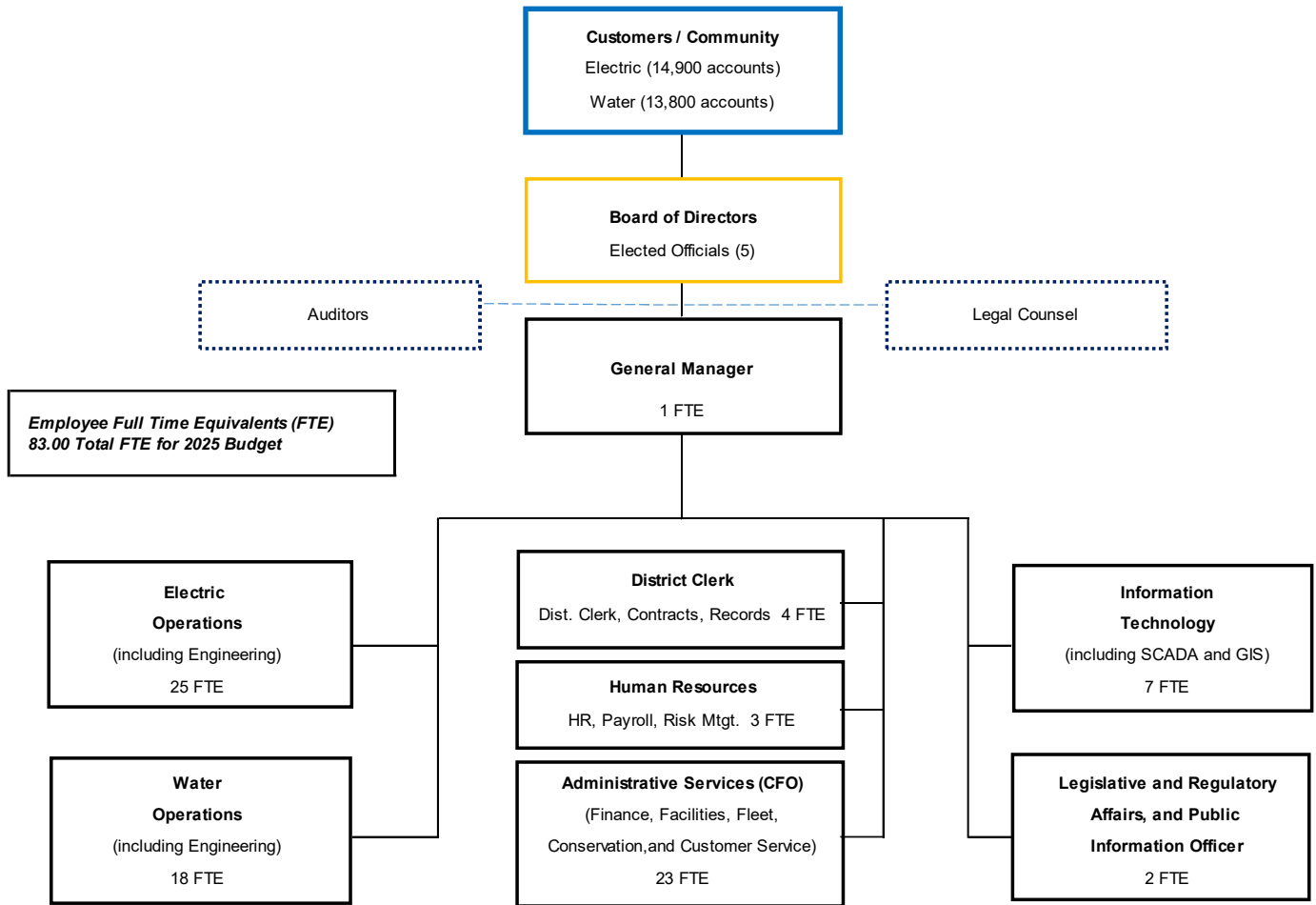
Brian C. Wright
General Manager



Michael R. Salmon
Chief Financial Officer

Truckee Donner Public Utility District

Organization Chart for 2025



List of Elected and Appointed Officials

Elected Officials	FY '2024 (Term)	FY '2025 (Term)
Board President	Jeff Bender (2020-2024)	Christa Finn (2022-2026)
Board Vice President	Christa Finn (2022-2026)	Tony Lalotis (2022-2026)
Board of Director	Tony Lalotis (2022-2026)	Jeff Bender (2025-2028)
Board of Director	Joe Aguera (2020-2024)	Courtney Murrell (2025-2028)
Board of Director	Kim Harris (2020-2024)	Steve Randall (2025-2028)

Terms for directors run December of starting year through December of even years, four year terms.

Appointed Officials	
Treasurer	Michael R. Salmon
District Clerk	Martina Rochefort
General Manager	Brian Wright

GFOA Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Truckee Donner Public Utility District for its annual comprehensive financial report (ACFR) for the fiscal year ended December 31, 2024. This was the fifth year that the District has achieved this prestigious award.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this ACFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to GFOA to determine its eligibility for certificate award.



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Truckee Donner Public Utility District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



The American Public Power Association's Reliable Public Power Provider program recognizes utilities that demonstrate high proficiency in reliability, safety, workforce development, and system improvement. Truckee Donner Public Utility District received the Platinum level RP3 award designation in March 2024. This designation will last for three years.



PLATINUM AWARD RECIPIENT MARCH 2024

**TRUCKEE DONNER
PUBLIC UTILITY DISTRICT**

CONSOLIDATED FINANCIAL STATEMENTS

Including Report of Independent Auditors

December 31, 2025 and 2024

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Report of Independent Auditors

The Board of Directors
Truckee Donner Public Utility District

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Truckee Donner Public Utility District (the “District”), which comprise the consolidated statements of net position as of December 31, 2025 and 2024, and the related consolidated statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the District as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of net position, and the related consolidating statements of revenues, expenses and changes in net position and cash flows as of and for the year ended December 31, 2025, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Information

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

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

Baker Tilly US, LLP

Portland, Oregon
May 26, 2026

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2025 and 2024

As financial management of the Truckee Donner Public Utility District (the District), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the District for the years ended December 31, 2025 and 2024, with additional comparative data for 2023. This discussion and analysis are designed to assist the reader in focusing on the significant financial topics, provide an overview of the District's financial activity and identify changes in the District's financial position.

We encourage readers to consider the information presented here in conjunction with that presented within the basic financial statements. The reader should take time to read and evaluate all sections of this report, including the footnotes and other supplementary information that is provided, in addition to this management discussion and analysis.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements of the District are designed to provide readers with a broad overview of the District's finances similar to a private-sector business. They have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under this basis of accounting, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which they are incurred, regardless of the timing of related cash flows. These statements offer short-term and long-term financial information about the District's activities. The reporting entity consists of the primary government, which provides two utilities (electric utility and water utility), and the blended component units of two Community Facilities Districts (CFDs). Further details about the component units are provided in note 1(A) to the financial statements.

The basic financial statements, presented on a comparative format for the years ended December 31, 2025 and 2024, consist of:

- **Consolidated Statement of Net Position:** This statement presents information on all the District's assets, deferred outflows of resources and liabilities, and deferred inflows of resources and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. These amounts are as of a point in time, the District's year ending December 31.
- **Consolidated Statements of Revenues, Expenses, and Changes in Net Position:** This statement provides the revenues and expenses for each of the presented years. The statement provides a measurement of the District's operations over the presented years and can be used to determine whether the District has successfully recovered all its costs through its rates and other charges.
- **Consolidated Statement of Cash Flows:** This statement provides relevant information about the District's cash receipts and cash payments during the reporting period. This statement reports cash receipts and cash payments resulting from operating, non-capital financing, capital and related financing, and investing activities. When used with related disclosures and information in the other financial statements, the statement of cash flows is an important indicator of the District's liquidity and financial condition.
- **Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. This includes but is not limited to, significant accounting policies, significant financial statement balances and activities, material risks, commitments and obligations, and subsequent events, as applicable.

The financial statements report also contains other supplementary information, the Report of Independent Auditors, and this Management Discussion and Analysis.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2025 and 2024

CONDENSED COMPARATIVE FINANCIAL INFORMATION

Provided below are select condensed financial statements for December 31, 2025, 2024, and 2023.

CONSOLIDATED STATEMENT OF NET POSITION	Increase (Decrease)			
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2025	2024	2023	2025 - 2024
Current assets	\$ 85,190,209	\$ 71,926,655	\$ 64,901,779	\$ 13,263,554
Non-current assets:				
Capital assets, net	160,177,774	155,187,643	148,670,662	4,990,131
Operating investments	1,395,831	2,938,555	3,804,247	(1,542,724)
Designated investments	2,049,524	4,280,671	5,579,209	(2,231,147)
Leases receivable, net of current portion	1,345,590	1,390,354	1,389,598	(44,764)
Total Assets	250,158,928	235,723,878	224,345,495	14,435,050
Deferred outflows of resources	6,162,246	7,592,369	10,202,960	(1,430,123)
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 256,321,174	\$ 243,316,247	\$ 234,548,455	\$ 13,004,927
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
Current liabilities	\$ 10,911,747	\$ 10,294,106	\$ 10,148,544	\$ 617,641
Non-current Liabilities				
Long-term debt, net of current portion	54,814,433	58,233,888	61,433,844	(3,419,455)
Subscription software liability, net of current portion	147,943	133,580	239,254	14,363
Compensated absences, net of current portion	1,610,355	1,398,664	1,181,026	211,691
Net pension liability	15,766,306	18,001,154	18,145,067	(2,234,848)
Net OPEB liability	4,149,089	4,754,833	5,969,987	(605,744)
Unearned revenues	6,840,642	5,422,681	5,314,499	1,417,961
Total Liabilities	94,240,515	98,238,906	102,432,221	(3,998,391)
Deferred inflows of resources	5,370,565	3,497,773	2,305,338	1,872,792
NET POSITION				
Net investment in capital assets	101,544,508	100,719,586	91,507,787	824,922
Restricted for debt service	5,783,519	6,419,793	6,129,427	(636,274)
Unrestricted	49,382,067	34,440,189	32,173,682	14,941,878
Total Net Position	156,710,094	141,579,568	129,810,896	15,130,526
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 256,321,174	\$ 243,316,247	\$ 234,548,455	\$ 13,004,927
CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION				
	2025	2024	2023	Increase (Decrease) 2025 - 2024
Sales to customers	\$ 58,278,849	\$ 53,489,217	\$ 50,221,144	\$ 4,789,632
Other operating revenues	1,441,405	1,717,727	1,789,049	(276,322)
Total Operating Revenues	59,720,254	55,206,944	52,010,193	4,513,310
Depreciation and amortization	8,933,649	8,486,970	8,004,903	446,679
Purchased power	12,802,795	13,164,111	14,068,454	(361,316)
All other operating expenses	28,510,493	28,140,147	26,740,934	370,346
Total Operating Expenses	50,246,937	49,791,228	48,814,291	455,709
Operating income	9,473,317	5,415,716	3,195,902	4,057,601
Non-operating special tax revenues	4,346,351	4,089,573	3,818,572	256,778
Non-operating interest expense	(2,862,592)	(3,005,955)	(3,154,114)	143,363
Non-operating other revenues	56,781	72,983	54,232	(16,202)
Non-operating other expenses	2,648,997	2,725,988	2,764,444	(76,991)
Income before capital contributions	13,662,854	9,298,305	6,679,036	4,364,549
Capital contributions, net	1,467,672	2,470,367	2,368,362	(1,002,695)
Change in net position	15,130,526	11,768,672	9,047,398	3,361,854
Net Position, Beginning of Year	141,579,568	129,810,896	120,763,498	11,768,672
NET POSITION, END OF YEAR	\$ 156,710,094	\$ 141,579,568	\$ 129,810,896	\$ 15,130,526

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2025 and 2024

ANALYSIS OF OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

2025 as compared to 2024:

The District's overall financial position improved in 2025 by \$15.1 million or 10.7% as measured by total net position. In 2025, the total net position increased \$9.5 million from operating activities, \$4.2 million from non-operating activities, and \$1.4 million from capital, debt and monetary contribution activities.

Operating income in 2025 of \$9.5 million increased \$4.1 million or 74.9% compared to \$5.4 million in 2024. The components of operating income summarize as follows.

Total operating revenues in 2025 of \$59.7 million were \$4.5 million or 8.2% greater than 2024, driven primarily by electric and water effective rate increases for 2025 of 12% and 7%, respectively.

Total operating expenses in 2025 of \$50.2 million were \$0.5 million or 0.9% greater than 2024.

Variances can be summarized as follows:

- (\$2.0) million decrease in non-cash expense (credit) for the annual valuation of pension, other post-employment benefits, and compensated absences
- (\$0.4) million decrease in purchase power costs, less volume in 2025
- \$0.5 million increase in non-cash depreciation expense
- \$2.4 million increase net, all other operating expenses, driven primarily by union personnel compensation increases

Non-operating revenues (expenses), net in 2025 to \$4.2 million and were \$0.3 million or 7.9% above 2024 due primarily to \$0.3 million increase in special tax revenues, \$0.1 million decrease in interest expense, and \$0.1 million increase in CFD related costs. Capital and other contributions of \$1.5 million were down \$1.0 million or 40.6% compared to 2024, driven by a decrease in construction activity and related project contributions to the District.

The resulting change in Total Net Position in 2025 of \$15.1 million was \$3.3 million or 28.6% higher than the change in 2024. Year-end 2025 current assets of \$85.2 million increased \$13.3 million or 18.4% primarily due to less capital expenditures than anticipated due to timing of projects. Year-end 2025 total assets of \$250.2 million increased \$14.4 million or 6.1%, which includes a \$5.0 million or 3% increase in net total capital assets. Year-end 2025 total liabilities of \$94.2 million decreased \$4.0 million or 4.1% primarily driven by a \$3.2 million decrease in long-term debt (discussed further below), a \$2.2 million decrease in net pension liability, and a \$0.6 million decrease in net OPEB liability. Deferred inflows increased \$1.9 million and deferred outflows decreased \$1.4 million, both changes driven primarily by pension and OPEB deferred inflow and outflow changes.

2024 as compared to 2023:

The District's overall financial position improved in 2024 by \$11.8 million or 9.1% as measured by total net position. In 2024, the total net position increased \$5.4 million from operating activities, \$3.9 million from non-operating activities, and \$2.5 million from capital, debt and monetary contribution activities.

Operating income in 2024 of \$5.4 million increased \$2.2 million or 69.5% compared to \$3.2 million in 2023. The components of operating income summarize as follows.

Total operating revenues in 2024 of \$55.2 million were \$3.2 million or 6.1% greater than 2023, driven primarily by electric and water effective rate increases for 2024 of 12% and 8%, respectively.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2025 and 2024

Total operating expenses in 2024 of \$49.8 million were \$1.0 million or 2.0% greater than 2023. This cost increase of \$1.0 million can be summarized as follows:

- \$1.2 million increase for non-cash change in pension and other post-employment benefits liability valuation impact between years
- (\$0.9) million decrease in purchase power cost
- \$0.2 million increase net for rate of pay increases partially offset by position vacancies
- \$0.5 million increase in non-cash depreciation expense

Non-operating revenues and expenses, net revenues in 2024 of \$3.9 million were \$0.4 million or 11.5% above 2023 due primarily to \$0.3 million increase in special tax revenues, \$0.1 million increase in investment income, \$0.1 million decrease in interest expense, and \$0.1 million increase in CFD administrative costs. Capital and other contributions of \$2.5 million were up \$0.1 million or 4.3% compared to 2023, driven by an increase in construction activity and related project contributions to the District.

The resulting change in Total Net Position in 2024 of \$11.8 million was \$2.7 million or 30% higher than the change in 2023. Year-end 2024 current assets of \$71.9 million increased \$7.0 million or 10.8% primarily due to less capital expenditures than anticipated due to timing of projects. Year-end 2024 total assets of \$235.7 million increased \$11.4 million or 5.1%, which includes a \$6.5 million or 4% increase in net total capital assets. Year-end 2024 total liabilities of \$98.2 million decreased \$4.2 million or 4.1% primarily driven by a \$3.2 million decrease in long-term debt (discussed further below) and a \$1.2 million decrease in net OPEB liability. Deferred inflows increased \$1.2 million and deferred outflows decreased \$2.6 million, both changes driven primarily by pension deferred inflow and outflow changes.

ANALYSIS OF ELECTRIC UTILITY

Electric total net position as of December 31, 2025 was \$101.2 million and increased \$10.2 million or 11% compared to December 31, 2024. Electric's total net position increased \$7.8 million from operating activities, increased \$1.6 million from non-operating activities, and increased \$0.8 million from capital, debt and monetary contributions. Key components of this \$10.2 million change in total net position are as follows.

Electric operating income of \$7.8 million increased \$3.1 million or 66% compared to \$4.7 million in 2024. The components of operating income are summarized as follows.

Electric operating revenues of \$41.0 million increased \$3.3 million or 9% in 2025 compared to 2024. Electric's sales to customers increased 10.1% over 2024; comprised of a 12.5% effective rate increase, 0.4% customer growth, and a 2.8% kWh volume billed decrease. The 12.5% effective rate increase noted above is comprised of a 12.0% average rate increase to 2024 rates plus 0.5% lower power cost adjustment (PCA) net credit to customers compared to 2024. The PCA relates to wholesale power costs variances to budget and associated rate ordinance expectations. Cap and Invest revenues were down \$0.2 million or 44% to 2024, driven by less renewable credits being sold at auction.

Electric operating expenses of \$33.2 million compared to 2024 reflect an increase of \$0.2 million or 0.7% driven primarily by an increase of \$1.3 million in labor related costs caused primarily by a 22.5% rate of pay increase in electric operations union positions and a 5.5% rate of pay increase in all other positions of District, a \$0.4 million increase in various expenses, and a \$0.3 million increase in depreciation expense, mostly offset by a decrease of \$1.1 million in pension and OPEB actuarially determined liability adjustment (a non-cash expense charge change), a decrease in power costs of \$0.4 million or 3% due primarily to the lower power kWh volume indicated previously above, and a net decrease in all other operating expenses of \$0.4 million.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2025 and 2024

Electric non-operating revenues (expenses) net of \$1.6 million increased \$0.1 million or 6% compared to \$1.5 million in 2024. The increase is driven primarily by a \$0.1 million increase in investment income.

Electric contributions of \$0.8 million decreased \$0.6 million or 40% compared to \$1.4 million in 2024. The decrease is driven primarily by a decrease in construction activity and related project contributions to the District. Electric has no significant restrictions, commitments, or other limitations that would affect the availability of resources for future use; other than \$0.9 million in various restricted funds.

ANALYSIS OF WATER UTILITY

Water total net position as of December 31, 2025 was \$73.4 million and increased \$2.1 million or 3% compared to December 31, 2024. Water's total net position increased \$1.6 million from operating activities, decreased \$0.1 million from non-operating activities, and increased \$0.6 million from capital, debt and monetary contributions. Key components of this \$2.1 million change in total net position are as follows.

Water operating income of \$1.6 million increased \$0.9 million or 137% compared to \$0.7 million in 2024. The components of operating income summarize as follows.

Water operating revenues in 2025 of \$20.9 million increased \$1.3 million or 7% compared to 2024. Water's sales to customers of \$20.4 million increased 6.7% to 2024; comprised of a 6.9% average rate increase and 0.4% customer growth, partially offset by 0.6% less volume sold and other variables. Water gallons billed per account per day in 2025 decreased 1% compared to 2024 due to various factors. All other water operating revenues combined were flat to 2024.

Water operating expenses in 2025 of \$19.2 million increased \$0.4 million or 2% to 2024 driven primarily by \$0.9 million increase in labor related costs caused primarily by a 5.5% rate of pay increase in 2025, a \$0.2 million increase in depreciation expense, \$0.1 million increase in various expenses, partially offset by a decrease of \$0.8 million in pension and OPEB actuarially determined liability adjustment (non-cash net expense charge).

Water non-operating revenues (expenses) net of (\$0.2) million increased (\$40,000) or 34% compared to (\$0.1) million in 2024. Notable variances to prior year include \$75,000 decrease in investment income due to decrease in investable funds and a \$40,000 decrease in interest expense.

Water contributions of \$0.6 million decreased \$0.4 million or 41% compared to \$1.0 million in 2024. The decrease is driven by timing of construction activity and related project's contributions to the District. Water has no significant restrictions, commitments, or other limitations that would affect the availability of resources for future use; other than \$2.1 million in various restricted funds.

CAPITAL ASSETS

As of December 31, 2025, 2024, and 2023, the District had \$160.2 million, \$155.2 million, and \$148.7 million, respectively, invested in a variety of capital assets, net of accumulated depreciation. The District's capital assets, net of accumulated depreciation, increased \$5.0 million or 3.2% in 2025. In 2025, capital expenditures of \$13.7 million outpaced depreciation and amortization expense of \$8.9 million, with the year focused on capital execution of major projects (\$8.6 million Electric and \$5.1 million Water) in 2025, in accordance with the approved 10-year capital improvement plans for both electric and water utilities. In 2024, capital expenditures of \$14.6 million (\$7.8 million Electric and \$6.8 million Water) outpaced depreciation and amortization expense of \$8.5 million, with the year focused on execution of capital improvements plan and planning of certain projects.

Electric utility capital expenditures in 2025 of \$8.6 million included \$3.5 million in substation modernization, \$3.1 million in distribution system hardening and modernization replacements, \$0.6 million in fleet replacements, \$0.1 million in information technology, and \$1.3 million in various other projects. Electric utility capital expenditures in 2024 of \$7.8 million included \$1.9 million in distribution system modernization

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2025 and 2024

replacements, \$1.1 million in transformers, \$0.7 million in undergrounding projects, \$0.7 million in facility improvements, \$0.7 million in information technology, \$0.5 million in system hardening, \$0.4 million in fleet replacements, and \$1.8 million in various other projects. Electric depreciation and amortization expense in 2025 of \$3.6 million increased \$0.25 million or 7% compared to 2024.

Water utility capital expenditures in 2025 of \$5.1 million included \$3.0 million of pipeline replacement, \$0.5 million in tank rehabilitation, \$0.2 million in wells rehabilitation, \$0.6 million in fleet replacements, \$0.1 million in information technology, and \$0.7 million in various other projects. Water utility capital expenditures in 2024 of \$6.8 million included \$0.6 million in new pipeline and pump station projects completion, \$3.0 million of pipeline replacement, \$0.6 million for new tank completion, \$0.9 million for new tanks, \$0.3 million in new meters, \$0.3 million in fleet replacements, and \$1.1 million in various other projects. Water depreciation and amortization expense in 2025 of \$5.3 million increased \$0.2 million or 4% compared to 2024.

See Note 4 to the Financial Statements for further information regarding capital assets.

LONG-TERM DEBT

Long-term debt includes revenue bonds and installment loans. At December 31, 2025, 2024, and 2023, the District had \$58.2 million, \$61.3 million, and \$64.3 million, respectively, in long-term debt outstanding.

No new debt was issued in 2023 to 2025. See Note 6 to the Financial Statements for further information regarding long-term debt.

ECONOMIC FACTORS AND NEXT YEARS BUDGETS AND RATES

The District operates in Truckee, CA and the location near Lake Tahoe causes Truckee to be a gateway bed base for the tourism economy but also has a small-town local economy. Historically, the electric and water utilities have not been materially adversely affected by economic downturns.

The District operates on a biennial budget cycle. The FY26 & FY27 Board approved budget includes an assumption for customer growth 0.5% per year, conservatively below recent 1% average for the District. Revenue projections for fiscal years 2026 and 2027 include average rate increases for Electric of 5% and 5% respectively and for Water 6.5% and 6.5% respectively. For 2026 and 2027, approved average rate increases are consistent with these budget expectations. Rates by rate class can be found on the District's website at www.tdpud.org.

Operating expenditures for Electric budget year 2026 of \$33.3 million increased over budget year 2025 by 3%, with a 7% decrease in wholesale purchased power budget (current forecasted power prices lower than expectations in prior budget cycle) offsetting a 13% increase in all other operating expenses driven by inflation and new in 2025 union memorandum of understanding increasing electric operations union personnel 22.5% in 2025 and 4.0% in 2026 and 4.0% in 2027.

Operating expenditures for Water budget year 2026 of \$14.3 million increased over budget year 2025 by 4%, driven by inflation and the new in 2025 union memorandum of understanding increasing personnel 5.5% in 2025 and 4.0% in 2026 and 4.0% in 2027.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The financial report is designed to provide readers with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact: Truckee Donner Public Utility District, Attn: Treasurer, 11570 Donner Pass Road, Truckee, CA 96161.

FINANCIAL STATEMENTS

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF NET POSITION

December 31, 2025 and 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		<u>2025</u>	<u>2024</u>
CURRENT ASSETS			
Cash and cash equivalents			
Operating	\$ 15,614,264	\$ 15,024,540	
Designated	39,554,657	22,239,996	
Restricted	4,873,352	12,675,995	
Total cash and cash equivalents	<u>60,042,273</u>	<u>49,940,531</u>	
Accounts receivable, net	2,987,303	3,908,603	
Unbilled revenues	4,446,047	3,611,030	
Special assessments receivable	11,014,502	10,046,812	
Accrued interest receivable	292,957	318,612	
Current portion of leases receivable	46,892	42,376	
Materials and supplies	3,798,555	2,467,651	
Prepaid expenses	2,409,839	1,442,635	
Other	151,841	148,405	
Total Current Assets	<u>85,190,209</u>	<u>71,926,655</u>	
NON-CURRENT ASSETS			
Operating investments	1,395,831	2,938,555	
Designated investments	2,049,524	4,280,671	
Leases receivable, net of current portion	1,345,590	1,390,354	
Capital Assets			
Utility plant	275,865,133	265,528,778	
Accumulated depreciation and amortization	(121,204,468)	(114,039,041)	
Construction work in progress	5,517,109	3,697,906	
Total Capital Assets	<u>160,177,774</u>	<u>155,187,643</u>	
Total Non-Current Assets	<u>164,968,719</u>	<u>163,797,223</u>	
TOTAL ASSETS	<u>250,158,928</u>	<u>235,723,878</u>	
DEFERRED OUTFLOWS OF RESOURCES			
Pension	4,186,796	5,033,355	
OPEB	1,661,088	2,211,850	
Unamortized loss on refunding	314,362	347,164	
Total Deferred Outflows of Resources	<u>6,162,246</u>	<u>7,592,369</u>	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 256,321,174</u>	<u>\$ 243,316,247</u>	

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

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF NET POSITION

December 31, 2025 and 2024

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (Continued)	2025	2024
CURRENT LIABILITIES		
Other Liabilities		
Accounts payable	\$ 4,654,666	\$ 3,864,167
Customer deposits	604,748	605,075
Subscription software liability, current portion	115,783	105,674
Compensated absences, current portion	836,459	788,824
Other	707,148	1,117,067
Total Other Liabilities	6,918,804	6,480,807
Current Liabilities Payable From Restricted Assets		
Current portion of long-term debt	3,340,600	3,121,100
Accrued interest payable	652,343	692,199
Total Current Liabilities Payable from Restricted Assets	3,992,943	3,813,299
Total Current Liabilities	10,911,747	10,294,106
NON-CURRENT LIABILITIES		
Long-term debt, net of discounts and premiums	54,814,433	58,233,888
Subscription software liability, net of current portion	147,943	133,580
Compensated absences, net of current portion	1,610,355	1,398,664
Net pension liability	15,766,306	18,001,154
Net OPEB liability	4,149,089	4,754,833
Unearned revenues	6,840,642	5,422,681
Total Non-Current Liabilities	83,328,768	87,944,800
Total Liabilities	94,240,515	98,238,906
DEFERRED INFLOWS OF RESOURCES		
Pension	2,268,636	200,229
OPEB	1,923,222	2,044,295
Leases receivable	1,178,707	1,253,249
Total Deferred Inflows of Resources	5,370,565	3,497,773
NET POSITION		
Net investment in capital assets	101,544,508	100,719,586
Restricted for debt service	5,783,519	6,419,793
Unrestricted	49,382,067	34,440,189
Total Net Position	156,710,094	141,579,568
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 256,321,174	\$ 243,316,247

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

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the years ended December 31, 2025 and 2024

	2025	2024
OPERATING REVENUES		
Sales to customers	\$ 58,278,849	\$ 53,489,217
Standby fees	110,770	115,480
Cap and invest proceeds	291,328	518,027
Other	1,039,307	1,084,220
Total Operating Revenues	59,720,254	55,206,944
OPERATING EXPENSES		
Purchased power	12,802,795	13,164,111
Operations and maintenance	15,823,379	15,651,928
Consumer services	3,102,627	3,188,986
Administration and general	9,584,487	9,299,233
Depreciation and amortization	8,933,649	8,486,970
Total Operating Expenses	50,246,937	49,791,228
Operating Income	9,473,317	5,415,716
NON-OPERATING REVENUE (EXPENSES)		
Special tax revenue	4,346,351	4,089,573
Investment income	2,796,772	2,807,224
Interest expense	(2,862,592)	(3,005,955)
Amortization credit	46,053	46,053
Other non-operating revenues	45,161	54,705
Other non-operating expenses	(193,828)	(127,289)
Gain on disposition of assets	11,620	18,278
Total Non-Operating Revenue, Net	4,189,537	3,882,589
Income Before Contributions	13,662,854	9,298,305
CAPITAL & OTHER CONTRIBUTIONS	1,467,672	2,470,367
CHANGE IN NET POSITION	15,130,526	11,768,672
Net Position - Beginning of Year	141,579,568	129,810,896
NET POSITION - END OF YEAR	\$ 156,710,094	\$ 141,579,568

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

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from customers	\$ 59,771,916	\$ 56,743,600
Paid to suppliers for goods and services	(30,089,637)	(27,829,331)
Paid to employees for services	(12,143,874)	(10,860,431)
Net cash provided by operating activities	17,538,405	18,053,838
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital expenditures for utility plant	(13,672,569)	(14,550,193)
Net proceeds from disposal of assets	7,718	10,223
Capital contributions, connection and facility fees	2,542,460	1,459,823
Special tax receipts	3,279,037	3,221,518
Principal payments on subscription liability	(154,154)	(185,199)
Interest payments on subscription liability	(20,246)	(19,266)
Principal payments on long-term debt	(3,131,389)	(2,915,590)
Interest payments on long-term debt	(2,880,383)	(3,019,795)
Net cash used by capital and related financing activities	(14,029,526)	(15,998,479)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturity of investments	4,000,000	2,500,000
Interest income received	2,490,156	2,233,614
Net cash provided by investing activities	6,490,156	4,733,614
Net increase (decrease) in cash and cash equivalents	9,999,035	6,788,973
CASH AND CASH EQUIVALENTS – Beginning of Year	49,949,964	43,160,991
CASH AND CASH EQUIVALENTS – END OF YEAR	\$ 59,948,999	\$ 49,949,964
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Developer and customer added capital assets	\$ 292,297	\$ 910,996
Recognition of prior period unearned revenues	\$ 4,069,775	\$ 3,941,517
Capital accounts payable and retention	\$ 528,869	\$ 260,813
SBITA assets acquired through subscription based IT arrangements	\$ 175,574	\$ -0-

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

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2025 and 2024

(continued)

	2025	2024
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 9,473,317	\$ 5,415,716
Non-cash items included in operating income		
Depreciation and amortization	8,933,648	8,486,970
Depreciation charged to other accounts	491,668	465,293
Pension GASB 68 valuation	680,118	1,238,338
OPEB GASB 75 valuation	(176,055)	1,203,908
Changes in assets and liabilities		
Accounts receivable and unbilled revenues	86,284	1,421,623
Materials and supplies	(1,330,902)	(303,974)
Prepaid expenses	(967,204)	(109,396)
Accounts payable	522,443	(401,540)
Customer deposits	(326)	149,993
Deferred inflow, leases amortization	(74,542)	(31,089)
Leases receivable	40,248	(3,871)
Other current liabilities and compensated absences	(140,292)	521,867
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 17,538,405	\$ 18,053,838
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEET		
Operating	\$ 15,614,264	\$ 15,024,540
Designated	39,554,657	22,239,996
Restricted funds - current	4,873,352	12,675,995
Operating Investments - non-current	1,395,831	2,938,555
Designated Investments - non-current	2,049,524	4,280,671
Total Cash and Investments	63,487,628	57,159,757
Less: Long-term investments	(3,445,355)	(7,219,226)
Mark to market adjustments	(93,274)	9,433
TOTAL CASH AND CASH EQUIVALENTS	\$ 59,948,999	\$ 49,949,964

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

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ORGANIZATION

The Truckee Donner Public Utility District (the District) was formed and operates under the State of California Public Utility District Act. The District is governed by a board of directors which consists of five elected members. The District provides electric and water service to portions of Nevada and Placer Counties described as Truckee. The electric and water service operations are separately maintained and operated. These financial statements reflect the combined electric and water operations of the District. All significant transactions between electric and water operations have been eliminated. These eliminations include power purchases and rent for shared facilities.

The District's blended component units consist of organizations whose respective governing boards are comprised entirely of the members of the District's Board of Directors and management of the primary government has operational responsibility for each of the component units. These organizations are reported as if they are a part of the District's operations. The entities are legally separate, however, in the case of the Truckee Donner Public Utility District Financing Corporation, financial support has been pledged and financial and operational policies may be significantly influenced by the District. The following is a description of the District's blended component units:

Truckee Donner Public Utility District Financing Corporation is a legal entity that was created to issue and administer Certificates of Participation on behalf of the District. (See note 6).

Truckee Donner Public Utility District Community Facilities District No. 03-1 (Old Greenwood) is a legal entity created to issue special tax bonds to finance various public improvements needed to develop property located within Old Greenwood. (See note 10).

Truckee Donner Public Utility District Community Facilities District No. 04-1 (Gray's Crossing) is a legal entity created to issue special tax bonds to finance various public improvements needed to develop property located within Gray's Crossing. (See note 10).

Separate standalone financial statements are not available for the blended component units described above. Unless noted, disclosures relating to the component units are the same as for the District.

B. ACCOUNTING POLICIES

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

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities, that are a result of exchange and exchange like transactions, are recognized when the exchange takes place.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. USE OF ESTIMATES

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

D. CASH AND CASH EQUIVALENTS

For the purpose of the accompanying statement of cash flows, the District considers all highly liquid instruments with original maturities of three months or less when purchased to be cash equivalents.

E. INVESTMENTS

The District pools cash and investments. The District's investment policy allows for investments in instruments permitted by the California Government Code and/or the investments permitted by the trust agreements on District financing. The District's investment policy contains provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk. Investment income from pooled investments is allocated to all funds in the pool. Interest is allocated on the basis of month end cash amounts for each fund as a percentage of the total balance.

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: 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. The District does not have any investments that are measured using Level 1 or Level 3 inputs.

Changes in fair value that occur during a fiscal year are recognized as investment income (loss) reported for that fiscal year. Investment Income (loss) includes interest earnings, changes in fair value, and any realized gains or losses upon the sale of investments.

F. DESIGNATED ASSETS

The board has designated certain resources for future capital projects, replacements, and operational needs.

G. RESTRICTED ASSETS

Restricted assets are assets restricted by the covenants of long-term financial arrangements or other third-party legal restrictions. Restricted assets are used in accordance with their requirements and where both restricted and unrestricted resources are available for use, restricted resources are used first and then unrestricted as they are needed.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. ACCOUNTS RECEIVABLE AND ALLOWANCES FOR DOUBTFUL ACCOUNTS

Accounts receivable are recorded at the invoiced amount and are reported net of allowances for doubtful accounts of \$31,100 and \$39,900 for 2025 and 2024, respectively. Receivables are considered past due after 30 days and routine collection efforts begin, while remaining consistent with regulatory mandates. District Code allows for the Treasurer to write off delinquent account balances up to 0.17% of the amounts billed. This write-off process occurs semi-annually.

I. MATERIALS AND SUPPLIES

Materials and supplies are recorded at average cost.

J. DEBT PREMIUM, BOND ISSUANCE COSTS, AND DISCOUNTS

Original issue and reacquired bond premiums and discounts relating to revenue bonds are amortized over the terms of the respective bond issues using the effective interest method. Debt issuance costs are expensed in the period incurred.

K. SPECIAL ASSESSMENT RECEIVABLE

Special assessment receivable represents special tax receivables related to community facilities districts. Refer to note 1T and note 10 for additional information.

L. CAPITAL ASSETS

Capital assets are generally defined by the District as assets with an initial, individual cost of more than \$10,000 and an estimated useful life of at least two years.

Capital assets of the District are stated at the lower of cost or the acquisition value at the time of contribution to the District. Major outlays for plant are capitalized as projects are constructed. Depreciation on capital assets is calculated using the straight-line method over the estimated useful lives of the assets, which are as follows:

Distribution Plant	
Electric	23 – 35 years
Water	15 – 40 years
Computer software and hardware	3 – 7 years
Building and improvements	20 – 33 years
Equipment and furniture	4 – 10 years
Subscription Based Information Technology Arrangements (SBITA)	3 – 7 years

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. COMPENSATED ABSENCES

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Leave that is accrued and more likely than not to be used or paid-out has been valued as a compensated absences liability as of year-end. The valuation is measured with year-end rates of pay and includes salary-related payments that are directly and incrementally associated with the accrued leave. The liability is liquidated from general operating revenues of the District.

N. REVENUE RECOGNITION

Unbilled revenues, representing estimated consumer usage for the period between the last meter reading and the end of the period, are accrued in the period of consumption. Water customers without meters are billed on a flat-rate basis, and revenues are recorded as billed. Revenues from connection fees are recognized upon completion of the connection. Income that the District has earned through investing its excess cash is reflected within income from investments when earned.

O. REVENUE AND EXPENSE CLASSIFICATION

The District distinguishes operating revenues and expenses from non-operating items in the preparation of its financial statements. Operating revenues and expenses generally result from providing electric and water services in connection with the District's principal ongoing operations. The principal operating revenues are sales to customers. The District's operating expenses include power purchases, labor, materials, services, and other expenses related to the delivery of electric and water services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses, or capital contributions and other.

P. POWER PURCHASES AND TRANSMISSION

In 1999, the District entered into an agreement with Sierra Pacific Power Company dba NV Energy (SPPC), whereby SPPC will provide transmission services to the District through December 31, 2027. The District uses this transmission service to import energy over SPPC's transmission system to serve District load. In addition, the District purchases scheduling services from Utah Associated Municipal Power Systems (UAMPS) and the scheduling services are included in the monthly power billings from UAMPS. The purchase of transmission services from SPPC represented 8.2% and 3.3% of total purchased power costs in 2025 and 2024, respectively, including Energy Imbalance Market (EIM) cost and credits. Transmission services from SPPC, excluding EIM amounts, represented 5.5% and 5.2% of total purchased power costs in 2025 and 2024, respectively.

In December of 2005, the District entered into an agreement with UAMPS. Subsequently, the District entered several pooling appendices for power capacity and energy that relate to various time periods from January 2008 through March 2028. Also in 2009, the District signed an agreement with UAMPS for approximately 5 MW of the Nebo natural gas generation plant capacity. In August 2012, the Horse Butte Wind project began commercial operation and the District owns approximately 15 MW of nameplate capacity that generates about 5 MW on average. The District has also invested in the Veyo Heat Recovery project that came online in mid-2016. The District receives about 1.7 MW of carbon-free generation from this resource. In September 2019 the District entered into 25-year Purchase Power Agreement with UAMPS for a 6MW share of the Red Mesa Solar Project. The Project was developed by UAMPS and the Navajo Tribal Utility Authority for use by UAMPS members and began providing power in April 2024. The Red Mesa Solar Project price for energy is among the lowest wholesale price paid by the District for any resource. It is estimated that a 6MW share equates to about 10 percent of total annual District energy requirements.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. POWER PURCHASES AND TRANSMISSION (CONTINUED)

In August of 2007, the District entered into an agreement with Western Area Power Administration (WAPA) for the delivery of Stampede Dam Hydroelectric generation. In accordance with this agreement, the District is entitled to a portion of the power generated by Stampede Dam. This generation is dependent upon the amount of water that is made available to the generator. This agreement's term was extended in 2024, with a new effective through date of December 31, 2044.

In 2025 and 2024, the UAMPS contract, along with its appendices, and the WAPA contract for Stampede Dam Hydroelectric generation comprised the majority of a diversified power portfolio that balanced risk and costs for the District.

R. CAP AND INVEST (formerly called CAP AND TRADE) PROGRAM PROCEEDS

California Assembly Bill 32 (AB32) was an effort by the State of California to set a 2020 greenhouse gas (GHG) emissions reduction goal into law. AB32 required California to lower greenhouse gas emissions to 1990 levels by 2020 and program was called 'cap and trade'. California Assembly Bill 1207 rebranded the program to 'cap and invest' and extended the program through 2045. Central to this initiative, the program covers major sources of GHG emissions in the State including power plants. The program is designed to achieve cost-effective emissions reductions across the capped sectors. The program sets maximum statewide GHG emissions for all covered sectors each year ("cap") and allows covered entities to sell off allowances ("invest"). An allowance is a tradable permit that allows the emission of one metric ton of CO₂. The California carbon price is driven by allowance trading. The District is subject to AB1207 and has excess allowances due to reducing carbon-based generation in its power portfolio.

In 2025 and 2024, the District sold its excess allowances in the program auctions and the proceeds of \$291,328 and \$518,027 for the respective years were recorded as operating revenues. The auction proceeds are held in a restricted fund and are used to purchase qualified renewable power. (See note 2)

S. INCOME TAXES

As a government agency, the District is exempt from payment of federal and state income taxes.

T. TAX REVENUES

Beginning in 2004, the District levied ad valorem property tax on all the taxable property within the Old Greenwood District in an amount sufficient to pay the yearly principal and interest on the Special Assessment District Tax Bonds. (See notes 6 and 10). The District had revenues of \$878,816 in 2025 and \$856,587 in 2024.

On January 28, 2014, refunding bonds were sold to a private investment firm and the proceeds were used to call the 2003 Old Greenwood bonds on March 1, 2014. The 2014 refunding bonds have the same rate and method of apportionment conditions on the Old Greenwood properties as the original 2003 bonds.

Beginning in 2005, the District levied ad valorem property tax on all taxable property within the Gray's Crossing District in an amount sufficient to pay the yearly principal and interest on the Special Assessment District Tax Bonds. (See notes 6 and 10). The District had revenues of \$3,467,535 in 2025 and \$3,232,986 in 2024.

Taxes are assessed based on the county tax year ending June 30, resulting in unearned revenues for each of the community facility districts. (See note 8).

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. CONTRIBUTED CAPITAL ASSETS

A portion of the District's capital assets have been obtained through amounts charged to developers for plant constructed by the District; direct contributions of capital assets from developers and other parties; as well as assessments of local property owners. These items are recognized within capital assets as construction is completed for plant constructed by the District based on the cost of the items, when received for contributed capital assets based on the actual or estimated fair value of the contributed items, or upon completion of the related project for development agreements. The District records amounts received within capital contributions when a legally enforceable claim is established. Until the District meets the criteria to record the amounts described above as capital contributions, any amounts received are recorded within unearned revenues on the Statement of Net Position.

V. LEASES

The District, as a lessee, recognizes a lease liability and an intangible right-to-use asset at the commencement of a lease, unless the lease is considered a short-term or transfers ownership of the underlying assets. Right-to-use lease assets are measured based on the net present value of the payments to be made over the term of the agreement, using District's incremental borrowing rate. Re-measurement of the lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability.

The incremental borrowing rate used in determining the present value of lease payments is based on U.S. Treasury rates, corresponding to the same term of lease contracts plus basis points (BSP), determined by the District's historical borrowing spread and similar entities in the utility industry.

Amortization of the discount on the lease liability is reported as an outflow of resources. Payments are allocated first to the accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations and are recognized as outflows of resources in the periods in which the obligation for the payments is incurred.

The District, as a lessor, recognizes a lease receivable and deferred inflows of resources at the commencement of the lease term. The lease receivable is measured using the present value of the lease payments expected to be received for the lease term, based on District's incremental borrowing rate, which approximates the discount rate the District charges the lessee. Leases with provisions for rent changes based on the consumer price index (CPI) or other market indexes, result in additional variable lease revenues that are not included in the measurement of the lease receivables. Deferred inflows of resources are measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term related to future periods.

Amortization of the discount on the lease receivable is reported as interest revenue for that period. Deferred inflows of resources are recognized as lease revenue on a straight-line basis over the term of the lease. Any initial direct costs are reported as an outflow of resources for that period. Re-measurement of lease receivable occurs when there are modifications, including but not limited to changes in the lease charges, lease term, and adding or removing an underlying asset to the lease agreements. In the case of partial or full lease termination, the District will reduce the carrying value of the lease receivable and the related deferred inflow of resources and include a gain or loss for the difference.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

W. LEASES (CONTINUED)

Short-term leases are certain leases that, at the commencement of the lease term, have a maximum possible term under the lease contract of 12 months or less, including any options to extend, regardless of their probability of being exercised. Leases assessed by management as short-term, perpetual, or insignificant are recognized as outflows of resources (expenses) or inflows of resources (revenue) based on the payment provisions of the lease agreement.

X. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

The District uses various SBITA assets, such as software as a service. The related obligations are presented in amounts equal to the present value of subscription payments, payable during the remaining SBITA term. SBITA assets are reported with capital assets (see note 4) and SBITA liabilities are reported with liabilities on the statement of net position (see note 7).

Y. PENSION

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employee's Retirement System (CalPERS) plans (Plans) and the additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Z. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Deferred Outflows of Resources: This separate financial statement element represents consumption of net assets that applies to future periods and so will not be recognized until that time.

Deferred Inflows of Resources: This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources until that time.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AA. UNAMORTIZED LOSS ON BOND REFUNDING

For current and advanced refunding results in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt (gain or loss) is deferred and amortized as a component of interest expense over the remaining life of the old debt or the new debt, whichever is shorter. These amounts are reported as deferred outflow on the statements of net position.

BB. COMPARATIVE INFORMATION

Comparative data for the prior year has been presented in certain sections of the accompanying financial statements to provide an understanding of changes in the District's financial position and operations. Certain amounts presented in the prior year have been reclassified to be consistent with the current year's presentation.

CC. RECENT ACCOUNTING PRONOUNCEMENTS IMPLEMENTED BY THE DISTRICT

GASB Statement No. 102, Certain Risk Disclosures. The primary objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The District has implemented this statement. See Note 17 for more information.

DD. ACCOUNTING PRONOUNCEMENTS TO BE IMPLEMENTED IN UPCOMING YEARS

These statements are not effective until January 1, 2026 or later and may be applicable for the District. The District has not determined what impact, if any, these pronouncements will have on the financial statements.

GASB Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB Statement No. 104, Disclosure of Certain Capital Assets. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB Statement No. 105, Subsequent Events. The primary objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash, cash equivalents and investments are recorded in accounts as either restricted or unrestricted as required by the District's certificates of participation indentures or other third-party legal restrictions. Restricted assets represent funds that are restricted by certificates of participation covenants or third-party contractual agreements. Assets that are allocated by resolution of the Board of Directors are considered to be Board designated assets. Board designated assets are a component of unrestricted assets as their use may be redirected at any time by approval of the Board. Upon Board approval, assets from board designated accounts may be used to pay for selected capital projects. Such accounts have been designated by the Board for the following purposes:

Electric Capital Replacement

Starting in 2009, the Board set aside funds designated for future electric infrastructure replacement.

Electric Vehicle Reserve

Beginning in 2009, the Board set aside funds designated for future electric utility vehicle replacements.

Electric Rate Reserve

In compliance with Board rules, the District created an electric rate stabilization fund in anticipation of future costs. In 2024, there was \$2.36 million utilization of these funds to offset increased power costs in 2023 and January 2024 (cash flow in 2024) in lieu of directly all-at-once raising electric rates. Recovery of this utilization is planned over four years and included in the current rates approved (2024 and 2025). There was no utilization of this reserve in 2023.

Water Vehicle Reserve

Beginning in 2009, the Board set aside funds designated for future water utility vehicle replacements.

Water Capital Replacement

Starting in 2021, the Board set aside funds designated for future water infrastructure replacement.

Prepaid Connection Fees

In compliance with Board rules, the District has set aside prepaid connection fees to cover installation costs of water services.

Donner Lake Assessment District Surcharge Fund

The District established a monthly water billing surcharge in the amount of \$6.65 applicable to customers in the Donner Lake area to provide revenue to pay the remainder of the cost of reconstruction effective October 2006.

Deferred Liabilities Reserve, Electric and Water

Starting in 2017, the Board established a reserve to protect the District from volatility in pension, other post-employment benefits, and worker's compensation premiums.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

As of December 31, Board designated accounts at fair value consisted of the following:

	<u>2025</u>	<u>2024</u>
Electric capital replacement fund	\$ 22,341,903	\$ 10,807,265
Electric vehicle reserve	2,369,280	1,932,621
Electric rate reserve	7,207,040	5,996,205
Electric deferred liabilities reserve	2,369,514	2,267,444
Water vehicle reserve	503,750	728,607
Water capital replacement	6,399,882	4,356,899
Prepaid connection fees	39,312	88,057
Donner Lake Assessment District surcharge fund	247,713	223,320
Water deferred liabilities reserve	125,787	120,249
Totals	<u>\$ 41,604,181</u>	<u>\$ 26,520,667</u>

Certain assets have been restricted by bond covenants or third-party contractual agreements for the following purposes:

Certificates of Participation

Prepayments to the Trustee from the District for upcoming debt payments and unspent debt project proceeds of \$0 and \$7,039,834 on December 31, 2025 and 2024, respectively.

Special Tax Bonds

The terms of the special tax bonds issued for the Mello-Roos Community Facilities Districts (CFD) require reserve funds as security for each principal and interest payment as they come due. Reserve funds are set aside as prescribed in the loan documents. These reserve funds are held by Bank of New York Mellon Trust Company.

Facilities Fees

The District charges facilities fees to applicants for new service to cover the costs of infrastructure needed to meet their systems demand. The use of such funds is restricted by California state law.

California Cap and Invest (formerly called Cap and Trade) Trade Auction Fund

The District electric utility is identified as an “Electric Distribution Utility” under the Cap and Invest regulations and is therefore eligible to receive a direct allocation of allowances that can be sold in an auction. The proceeds from quarterly allowance auctions are held in this restricted fund and are used to purchase qualified renewable power. These funds are intended to mitigate the burden on the consumer without impacting a carbon price signal.

Low Carbon Fuel Standard (LCFS) Credits

Proceeds from credit sales are only allowed to be used towards efforts that promote and/or facilitate transportation electrification within the District’s service territory.

Other (Area Improvement Funds)

The District received funds from the County of Nevada, which are to be used only for improvements to specific areas within the District’s boundaries in Nevada County. These areas include various Nevada County assessment districts.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

As of December 31, restricted cash and cash equivalents and investments at fair value consisted of the following:

	2025	2024
Certificates of Participation	\$ 330,248	\$ 7,356,094
Special tax bonds	1,889,715	1,972,161
Facilities fees	1,993,525	2,560,379
Cap and Invest Auction fund	341,584	481,113
Other (area improvement funds)	201,148	194,192
LCFS Credits	117,132	112,056
Total Restricted Cash and Cash		
Equivalents and Investments	\$ 4,873,352	\$ 12,675,995

Cash and investments are comprised of the following cash and cash equivalents and investments as of December 31:

	2025	2024
Cash and cash equivalents	\$ 60,042,273	\$ 49,940,531
Investments – government bonds	3,445,355	7,219,226
Totals	\$ 63,487,628	\$ 57,159,757

Cash equivalents substantially consist of deposits in the state pooled fund, Placer County pooled fund, money market funds and investments.

Adjustments necessary to record investments at fair market value are recorded in the operating statement as increases or decreases in investment income. Fair values may have changed significantly after year end.

FAIR VALUE MEASUREMENT

The District applies the provisions of Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, which requires governmental entities, to report certain investments at fair value on the Statements of Net Position.

Investments are valued at fair value at December 31. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices for identical instruments in active markets. Level 2 inputs are quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model derived valuations in which all significant inputs are observable. Level 3 inputs are valuations derived from valuation techniques in which significant inputs are unobservable.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

FAIR VALUE MEASUREMENT (CONTINUED)

The District classifies its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The District has the following fair value measurements as of December 31, 2025:

- US Government bonds and agency securities are valued using observable inputs (Level 2 inputs).

INVESTMENTS AUTHORIZED BY THE DISTRICT'S INVESTMENT POLICY

The District adopted an investment policy in 2006 which allowed for investments in instruments permitted by the California Government Code and/or the investments permitted by the trust agreements on District financing, including investments in the local government investment fund pool administered by the State of California (LAIF), Placer County Treasurer's Investment Portfolio (PCTIP) pooled investment, Utah Public Treasurers' Investment Fund (UPTIF), and California Cooperative Liquid Assets Securities System (California CLASS). The District's investment policy contains provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk. At December 31, 2025 and 2024 the District's deposits and investments at fair value were held as follows:

	2025	2024
Cash on hand	\$ 2,400	\$ 2,400
Deposits	2,298,397	2,484,475
LAIF	26,054,124	25,999,121
PCTIF	3,509,338	3,342,552
California CLASS	18,681,135	8,829,839
UPTIF	8,838,916	8,566,240
Money Market Funds	657,963	715,903
U.S. Government Agency Securities	2,460,968	6,256,663
U.S. Government Bonds	984,387	962,564
Totals	\$ 63,487,628	\$ 57,159,757

DISCLOSURES RELATING TO INTEREST RATE RISK

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater is the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the District's investments by maturity for 2025 and 2024:

	Maturity as of December 31,	
	2025	2024
Investments and Deposits		
LAIF	3 months or less	3 months or less
PCTIF	3 months or less	3 months or less
California CLASS	3 months or less	3 months or less
UPTIF	3 months or less	3 months or less
Federated U.S. Treasury Cash Reserve	3 months or less	3 months or less
Morgan Stanley Treasury	3 months or less	3 months or less
Fidelity Money Market Government Portfolio 57	3 months or less	3 months or less
Dreyfus Treasury Securities	3 months or less	3 months or less
Federal U.S Treasury Bonds	9 months or less	1.0 to 1.5 years
Federal Agencies Bonds	9 months or less	1.0 to 1.5 years
Bank Certificates of Deposit (FDIC Insured)	9 months or less	1.0 to 1.5 years

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

DISCLOSURES RELATING TO CREDIT RISK

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF, PCTIP, UPTIF, and California CLASS do not have a rating provided by a nationally recognized statistical rating organization. The Morgan Stanley Treasury is rated AAAm by S&P and Aaa-mf by Moody's. The Federated U.S. Treasury Cash Reserve is rated AAAm by S&P and Aaa-mf by Moody's. Federal Farm Credit Banks is rated AA+ by S&P and Aaa by Moody's. The Dreyfus Treasury Securities is rated Aaa-mf by Moody's and AAAm by S&P. The Fidelity Money Market is rated AAA-mf by Moody's and AAAm by S&P.

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposit made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless waived by the government unit). The fair value of pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. As of December 31, 2025 and 2024 bank deposits exceeded FDIC insurance coverage by \$2,267,440 and \$2,261,014 respectively.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker/dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities using mutual funds or governmental investment pools (such as LAIF).

DEPOSIT IN STATE INVESTMENT POOL

The District is a voluntary participant in the Local Agency Investment Fund (LAIF). This investment fund has an equity interest in the State of California's (State's) Pooled Money Investment Account (PMIA). PMIA funds are on deposit with the State's Centralized Treasury System and are managed in compliance with the California Government Code according to a statement of investment policy which sets forth permitted investment vehicles, liquidity parameters, and maximum maturity of investments. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the LAIF for the entire LAIF portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by the LAIF, which are recorded on an amortized cost basis.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

DEPOSIT IN PLACER COUNTY TREASURER INVESTMENT POOL

The District is a voluntary participant in the Placer County Investment Portfolio (PCTIP). The District is eligible to participate in PCTIP because a portion of the District's service area is in Placer County. Investments are on deposit with the Placer County Treasurer and are managed in compliance with the California Government Code according to a statement of investment policy which sets forth permitted investment vehicles, liquidity parameters, and maximum maturity of investments. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by Placer County Treasurer for the entire PCTIP (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by the Placer County Treasurer, which are recorded on an amortized cost basis.

DEPOSIT IN UTAH PUBLIC TREASURERS' INVESTMENT FUND

The District is a voluntary participant in the Utah Public Treasurers' Investment Fund (UPTIF). The District is eligible to participate in UPTIF through its membership with Utah Associated Municipal Power Systems (UAMPS). Investments are on deposit with State of Utah public treasury and investments are restricted to those authorized by the Utah Money Management Act and rules of the Money Management Council of Utah. The fair value of the District's investments in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by UPTIF through UAMPS Member Retention Fund.

DEPOSIT IN CALIFORNIA COOPERATIVE LIQUID ASSETS SECURITIES SYSTEM

The District is a voluntary participant in the California Cooperative Liquid Assets Securities System (California CLASS). The District is eligible to participate through its membership in California CLASS, a Joint Powers Authority investment pool as set forth in Section 53601(p) of the California Government Code. California CLASS provides public agencies the opportunity to invest funds on a cooperative basis in rated pools that are managed in accordance with state law with the primary objectives of offering participants safety, daily and next-day liquidity, and optimized returns. The District participates in the Prime Fund of California Class which has an AAAM rating by S&P Global Ratings

NOTE 3 – TELECOMMUNICATION SERVICES

In 1999, the District initiated a project to expand its basic service offerings to include internet access, cable television and voice delivered over fiber optic networks (the broadband project). The District completed the broadband design project and obtained the necessary regulatory approvals and franchises needed to construct and launch the broadband project. A local cable television service provider filed an objection in September 2004 with the Nevada County Local Agency Formation Commission (LAFCO), the entity responsible for providing regulatory approval for the broadband project. After denying the cable television provider's request for a reconsideration of their approval of the District's project, the cable television provider filed a lawsuit against LAFCO. The District was not named in the lawsuit. A ruling on the lawsuit was received in January 2006. LAFCO prevailed on all portions of the cable television provider's claim. The cable television provider filed an appeal; however, in June of 2007, the Court ruled in favor of LAFCO, upholding the initial ruling. Since 2009, the District has been exploring options to sell or lease the existing infrastructure to provide a return on investment in the project. Expenses incurred by the District to date on the broadband project total \$2,834,079. In 2025 and 2024 there were no material expenditures for this project. In 2026, the District signed an updated Memorandum of Understanding with Plumas Sierra Telecommunications to offer services utilizing these four fibers from Reno to Sacramento in future years.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 4 – CAPITAL ASSETS

Capital assets consist of the following at December 31, 2025 and 2024:

	January 1, 2025	Additions	Reductions	December 31, 2025
Plant Balances				
Electric distribution	\$ 89,304,756	\$ 4,875,808	\$ (710,292)	\$ 93,470,272
Water distribution	153,218,962	5,090,387	(1,121,405)	157,187,944
General plant	22,377,460	2,144,528	(121,297)	24,400,691
SBITA	627,600	178,626	-	806,226
Total	265,528,778	12,289,349	(1,952,994)	275,865,133
Accumulated Depreciation and Amortization				
Electric distribution	(29,381,810)	(3,114,579)	1,025,417	\$ (31,470,972)
Water distribution	(69,419,305)	(5,193,283)	1,121,405	(73,491,183)
General plant	(14,891,329)	(971,274)	109,169	(15,753,434)
SBITA	(346,597)	(142,282)	-	(488,879)
Total	(114,039,041)	(9,421,418)	2,255,991	(121,204,468)
Plant Sub-Total				
Electric distribution	59,922,946	1,761,229	315,125	61,999,300
Water distribution	83,799,657	(102,896)	-	83,696,761
General plant	7,486,131	1,173,254	(12,128)	8,647,257
SBITA	281,003	36,344	-	317,347
Total	151,489,737	2,867,931	302,997	154,660,665
Construction work in progress	3,697,906	17,107,999	(15,288,796)	5,517,109
Totals	\$ 155,187,643	\$ 19,975,930	\$ (14,985,799)	\$ 160,177,774

	January 1, 2024	Additions	Reductions	December 31, 2024
Plant Balances				
Electric distribution	\$ 84,810,518	\$ 5,080,508	\$ (586,270)	\$ 89,304,756
Water distribution	142,310,579	11,418,635	(510,252)	153,218,962
General plant	20,978,206	1,565,135	(165,881)	22,377,460
SBITA	627,600	-	-	627,600
Total	248,726,903	18,064,278	(1,262,403)	265,528,778
Accumulated Depreciation and Amortization				
Electric distribution	(27,377,063)	(2,937,875)	933,128	(29,381,810)
Water distribution	(64,952,166)	(4,977,391)	510,252	(69,419,305)
General plant	(14,223,620)	(889,511)	149,294	(14,891,329)
SBITA	(134,658)	(139,431)	-	(346,597)
Total	(106,687,507)	(8,944,208)	1,592,674	(114,039,041)
Plant Sub-Total				
Electric distribution	57,433,455	2,142,633	346,858	59,922,946
Water distribution	77,358,413	6,441,244	-	83,799,657
General plant	6,754,586	675,624	(16,587)	7,486,131
SBITA	492,942	(139,431)	-	281,003
Total	142,039,396	9,120,070	330,271	151,489,737
Construction work in progress	6,631,266	13,081,887	(16,015,247)	3,697,906
Totals	\$ 148,670,662	\$ 22,201,957	\$ (15,684,976)	\$ 155,187,643

In accordance with FERC guidelines for utility accounting, additional activity is reflected in the accumulated depreciation accounts for retirement costs related to upgrading capital investment projects and replacing electric distribution, metering and general assets. Accordingly, the retirement costs are reported as part of the change in accumulated depreciation.

As of December 31, 2025 and 2024, the plant in service included land and land rights of \$3,318,346 which are not being depreciated. A portion of the plant has been contributed to the District. When replacement is needed, the District replaces the contributed plant with District-financed plant.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 5 – LEASES RECEIVABLE

The District is reporting leases receivable of \$1,392,482 (split between current amount \$46,892 and non-current amount of \$1,345,590) as of December 31, 2025. For 2025, the District reported lease revenue (as a component of other operating revenues) of \$76,806 and interest income of \$60,237 related to lease payments received. Comparatively, as of December 31, 2024, the District reported leases receivable of \$1,432,730 (split between current amount of \$42,376 and non-current amount of \$1,390,354) and lease revenue (as a component of other operating revenues) of \$73,695 and interest income of \$61,129. The leases receivable are comprised of four cellular and or radio towers, each with five year initial terms, and include renewal increments of up to five, each with five year increments. The District is reasonably certain each of the lessees will renew respective lease for the available extensions.

As of December 31, 2025, future minimum lease payments due to the District are as follows:

Year Ending	Amount
2026	\$ 105,445
2027	108,265
2028	111,162
2029	96,867
2030	99,405
2031 - 2035	478,698
2036 - 2040	460,856
2041 - 2045	521,415
2046 - 2047	133,821
Total Lease Payments	<u>2,115,934</u>
Less Interest	(723,452)
Present value of leases receivable	<u>\$ 1,392,482</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 6 – LONG-TERM DEBT

Long-term debt consisted of the following at December 31, 2025:

	January 1, 2025	Additions	Reductions	December 31, 2025	Due within one year
Special Tax Bonds – Mello Roos, CFD Old Greenwood, 4.18%, due serially to 2032	\$ 6,357,300	\$ -	\$ (611,100)	\$ 5,746,200	\$ 655,600
Special Tax Bonds – Mello Roos, CFD Gray's Crossing, 3.25% to , 5.7%, due serially to 2035 (net of unamortized discounts of \$45,258)	10,850,055	-	(615,313)	10,234,742	685,000
Special Tax Bonds – Mello Roos, CFD Gray's Crossing, 3.50% to 5.50%, due serially to 2035 (net of unamortized discounts of \$5,001)	13,114,481	-	(769,482)	12,344,999	840,000
Certificates of Participation – Water, 2.00% to 4.00%, due serially to 2035 (net premiums of \$258,915)	8,975,933	-	(737,018)	8,238,915	735,000
Certificates of Participation Water, 4.00% to 5%, due semiannually to 2052, secured by real and personal property. (net premiums of \$1,238,955)	15,640,708	-	(301,753)	15,338,955	265,000
Certificates of Participation Electric, 4.00% to 5%, due semiannually to 2052, secured by real and personal property. (net premiums of \$221,222)	6,416,511	-	(165,289)	6,251,222	160,000
Totals	<u>\$ 61,354,988</u>	<u>\$ -</u>	<u>\$ (3,199,955)</u>	<u>\$ 58,155,033</u>	<u>\$ 3,340,600</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 6 – LONG-TERM DEBT (Continued)

Long-term debt consisted of the following at December 31, 2024:

	<u>January 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>December 31, 2024</u>	<u>Due within one year</u>
Special Tax Bonds – Mello Roos, CFD Old Greenwood, 4.18%, due serially to 2032	\$ 6,927,600	\$ -	\$ (570,300)	\$ 6,357,300	\$ 611,100
Special Tax Bonds – Mello Roos, CFD Gray's Crossing, 3.25% to , 5.7%, due serially to 2035 (net of unamortized discounts of \$49,945)	11,405,368	-	(555,313)	10,850,055	620,000
Special Tax Bonds – Mello Roos, CFD Gray's Crossing, 3.50% to 5.50%, due serially to 2035 (net of unamortized discounts of \$5,519)	13,823,963	-	(709,482)	13,114,481	770,000
Certificates of Participation – Water, 2.00% to 4.00%, due serially to 2035 (net premiums of \$285,933)	9,682,951	-	(707,018)	8,975,933	710,000
Certificates of Participation Water, 4.00% to 5%, due semiannually to 2052, secured by real and personal property. (net premiums of \$1,285,708)	15,927,461	-	(286,753)	15,640,708	255,000
Certificates of Participation Electric, 4.00% to 5%, due semiannually to 2052, secured by real and personal property. (net premiums of \$231,511)	6,571,801	-	(155,290)	6,416,511	155,000
Totals	<u>\$ 64,339,144</u>	<u>\$ -</u>	<u>\$ (2,984,156)</u>	<u>\$ 61,354,988</u>	<u>\$ 3,121,100</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 6 – LONG-TERM DEBT (Continued)

During December 2003, the Old Greenwood Community Facilities District issued \$12,445,000 of Special Tax Bonds, the net proceeds of which were utilized to finance various public improvements for property within Old Greenwood. (See note 10). The terms of the Special Tax Bonds call for debt service payments to be provided solely by taxes levied on and collected from the owners of the taxable land within Old Greenwood. The bonds are secured by land located within Old Greenwood.

In January 2014, the original 2003 bonds issued for the Old Greenwood Community Facilities District were refunded (refinanced) by issuing 2014 bonds to a private investment firm at a lower rate, saving the property owners in Old Greenwood over \$3 million over the term of the bonds. The 2014 bonds did not require a reserve fund. Therefore, the reserve fund of the 2003 bonds was utilized to reduce the principal. The 2014 bonds have similar terms and have the same rate and method of apportionment for the Old Greenwood parcel owners as the original 2003 bonds.

During 2005 and 2004 respectively, the Gray's Crossing Community Facilities District issued \$15,375,000 and \$19,155,000 of Special Tax Bonds, the net proceeds of which were utilized to finance various public improvements for property within Gray's Crossing. (See note 10). The terms of the Special Tax Bonds call for debt service payments to be provided solely by taxes levied on and collected from the owners of the taxable land within Gray's Crossing. The bonds are secured by land located within Gray's Crossing.

On October 12, 2006, through the Truckee Donner Public Utility District Financing Corporation on behalf of the District issued \$26,570,000 of Certificates of Participation to refund 100% of the outstanding balance of Certificates issued in 1996, complete the funding of the Donner Lake Assessment District water system, and fund water system capital improvements. The refunding portion of the 2006 COP's, totaling \$8,465,000, has an average interest rate of 4.10%. The refunded 1996 COP's had an average interest rate of 5.41%. The net proceeds of \$7,500,557 (after payment of \$63,733 in underwriting fees, insurance and other issuance costs) plus an additional \$1,315,194 of reserve fund monies were used to prepay the outstanding debt service requirements on the 1996 COP's. The terms of the Certificates call for payments to be made only from the net revenues of the Water Division and the debt is secured by this revenue. These revenues are required to be at least equal to 125% of the debt service for each year.

Donner Lake Assessment District property owners pay a monthly \$6.65 water system upgrade surcharge throughout the 30-year term of the 2006 COP to reimburse the District for the \$2.6 million cost incurred in excess of the 20-year tax assessment that ended in 2022.

In 2015, a portion of the 2006 COP was refunded. Since a portion of the 2006 COP was used for advance refunding of previous COP, that portion could not be advance refunded at the time of the refunding. The new 2015 refunding did not require a reserve fund. The reserve fund was liquidated and applied towards reducing the debt principal. The estimated net present value savings were \$1,600,000 or 10% over the remaining life of issuance.

In 2016, the remaining portion of the 2006 COP was refunded. Due to the refunding an estimated net present value savings of \$222,000 was achieved.

In 2022, through the Truckee Donner Public Utility District Financing Corporation on behalf of the District, issued Water and Electric Certificates of Participation of \$14,825,000 and \$6,470,000, respectively, with average interest rate of 4.2% and 4.1% respectively. The purposes of the issuances were to fund capital improvement projects.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 6 – LONG-TERM DEBT (Continued)

Scheduled debt service payments by year by principal, interest, and total are:

<u>Year(s)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 3,340,600	\$ 2,740,540	\$ 6,081,140
2027	3,583,700	2,578,999	6,162,699
2028	3,840,200	2,405,400	6,245,600
2029	4,084,800	2,224,936	6,309,736
2030	4,371,800	2,030,352	6,402,152
2031-2035	22,495,100	6,814,654	29,309,754
2036-2040	3,760,000	3,152,055	6,912,055
2041-2045	4,690,000	2,220,675	6,910,675
2046-2050	4,550,000	1,072,782	5,622,782
2051-2052	1,770,000	133,750	1,903,750
	<u>\$ 56,486,200</u>	<u>\$ 25,374,143</u>	<u>\$ 81,860,343</u>
Plus: Unamortized premiums	1,719,092		
Less: Unamortized discounts	(50,259)		
	<u>\$ 58,155,033</u>		

Scheduled debt service payments by division are:

<u>Year(s)</u>	<u>Electric</u>	<u>Water</u>	<u>CFD Gray's Crossing</u>	<u>CFD Old Greenwood</u>	<u>Consolidated Total</u>
2026	\$ 429,181	\$ 1,984,438	\$ 2,771,730	\$ 895,791	\$ 6,081,140
2027	431,181	1,986,788	2,823,243	921,487	6,162,699
2028	432,681	1,987,188	2,882,368	943,363	6,245,600
2029	428,681	1,981,600	2,933,268	966,187	6,309,736
2030	429,431	1,982,650	2,995,943	994,128	6,402,152
2031-2035	2,150,655	9,200,825	15,905,750	2,052,524	29,309,754
2036-2040	2,146,205	4,765,850	-	-	6,912,055
2041-2045	2,149,175	4,761,500	-	-	6,910,675
2046-2050	860,532	4,762,250	-	-	5,622,782
2051-2052	-	1,903,750	-	-	1,903,750
Totals	<u>\$ 9,457,722</u>	<u>\$ 35,316,839</u>	<u>\$ 30,312,302</u>	<u>\$ 6,773,480</u>	<u>\$ 81,860,343</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 7 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

A summary of subscription-based information technology arrangements (SBITA) transactions for the year ending December 31, 2025 and 2024 respectively, are as follows:

Subscription Liability:	January 1, 2025	Additions	Reductions	December 31, 2025
Security Software	\$ 28,630	\$ -	\$ (28,630)	\$ -
Microsoft Cloud Software	196,239	-	(62,658)	133,581
GIS Software	-	84,299	(29,300)	54,999
Call Center Software	14,385	52,200	(22,347)	44,238
Financial Reporting Software	-	39,075	(8,167)	30,908
Totals	<u>\$ 239,254</u>	<u>\$ 175,574</u>	<u>\$ (151,102)</u>	<u>\$ 263,726</u>

	January 1, 2024	Additions	Reductions	December 31, 2024
Security Software	\$ 56,071	\$ -	\$ (27,441)	\$ 28,630
Microsoft Cloud Software	309,499	-	(113,260)	196,239
GIS Software	26,118	-	(26,118)	-
Call Center Software	32,765	-	(18,380)	14,385
Totals	<u>\$ 424,453</u>	<u>\$ -</u>	<u>\$ (185,199)</u>	<u>\$ 239,254</u>

The District has entered various SBITA contracts with subscription liability amounts indicated above. For all SBITA arrangements, the District has utilized an interest discount rate based on the estimated incremental borrowing rate of the District for similar asset types and terms. SBITA payment amounts vary by SBITA, some are annual and some are monthly. In 2025 and 2024, there were no variable payment outflows of resources not included in the subscription liability.

The future subscription and interest subscription payments as of December 31, 2025 follows:

For the Year Ended December 31	Principal	Interest	Total
2026	\$ 115,783	\$ 11,078	\$ 126,861
2027	121,889	6,043	127,932
2028	17,551	833	18,384
2029	8,503	336	8,839
	<u>\$ 263,726</u>	<u>\$ 18,290</u>	<u>\$ 282,016</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 8 – UNEARNED REVENUES

Transactions that have not yet met revenue recognition requirements are recorded as a non-current liability and reflected in the accompanying Statement of Net Position. As of December 31, 2025 and 2024, unearned revenues consist of unearned special assessment revenues, development agreement deposits, connection fees, and other deposits.

Unearned revenues consisted of the following at December 31, 2025 and 2024:

	January 1, 2025	Additions	Reductions	December 31, 2025
Unearned tax revenues	\$ 2,148,654	\$ 2,197,706	\$ (2,148,663)	\$ 2,197,697
Development agreement deposits	1,854,568	1,815,332	(850,578)	2,819,322
Connection fees and other deposits	1,419,459	1,474,698	(1,070,534)	1,823,623
Totals	<u>\$ 5,422,681</u>	<u>\$ 5,487,736</u>	<u>\$ (4,069,775)</u>	<u>\$ 6,840,642</u>

	January 1, 2024	Additions	Reductions	December 31, 2024
Unearned tax revenues	\$ 1,940,924	\$ 2,148,662	\$ (1,940,932)	\$ 2,148,654
Development agreement deposits	1,754,977	886,763	(787,172)	1,854,568
Connection fees and other deposits	1,618,598	1,014,274	(1,213,413)	1,419,459
Totals	<u>\$ 5,314,499</u>	<u>\$ 4,049,699</u>	<u>\$ (3,941,517)</u>	<u>\$ 5,422,681</u>

NOTE 9 – COMPENSATED ABSENCES

	January 1, 2025	Additions*	Reductions*	December 31, 2025	Due within one year
Electric	\$ 1,095,058	\$ 207,758		\$ 1,302,816	\$ 464,022
Water	1,092,430	51,568		1,143,998	372,437
Total	<u>\$ 2,187,488</u>	<u>\$ 259,326</u>	<u>\$ -</u>	<u>\$ 2,446,814</u>	<u>\$ 836,459</u>
	January 1, 2024	Additions*	Reductions*	December 31, 2024	Due within one year
Electric	\$ 966,587	\$ 128,471		\$ 1,095,058	\$ 399,178
Water	1,049,631	42,799		1,092,430	389,646
Total	<u>\$ 2,016,218</u>	<u>\$ 171,270</u>	<u>\$ -</u>	<u>\$ 2,187,488</u>	<u>\$ 788,824</u>

* The change in the compensated absences liability is presented as a net change.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 10 – COMMUNITY FACILITIES DISTRICTS

To finance various public improvements needed to develop property within the Town of Truckee, California, the District formed Community Facilities Districts (CFD), which issued Special Tax Bonds pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. Accordingly, the Bonds are special obligations of the respective Community Facilities Districts and are payable solely from revenues derived from taxes levied on and collected from the owners of the taxable land within the respective Community Facilities Districts. These Special Tax Bonds are not general or special obligations of the District. The Board of Directors of the District is the legislative body of each of the CFD and as such they approve the rates and method of apportionment of the special taxes and management of the District has operational responsibility for each of the CFD. As improvements at each CFD were completed, the infrastructure was donated in the form of a capital contribution to the Town of Truckee, the Truckee Sanitary District, Southwest Gas, and the District.

In December 2003, the Community Facilities District No. 03-1 (Old Greenwood) was formed and issued \$12,445,000 in Special Tax Bonds (the 03-1 Bonds). In January 2014, the original 2003 bonds were refunded (refinanced) by issuing 2014 bonds to a private investment firm at a lower rate, saving the property owners in Old Greenwood over \$3 million over the term of the bonds. The 2014 bonds have similar terms and have the same rate and method of apportionment for the Old Greenwood parcel owners as the original 2003 bonds.

During 2025 and 2024 respectively, taxes of \$893,506 and \$864,116 were levied by Old Greenwood. Of these amounts, \$446,764 and \$432,052 relate to 2025 and 2024 respectively, and accordingly are included in tax revenues in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. The remaining amount will be recognized in future periods and are included in unearned revenues on the accompanying Statement of Net Position.

In September 2004, the Community Facilities District No. 04-1 (Gray's Crossing) was formed and issued \$15,375,000 in Special Tax Bonds (the 04-1 Bonds). In 2005, an additional \$19,155,000 (2005 Series) in Special Tax Bonds was issued for the Gray's Crossing CFD. During the county tax roll for 2025 and 2024, taxes of \$3,501,871 and \$3,433,207 respectively were levied by Gray's Crossing. Of this amount, \$1,750,933 and \$1,716,602 relate to 2025 and 2024 respectively, and accordingly, are included in tax revenues. The remaining levied amount through the county tax roll will be recognized in future periods and is included in unearned revenues on the accompanying Statement of Net Position.

Due to consistently high tax levy payment delinquencies, Gray's Crossing made an unscheduled reserve fund draw to fund debt payments of \$171,894 and \$243,926, for 2025 and 2024 respectively. Gray's Crossing Reserve Fund balance as of year-end December 31 was \$1,830,648 and \$1,919,902 for 2025 and 2024 respectively.

The official statements and continuing disclosures may be viewed on the web site of Electronic Municipal Market Access (EMMA) of the Municipal Securities Rulemaking Board (MSRB), <http://emma.msrb.org/>. The Committee on Uniform Securities Identification Procedures number (CUSIP) for these special tax bonds is CUSIP 897817.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS

A. PENSION PLANS

Plan Description – All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual costs of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefits are Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law. The 2.7% at 55 Miscellaneous Plan is closed to new entrants.

The plans’ provisions and benefits in effect on December 31, 2025 are summarized as follows:

Hire Date	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	2.7% @ 55	2% @ 62
Benefit Vesting Schedule	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life
Retirement Age	50 and Up	52 and Up
Monthly Benefits, as a % of eligible compensation	2.0% - 2.7%	1.0% to 2.5%
Required Employee Contributions Rates	8.00%	7.75%
Required Employer Contributions Rates	15.17%	7.68%

Contributions – Section 208149(c) of the California Public Employee’s Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS.

The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions shown below are for the fiscal year ending June 30, 2025 and 2024, respectively.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

A. PENSION PLANS (CONTINUED)

Hire Date Benefit Formula	Miscellaneous		Combined Total
	Prior to January 1, 2013 2.7% @ 55	On or after January 1, 2013 2% @ 62	
2025 Employer Contributions	\$ 327,528	\$ 322,131	\$ 649,659
2024 Employer Contributions	1,630,771	229,800	1,860,571
Fiscal Year End 6/30/2025 Total	1,958,299	551,931	2,510,230
2024 Employer Contributions	304,403	272,420	576,823
2023 Employer Contributions	1,430,861	213,859	1,644,720
Fiscal Year End 6/30/2024 Total	\$ 1,735,264	\$ 486,279	\$ 2,221,543

B. PENSION LIABILITIES, PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS

As of December 31, 2025, the District reported net pension liabilities for its proportionate shares of the net pension liability as follows:

Proportionate Share of Net Pension Liability	
Fiscal Year Ending	
June 30, 2025	June 30, 2024
\$15,766,306	\$18,001,154

The District's net pension liability is measured as a proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024 rolled forward to June 30, 2025 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan for the measurement date of June 30, 2025 and June 30, 2024 is as follows:

Measurement Date	Percentage Share of Risk Pool		
	June 30, 2025	June 30, 2024	Change
Percentage of Plan NPL	0.39522%	0.37219%	0.02303%

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

B. PENSION LIABILITIES, PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS (Continued)

At December 31, 2025 and 2024 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,889,182	\$ -
Net differences between projected and actual investment earnings	-	2,133,354
Differences between employer's contributions and proportionate share of contributions	99,252	0
Change in employer's proportion	36,299	135,282
Pension contributions made subsequent to the measurement date	2,162,063	-
Total	\$ 4,186,796	\$ 2,268,636

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 462,667	\$ -
Differences between expected and actual experience	1,556,365	60,728
Net differences between projected and actual investment earnings	1,036,304	-
Differences between employer's contributions and proportionate share of contributions	34,845	134,816
Change in employer's proportion	82,555	4,685
Pension contributions made subsequent to the measurement date	1,860,619	-
Total	\$ 5,033,355	\$ 200,229

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

B. PENSION LIABILITIES, PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS (Continued)

For the December 31, 2025 and 2024 balances of deferred outflows and inflows of resources, \$2,162,063 and \$1,860,619 respectively, is reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the years ended December 31, 2025 and 2024 respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Reporting Period December 31, 2025		Reporting Period December 31, 2024	
Year Ended December 31	Amounts	Year Ended December 31	Amounts
2026	\$ 1,976,827	2025	\$ 966,240
2027	(468,125)	2026	2,333,178
2028	(938,215)	2027	28,219
2029	(814,390)	2028	(355,130)
	\$ (243,903)		\$ 2,972,507

Actuarial Assumptions – The total pension liabilities in the June 30, 2025 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous 2025
Valuation Date	June 30, 2024
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increase	Varies by Entry Age and Service
Mortality (1)	Derived using CalPERS' Membership Data for all Funds

(1) The mortality table used was developed based on CalPERS' specific data. The Table includes 15 years of mortality improvements using Society of Actuaries Scale MP-2021. For more details on this table, please refer to the 2025 experience study report.

All underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2024 valuation were based on results of the 2025 CalPERS Experience Study and Review of Actuarial Assumptions. Further details of the Experience Study can be found on the CalPERS website.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

B. PENSION LIABILITIES, PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS (*Continued*)

Discount Rate - The discount rate used to measure the total pension liability as of June 30, 2025 was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90% discount rate used is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long term (11 + years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown below is based on a plan policy adopted by CalPERS' Board effective November 13, 2013.

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rates of Return
Public Equity	42.0%	4.34%
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Factor-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Income	30.0%	1.44%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Strategic Leverage	-5.0%	-0.59%
Total	100.0%	

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

B. PENSION LIABILITIES, PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS *(Continued)*

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate; for current year and prior year measurement dates:

	Miscellaneous	
Measurement Date	June 30, 2025	June 30, 2024
1% Decrease	5.90%	5.90%
Net Pension Liability	\$26,344,381	\$28,046,332
Current Discount Rate	6.90%	6.90%
Net Pension Liability	\$15,766,306	\$18,001,154
1% Increase	7.90%	7.90%
Net Pension Liability	\$7,060,661	\$9,732,494

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

C. PAYABLE TO THE PENSION PLAN

At December 31, 2025 and 2024 respectively, the District did not report a payable for outstanding required contributions to the pension plan.

D. DEFERRED COMPENSATION PLAN

The District maintains two deferred compensation plans: a 401(a) and a 457 plan, (the Plans) for certain qualified employees. The District contributes a match of eligible PEPRA employee contributions with an effective match rate in 2025 and 2024 of 7.28%. The total amount of District match for 2025 and 2024 was \$575,532 and \$507,443, respectively. The District has no liability for losses under the Plans but does have the duty of due care that would be required of an ordinary prudent investor. The District has not reflected the Plans’ assets and corresponding liabilities (if any) on the accompanying Statement of Net Position.

E. OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information – The District administers a single-employer defined-benefit post-employment healthcare plan and dependents are eligible to enroll. The District’s retiree Benefits Plan (the Plan) recognizes benefit payments when due and payable in accordance with the benefit terms. The Plan’s fiduciary net position has been determined on the same basis as is reported by the Plan in calculating the fiduciary net position (Net OPEB Liability), deferred outflows of resources and deferred inflows of resource and associated OPEB expense.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Benefits Provided – Retirees are eligible for a District contribution towards premiums for the retiree health plan(s) if they have 10+ years of District service. The maximum District contribution is based on years of service. The Retiree is eligible for 50% of the following monthly maximums, with a minimum of 10 years of service, plus 5% for each year of service over 10 years:

	<u>Monthly Maximum</u>
per person enrolled in the plan:	
not eligible for Medicare	\$600
eligible for Medicare	\$500

Employees Covered – At December 31, 2024 (the valuation date), the benefit terms covered the following employees:

<u>Category</u>	<u>Count</u>
Active Employees	77
Inactive Employees, spouses, or beneficiaries currently receiving payment(s) (Retirees)	48
Inactive employees entitled to but not yet receiving benefit payment(s)	-
Total	125

Contributions – The District pays benefits as they come due and contributes additionally to the Trust annually. The District’s annual contribution to the Trust as of December 31, 2025 and 2024 was \$125,004 and \$125,004, respectively.

Net OPEB Liability – The District’s net OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023, with report date of December 31, 2025.

Actuarial Assumptions

The total OPEB Liability in the December 31, 2024 measurement was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation: 2.30%

Salary Increases: Base salary increases in year one: 2.80%. Additional merit-based increases based on CalPERS.

Investment Rate of Return: 6.40%

Healthcare cost trend rates: 6.80% in the first year, trending down to 4.04% over 50 years

Mortality Rates: Based on CalPERS tables

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

The discount rate used to measure the total OPEB liability was 6.40%, up from 6.24% in the prior valuation. The projection of cash flows used to determine the discount rate assumed that the District contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

Changes in the Net OPEB Liability – The changes in the net OPEB liability for the Plan are as follows:

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(c) = (a) - (b)
Balance as of Report Date December 31, 2024	\$ 8,537,167	\$ 3,782,334	\$ 4,754,833
Changes for the year:			
Service Cost	226,726	-	226,726
Interest	527,533	-	527,533
Differences between Expected and Actual Experience	(164,383)	-	(164,383)
Changes of Assumptions	(114,429)		(114,429)
Contributions			
Employer - District's Contribution	-	482,734	(482,734)
Employer - Implicit Subsidy	-	261,960	(261,960)
Net Investment Income	-	338,249	(338,249)
Benefit Payments	(357,730)	(357,730)	-
Implicit Rate Subsidy Credit	(261,960)	(261,960)	-
Administrative Expenses	-	(1,752)	1,752
Net Changes	(144,243)	461,501	(605,744)
Balance as of Report Date December 31, 2025	\$ 8,392,924	\$ 4,243,835	\$ 4,149,089

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(c) = (a) -(b)
Balance as of Report Date December 31, 2023	\$ 9,168,737	\$ 3,198,750	\$ 5,969,987
Changes for the year:			
Service Cost	318,131	-	318,131
Interest	569,226	-	569,226
Changes of Benefit Terms	1,166,387	-	1,166,387
Differences between Expected and Actual Experience	(1,796,719)	-	(1,796,719)
Changes of Assumptions	(130,113)		(130,113)
Contributions			
Employer - District's Contribution	-	450,104	(450,104)
Employer - Implicit Subsidy	-	428,378	(428,378)
Net Investment Income	-	465,270	(465,270)
Benefit Payments	(330,104)	(330,104)	-
Implicit Rate Subsidy Credit	(428,378)	(428,378)	-
Administrative Expenses	-	(1,686)	1,686
Net Changes	(631,570)	583,584	(1,215,154)
Balance as of Report Date December 31, 2024	\$ 8,537,167	\$ 3,782,334	\$ 4,754,833

Sensitivity of the net OPEB liability to changes in the discount rate - The net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher is as follows:

12/31/2024		Valuation Report	12/31/2023	
12/31/2025		Measured as of Date	12/31/2024	
Rate	Net OPEB Liability	Reporting Date	Rate	Net OPEB Liability
5.40%	\$ 4,907,224	1% Rate Decrease	5.24%	\$ 5,525,729
6.40%	\$ 4,149,089	Current Rate	6.24%	\$ 4,754,833
7.40%	\$ 3,486,858	1% Rate Increase	7.24%	\$ 4,082,987

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates - The net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates is as follows:

12/31/2024			Valuation Report Measured as of Date	12/31/2023		
12/31/2025				12/31/2024		
Rate			Reporting Date	Rate		
Rate	Over 50 years, decreasing to	Net OPEB Liability		Rate	Over 51 years, decreasing to	Net OPEB Liability
5.50%	3.04%	\$ 3,956,838	1% Rate Decrease	5.80%	3.04%	\$ 4,587,325
6.50%	4.04%	\$ 4,149,089	Current Rate	6.80%	4.04%	\$ 4,754,833
7.50%	5.04%	\$ 4,372,526	1% Rate Increase	7.80%	5.04%	\$ 4,948,518

OPEB Plan Fiduciary Net Position – California Employers' Retiree Benefit Trust (CERBT) Fund issues a publicly available financial report for the overall OPEB plan's fiduciary net position which may be obtained from CalPERS at PO Box 942709, Sacramento, CA, 94229-2709.

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB – For the year ended December 31, 2025 and 2024, the District recognized an OPEB expense of \$615,818 and \$1,948,602 respectively. At December 31, 2025 and 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the follow sources:

	2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 199,243	\$ 1,641,443
Changes of assumptions	657,023	281,779
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	12,949	-
District contributions made subsequent to the measurement date	791,873	-
Total	\$ 1,661,088	\$ 1,923,222

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 11 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

	2024	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 483,885	\$ 1,762,949
Changes of assumptions	830,371	281,346
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	152,900	-
District contributions made subsequent to the measurement date	<u>744,694</u>	<u>-</u>
Total	<u>\$ 2,211,850</u>	<u>\$ 2,044,295</u>

The \$791,873 and \$744,694 reported as deferred outflows of resources related to contributions subsequent to the December 31, 2024 and 2023 respective measurement dates for reporting as of December 31, 2025 and 2024 respectively, will be recognized as a reduction of the net OPEB liability during the fiscal year ending December 31, 2026 and 2025 respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Reporting Period December 31, 2025</u>		<u>Reporting Period December 31, 2024</u>	
<u>Year Ended December 31</u>	<u>Amount</u>	<u>Year Ended December 31</u>	<u>Amount</u>
2026	\$ 49,525	2025	\$ 117,484
2027	(121,136)	2026	112,697
2028	(278,255)	2027	(57,964)
2029	(212,030)	2028	(215,083)
2030	(158,179)	2029	(148,859)
thereafter	<u>(333,932)</u>	thereafter	<u>(385,414)</u>
	\$ (1,054,007)		\$ (577,139)

NOTE 12 – SELF FUNDED INSURANCE

The District has a self-funded vision insurance program and claims were processed by and on behalf of the District. The District did not maintain a claim liability; rather claims were expensed as paid. The amount of claims paid for each of the past three years has not been material.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 13 – SEGMENT DISCLOSURE

The District has issued revenue bonds to finance electric and water distribution facilities. The District also issued special tax bonds secured by tax revenues from Mello-Roos Community Facilities Districts. Each project has an external requirement to be reported separately, and investors in the revenue bonds and special tax bonds rely solely on the revenue generated by the individual projects for repayment. Summary financial information for each project is presented on the following pages for the years ending December 31, 2025 and 2024.

STATEMENTS OF NET POSITION

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	December 31, 2025					
	Electric	Water	Gray's Crossing	Old Greenwood	Eliminations	Grand Total
Current assets	\$ 52,741,798	\$ 19,275,225	\$ 12,034,019	\$ 1,139,167	\$ -	\$ 85,190,209
Non-current assets:						
Investments	2,049,524	1,395,831	-	-	-	3,445,355
Leases receivable	-	1,345,590	-	-	-	1,345,590
Capital assets, net	73,754,260	86,423,514	-	-	-	160,177,774
Total Non-current Assets	75,803,784	89,164,935	-	-	-	164,968,719
Total Assets	128,545,582	108,440,160	12,034,019	1,139,167	-	250,158,928
Deferred outflows of resources						
Pension	2,512,078	1,674,718	-	-	-	4,186,796
OPEB	996,653	664,435	-	-	-	1,661,088
Unamortized loss on refunding	-	314,362	-	-	-	314,362
Total Deferred Outflows of Resources	3,508,731	2,653,515	-	-	-	6,162,246
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 132,054,313	\$ 111,093,675	\$ 12,034,019	\$ 1,139,167	\$ -	\$ 256,321,174
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
Current liabilities	\$ 5,965,338	\$ 2,270,169	\$ 1,940,577	\$ 735,663	\$ -	\$ 10,911,747
Non-current Liabilities						
Long-term debt, net of current portion	6,091,222	22,577,870	21,054,741	5,090,600	-	54,814,433
Subscription software liability, net of current portion	96,163	51,780	-	-	-	147,943
Compensated absences, net of current portion	838,794	771,561	-	-	-	1,610,355
Net pension liability	9,459,784	6,306,522	-	-	-	15,766,306
OPEB liability	2,489,453	1,659,636	-	-	-	4,149,089
Unearned revenues	3,411,581	1,231,364	1,750,933	446,764	-	6,840,642
Total Non-current Liabilities	22,386,997	32,598,733	22,805,674	5,537,364	-	83,328,768
Total Liabilities	28,352,335	34,868,902	24,746,251	6,273,027	-	94,240,515
Deferred inflows of resources						
Pension	1,361,182	907,454	-	-	-	2,268,636
OPEB	1,153,933	769,289	-	-	-	1,923,222
Leases receivable	-	1,178,707	-	-	-	1,178,707
Total Deferred Inflows of Resources	2,515,115	2,855,450	-	-	-	5,370,565
Net Position						
Net investment in capital assets	66,922,355	62,948,094	(22,579,741)	(5,746,200)	-	101,544,508
Restricted for debt service	866,714	1,964,960	2,951,845	-	-	5,783,519
Unrestricted	33,397,794	8,456,269	6,915,664	612,340	-	49,382,067
Total Net Position	101,186,863	73,369,323	(12,712,232)	(5,133,860)	-	156,710,094
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 132,054,313	\$ 111,093,675	\$ 12,034,019	\$ 1,139,167	\$ -	\$ 256,321,174

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 13 – SEGMENT DISCLOSURE (Continued)

	December 31, 2024					Grand Total
	Electric	Water	Gray's Crossing	Old Greenwood	Eliminations	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Current assets	\$ 43,838,963	\$ 15,722,431	\$ 11,235,434	\$ 1,129,827	\$ -	\$ 71,926,655
Non-current assets:						
Investments	4,280,671	2,938,555	-	-	-	7,219,226
Leases receivable	-	1,390,354	-	-	-	1,390,354
Capital assets, net	<u>68,386,036</u>	<u>86,801,607</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>155,187,643</u>
Total Non-current Assets	<u>72,666,707</u>	<u>91,130,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>163,797,223</u>
Total Assets	<u>116,505,670</u>	<u>106,852,947</u>	<u>11,235,434</u>	<u>1,129,827</u>	<u>-</u>	<u>235,723,878</u>
Deferred outflows of resources						
Pension	3,020,013	2,013,342	-	-	-	5,033,355
OPEB	1,327,110	884,740	-	-	-	2,211,850
Unamortized loss on refunding	-	347,164	-	-	-	347,164
Total Deferred outflows of resources	<u>4,347,123</u>	<u>3,245,246</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,592,369</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 120,852,793</u>	<u>\$ 110,098,193</u>	<u>\$ 11,235,434</u>	<u>\$ 1,129,827</u>	<u>\$ -</u>	<u>\$ 243,316,247</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
Current liabilities	\$ 5,403,373	\$ 2,360,248	\$ 1,830,806	\$ 699,679	\$ -	\$ 10,294,106
Non-current Liabilities						
Long-term debt, net of current portion	6,261,511	23,651,641	22,574,536	5,746,200	-	58,233,888
Subscription software liability, net of current portion	86,827	46,753	-	-	-	133,580
Compensated absences, net of current portion	695,880	702,784	-	-	-	1,398,664
Net pension liability	10,800,692	7,200,462	-	-	-	18,001,154
OPEB liability	2,852,900	1,901,933	-	-	-	4,754,833
Unearned revenues	<u>2,454,463</u>	<u>819,564</u>	<u>1,716,602</u>	<u>432,052</u>	<u>-</u>	<u>5,422,681</u>
Total Non-current Liabilities	<u>23,152,273</u>	<u>34,323,137</u>	<u>24,291,138</u>	<u>6,178,252</u>	<u>-</u>	<u>87,944,800</u>
Total Liabilities	<u>28,555,646</u>	<u>36,683,385</u>	<u>26,121,944</u>	<u>6,877,931</u>	<u>-</u>	<u>98,238,906</u>
Deferred inflows of resources						
Pension	120,137	80,092	-	-	-	200,229
OPEB	1,226,577	817,718	-	-	-	2,044,295
Leases receivable	-	1,253,249	-	-	-	1,253,249
Total Deferred Inflows of Resources	<u>1,346,714</u>	<u>2,151,059</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,497,773</u>
Net Position						
Net investment in capital assets	68,790,252	62,251,170	(23,964,536)	(6,357,300)	-	100,719,586
Restricted for debt service	1,265,651	2,234,335	2,919,807	-	-	6,419,793
Unrestricted	<u>20,894,530</u>	<u>6,778,244</u>	<u>6,158,219</u>	<u>609,196</u>	<u>-</u>	<u>34,440,189</u>
Total Net Position	<u>90,950,433</u>	<u>71,263,749</u>	<u>(14,886,510)</u>	<u>(5,748,104)</u>	<u>-</u>	<u>141,579,568</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 120,852,793</u>	<u>\$ 110,098,193</u>	<u>\$ 11,235,434</u>	<u>\$ 1,129,827</u>	<u>\$ -</u>	<u>\$ 243,316,247</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 13 – SEGMENT DISCLOSURE (Continued)

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Year ended December 31, 2025					Grand Total
	Electric	Water	Gray's Crossing	Old Greenwood	Eliminations	
Operating Revenues						
Sales to consumers	\$ 37,871,146	\$ 20,407,703	\$ -	\$ -	\$ -	\$ 58,278,849
Other operating revenues	3,119,437	481,215	-	-	(2,159,247)	1,441,405
Operating expenses	(29,556,439)	(13,916,096)	-	-	2,159,247	(41,313,288)
Depreciation	(3,609,514)	(5,324,135)	-	-	-	(8,933,649)
Non-operating revenues (expenses)	1,558,996	(157,981)	2,174,278	614,244	-	4,189,537
Income before capital & other contributions	9,383,626	1,490,706	2,174,278	614,244	-	13,662,854
Capital contributions, net	852,804	614,868	-	-	-	1,467,672
CHANGE IN NET POSITION	10,236,430	2,105,574	2,174,278	614,244	-	15,130,526
Net Position, Beginning	90,950,433	71,263,749	(14,886,510)	(5,748,104)	-	141,579,568
NET POSITION, ENDING	\$ 101,186,863	\$ 73,369,323	\$ (12,712,232)	\$ (5,133,860)	\$ -	\$ 156,710,094

	Year ended December 31, 2024					Grand Total
	Electric	Water	Gray's Crossing	Old Greenwood	Eliminations	
Operating Revenues						
Sales to consumers	\$ 34,391,270	\$ 19,097,947	\$ -	\$ -	\$ -	\$ 53,489,217
Other operating revenues	3,269,872	481,374	-	-	(2,033,519)	1,717,727
Operating expenses	(29,581,237)	(13,756,540)	-	-	2,033,519	(41,304,258)
Depreciation	(3,358,962)	(5,128,008)	-	-	-	(8,486,970)
Non-operating revenues (expenses)	1,475,636	(118,259)	1,978,767	546,445	-	3,882,589
Income before capital & other contributions	6,196,579	576,514	1,978,767	546,445	-	9,298,305
Capital contributions, net	1,427,444	1,042,923	-	-	-	2,470,367
CHANGE IN NET POSITION	7,624,023	1,619,437	1,978,767	546,445	-	11,768,672
Net Position, Beginning	83,326,410	69,644,312	(16,865,277)	(6,294,549)	-	129,810,896
NET POSITION, ENDING	\$ 90,950,433	\$ 71,263,749	\$ (14,886,510)	\$ (5,748,104)	\$ -	\$ 141,579,568

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 13 – SEGMENT DISCLOSURE (Continued)

STATEMENTS OF CASH FLOWS

	Year ended December 31, 2025					
	Electric	Water	Gray's		Eliminations	Grand Total
			Crossing	Old Greenwood		
NET CASH PROVIDED BY (USED IN)						
Operating activities	\$ 10,112,320	\$ 7,426,085	\$ -	\$ -	\$ -	\$ 17,538,405
Capital and related financing activities	(7,513,308)	(6,206,000)	(259,229)	(50,989)	-	(14,029,526)
Investing activities	4,043,052	2,298,097	126,784	22,223	-	6,490,156
Net increase (decrease) in cash and cash equivalents	6,642,064	3,518,182	(132,445)	(28,766)	-	9,999,035
Cash and Cash Equivalents, Beginning	35,752,535	11,878,893	2,058,706	259,830	-	49,949,964
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 42,394,599</u>	<u>\$ 15,397,075</u>	<u>\$ 1,926,261</u>	<u>\$ 231,064</u>	<u>\$ -</u>	<u>\$ 59,948,999</u>
	Year ended December 31, 2024					
	Electric	Water	Gray's		Eliminations	Grand Total
			Crossing	Old Greenwood		
NET CASH PROVIDED BY (USED IN)						
Operating activities	\$ 11,181,346	\$ 7,159,671	\$ -	\$ -	\$ -	\$ 18,341,017
Capital and related financing activities	(7,385,896)	(8,599,866)	(227,122)	(72,774)	-	(16,285,658)
Investing activities	2,851,292	1,717,415	135,498	29,409	-	4,733,614
Net increase (decrease) in cash and cash equivalents	6,646,742	277,220	(91,624)	(43,365)	-	6,788,973
Cash and Cash Equivalents, Beginning	29,105,793	11,601,673	2,150,330	303,195	-	43,160,991
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 35,752,535</u>	<u>\$ 11,878,893</u>	<u>\$ 2,058,706</u>	<u>\$ 259,830</u>	<u>\$ -</u>	<u>\$ 49,949,964</u>

NOTE 14 – MARTIS VALLEY GROUNDWATER MANAGEMENT EFFORTS

The Martis Valley aquifer underlies about 35,000 acres in both Placer and Nevada counties, near the Town of Truckee. It is the main groundwater supply for numerous public and private entities. This area has seen significant growth in the last few decades with more planned for the future. Maintaining an adequate water supply and protecting water quality are critical for the region's future.

The Truckee Donner Public Utility District (TDPUD), Northstar Community Services District (NCSD) and Placer County Water Agency (PCWA) are the three primary public water agencies with jurisdiction in the Martis Valley Groundwater Basin (MVGB). Together, the TDPUD, NCSD and PCWA (Partnership Agencies) partnered to submit a Groundwater Management Plan and to help develop a groundwater model for the Martis Valley basin.

The Martis Valley Groundwater Management Plan (GMP) was prepared in 2013 to reflect current water resources planning in the region and to incorporate the latest information and understanding of the underlying groundwater basin. This collaborative effort provided the guidance necessary to align groundwater policy. In addition to the GMP, a computer model of the groundwater basin was developed by the Desert Research Institute, which incorporated available data and enhanced understanding of the groundwater basin. A climate change modeling component out to the end of the century was part of the overall Federal study effort.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 14 – MARTIS VALLEY GROUNDWATER MANAGEMENT EFFORTS (Continued)

Partner agencies each adopted the GMP in February 2012 and the model and associated report was completed in 2015. The total cost of the project was approximately \$1,000,000, which includes federal funding of approximately \$500,000 from the U.S. Bureau of Reclamation and \$250,000 from the Lawrence Livermore National Laboratory; and contributions of \$150,000 from TDPUD and \$100,000 from the other members of the Partnership Agencies.

In mid-2016, the California Sustainable Groundwater Management Act of 2014 (SGMA) took effect for which the District was the submitting agency of a SGMA Alternate Submittal in December, 2016 on behalf of the Town of Truckee, Placer County, Nevada County, PCWA, and Northstar CSD (Local SGMA Agencies). The SGMA Alternative Submittal was intended to comply with the new regulations. There was an adopted MOA amongst the six local agencies for this compliance project which covers the time period for preparation of the SGMA Alternative Submittal, possible conditional acceptance of the plan by DWR, and submittal of a first-year annual report. DWR had two years by statute to review the SGMA Alternative Submittal.

In 2018, DWR was required to undergo groundwater basin prioritization which is the basis for compliance obligation for SGMA. The MVGB had previously been prioritized as medium priority. DWR's final Determination was to re-prioritize MVGB to low priority. This was a significant act that resulted in a direct reduction in regulatory burden and future regulatory costs that would be required for groundwater management. To ensure continued stewardship and management of the MVGB, the District and its local partners have agreed to return to the 2013 GMP framework which was never fully implemented due to SGMA. There was a kick-off meeting for the GMP in 2019 and the three local water agencies have hired a hydrogeologic consultant to prepare the first annual report as required by the GMP. The consultant's report was presented to the GMP Stakeholder Working Group at the annual meeting in the summer of 2020. Subsequent annual reports were presented to the GMP Stakeholder Working Group covering each water year through 2024. The GMP Partnership Agencies completed a five-year update of the GMP in 2025.

The groundwater basin management and stewardship efforts over the decades continue to document that the Martis Valley Groundwater Basin is operating well within the sustainable yield and is projected to remain well below the sustainable yield through the projected community buildout.

NOTE 15 – CLAIMS AND JUDGMENTS

From time to time, the District is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the District's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the District's financial position or results of operations.

NOTE 16 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial liability in any of the past three years. There were no significant reductions in coverage compared to the prior year.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 17 – CERTAIN RISK DISCLOSURES

Vulnerability From Concentrations – Wildfire Risk

The District operates within a region that is highly susceptible to seasonal wildfires. Several of the District's key facilities, including electric substations and distribution infrastructure and water well, tanks, pump stations and related distribution infrastructure, are located in or adjacent to areas designated as high fire-threat zones by state authorities. Extended drought conditions, forest health concerns, and increased fuel loads have elevated the probability and potential severity of wildfire events.

A significant wildfire could disrupt essential operations and service delivery, damage utility assets, impair access to service areas, or result in substantial emergency response and recovery costs. While the District has a formal wildfire mitigation plan, invests annually in infrastructure hardening to mitigate wildfire risks and maintains insurance coverage for certain property damage and certain business interruptions, such policies will likely not fully cover all potential losses from a significant wildfire within the District. The potential impacts of future wildfire events cannot be reasonably estimated at this time.

Vulnerability From Constraint – Drinking Water Contaminant Regulatory Risk

The District relies primarily on local groundwater sources for its potable drinking water supply. Recent statewide and federal regulatory actions have focused on establishing new maximum contaminant levels (MCLs) for naturally occurring arsenic and non-natural per- and polyfluoroalkyl substances (PFAS) compounds. PFAS is a large group of thousands of man-made chemicals used since the 1940s. These chemicals are often called 'forever chemicals' because they do not break down easily in the environment.

While the District's existing sampling data indicates the presence of arsenic and PFAS at levels below currently enforceable standards, future regulatory thresholds may be more stringent and could require expanded monitoring, treatment upgrades, or operational modifications. At this time, the financial impact of potential regulatory changes cannot be reasonably estimated due to uncertainties regarding any final new MCLs, compliance timelines, treatment technology requirements, and the availability of external funding sources. The adoption of more restrictive arsenic standards, PFAS standards, or both standards could result in significant capital investment and higher ongoing operating costs to ensure continued compliance with the new drinking water quality regulations.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

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TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024



Photo: 2025 Tree Trimming

REQUIRED SUPPLEMENTARY INFORMATION

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2025 and 2024

COST SHARING DEFINED BENEFIT PENSION PLANS

Schedule of the District's Proportionate Share of the Net Pension Liability
 Cost Sharing Defined Benefit Plans
 As of June 30
 Last Ten Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Portion of Net Pension Liability	0.39522%	0.37219%	0.36287%	0.35867%	0.40467%	0.33245%	0.32145%	0.31157%	0.30379%	0.29837%
Proportionate Share of the Net Pension Liability	\$ 15,766,306	\$ 18,001,154	\$ 18,145,067	\$ 16,783,065	\$ 7,683,937	\$ 14,023,172	\$ 12,872,646	\$ 11,742,137	\$ 11,975,655	\$ 10,250,329
Covered Payroll	\$ 10,623,206	\$ 9,889,930	\$ 9,853,784	\$ 7,872,221	\$ 7,762,131	\$ 7,619,022	\$ 7,602,120	\$ 7,375,933	\$ 7,108,563	\$ 6,670,248
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	148.41%	182.01%	184.14%	213.19%	98.99%	184.05%	169.33%	159.20%	168.47%	153.67%
Proportionate Share of Plan's Fiduciary Net Position	\$ 62,620,158	\$ 56,440,440	\$ 51,700,409	\$ 49,619,385	\$ 53,485,582	\$ 43,589,560	\$ 40,367,745	\$ 29,308,590	\$ 27,244,095	\$ 30,950,578
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	79.89%	75.82%	74.02%	74.73%	87.44%	75.66%	75.82%	75.26%	73.31%	75.12%

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2025 and 2024

COST SHARING DEFINED BENEFIT PENSION PLANS - CONTINUED

	Schedule of Contributions Cost Sharing Defined Benefit Plans December 31 Last Ten Years									
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution (Actuarially Determined)	\$ 2,572,299	\$ 2,437,394	\$ 2,129,727	\$ 2,080,863	\$ 1,844,808	\$ 1,746,709	\$ 1,872,297	\$ 1,890,102	\$ 1,670,256	\$ 1,478,700
Contributions in Relation to the Actuarially Determined Contributions	<u>2,572,299</u>	<u>2,437,394</u>	<u>2,129,727</u>	<u>2,080,863</u>	<u>1,844,808</u>	<u>1,746,709</u>	<u>1,872,297</u>	<u>1,890,102</u>	<u>1,670,256</u>	<u>1,478,700</u>
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered Payroll	\$ 11,636,180	\$ 10,376,230	\$ 10,063,947	\$ 8,871,369	\$ 7,704,033	\$ 7,889,154	\$ 7,494,347	\$ 7,358,842	\$ 6,940,748	\$ 6,663,230
Contributions as a percentage of Covered Payroll	22%	23%	21%	23%	24%	22%	25%	26%	24%	22%

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2025 and 2024

Schedule of Changes in The District's Net OPEB Liability and Related Ratios

Measurement Date:	December 31,	2024	2023	2022	2021	2020	2019	2018	2017
Report Date:	December 31,	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability									
Service Cost	\$	226,726	\$ 318,131	\$ 240,361	\$ 201,835	\$ 206,271	\$ 168,811	\$ 178,856	\$ 170,473
Interest		527,533	569,226	612,305	629,595	621,983	476,373	457,563	448,374
Changes in Benefit Terms		-	1,166,387	-	-	-	-	-	-
Differences Between Expected and Actual Experience		(164,383)	(1,796,719)	(5,797)	(271,987)	(28,016)	1,814,336	(29,828)	-
Changes of Assumptions		(114,429)	(130,113)	1,007,593	(73,387)	(187,044)	306,886	(233,084)	-
Benefit Payments		(357,730)	(330,104)	(360,962)	(268,688)	(281,328)	(276,678)	(244,700)	(214,280)
Implicit Rate Subsidy Credit		(261,960)	(428,378)	(475,203)	(545,407)	(546,439)	(270,562)	(270,061)	(254,930)
Net Change in Total OPEB Liability	\$	(144,243)	\$ (631,570)	\$ 1,018,297	\$ (328,039)	\$ (214,573)	\$ 2,219,166	\$ (141,254)	\$ 149,637
Total OPEB Liability - Beginning of Year		8,537,167	9,168,737	8,150,440	8,478,479	8,693,052	6,473,886	6,615,140	6,465,503
Total OPEB Liability - End of Year (a)	\$	8,392,924	\$ 8,537,167	\$ 9,168,737	\$ 8,150,440	\$ 8,478,479	\$ 8,693,052	\$ 6,473,886	\$ 6,615,140
Plan Fiduciary Net Position									
Net Investment Income	\$	338,249	\$ 465,270	\$ (675,758)	\$ 444,083	\$ 378,904	\$ 473,144	\$ (110,318)	\$ 167,459
Contributions									
Employer - District's Contribution		482,734	450,104	475,962	381,988	391,334	376,674	294,698	256,280
Employer - Implicit Subsidy		261,960	428,378	475,203	545,407	546,439	270,562	270,061	254,930
Benefit Payments, Including Refunds of Employee Contributions		(357,730)	(330,104)	(360,962)	(268,688)	(281,328)	(276,678)	(244,700)	(214,280)
Implicit Rate Subsidy Fulfilled		(261,960)	(428,378)	(475,203)	(545,407)	(546,439)	(270,562)	(270,061)	(254,930)
Administrative Expense		(1,752)	(1,686)	(1,638)	(1,259)	(1,353)	(1,209)	(557)	(519)
Net Change in Plan Fiduciary Net Position	\$	461,501	\$ 583,584	\$ (562,396)	\$ 556,124	\$ 487,557	\$ 571,931	\$ (60,877)	\$ 208,940
Plan Fiduciary Net Position - Beginning of Year		3,782,334	3,198,750	3,761,146	3,205,022	2,717,465	2,145,534	2,206,411	1,997,471
Plan Fiduciary Net Position - End of Year (b)	\$	4,243,835	\$ 3,782,334	\$ 3,198,750	\$ 3,761,146	\$ 3,205,022	\$ 2,717,465	\$ 2,145,534	\$ 2,206,411
District's Net OPEB liability - End of Year = (a) -(b)	\$	4,149,089	\$ 4,754,833	\$ 5,969,987	\$ 4,389,294	\$ 5,273,457	\$ 5,975,587	\$ 4,328,352	\$ 4,408,729
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		50.6%	44.3%	34.9%	46.1%	37.8%	31.3%	33.1%	33.4%
Covered-Employee Payroll	\$	10,815,818	\$ 10,089,758	\$ 7,722,728	\$ 7,331,605	\$ 7,149,490	\$ 7,604,103	\$ 7,400,587	\$ 7,202,518
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll		38.4%	47.1%	77.3%	59.9%	73.8%	78.6%	58.5%	61.2%

Notes to Schedule: The District adopted GASB 75 for the fiscal Year Ending December 31, 2018

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2025 and 2024

Other Post Employment Benefits - Schedule of Investment Returns

	Measurement Date: December 31, 2024	2023	2022	2021	2020	2019	2018	2017	2016
	Report Date: December 31, 2025	2024	2023	2022	2021	2020	2019	2018	2017
Annual Money-Weighted Rate of Return, Net of Investment Expense	8.80%	14.28%	-17.70%	13.62%	13.67%	21.56%	-4.94%	8.30%	Not Available

The annual money-weighted rate of return, net of investment expenses, is the net investment income for the year divided by the average net position for the year (less investment expenses).

Notes to Schedule: The District adopted GASB 75 for the fiscal Year Ending December 31, 2018

Other Post Employment Benefits - Schedule of Contributions

	Measurement Date: December 31, 2024	2023	2022	2021	2020	2019	2018	2017	2016
	Report Date: December 31, 2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution	\$ 748,689	\$ 962,408	\$ 703,649	\$ 836,165	\$ 814,095	\$ 827,767	\$ 647,240	\$ 614,761	\$ 569,210
Less: Actual Contributions	791,873	744,694	878,482	951,165	927,395	937,773	647,236	564,759	511,210
Contribution Deficiency (Excess)	<u>\$ (43,184)</u>	<u>\$ 217,714</u>	<u>\$ (174,833)</u>	<u>\$ (115,000)</u>	<u>\$ (113,300)</u>	<u>\$ (110,006)</u>	<u>\$ 4</u>	<u>\$ 50,002</u>	<u>\$ 58,000</u>
Covered - Employee Payroll	<u>\$ 11,541,878</u>	<u>\$ 10,815,818</u>	<u>\$ 10,089,758</u>	<u>\$ 7,722,728</u>	<u>\$ 7,331,605</u>	<u>\$ 7,149,490</u>	<u>\$ 7,604,103</u>	<u>\$ 7,400,587</u>	<u>\$ 7,202,518</u>
Contributions as a Percentage of Covered-Employee Payroll	6.86%	6.89%	8.71%	12.32%	12.65%	13.12%	8.51%	7.63%	7.10%

Notes to Schedule: The District adopted GASB 75 for the fiscal Year Ending December 31, 2018

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2025 and 2024

Other Post Employment Benefits - Actuarial Assumptions

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2025 were from the December 31, 2024 valuation.

Methods and assumptions used to determine contributions:

Assumptions and Methods

Actuarial Cost Method	Entry age normal, level percent of pay
Amortization Method	Closed period, level percent of pay
Amortization Period	11 years
Inflation	2.30%
Assumed Payroll Growth Year 1	2.80%
Healthcare Trend Rates	6.50%, trending down to 4.04% over 50 years
Rate of Return on Assets	6.40%
Discount Rate used to measure total OPEB liability	6.40%
Mortality Rate	CalPERS Rates utilizing the decrement table Mort and Disb Rates_PA Misc from the CalPERS OPEB assumption model revised November 17, 2021.
Retirement Rates	Rates based on CalPERS assumption model revised November 17, 2021.



Photo: Town of Truckee Block Party 2025

SUPPLEMENTARY INFORMATION

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2025

CONSOLIDATING STATEMENT OF NET POSITION – PAGE 1 OF 2

CONSOLIDATING STATEMENT OF NET POSITION

As of December 31, 2025

	Component Units				Eliminations	Totals
	Electric Operations	Water Operations	Gray's Crossing	Old Greenwood		
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
CURRENT ASSETS						
Cash and cash equivalents						
Operating	\$ 9,319,622	\$ 6,027,032	\$ 36,546	\$ 231,064	\$ -	\$ 15,614,264
Designated	32,238,213	7,316,444	-	-	-	39,554,657
Restricted	901,097	2,082,540	1,889,715	-	-	4,873,352
Total cash and cash equivalents	42,458,932	15,426,016	1,926,261	231,064	-	60,042,273
Accounts receivable, net	2,104,546	882,757	-	-	-	2,987,303
Unbilled revenues	3,053,931	1,392,116	-	-	-	4,446,047
Special assessments receivable	-	4,798	10,102,442	907,262	-	11,014,502
Accrued interest receivable	167,808	118,992	5,316	841	-	292,957
Leases receivable current portion	-	46,892	-	-	-	46,892
Materials and supplies	3,460,768	337,787	-	-	-	3,798,555
Prepaid expenses	1,422,090	987,749	-	-	-	2,409,839
Other	73,723	78,118	-	-	-	151,841
Total Current Assets	52,741,798	19,275,225	12,034,019	1,139,167	-	85,190,209
NON-CURRENT ASSETS						
Operating Investments	-	1,395,831	-	-	-	1,395,831
Designated Investments	2,049,524	-	-	-	-	2,049,524
Leases receivable, net of current portion	-	1,345,590	-	-	-	1,345,590
Capital Assets						
Utility plant	112,866,655	162,998,478	-	-	-	275,865,133
Accumulated depreciation and amortization	(44,133,681)	(77,070,787)	-	-	-	(121,204,468)
Construction work in progress	5,021,286	495,823	-	-	-	5,517,109
Total capital assets	73,754,260	86,423,514	-	-	-	160,177,774
Total Non-Current Assets	75,803,784	89,164,935	-	-	-	164,968,719
TOTAL ASSETS	128,545,582	108,440,160	12,034,019	1,139,167	-	250,158,928
DEFERRED OUTFLOWS OF RESOURCES						
Pension	2,512,078	1,674,718	-	-	-	4,186,796
OPEB	996,653	664,435	-	-	-	1,661,088
Unamortized loss on refunding	-	314,362	-	-	-	314,362
Total deferred outflows of resources	3,508,731	2,653,515	-	-	-	6,162,246
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 132,054,313	\$ 111,093,675	\$ 12,034,019	\$ 1,139,167	\$ -	\$ 256,321,174

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2025

CONSOLIDATING STATEMENT OF NET POSITION – PAGE 2 OF 2

As of December 31, 2025

			Component Units			Eliminations	Totals
	Electric Operations	Water Operations	Gray's	Crossing	Old Greenw ood		
LIABILITIES , DEFERRED INFLOWS OF RESOURCES AND NET POSITION							
CURRENT LIABILITIES							
Other liabilities							
Accounts payable	\$ 4,077,637	\$ 577,029	\$ -	\$ -	\$ -	\$ -	\$ 4,654,666
Customer deposits	457,538	147,210	-	-	-	-	604,748
Subscription softw are liability , current portion	75,259	40,524	-	-	-	-	115,783
Compensated absences, current portion	464,022	372,437	-	-	-	-	836,459
Other	697,234	9,914	-	-	-	-	707,148
Total other liabilities	<u>5,771,690</u>	<u>1,147,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,918,804</u>
Current liabilities payable from restricted assets:							
Current portion of long-term debt	160,000	1,000,000	1,525,000	655,600	-	-	3,340,600
Accrued interest payable	33,648	123,055	415,577	80,063	-	-	652,343
Total Current Liabilities Payable from Restricted Assets	<u>193,648</u>	<u>1,123,055</u>	<u>1,940,577</u>	<u>735,663</u>	<u>-</u>	<u>-</u>	<u>3,992,943</u>
Total Current Liabilities	<u>5,965,338</u>	<u>2,270,169</u>	<u>1,940,577</u>	<u>735,663</u>	<u>-</u>	<u>-</u>	<u>10,911,747</u>
NON-CURRENT LIABILITIES							
Long-term debt, net of discounts and premiums	6,091,222	22,577,870	21,054,741	5,090,600	-	-	54,814,433
Subscription softw are liability, net of current portion	96,163	51,780	-	-	-	-	147,943
Compensated absences, net of current portion	838,794	771,561	-	-	-	-	1,610,355
Net pension liability	9,459,784	6,306,522	-	-	-	-	15,766,306
OPEB liability	2,489,453	1,659,636	-	-	-	-	4,149,089
Unearned revenues	3,411,581	1,231,364	1,750,933	446,764	-	-	6,840,642
Total non-current liabilities	<u>22,386,997</u>	<u>32,598,733</u>	<u>22,805,674</u>	<u>5,537,364</u>	<u>-</u>	<u>-</u>	<u>83,328,768</u>
Total Liabilities	<u>28,352,335</u>	<u>34,868,902</u>	<u>24,746,251</u>	<u>6,273,027</u>	<u>-</u>	<u>-</u>	<u>94,240,515</u>
DEFERRED INFLOWS OF RESOURCES							
Pension	1,361,182	907,454	-	-	-	-	2,268,636
OPEB	1,153,933	769,289	-	-	-	-	1,923,222
Leases receivable	-	1,178,707	-	-	-	-	1,178,707
Total deferred inflow s of resources	<u>2,515,115</u>	<u>2,855,450</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,370,565</u>
NET POSITION							
Net investment in capital assets	66,922,355	62,948,094	(22,579,741)	(5,746,200)	-	-	101,544,508
Restricted for debt service	866,714	1,964,960	2,951,845	-	-	-	5,783,519
Unrestricted	33,397,794	8,456,269	6,915,664	612,340	-	-	49,382,067
Total Net Position	<u>101,186,863</u>	<u>73,369,323</u>	<u>(12,712,232)</u>	<u>(5,133,860)</u>	<u>-</u>	<u>-</u>	<u>156,710,094</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 132,054,313</u>	<u>\$ 111,093,675</u>	<u>\$ 12,034,019</u>	<u>\$ 1,139,167</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 256,321,174</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2025

CONSOLIDATING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Year Ended December 31, 2025

	Component Units					Totals
	Electric Operations	Water Operations	Gray's Crossing	Old Greenwood	Eliminations	
OPERATING REVENUES						
Sales to customers	\$ 37,871,146	20,407,703	\$ -	\$ -	\$ -	\$ 58,278,849
Interdepartmental sales	1,547,947	3,800	-	-	(1,551,747)	-
Standby fees	15,650	95,120	-	-	-	110,770
Cap and invest proceeds	291,328	-	-	-	-	291,328
Other	1,264,512	382,295	-	-	(607,500)	1,039,307
Total Operating Revenues	<u>40,990,583</u>	<u>20,888,918</u>	<u>-</u>	<u>-</u>	<u>(2,159,247)</u>	<u>59,720,254</u>
OPERATING EXPENSES						
Purchased power	12,802,795	-	-	-	-	12,802,795
Operations and maintenance	8,704,681	8,670,445	-	-	(1,551,747)	15,823,379
Consumer services	2,024,074	1,078,553	-	-	-	3,102,627
Administration and general	6,024,889	4,167,098	-	-	(607,500)	9,584,487
Depreciation and amortization	3,609,514	5,324,135	-	-	-	8,933,649
Total Operating Expenses	<u>33,165,953</u>	<u>19,240,231</u>	<u>-</u>	<u>-</u>	<u>(2,159,247)</u>	<u>50,246,937</u>
Operating Income	<u>7,824,630</u>	<u>1,648,687</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,473,317</u>
NON-OPERATING REVENUE (EXPENSES)						
Special tax revenue	-	-	3,467,535	878,816	-	4,346,351
Investment income (loss)	1,827,198	819,121	127,779	22,674	-	2,796,772
Interest expense	(283,617)	(1,024,565)	(1,297,190)	(257,220)	-	(2,862,592)
Amortization credit (expense)	10,289	40,969	(5,205)	-	-	46,053
Other non-operating revenues	-	-	37,988	7,173	-	45,161
Other non-operating expenses	-	-	(156,629)	(37,199)	-	(193,828)
Gain on disposition of assets	5,126	6,494	-	-	-	11,620
Total Non-Operating Revenue (Expenses)	<u>1,558,996</u>	<u>(157,981)</u>	<u>2,174,278</u>	<u>614,244</u>	<u>-</u>	<u>4,189,537</u>
Income Before Contributions	9,383,626	1,490,706	2,174,278	614,244	-	13,662,854
CAPITAL CONTRIBUTIONS	<u>852,804</u>	<u>614,868</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,467,672</u>
CHANGE IN NET POSITION	<u>10,236,430</u>	<u>2,105,574</u>	<u>2,174,278</u>	<u>614,244</u>	<u>-</u>	<u>15,130,526</u>
NET POSITION - Beginning of Year	<u>90,950,433</u>	<u>71,263,749</u>	<u>(14,886,510)</u>	<u>(5,748,104)</u>	<u>-</u>	<u>141,579,568</u>
NET POSITION - END OF YEAR	<u>\$ 101,186,863</u>	<u>\$ 73,369,323</u>	<u>\$ (12,712,232)</u>	<u>\$ (5,133,860)</u>	<u>\$ -</u>	<u>\$ 156,710,094</u>

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TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2025

CONSOLIDATING STATEMENT OF CASH FLOWS – PAGE 1 OF 2

For the Year Ended December 31, 2025

	Electric Operations	Water Operations	Component Units		Eliminations	Total
			Gray's Crossing	Old Greenw ood		
CASH FLOWS FROM OPERATING ACTIVITIES						
Received from customers	\$ 40,950,326	\$ 20,980,837	\$ -	\$ -	\$ (2,159,247)	\$ 59,771,916
Paid to suppliers for goods and services	(22,962,403)	(9,286,481)	-	-	2,159,247	(30,089,637)
Paid to employees for services	(7,875,603)	(4,268,271)	-	-	-	(12,143,874)
Net cash provided by operating activities	<u>10,112,320</u>	<u>7,426,085</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,538,405</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital expenditures for utility plant	(8,601,238)	(5,071,331)	-	-	-	(13,672,569)
Net proceeds(cost) from disposal of assets	5,126	2,592	-	-	-	7,718
Capital contributions, connection and facility fees	1,628,094	914,366	-	-	-	2,542,460
Special tax receipts	-	-	2,453,191	825,846	-	3,279,037
Principal payments on subscription liability	(100,200)	(53,954)	-	-	-	(154,154)
Interest payments on subscription liability	(13,160)	(7,086)	-	-	-	(20,246)
Principal payments on long-term debt	(165,289)	(965,000)	(1,390,000)	(611,100)	-	(3,131,389)
Interest payments on long-term debt	(266,641)	(1,025,587)	(1,322,420)	(265,735)	-	(2,880,383)
Net cash used by capital and related financing activities	<u>(7,513,308)</u>	<u>(6,206,000)</u>	<u>(259,229)</u>	<u>(50,989)</u>	<u>-</u>	<u>(14,029,526)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of investments						
Maturity of non-cash investment	2,400,000	1,600,000	-	-	-	4,000,000
Interest income received	1,643,052	698,097	126,784	22,223	-	2,490,156
Net cash provided by investing activities	<u>4,043,052</u>	<u>2,298,097</u>	<u>126,784</u>	<u>22,223</u>	<u>-</u>	<u>6,490,156</u>
Net increase (decrease) in cash and cash equivalents	6,642,064	3,518,182	(132,445)	(28,766)	-	9,999,035
CASH AND CASH EQUIVALENTS – Beginning of Year	<u>35,752,535</u>	<u>11,878,893</u>	<u>2,058,706</u>	<u>259,830</u>	<u>-</u>	<u>49,949,964</u>
CASH AND CASH EQUIVALENTS – END OF YEAR	<u>\$ 42,394,599</u>	<u>\$ 15,397,075</u>	<u>\$ 1,926,261</u>	<u>\$ 231,064</u>	<u>\$ -</u>	<u>\$ 59,948,999</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2025

CONSOLIDATING STATEMENT OF CASH FLOWS – PAGE 2 OF 2

For the Year Ended December 31, 2025

			Component Units			Eliminations	Total
	Electric Operations	Water Operations	Gray/s	Crossing	Old Greenwood		
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES							
Operating income	\$ 7,824,630	\$ 1,648,687	\$ -	\$ -	\$ -	\$ -	\$ 9,473,317
Noncash items included in operating income							
Depreciation and amortization	3,609,514	5,324,134	-	-	-	-	8,933,648
Depreciation charged to other accounts	265,272	226,396	-	-	-	-	491,668
Pension GASB 68 valuation	408,072	272,046	-	-	-	-	680,118
OPEB GASB 75 valuation	(105,634)	(70,421)	-	-	-	-	(176,055)
Accounts receivable	(34,424)	120,708	-	-	-	-	86,284
Materials and supplies	(1,358,650)	27,748	-	-	-	-	(1,330,902)
Prepaid expenses	(852,403)	(114,801)	-	-	-	-	(967,204)
Accounts payable	560,463	(38,020)	-	-	-	-	522,443
Customer deposits	(5,833)	5,507	-	-	-	-	(326)
Deferred inflow, leases amortization	-	(74,542)	-	-	-	-	(74,542)
Leases receivable	-	40,248	-	-	-	-	40,248
Other current liabilities	(198,687)	58,395	-	-	-	-	(140,292)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 10,112,320	\$ 7,426,085	\$ -	\$ -	\$ -	\$ -	\$ 17,538,405
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEET							
Operating	9,319,622	6,027,032	36,546		231,064	\$ -	\$ 15,614,264
Designated	32,238,213	7,316,444	-		-	-	39,554,657
Restricted bond funds - current	901,097	2,082,540	1,889,715		-	-	4,873,352
Operating investments - non-current	-	1,395,831	-		-	-	1,395,831
Designated investments - non-current	2,049,524	-	-		-	-	2,049,524
Total Cash and Investments	44,508,456	16,821,847	1,926,261		231,064	-	63,487,628
Less: Long-term investments	(2,049,524)	(1,395,831)	-		-	-	(3,445,355)
Mark to market adjustment	(64,333)	(28,941)	-		-	-	(93,274)
TOTAL CASH AND CASH EQUIVALENTS	\$ 42,394,599	\$ 15,397,075	\$ 1,926,261		\$ 231,064	\$ -	\$ 59,948,999

STATISTICAL SECTION



Photo: Pole Top Change Out 2025

STATISTICAL SECTION
INTRODUCTION AND CONTENTS INDEX

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents	Page Range
Financial Trends Information trends to help the reader understand how the District's financial performance and condition have changed over time.	87 - 88
Revenue Capacity Information trends to help the reader understand the District's revenue sources.	89 - 91
Debt Capacity Current and past trends regarding the level of debt existing and the Debt capacity of the District.	92 - 93
Demographic and Economic Information These schedules help the reader understand the environment within which the District's financial activities occur.	94 - 95
Operating Information Service and infrastructure information to help the reader understand the District's customers and operational impacts on financial information.	96 - 98

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

10-Years Ended December 31,

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
OPERATING REVENUES										
Sales to customers	\$ 58,278,849	\$ 53,489,217	\$ 50,221,144	\$ 46,272,358	\$ 41,835,534	\$ 38,988,024	\$ 37,029,653	\$ 35,486,412	\$ 34,462,146	\$ 33,026,587
Standby fees	110,770	115,480	116,041	122,811	124,130	133,470	137,580	143,320	154,970	160,670
Cap and invest proceeds	291,328	518,027	401,879	514,604	847,185	1,444,498	1,503,495	1,186,320	1,140,372	1,172,306
Other	1,039,307	1,084,220	1,271,129	1,118,386	693,618	1,176,035	662,843	868,965	2,577,865	1,244,146
Total Operating Revenues	<u>59,720,254</u>	<u>55,206,944</u>	<u>52,010,193</u>	<u>48,028,159</u>	<u>43,500,467</u>	<u>41,742,027</u>	<u>39,333,571</u>	<u>37,685,017</u>	<u>38,335,353</u>	<u>35,603,709</u>
OPERATING EXPENSES										
Purchased power	12,802,795	13,164,111	14,068,454	16,823,869	13,560,417	11,285,537	10,754,898	11,001,858	11,327,300	11,511,308
Operations and maintenance	15,823,379	15,651,928	15,596,569	12,037,231	12,464,186	11,340,451	9,768,460	9,056,263	10,241,955	6,951,273
Consumer services	3,102,627	3,188,986	2,751,310	2,370,280	2,255,853	2,080,714	2,667,957	2,152,817	2,593,005	2,130,422
Administration and general	9,584,487	9,299,233	8,393,055	6,541,824	6,366,879	6,165,611	5,772,396	5,002,288	5,008,231	4,331,827
Pension expense (1)										1,220,591
OPEB expense (1)										719,218
Depreciation	8,933,649	8,486,970	8,004,903	7,712,381	7,917,950	7,974,868	7,420,251	6,878,860	6,531,640	6,237,033
Total Operating Expenses	<u>50,246,937</u>	<u>49,791,228</u>	<u>48,814,291</u>	<u>45,485,585</u>	<u>42,565,285</u>	<u>38,847,181</u>	<u>36,383,962</u>	<u>34,092,086</u>	<u>35,702,131</u>	<u>33,101,672</u>
Operating Income	<u>9,473,317</u>	<u>5,415,716</u>	<u>3,195,902</u>	<u>2,542,574</u>	<u>935,182</u>	<u>2,894,846</u>	<u>2,949,609</u>	<u>3,592,931</u>	<u>2,633,222</u>	<u>2,502,037</u>
NON-OPERATING REVENUE (EXPENSES)										
Special tax revenue	4,346,351	4,089,573	3,818,572	3,655,524	3,431,174	3,375,327	3,352,289	3,268,849	3,342,077	3,290,186
Investment income	2,796,772	2,807,224	2,728,794	(747,522)	(185,269)	573,668	1,038,582	694,432	420,490	390,310
Interest expense	(2,862,592)	(3,005,955)	(3,154,114)	(2,727,946)	(2,369,633)	(2,530,616)	(2,647,817)	(2,753,906)	(2,868,084)	(3,060,079)
Amortization	46,053	46,053	46,053	3,901	(38,250)	(38,250)	(38,250)	(38,250)	(38,250)	(17,804)
Other non-operating revenues	45,161	54,705	23,967	1,726,783	83,524	41,766	48,096	21,332	42,057	63,008
Other non-operating expenses	(193,828)	(127,289)	(10,403)	(690,460)	(79,025)	(238,590)	(38,160)	(31,691)	(26,377)	(150,000)
Gain (loss) on disposition of assets	11,620	18,278	30,265	48,087	48,339	238,885	13,748	1,284	7,538	(1,514)
Total Non-Operating Revenue, Net	<u>4,189,537</u>	<u>3,882,589</u>	<u>3,483,134</u>	<u>1,268,367</u>	<u>890,860</u>	<u>1,422,190</u>	<u>1,728,488</u>	<u>1,162,050</u>	<u>879,451</u>	<u>514,107</u>
Income Before Contributions	13,662,854	9,298,305	6,679,036	3,810,941	1,826,042	4,317,036	4,678,097	4,754,981	3,512,673	3,016,144
CAPITAL & OTHER CONTRIBUTIONS	<u>1,467,672</u>	<u>2,470,367</u>	<u>2,368,362</u>	<u>3,221,872</u>	<u>6,351,674</u>	<u>2,043,795</u>	<u>4,683,099</u>	<u>4,652,720</u>	<u>2,096,828</u>	<u>1,699,110</u>
CHANGE IN NET POSITION	<u>15,130,526</u>	<u>11,768,672</u>	<u>9,047,398</u>	<u>7,032,813</u>	<u>8,177,716</u>	<u>6,360,831</u>	<u>9,361,196</u>	<u>9,407,701</u>	<u>5,609,501</u>	<u>4,715,254</u>
Net Position - Beginning of Year, before adjustment	141,579,568	129,810,896	121,846,435	114,813,622	106,635,906	100,275,075	90,913,879	84,857,643	79,248,142	74,532,888
Less: Restatement for change in accounting principal (2) (3)	-	-	(1,082,937)	-	-	-	-	(3,351,465)	-	-
Net Position - Beginning of Year, as adjusted	<u>141,579,568</u>	<u>129,810,896</u>	<u>120,763,498</u>	<u>114,813,622</u>	<u>106,635,906</u>	<u>100,275,075</u>	<u>90,913,879</u>	<u>81,506,178</u>	<u>79,248,142</u>	<u>74,532,888</u>
NET POSITION - END OF YEAR	<u>\$ 156,710,094</u>	<u>\$ 141,579,568</u>	<u>\$ 129,810,896</u>	<u>\$ 121,846,435</u>	<u>\$ 114,813,622</u>	<u>\$ 106,635,906</u>	<u>\$ 100,275,075</u>	<u>\$ 90,913,879</u>	<u>\$ 84,857,643</u>	<u>\$ 79,248,142</u>

(1) Pension and OPEB costs separately stated in 2015 and 2016. For all other years, these costs are included Operations and maintenance, Consumer services, and Administration and general categories, as applicable.

(2) In 2018, the District adopted GASB Statement No 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. The beginning of year net position was adjusted for this change.

(3) In 2023, the District adopted GASB Statement No 101, Compensated Absences. The beginning of year net position was adjusted for this change.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NET POSITION BY COMPONENT AND SEGMENT

10-Years as of December 31,

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
NET POSITION by COMPONENT, as of December 31,										
Net investment in capital assets	\$ 101,544,508	\$ 100,719,586	\$ 92,055,779	\$ 88,640,941	\$ 86,889,607	\$ 79,111,738	\$ 74,841,974	\$ 66,843,642	\$ 55,267,086	\$ 52,052,148
Restricted	5,783,519	6,419,793	6,129,427	6,896,168	7,248,976	11,439,913	11,052,666	9,742,741	9,288,950	8,773,009
Unrestricted	49,382,067	34,440,189	31,625,690	26,309,326	20,675,039	16,084,255	14,380,435	14,327,496	20,301,607	18,422,985
Net Position, Total	<u>\$ 156,710,094</u>	<u>\$ 141,579,568</u>	<u>\$ 129,810,896</u>	<u>\$ 121,846,435</u>	<u>\$ 114,813,622</u>	<u>\$ 106,635,906</u>	<u>\$ 100,275,075</u>	<u>\$ 90,913,879</u>	<u>\$ 84,857,643</u>	<u>\$ 79,248,142</u>

CHANGE IN NET POSITION to PRIOR YEAR, Amount

Net investment in capital assets	\$ 824,922	\$ 8,663,807	\$ 3,414,838	\$ 1,751,334	\$ 7,777,869	\$ 4,269,764	\$ 7,998,332	\$ 11,576,556	\$ 3,214,938	\$ 5,008,831
Restricted	(636,274)	290,366	(766,741)	(352,808)	(4,190,937)	387,247	1,309,925	453,791	515,941	203,308
Unrestricted	14,941,878	2,814,498	5,316,364	5,634,287	4,590,784	1,703,820	52,939	(5,974,111)	1,878,622	(496,885)
Total Change in Net Position from Prior Year	<u>\$ 15,130,526</u>	<u>\$ 11,768,671</u>	<u>\$ 7,964,461</u>	<u>\$ 7,032,813</u>	<u>\$ 8,177,716</u>	<u>\$ 6,360,831</u>	<u>\$ 9,361,196</u>	<u>\$ 6,056,236</u>	<u>\$ 5,609,501</u>	<u>\$ 4,715,254</u>

CHANGE IN NET POSITION to PRIOR YEAR, Percentage

Net investment in capital assets	0.8%	9.4%	3.9%	2.0%	9.8%	5.7%	12.0%	20.9%	6.2%	10.6%
Restricted	-9.9%	4.7%	-11.1%	-4.9%	-36.6%	3.5%	13.4%	4.9%	5.9%	2.4%
Unrestricted	43.4%	8.9%	20.2%	27.3%	28.5%	11.8%	0.4%	-29.4%	10.2%	-2.6%
Total Change in Net Position from Prior Year	<u>10.7%</u>	<u>9.1%</u>	<u>6.5%</u>	<u>6.1%</u>	<u>7.7%</u>	<u>6.3%</u>	<u>10.3%</u>	<u>7.1%</u>	<u>7.1%</u>	<u>6.3%</u>

For more information on the change in Net Position; refer to prior page for 10 Years of CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

NET POSITION, BY COMPONENT, BY SEGMENT, as of December 31 :

Net investment in capital assets

Electric Operations	\$ 66,922,355	\$ 68,790,252	\$ 63,576,397	\$ 60,810,337	\$ 61,480,384	\$ 59,467,730	\$ 56,177,123	\$ 50,048,040	\$ 43,501,844	\$ 42,500,995
Water Operations	62,948,094	62,251,170	60,636,313	61,705,531	60,813,445	56,437,825	56,721,963	56,123,709	52,216,044	50,920,550
Gray's Crossing CFD	(22,579,741)	(23,964,536)	(25,229,331)	(26,419,127)	(27,463,922)	(28,408,717)	(29,263,512)	(30,163,307)	(30,948,102)	(31,557,897)
Old Greenwood CFD	(5,746,200)	(6,357,300)	(6,927,600)	(7,455,800)	(7,940,300)	(8,385,100)	(8,793,600)	(9,164,800)	(9,502,700)	(9,811,500)
Net investment in capital assets, total	<u>\$ 101,544,508</u>	<u>\$ 100,719,586</u>	<u>\$ 92,055,779</u>	<u>\$ 88,640,941</u>	<u>\$ 86,889,607</u>	<u>\$ 79,111,738</u>	<u>\$ 74,841,974</u>	<u>\$ 66,843,642</u>	<u>\$ 55,267,086</u>	<u>\$ 52,052,148</u>

Restricted

Electric Operations	\$ 866,714	\$ 1,265,651	\$ 902,528	\$ 872,435	\$ 1,068,491	\$ 2,354,515	\$ 2,455,342	\$ 1,777,693	\$ 1,842,553	\$ 1,316,355
Water Operations	1,964,960	2,234,335	2,331,910	2,932,265	3,351,806	6,273,747	5,803,021	5,114,785	4,576,780	4,695,114
Gray's Crossing CFD	2,951,845	2,919,807	2,894,989	3,091,468	2,828,679	2,811,651	2,794,303	2,850,263	2,869,617	2,761,540
Old Greenwood CFD	-	-	-	-	-	-	-	-	-	-
Restricted , total	<u>\$ 5,783,519</u>	<u>\$ 6,419,793</u>	<u>\$ 6,129,427</u>	<u>\$ 6,896,168</u>	<u>\$ 7,248,976</u>	<u>\$ 11,439,913</u>	<u>\$ 11,052,666</u>	<u>\$ 9,742,741</u>	<u>\$ 9,288,950</u>	<u>\$ 8,773,009</u>

Unrestricted

Electric Operations	\$ 33,397,794	\$ 20,894,530	\$ 18,847,485	\$ 16,701,721	\$ 13,651,321	\$ 10,294,409	\$ 8,653,888	\$ 8,594,312	\$ 10,762,466	\$ 7,920,940
Water Operations	8,456,269	6,778,244	6,676,089	4,198,202	1,687,142	600,254	519,901	734,026	4,682,775	5,875,984
Gray's Crossing CFD	6,915,664	6,158,219	5,469,065	4,803,982	4,749,096	4,635,070	4,670,778	4,442,898	4,256,091	3,976,683
Old Greenwood CFD	612,340	609,196	633,051	605,421	587,480	554,522	535,868	556,260	600,275	649,378
Unrestricted, total	<u>\$ 49,382,067</u>	<u>\$ 34,440,189</u>	<u>\$ 31,625,690</u>	<u>\$ 26,309,326</u>	<u>\$ 20,675,039</u>	<u>\$ 16,084,255</u>	<u>\$ 14,380,435</u>	<u>\$ 14,327,496</u>	<u>\$ 20,301,607</u>	<u>\$ 18,422,985</u>

Truckee Donner Public Utility District
Electric and Water - Account Type Mix and Rates
Last 11 Years

Electric Utility

Year	Average Number of Accounts				Residential Non-Residential Mix	Typical Residential Average Monthly Bill				Average Rate Increase	
	Residential Primary	Residential Secondary	Non-Residential	Total		Primary @ 500 Kwh (3)	Secondary @ 500 Kwh (3)	Primary @ 785 Kwh (4)	Secondary @ 420 Kwh (4)	Prim.	Seco.
	(1)	(1)	(2)							(5)	(5)
2025	5,207	7,969	1,683	14,859	89% 11%	\$123.97	\$136.77	\$177.09	\$119.81	12.0%	12.0%
2024	5,189	7,929	1,680	14,798	89% 11%	\$110.67	\$122.12	\$158.09	\$106.98	12.0%	12.0%
2023	5,160	7,868	1,654	14,682	89% 11%	\$98.83	\$109.03	\$141.18	\$95.51	6.5%	6.7%
2022	5,129	7,812	1,661	14,602	89% 11%	\$92.18	\$102.48	\$132.56	\$89.50	8.3%	9.0%
2021	4,971	7,789	1,656	14,416	89% 11%	\$84.70	\$94.20	\$122.41	\$82.10	2.0%	3.0%
2020	4,898	7,659	1,619	14,176	89% 11%	\$82.33	\$91.83	\$120.04	\$79.73	1.8%	2.7%
2019	4,810	7,565	1,585	13,960	89% 11%	\$80.25	\$89.75	\$117.96	\$77.65	2.4%	3.7%
2018	4,798	7,462	1,558	13,818	89% 11%	\$77.50	\$87.00	\$115.20	\$74.89	1.9%	3.0%
2017	4,784	7,389	1,535	13,708	89% 11%	\$75.35	\$84.85	\$113.05	\$72.74	1.7%	2.6%
2016	4,738	7,303	1,527	13,568	89% 11%	\$73.51	\$83.01	\$111.21	\$70.90	0.0%	0.0%
2015	4,642	7,235	1,512	13,389	89% 11%	\$73.51	\$83.01	\$111.21	\$70.90	0.0%	0.0%
(A) :											
5yr CAGR	1.2%	0.8%	0.8%	0.9%	N/A	8.5%	8.3%	8.1%	8.5%	N/A	N/A
10yr CAGR	1.2%	1.0%	1.1%	1.0%	N/A	5.4%	5.1%	4.8%	5.4%	N/A	N/A

Water Utility

Year	Average Number of Accounts				Residential Non-Residential Mix	Typical Residential Average Monthly Bill - 5000 Gallons of Use				Annual Increase Including PZC	
	Residential	column not used	Non-Residential	Total		Excluding PumpZone Charge (7)	Including PumpZone Charge (PZC) (7)	column not used	column not used		
	(6)		(2)								
2025	12,949		791	13,740	94% 6%	\$109.73	\$118.15			6.9%	
2024	12,907		782	13,689	94% 6%	\$102.59	\$110.53			9.7%	
2023	12,845		764	13,609	94% 6%	\$94.96	\$100.76			6.3%	
2022	12,754		772	13,526	94% 6%	\$87.95	\$94.80			9.0%	
2021	12,635		765	13,400	94% 6%	\$80.69	\$86.97			10.7%	
2020	12,505		748	13,253	94% 6%	\$73.56	\$78.58			3.3%	
2019	12,261		865	13,126	93% 7%	\$71.44	\$76.05			3.5%	
2018	12,317		709	13,026	95% 5%	\$69.32	\$73.51			3.4%	
2017	12,218		706	12,924	95% 5%	\$67.30	\$71.07			5.3%	
2016	12,121		706	12,827	94% 6%	\$64.12	\$67.47			5.8%	
2015	12,012		704	12,716	94% 6%	\$60.78	\$63.75			4.8%	
(A) :											
5yr CAGR	0.7%		1.1%	0.7%	N/A	8.3%	8.5%			N/A	N/A
10yr CAGR	0.8%		1.2%	0.8%	N/A	6.1%	6.4%			N/A	N/A

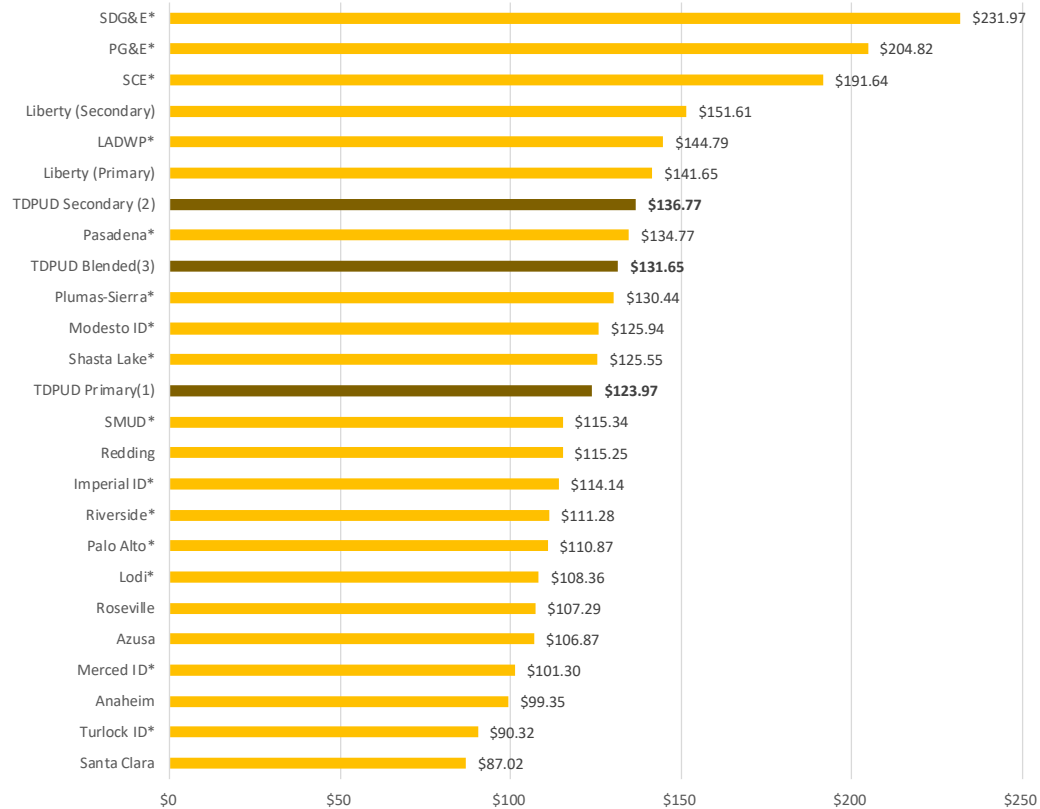
Source: Truckee Donner Public Utility District records

Notes:

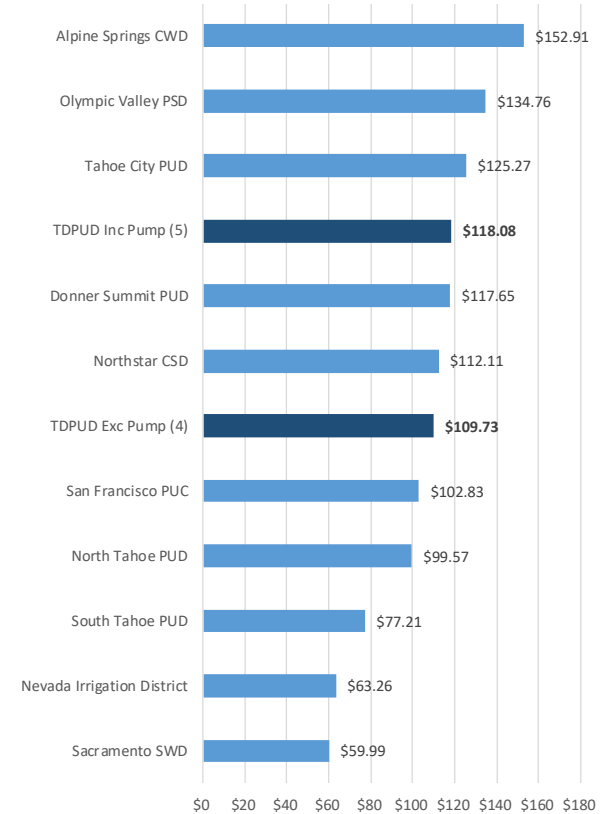
- (1) Two main residential rate categories; Primary(P) and Secondary(S); with mix currently 40%P and 60%S from 10 years ago 40%P and 60%S. Also see (6).
- (2) Non-Residential account type includes commercial businesses and governmental agencies.
Commercial average monthly bills are not presented, as commercial accounts monthly bills vary widely by account based on meter size and usage.
- (3) Average for Primary and Secondary residential, at same Kwh usage. Amounts for (3) and (4) include Public Benefit and Solar California mandates.
- (4) Average for Primary and Secondary residential, at 3 year average Kwh usage for the account type P and S. Also see 2nd half of note (3).
- (5) Average annual rate increase for P | S based on (4) usage averages.
- (6) The average number of accounts is annual average for the year, the number of accounts each month varies.
- (7) Residential average includes Monthly Service Fee, Usage Fee based on Volume, and Pump Zone charge based on elevation zone. Pump Zone 1 charge is zero. Accounts are in 1 of 7 pump zones of District, based on elevation. The Including Pump Zone average is weighted average based on number of accounts per zone.
- (A) Compounded Annual Growth Rate (CAGR) metrics for 2025 compared to respective number of years(yr) prior

**Truckee Donner Public Utility District (TDPUD)
Electric and Water Utilities - FY 2025
Regional Average Monthly Residential Bill Comparison**

Electric-Typical Monthly Bill *



Water-Typical Monthly Bill *



TDPUD compiled this information from a review of each respective District's website for applicable ordinances/rates information. Monthly bills assume a typical customer consumption of 500 kWh per month in electricity and 5,000 gallons per month in water.

(1) Primary residence accounts 40%

(2) Second home residence accounts 60%

(3) Weighted average of (1) and (2)

Note - Second homes average kWh usage is historically 54% of Primary homes kWh average usage

* Weighted average for utilities with Summer and Winter rates

(4) Excluding Pump Zone charge

(5) Including Pump Zone charge, the weighted average of the 7 pump zones.

Pump zone charges are based on water elevation zones of service territory.

Truckee Donner Public Utility District
Ten Largest Customers and Sales Mix
Current Year and Nine Years Ago

Electric Utility

Customer (1) (2)	2025			2016		
	Customer Revenue	Rank	% of Total Revenue	Customer Revenue	Rank	% of Total Revenue
Tahoe Forest Hospital	\$ 1,504,192	1	4.0%	\$ 838,071	2	3.9%
Tahoe Truckee Sanitation Agency	1,300,355	2	3.4%	886,945	1	4.1%
Private Company, A	1,221,661	3	3.2%			0.0%
Tahoe Truckee Unified School District	697,466	4	1.8%	377,912	3	1.7%
Private Company, B	380,743	5	1.0%	270,781	5	1.2%
Private Company, C	378,606	6	1.0%	263,220	6	1.2%
Private Company, D	374,568	7	1.0%	222,596	9	1.0%
Town of Truckee	347,848	8	0.9%	233,791	8	1.1%
Truckee Donner Recreation and Park District	337,652	9	0.9%			0.0%
Private Company, E	319,600	10	0.8%	253,119	7	1.2%
Private Company, F				365,561	4	
Private Company, G				193,030	10	
Total, Top 10 Customers	\$ 6,862,689		18.1%	\$ 3,905,025		18.0%
Total Sales to Customers	\$ 37,871,146		100.0%	\$ 21,713,614		100.0%
Sales Mix						
<i>Residential</i>	\$ 21,392,776		56.5%	\$ 12,556,528		57.8%
<i>Commercial</i>	\$ 11,453,340		30.2%	\$ 6,082,512		28.0%
<i>Public Authorities</i>	\$ 5,025,031		13.3%	\$ 3,074,574		14.2%

Water Utility

Customer (1)	2025			2016		
	Customer Revenue	Rank	% of Total Revenue	Customer Revenue	Rank	% of Total Revenue
Private Company, B	\$ 251,102	1	1.2%	\$ 146,974	1	1.3%
Private Company, C	192,823	2	0.9%	129,333	2	1.1%
Private Company, H	80,335	3	0.4%	44,755	5	0.4%
Truckee Donner Recreation and Park District	73,790	4	0.4%	51,810	3	0.5%
Tahoe Forest Hospital	70,886	5	0.3%	44,296	6	0.4%
Town of Truckee	62,185	6	0.3%			0.0%
Private Company, I	57,246	7	0.3%	31,483	7	0.3%
Tahoe Truckee Unified School District	56,444	8	0.3%	45,619	4	0.4%
Private Company, J	52,550	9	0.3%	31,982	8	0.3%
Donner Memorial State Park	45,803	10	0.2%			0.0%
Private Company, K				30,079	9	0.3%
Private Company, L				25,650	10	0.2%
Total, Top 10 Customers	\$ 943,164		4.6%	\$ 581,981		5.1%
Total Sales to Customers	\$ 20,407,701		100.0%	\$ 11,312,973		100.0%
Sales Mix						
<i>Residential Potable</i>	\$ 18,064,886		88.5%	\$ 9,890,205		87.4%
<i>Non-Residential Potable</i>	\$ 2,073,679		10.2%	\$ 1,267,214		11.2%
<i>Non-potable</i>	\$ 269,137		1.3%	\$ 155,555		1.4%

(1) To preserve confidentiality, private company customer names are not disclosed.

(2) Electric Utility table excludes internal customer, Water Utility, with Revenue of \$1.5 million in 2025 and 1.1 million in 2016. The Electric Utility revenue from Water Utility is eliminated on a Consolidated Financial Statement basis.

Source: Truckee Donner Public Utility District Customer Service Department

Truckee Donner Public Utility District

Debt Coverage

Last 10 Years

Dollars in Thousands except for Coverage Ratio

Electric Utility					
Year	A Total Revenues (1)	B Total Expenses (2)	A - B = C Net Revenues Available For Debt Service	D Debt Service Requirement (3)	C / D Coverage Ratio
2025	43,309	29,556	13,753	432	31.84
2024	40,064	29,581	10,483	429	24.42
2023	37,991	29,911	8,079	431	18.74
2022	33,539	29,439	4,101	655	6.26
2021	30,916	26,720	4,197	1,072	3.92
2020	30,409	23,010	7,399	1,058	6.99
2019	29,258	21,093	8,165	1,000	8.16
2018	27,782	20,237	7,545	1,429	5.28
2017	28,336	22,108	6,228	468	13.32
2016	25,628	20,223	5,405	1,000	5.40

Water Utility					
Year	A Total Revenues (1)	B Total Expenses (2)	A - B = C Net Revenues Available For Debt Service	D Debt Service Requirement (3)	C / D Coverage Ratio
2025	22,023	13,916	8,107	1,991	4.07
2024	20,831	13,757	7,074	1,984	3.56
2023	19,377	12,822	6,555	1,987	3.27
2022	17,986	10,137	7,849	1,305	6.01
2021	16,981	9,736	7,245	2,046	3.54
2020	15,107	9,599	5,508	2,024	2.72
2019	14,419	9,552	4,867	2,018	2.41
2018	13,769	8,662	5,107	2,016	2.53
2017	12,909	8,775	4,134	2,341	1.77
2016	12,908	8,171	4,737	2,389	1.98

- (1) Includes interest income, facilities fees, and connection fees; Water excludes Donner Lake Assessment District special tax (assessment) revenues
- (2) Excludes depreciation, interest and amortization expense
- (3) Includes principal and interest of bond (certificates of participation, and other types) debt, parity and subordinate; Water excludes Donner Lake Assessment District SRF loan debt; includes credit offset for interest on parity debt reserve funds; excludes refunding activities.

**Truckee Donner Public Utility District
Total Long-Term Debt per Account and Ratios
Last 10 Years**

As of year ended December 31,		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Electric Utility											
Total Debt (\$000s)	(1)	\$ 6,423	\$ 6,572	\$ 6,848	\$ 6,722	\$ 552	\$ 1,603	\$ 2,604	\$ 3,524	\$ 4,804	\$ 5,218
Number of Accounts		14,859	14,798	14,682	14,602	14,416	14,176	13,960	13,818	13,708	13,568
Debt per Account		\$ 432	\$ 444	\$ 466	\$ 460	\$ 38	\$ 113	\$ 187	\$ 255	\$ 350	\$ 385
Debt to Total Revenue		19%	20%	20%	20%	2%	5%	9%	13%	17%	20%
Debt to Net Capital Assets		10%	10%	11%	11%	1%	3%	4%	7%	10%	11%
Water Utility											
Total Debt (\$000s)	(2)	\$ 23,670	\$ 24,700	\$ 25,759	\$ 26,569	\$ 11,022	\$ 16,579	\$ 18,845	\$ 21,058	\$ 23,217	\$ 25,631
Number of Accounts		13,740	13,689	13,609	13,526	13,400	13,253	13,126	13,026	12,924	12,827
Debt per Account		\$ 1,723	\$ 1,804	\$ 1,893	\$ 1,964	\$ 823	\$ 1,251	\$ 1,436	\$ 1,617	\$ 1,796	\$ 1,998
Debt to Total Revenue (2)		126%	131%	137%	141%	62%	104%	124%	145%	169%	187%
Debt to Net Capital Assets		28%	29%	30%	35%	15%	23%	25%	27%	31%	34%
Gray's Crossing CFD											
Total Debt (\$000s)	(3)	\$ 22,580	\$ 23,965	\$ 25,229	\$ 26,419	\$ 27,464	\$ 28,409	\$ 29,263	\$ 30,163	\$ 30,948	\$ 31,558
Number of Parcels	(5)	425	425	425	426	407	407	408	413	413	415
Debt per Parcel		\$ 53,129	\$ 56,387	\$ 59,363	\$ 62,017	\$ 67,479	\$ 69,800	\$ 71,724	\$ 73,035	\$ 74,935	\$ 76,043
Old Greenwood CFD											
Total Debt (\$000s)	(4)	\$ 5,746	\$ 6,357	\$ 6,928	\$ 7,456	\$ 7,940	\$ 8,385	\$ 8,794	\$ 9,165	\$ 9,503	\$ 9,811
Number of Parcels	(5)	1,223	1,262	1,262	1,262	1,254	1,254	1,238	1,238	1,231	1,231
Debt per Parcel		\$ 4,698	\$ 5,037	\$ 5,489	\$ 5,908	\$ 6,332	\$ 6,687	\$ 7,103	\$ 7,403	\$ 7,719	\$ 7,970
<hr/>											
(\$000s)											
Total Utility Debt		\$ 30,093	\$ 31,272	\$ 32,607	\$ 33,291	\$ 11,574	\$ 18,182	\$ 21,449	\$ 24,582	\$ 28,021	\$ 30,849
Total CFD Debt		<u>\$ 28,326</u>	<u>\$ 30,322</u>	<u>\$ 32,157</u>	<u>\$ 33,875</u>	<u>\$ 35,404</u>	<u>\$ 36,794</u>	<u>\$ 38,057</u>	<u>\$ 39,328</u>	<u>\$ 40,451</u>	<u>\$ 41,369</u>
Total Debt, Consolidated		<u>\$ 58,419</u>	<u>\$ 61,594</u>	<u>\$ 64,764</u>	<u>\$ 67,166</u>	<u>\$ 46,978</u>	<u>\$ 54,976</u>	<u>\$ 59,506</u>	<u>\$ 63,910</u>	<u>\$ 68,472</u>	<u>\$ 72,218</u>

(1) Electric Total Debt includes Pension Obligation Bonds, Installment Loan, SBITA debt, and Certificates of Participation debt.

(2) Water Total Debt includes Certificates of Participation debt, CA Dept. of Water Resources loan, Installment loans, SBITA and Donner Lake Assessment District (DLAD) related State Revolving Fund (SRF) loan. Total Revenue for this report's Water Debt to Total Revenue includes DLAD tax assessment proceeds which applies the DLAD's SRF loan debt service of \$800,852 for each year presented.

(3) Gray's Crossing Community Facilities District (CFD) Debt is Special Tax Bonds - Mello Roos.

(4) Old Greenwood Community Facilities District (CFD) Debt is Special Tax Bonds - Mello Roos.

(5) Number of parcels subject to CFD Special Tax Mello Roos Bonds varies by year due to full pre-payments and parcel splits, and represents special tax assessment parcels.

Truckee Donner Public Utility District Demographic and Economic Information Last 11 Years

Town of Truckee (1)

Year	Labor Force (2)	Unemployment (2)	Population (3)	Per Capita Personal Income (4)	Personal Income (5)	TTUSD School Enrollment (6)
2025	9,820	5.7%	16,928	\$77,791	\$1,316,846,048	4,175
2024	9,600	5.5%	16,923	\$73,455	\$1,243,078,965	4,135
2023	9,500	4.1%	16,702	\$63,792	\$1,065,453,984	4,176
2022	9,420	3.6%	16,693	\$59,141	\$987,240,713	4,165
2021	9,220	5.9%	16,213	\$51,955	\$842,346,415	4,159
2020	9,160	5.8%	16,735	\$46,295	\$774,746,825	4,193
2019	9,880	1.3%	16,434	\$46,280	\$760,565,520	4,168
2018	10,370	2.6%	16,309	\$45,706	\$745,419,154	4,133
2017	10,490	3.0%	16,277	\$43,898	\$714,527,746	4,153
2016	10,110	3.9%	16,231	\$42,439	\$688,827,409	4,010
2015	10,070	5.3%	16,184	\$40,414	\$654,060,176	3,978
(A) :						
5yr CAGR	1.4%	-0.3%	0.2%	10.9%	11.2%	-0.1%
10yr CAGR	-0.3%	0.7%	0.5%	6.8%	7.2%	0.5%

Sources and Legend:

- (1) The Town of Truckee boundaries comprise approximately 95% of the District's service territory.
- (2) California Employment Development Department
- (3) California Department of Finance Projections for Town of Truckee
- (4) United States Census Data adjusted for inflation and Town of Truckee
- (5) Personal Income calculated as Population (3) multiplied by Per Capital Income (4)
- (6) California Ed-Data Partnership; Tahoe-Truckee Unified School District (TTUSD), Census Day Enrollment for school district's fiscal year

(A) Compounded Annual Growth Rate (CAGR) metrics for 2025 compared to respective number of years(yr) prior

Truckee Donner Public Utility District
Principal Employers
Current Year and Seven Years Ago

Employer Name	2025		2019	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Tahoe Forest Hospital District	865	8.8%	577	5.8%
Tahoe-Truckee Unified School District*	632	6.4%	238	2.4%
Town of Truckee	159	1.6%	128	1.3%
Safeway*	117	1.2%	150	1.5%
Mountain Hardware & Truckee Rents	97	1.0%		
Tahoe Donner Association	96	1.0%		
Truckee Donner Public Utility District	84	0.9%	70	0.7%
Truckee Fire Protection District	70	0.7%		
Truckee-Donner Recreation & Park District	56	0.6%	31	0.3%
Save Mart	35	0.4%	42	0.4%
Mark Tanner Construction			65	0.7%
Northstar Lodge (Welk Resorts)			180	1.8%
Bar of America			22	0.2%
Top 10 Employers, total	2,211	22.5%	1,503	15.2%
Labor Force	9,820	100.0%	9,880	100.0%

Sources and Comments:

Source of Top 10 Employers is Town of Truckee's 2024/25 and 2018/19 Annual Comprehensive Financial Reports, and 2019 was the first year information provided and is based on direct inquiries to employers. Other than above from Town of Truckee, specific employer information is not publicly available to the District. Labor Force is from prior page.

* Includes full & part-time employees

Truckee Donner Public Utility District Operating Information Last 11 Years

Year	IRS W-2s (1)	FTEs (2)	Electric Utility			Water Utility		
			Number of Accounts (Average)	KwH Billed (000s)	Capital Assets, Net (\$000s) (3)	Number of Accounts (Average)	Water Production in Millions of Gallons	Capital Assets, Net (\$000s) (3)
2025	89	84	14,859	160,458	\$73,754	13,740	1,522	\$86,424
2024	92	83	14,798	168,497	\$68,386	13,689	1,614	\$86,802
2023	90	80	14,682	166,385	\$63,688	13,609	1,497	\$84,983
2022	89	77	14,602	167,155	\$60,988	13,526	1,556	\$75,982
2021	90	70	14,416	163,176	\$61,493	13,400	1,715	\$71,390
2020	82	68	14,176	159,134	\$59,493	13,253	1,713	\$72,539
2019	89	73	13,960	156,714	\$58,756	13,126	1,503	\$75,056
2018	86	72	13,818	151,944	\$53,535	13,026	1,579	\$76,638
2017	77	74	13,708	156,562	\$48,258	12,924	1,487	\$74,857
2016	78	72	13,568	151,527	\$47,660	12,827	1,460	\$75,942
2015	83	73	13,389	140,819	\$47,079	12,716	1,381	\$75,338
(A) :								
5yr CAGR	1.7%	4.3%	0.9%	0.2%	4.4%	0.7%	-2.3%	3.6%
10yr CAGR	0.7%	1.5%	1.0%	1.3%	4.6%	0.8%	1.0%	1.4%

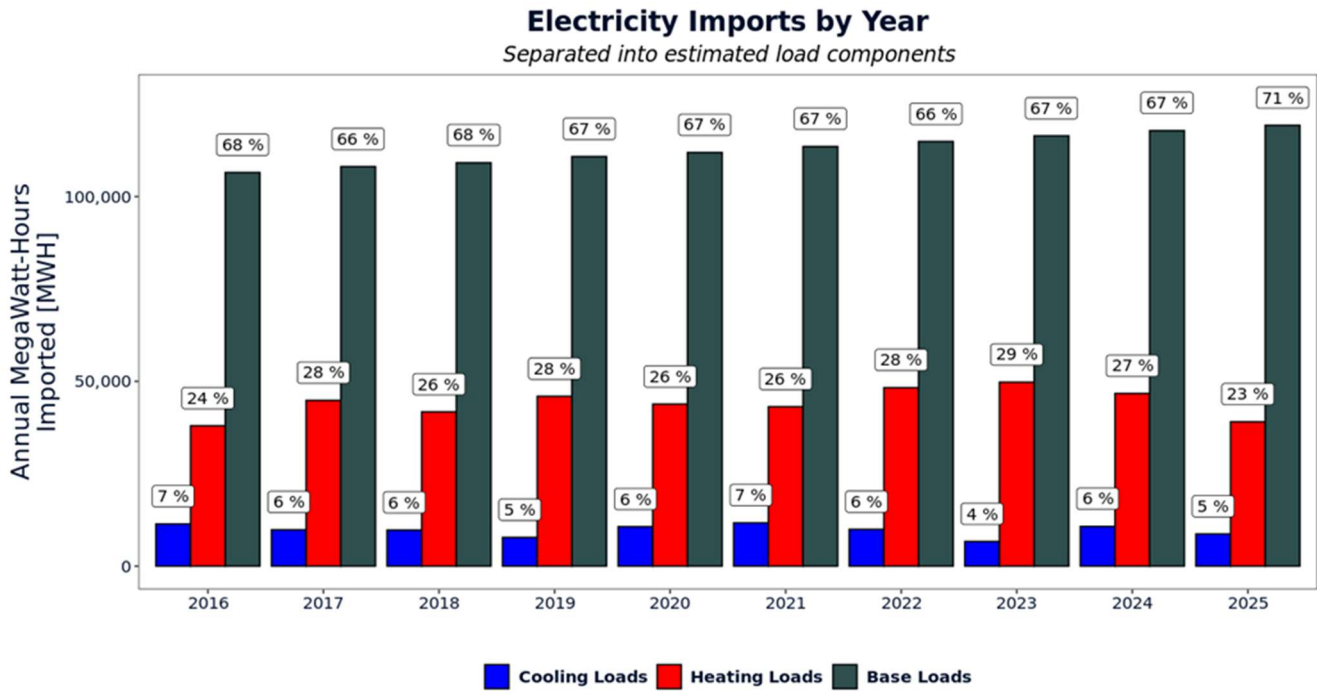
Sources and Legend:

- (1) Number of Internal Revenue Service payroll W-2 forms issued for calendar/tax year
 - (2) Full Time Equivalents (FTEs) calculated as payroll paid hours (work regular and overtime, vacation, sick, other) for year divided by 2080
 - (3) Capital Assets, Net as of year end is comprised of Gross Fixed Assets, less Accumulated Depreciation, plus Construction Work in Progress, presented as dollars in thousands (\$000s)
- (A) Compounded Annual Growth Rate (CAGR) metrics for 2025 compared to respective number of years(yr) prior

**Truckee Donner Public Utility District
Capital Assets by Function
Last 10 Years**

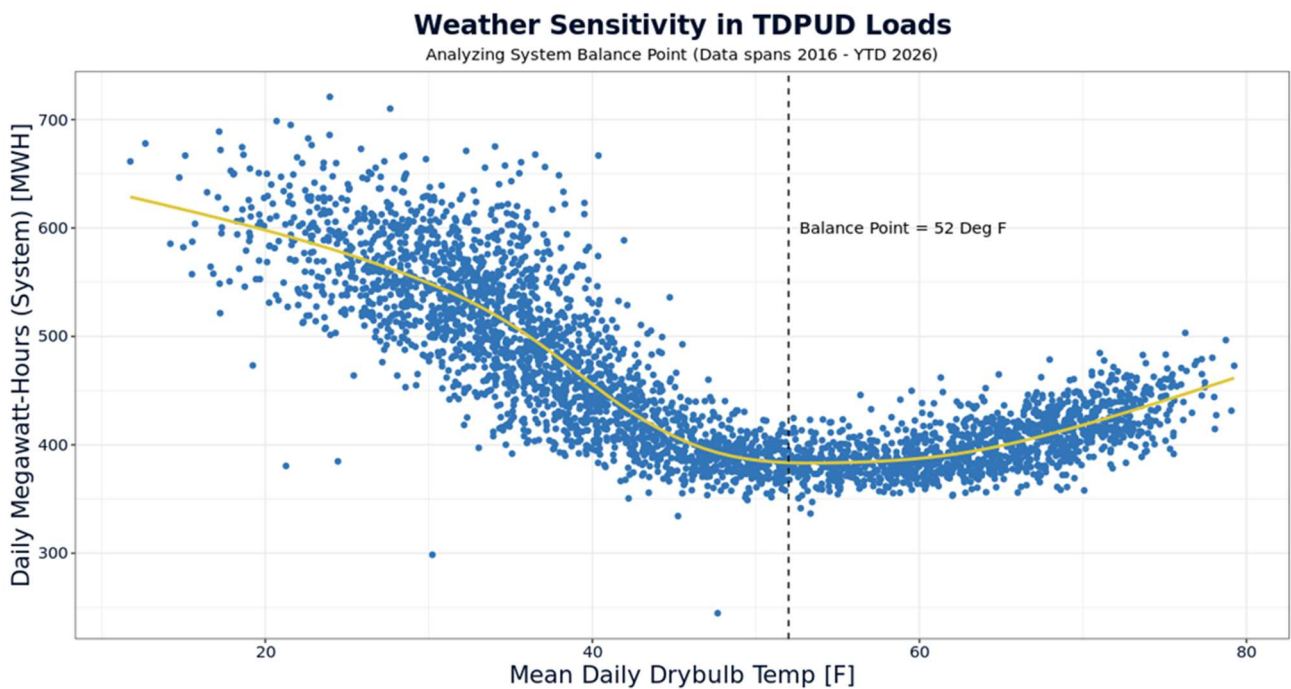
Balance as of December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Plant Balances										
Electric distribution	\$ 93,470,272	\$ 89,304,756	\$ 84,810,518	\$ 80,851,917	\$ 76,021,243	\$ 71,894,379	\$ 67,692,719	\$ 64,204,691	\$ 60,416,920	\$ 58,345,690
Water distribution	157,187,944	153,218,962	142,310,579	132,306,303	124,052,449	121,483,082	120,131,130	116,378,593	112,596,747	108,860,825
General plant	24,400,691	22,377,460	20,978,206	20,857,928	19,827,303	19,316,644	18,450,143	16,513,295	15,782,620	15,062,278
SBITA	806,226	627,600	627,600	-	-	-	-	-	-	-
Total	275,865,133	265,528,778	248,726,903	234,016,148	219,900,995	212,694,105	206,273,992	197,096,579	188,796,288	182,268,793
Accumulated Depreciation and Amortization										
Electric distribution	(31,470,972)	(29,381,810)	(27,377,063)	(25,615,227)	(23,396,600)	(21,385,441)	(19,454,296)	(19,488,505)	(18,789,114)	(17,045,716)
Water distribution	(73,491,183)	(69,419,305)	(64,952,166)	(60,888,418)	(56,654,194)	(52,339,068)	(48,269,854)	(44,232,073)	(40,260,086)	(37,643,873)
General plant	(15,753,434)	(14,891,329)	(14,223,620)	(13,519,645)	(12,700,105)	(11,522,788)	(10,851,669)	(10,372,265)	(9,514,034)	(8,683,151)
SBITA	(488,879)	(346,597)	(134,658)	-	-	-	-	-	-	-
Total	(121,204,468)	(114,039,041)	(106,687,507)	(100,023,290)	(92,750,899)	(85,247,297)	(78,575,819)	(74,092,843)	(68,563,235)	(63,372,739)
Plant Sub-Total										
Electric distribution	61,999,300	59,922,946	57,433,455	55,236,690	52,624,643	50,508,938	48,238,423	44,716,186	41,627,806	41,299,974
Water distribution	83,696,761	83,799,657	77,358,413	71,417,885	67,398,255	69,144,014	71,861,276	72,146,520	72,336,661	71,216,952
General plant	8,647,257	7,486,131	6,754,586	7,338,283	7,127,198	7,793,856	7,598,474	6,141,030	6,268,586	6,379,127
SBITA	317,347	281,003	492,942	-	-	-	-	-	-	-
Total	154,660,665	151,489,737	142,039,396	133,992,858	127,150,096	127,446,808	127,698,173	123,003,736	120,233,053	118,896,054
Construction work in progress	5,517,109	3,697,906	6,631,266	3,604,888	5,732,900	4,584,711	6,114,079	7,169,814	2,881,021	4,706,276
TOTALS	\$ 160,177,774	\$ 155,187,643	\$ 148,670,662	\$ 137,597,746	\$ 132,882,996	\$ 132,031,519	\$ 133,812,252	\$ 130,173,550	\$ 123,114,074	\$ 123,602,330
Change to Prior Year										
Change in Plant										
Electric distribution	\$ 4,165,516	\$ 4,494,238	\$ 3,958,601	\$ 4,830,674	\$ 4,126,864	\$ 7,689,688	\$ 7,275,799	\$ 3,787,771	\$ 2,071,230	\$ 3,624,075
Water distribution	3,968,982	10,908,383	10,004,276	8,253,854	2,569,367	5,104,489	7,534,383	3,781,846	3,735,922	1,855,247
General plant	2,023,231	1,399,254	1,399,254	1,030,625	510,659	2,803,349	2,667,523	730,675	720,342	1,174,397
SBITA	178,626	-	-	-	-	-	-	-	-	-
Total	10,336,355	16,801,875	14,710,755	14,115,153	7,206,890	15,597,526	17,477,704	8,300,291	6,527,495	6,653,719
Change in Accumulated Depreciation and Amortization										
Electric distribution	(2,089,162)	(2,004,747)	(1,761,836)	(2,218,627)	(2,011,159)	(1,896,936)	(665,182)	(699,391)	(1,743,399)	(1,069,787)
Water distribution	(4,071,878)	(4,467,139)	(4,063,748)	(4,234,224)	(4,315,126)	(8,106,995)	(8,009,768)	(3,971,987)	(2,616,213)	(3,395,304)
General plant	(862,105)	(667,709)	(703,975)	(819,540)	(1,177,317)	(1,150,523)	(1,337,635)	(858,231)	(830,884)	(865,200)
SBITA	(142,282)	(211,939)	(134,658)	-	-	-	-	-	-	-
Total	(7,165,427)	(7,351,534)	(6,664,217)	(7,272,391)	(7,503,602)	(11,154,454)	(10,012,584)	(5,529,608)	(5,190,496)	(5,330,291)
Change in Plant Sub-Total										
Electric distribution	2,076,354	2,489,491	2,196,765	2,612,047	2,115,705	5,792,752	6,610,617	3,088,380	327,831	2,554,288
Water distribution	(102,896)	6,441,244	5,940,528	4,019,630	(1,745,759)	(3,002,506)	(475,385)	(190,141)	1,119,709	(1,540,057)
General plant	1,161,126	731,545	(583,697)	211,085	(666,658)	1,652,826	1,329,888	(127,556)	(110,542)	309,197
SBITA	36,344	(211,939)	492,942	-	-	-	-	-	-	-
Total	3,170,928	9,450,341	8,046,538	6,842,762	(296,712)	4,443,072	7,465,120	2,770,683	1,336,999	1,323,428
Change in Construction work in progress	1,819,203	(2,933,360)	3,026,378	(2,128,012)	1,148,189	(2,585,103)	3,233,058	4,288,793	(1,825,255)	(137,766)
Change in Total Capital Assets	\$ 4,990,131	\$ 6,516,981	\$ 11,072,916	\$ 4,714,750	\$ 851,477	\$ 1,857,969	\$ 10,698,178	\$ 7,059,475	\$ (488,256)	\$ 1,185,662
Capital Expenditures from Cash Flow Statements										
Electric	(8,601,238)	(7,787,320)	(5,126,471)	(2,684,787)	(3,712,667)	(3,754,601)	(7,832,201)	(7,397,001)	(3,042,889)	(3,086,341)
Water	(5,071,331)	(6,762,873)	(13,611,907)	(8,292,286)	(2,654,630)	(2,553,607)	(1,757,297)	(4,212,526)	(2,339,061)	(4,334,811)
Total	(13,672,569)	(14,550,193)	(18,738,378)	(10,977,073)	(6,367,297)	(6,308,208)	(9,589,498)	(11,609,527)	(5,381,950)	(7,421,152)

Truckee Donner Public Utility District Base, Heating and Cooling Degree Days



Degree Days

Below history plot of all days last six years, provides the basis for degree day estimated balance point of 52 degrees.



END OF REPORT
THANK YOU FOR READING



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ITS TIME TO BE PREPARED

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