



METRO  
WATER  
RECOVERY®



# COMMITTED TO EXCELLENCE

Popular Annual Financial Report  
for the fiscal year ended December 31, 2025

## Letter from the CEO

Since 1961, Metro Water Recovery (Metro) has provided a cost-effective solution to water recovery for the growing Denver metropolitan area. For more than 60 years, Metro has served our communities, connecting them to their water and integrating excellence into everything we do, and 2025 was no different.

In 2025, Metro furthered our commitment to service and excellence by cleaning water and recovering resources to protect public health and the environment for our communities and providing transparent and accessible financial information that demonstrates Metro's commitment to ratepayer value. This Popular Annual Financial Report (Report) for the fiscal year ending December 31, 2025, which is based on our Annual Comprehensive Financial Report, was created to provide financial transparency to our ratepayers, residents, connectors, government agencies, and other interested parties in an easy-to-understand format. The Report highlights our connections to service and communities through our financial story. If you have any questions or comments, please contact Metro's Administrative Services Department.

Sincerely,



**William J. "Mickey" Conway**

Chief Executive Officer (CEO)

The information in this report summarizes Metro's financial position based on the detailed financial statements found within the 2025 Annual Comprehensive Financial Report. The financial statements were prepared in conformance with Generally Accepted Accounting Principles (GAAP) and audited by an independent accounting firm, receiving an unmodified (clean) opinion. The numbers in this report are presented in an unaudited non-GAAP format. The financial information for Metro's fiduciary fund, Pension Trust Fund, is excluded from this report.

# OUR PEOPLE



Metro Water Recovery was formed under Colorado law in 1961. Metro is the largest water and resource recovery agency in the Rocky Mountain West. Our employees are the heart of Metro, and we aim to empower them to be agents of change, driving our vision toward a sustainable future.

## Mission

To protect the region’s health and environment by cleaning water and recovering resources.

## Vision

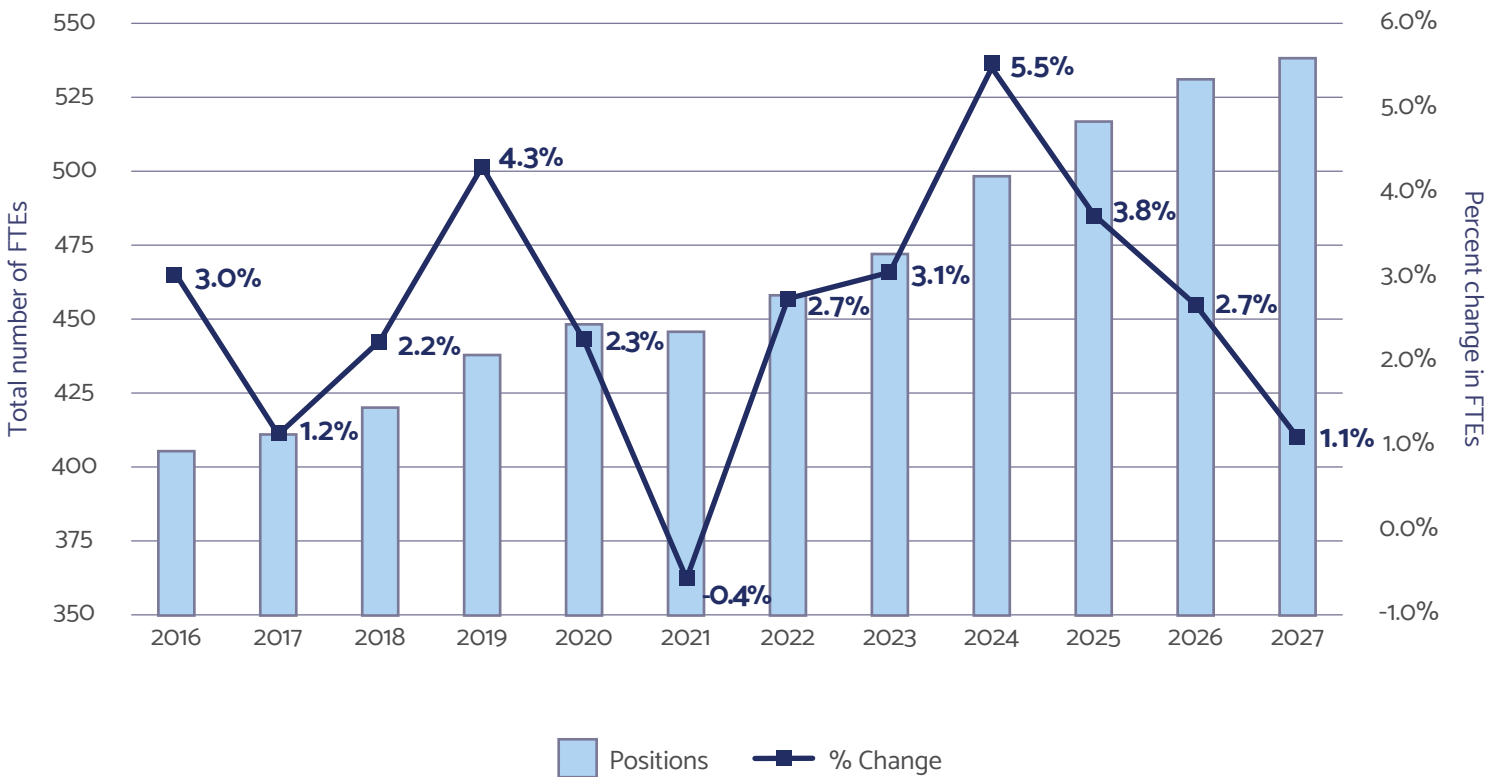
To be a leader, an innovative clean water partner, and a great place to work.

## Values

Excellence, Collaboration, Inclusion, Integrity.

Metro has experienced change in the number of full-time-equivalent (FTE) employees over the past few years. This growth is due to Metro’s expanding service area and adjusting services to meet the needs of connectors and regulators.

### Full-time equivalent employees



# Leadership

Metro is governed by a Board of Directors. Working alongside our CEO and key organizational leaders, the Board guides Metro’s strategic direction, supports our mission, and represents the communities we serve.

## Officers of the Board

**Marena Lertch:** Chair Pro Tem

**Delbert Smith:** Secretary

**Sarah Niyork:** Chair

**Janet Kieler:** Treasurer



## Board Members in 2025

Curt Aldstadt, Westminster

Mike Barrett, Crestview

Cody Berg, Applewood

Clint Blackhurst, Brighton

Travis Bogan, Denver

Nadine Caldwell, Aurora

John Chavez, Berkeley

Jolon Clark, Denver\*\*

David Councilman, Pleasant View

Deborah Crisp, East Lakewood

Clark Davenport, Northwest Lakewood

James DeHerrera, Aurora

Joe Drew, Wheat Ridge

Mary Gearhart, Denver

Joan Iler, Westridge

Andrew Johnston, Denver\*

Janet Kieler, Denver

Craig Kocian, Arvada

Laura Kroeger, Lakewood

Bob LeGare, Aurora

Marena Lertch, Aurora

Martin Majors, Fruitdale

George Mazzotti, Jr., North Washington

Charlie Miller, Fort Lupton

Jamie Miller, North Table Mountain

Sarah Niyork, South Adams County

Jason O’Shea, Thornton\*\*

Cat Olukotun, Aurora\*\*

Josh Redman, Thornton

Thomas Roode, Denver

Robert Roth, Aurora\*

Greg Sekera, Lakewood

Delbert Smith, Bancroft-Clover

Peter Spanberger, Denver

Mary Beth Susman, Denver

Dennis Towndrow, North Pecos

Scott Twombly, Thornton\*

Dominic Vessa, Arvada\*\*

Johnny Watson, Aurora\*\*

Don Wick, Arvada\*

Jennifer Williams, Denver

Ronald Younger, Denver

\*retired during 2025 year; \*\*joined during 2025

## Organizational Leaders

**William “Mickey” Conway:** CEO

**Emily Jackson:** Chief Legal Officer

**Liam Cavanaugh:** Deputy CEO and Chief Operating Officer

**Dawn Ambrosio:** Chief Strategy Officer

**Colleen Dempsey:** Chief Human Resources Officer

**Molly Kostelecky:** Chief Financial Officer

**Sherman Papke:** Chief Technical Officer

**Tanja Rauch-Williams:** Chief Innovation Officer

**Martin Alvis:** Director of Operations

**Erin Bertoli:** Director of External Affairs

**Kimberly Cowan:** Director of NTP Operations and Maintenance

**Shawn Fredrickson:** Director of Information Technology

**Daniel Freedman:** Director of Technology and Innovation

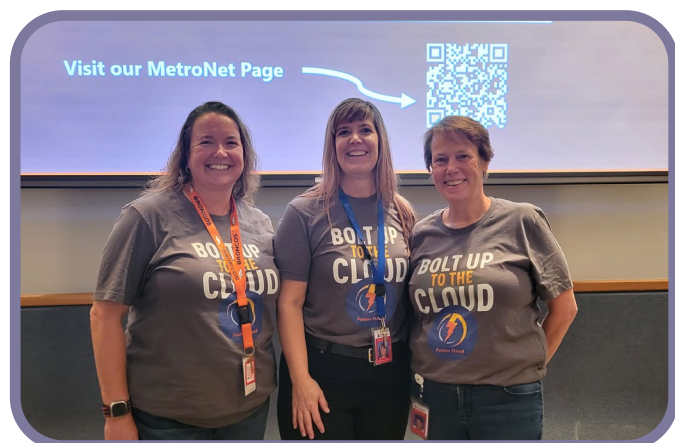
**Perry Holland:** Director of Comprehensive Planning

**Andrew Nelson:** Director of Engineering

**Jennifer Robinett:** Director of Environmental Services

**Patrick Stanley:** Director of Resource Recovery and Reuse

**Orren West:** Director of Maintenance



## OUR COMMUNITIES



Metro serves more than 2 million people across an 817-square-mile service area. Working with 65 local governments, comprised of municipalities and special districts, we positively impact the communities we serve by maintaining strong relationships, communicating effectively, and aligning with our communities' environmental priorities.

## Economic Condition and Outlook

Metro is located in the largest metropolitan area in the State of Colorado. Metropolitan Denver (Metro Denver) is composed of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson counties. The economic region has experienced significant population and economic growth in the past 10+ years. Economic indicators as of December 2025 expect Metro Denver to continue with positive growth; however, at a somewhat slower pace. Colorado and the Metro Denver area continue to see growth in the labor market, and it is expected that the unemployment rate will remain moderately low, around 4 percent in the near term. Colorado consumer habits continue to shift to services and tend to be a bit more reactive to economic conditions compared to the national average. The Colorado Consumer Price Index (CPI) is expected to remain stable in the near term.



Metro has seen a leveling of prices compared to 2023 and 2024, when Metro experienced the impacts of the inflationary economic cycle. Metro saw large increases in prices for materials and fuels, chemicals, and utilities, as well as significant escalation of capital project costs. Local unemployment rates remained low, which led to labor shortages accompanied by higher-than-average turnover rates. However, in 2025, Metro's turnover rate slowed significantly, and many vacant positions were filled. Metro continues to fill vacancies and reduce turnover by focusing on employee engagement and growth.

Sewer connection charge revenue remained somewhat stable in 2025, though slightly lower than expected. Growth in Metro Denver construction continues, though at a slightly slower pace, primarily due to higher interest rates. Economists forecast that housing starts will be on the rise year over year starting in 2026. Metro will continue to budget relatively conservatively for these revenues.

Metro continues to track a variety of economic conditions that may affect future operations and budget projections. Metro also continues to experience wage and benefit increases at rates higher than have been experienced in quite some time. Metro is also monitoring prices of chemicals, utilities, and maintenance contracts as supply chain and inflationary pressures continue through the region.

# About Our Customers

**23 Member connectors** with voting representation on the Metro Board of Directors

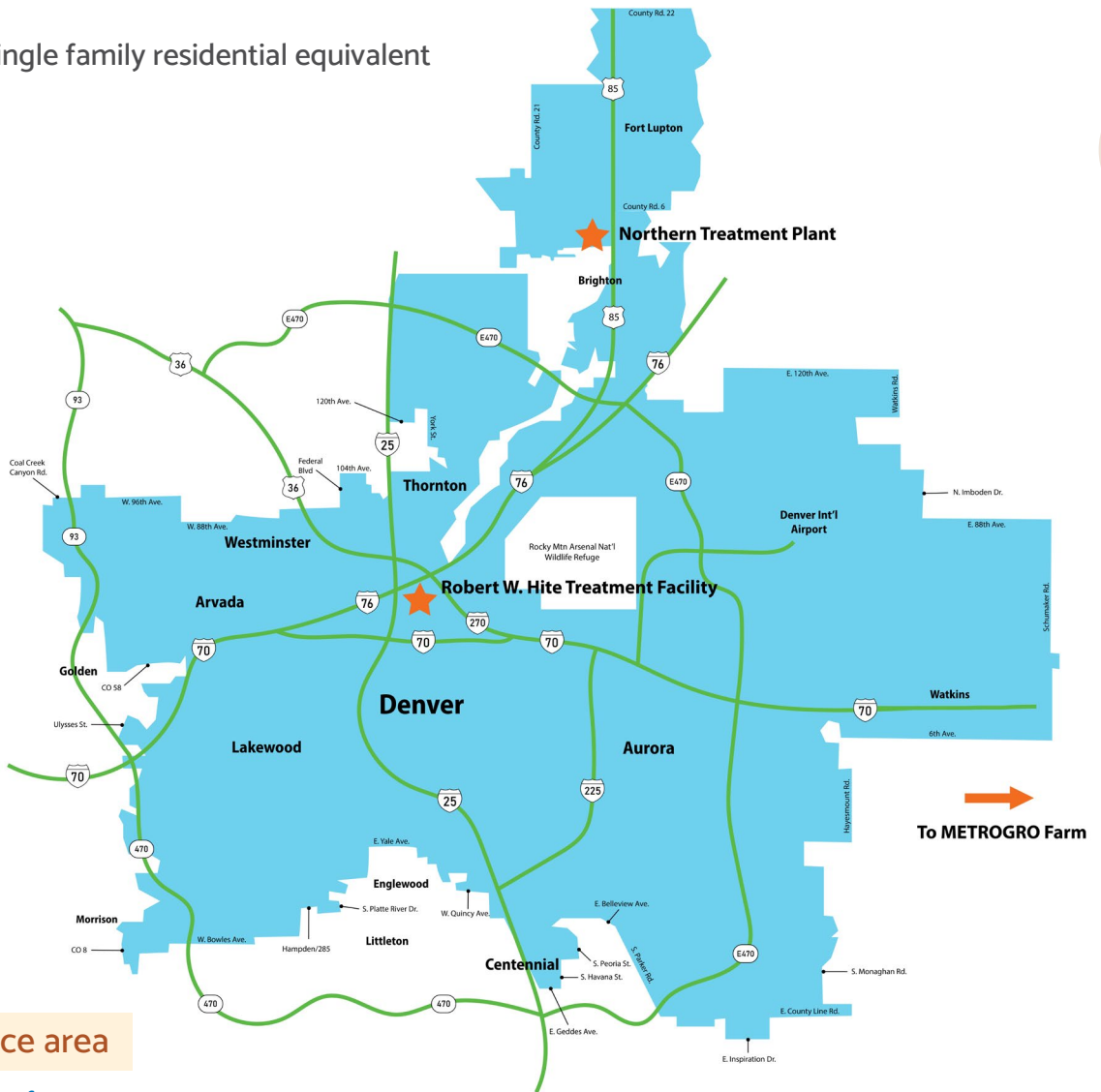
**27 Special connectors** without voting representation on the Metro Board of Directors

**15 Indirect connectors**

**65 Total connectors**

**8,726** new sewer connections in 2025

**\$5,910** cost per single family residential equivalent



Map of our service area

[Visit our website for more information on our connectors.](#)

## OUR WORK



Metro delivers high-quality services by continuously innovating and investing in its processes. These efforts enable Metro to uphold the highest standards of safety, financial stewardship, and environmental sustainability.



**Treatment Capacity**

**249**

million gallons per day



**Average flow treated**

**139**

million gallons per day



**Biosolids distributed**

**33,062**

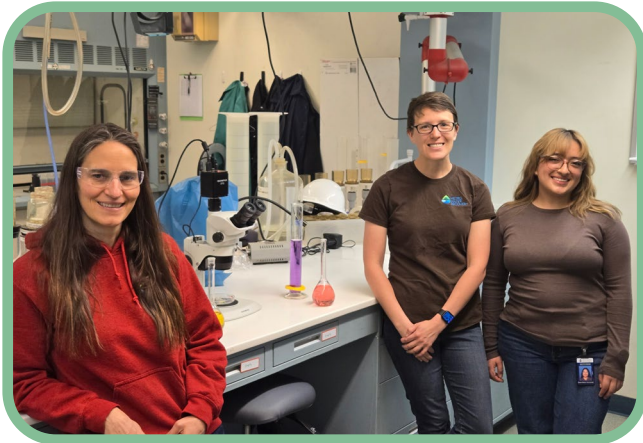
dry tons per year



**Energy produced**

**39,769,200**

kilowatt hours per year



Metro's lab



In the field inspecting Metro's sewer lines



Electrical transmission service substation

## 2025 condensed summary of net position

Category	December 31, 2025	December 31, 2024 as restated	December 31, 2023
Unrestricted assets	\$262,404,080	\$325,711,187	\$354,633,942
Restricted assets	\$39,323,221	\$40,467,885	\$68,584,408
Capital assets, net	\$1,481,669,156	\$1,426,212,263	\$1,362,512,613
<b>TOTAL ASSETS</b>	<b>\$1,783,396,457</b>	<b>\$1,792,391,335</b>	<b>\$1,785,730,963</b>
Deferred outflows of resources	\$3,640,777	\$6,694,584	\$10,999,438
Current liabilities	\$66,436,494	\$76,809,107	\$68,865,672
Noncurrent liabilities	\$531,520,136	\$578,215,715	\$616,157,755
<b>TOTAL LIABILITIES</b>	<b>\$597,956,630</b>	<b>\$655,024,822</b>	<b>\$685,023,427</b>
Deferred inflows of resources	\$13,955,367	\$6,308,599	\$6,986,733
Net investment in capital assets	\$950,793,310	\$855,321,562	\$775,236,672
Restricted - bonds	\$35,209,173	\$35,841,941	\$62,460,754
Unrestricted, as restated	\$189,122,754	\$246,588,994	\$267,022,815
<b>TOTAL NET POSITION</b>	<b>\$1,175,125,237</b>	<b>\$1,137,752,497</b>	<b>\$1,104,720,241</b>



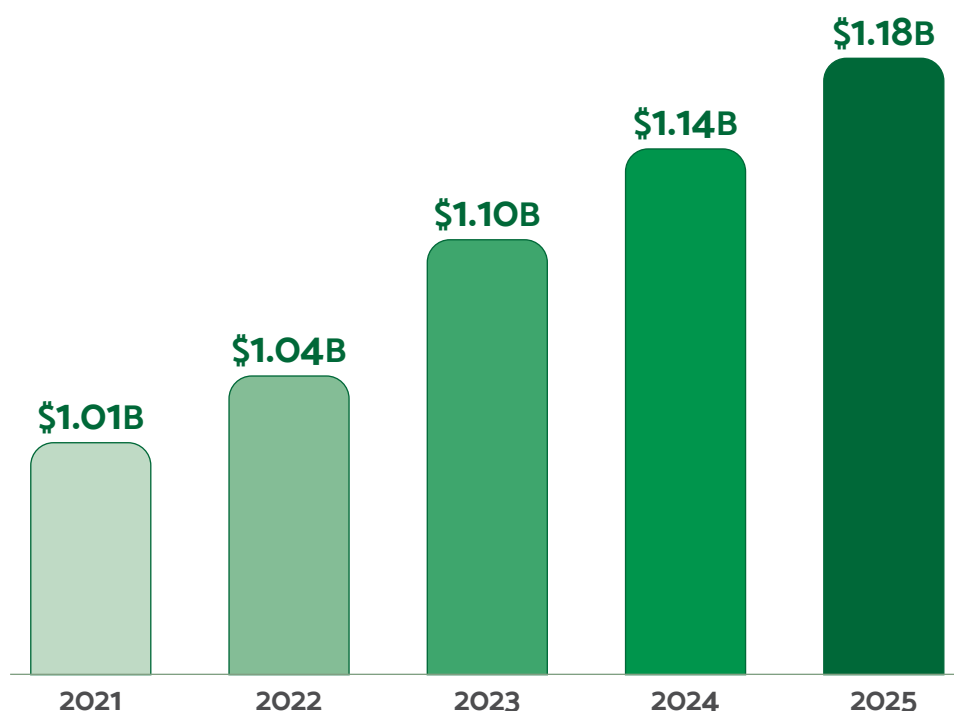
## 2025 summary of revenue, expenses, and changes in net position

Category	December 31, 2025	December 31, 2024 as restated	December 31, 2023
Annual charges to connectors	\$170,732,234	\$155,211,121	\$145,057,122
Land application revenue	\$118,077	\$124,956	\$177,419
Other operating revenue	\$7,170,397	\$7,922,704	\$4,212,401
<b>TOTAL OPERATING REVENUE</b>	<b>\$178,020,708</b>	<b>\$163,258,781</b>	<b>\$149,446,942</b>
Investment revenue	\$14,889,752	\$14,353,248	\$16,816,216
Intergovernmental revenue	\$448,848	\$1,795,393	\$1,803,674
Other revenue	\$7,998,651	\$5,660,522	\$3,711,645
<b>TOTAL REVENUE</b>	<b>\$201,357,959</b>	<b>\$185,067,944</b>	<b>\$171,778,477</b>
Operations and maintenance expenses	\$59,786,846	\$57,267,306	\$53,885,332
Technical management and support	\$31,137,792	\$26,581,493	\$27,341,251
Administrative and general	\$35,781,363	\$39,111,484	\$33,359,363
Depreciation and amortization	\$68,648,268	\$66,069,703	\$69,307,077
<b>TOTAL OPERATING EXPENSES</b>	<b>\$195,354,269</b>	<b>\$189,029,986</b>	<b>\$183,893,023</b>
Interest expense	\$15,402,427	\$17,229,387	\$17,740,168
Studies expense	\$4,650,962	\$3,566,311	\$9,901,743
<b>TOTAL NONOPERATING EXPENSES</b>	<b>\$20,053,389</b>	<b>\$20,795,698</b>	<b>\$27,641,911</b>
<b>TOTAL EXPENSES</b>	<b>\$215,407,658</b>	<b>\$209,825,684</b>	<b>\$211,534,934</b>
<b>(LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<b>(\$14,049,699)</b>	<b>(\$24,757,740)</b>	<b>(\$39,756,457)</b>
Capital contribution - sewer connection fees	\$51,422,439	\$57,789,996	\$103,411,193
<b>INCREASE IN NET POSITION</b>	<b>\$37,372,740</b>	<b>\$33,032,256</b>	<b>\$63,654,736</b>
Beginning net position, as restated	\$1,137,752,497	\$1,104,720,241	\$1,041,065,505
<b>ENDING NET POSITION</b>	<b>\$1,175,125,237</b>	<b>\$1,137,752,497</b>	<b>\$1,104,720,241</b>

## Net Position

Net position provides an overview of Metro's assets, liabilities, and equity. In essence, it shows the resources available to Metro for future use.

### Total net position over time



Net position increased \$37 million to \$1.18 billion in 2025. This increase was primarily due to the receipt of \$51 million in sewer connection fees, reduced by a loss before sewer connection fees of \$14 million.

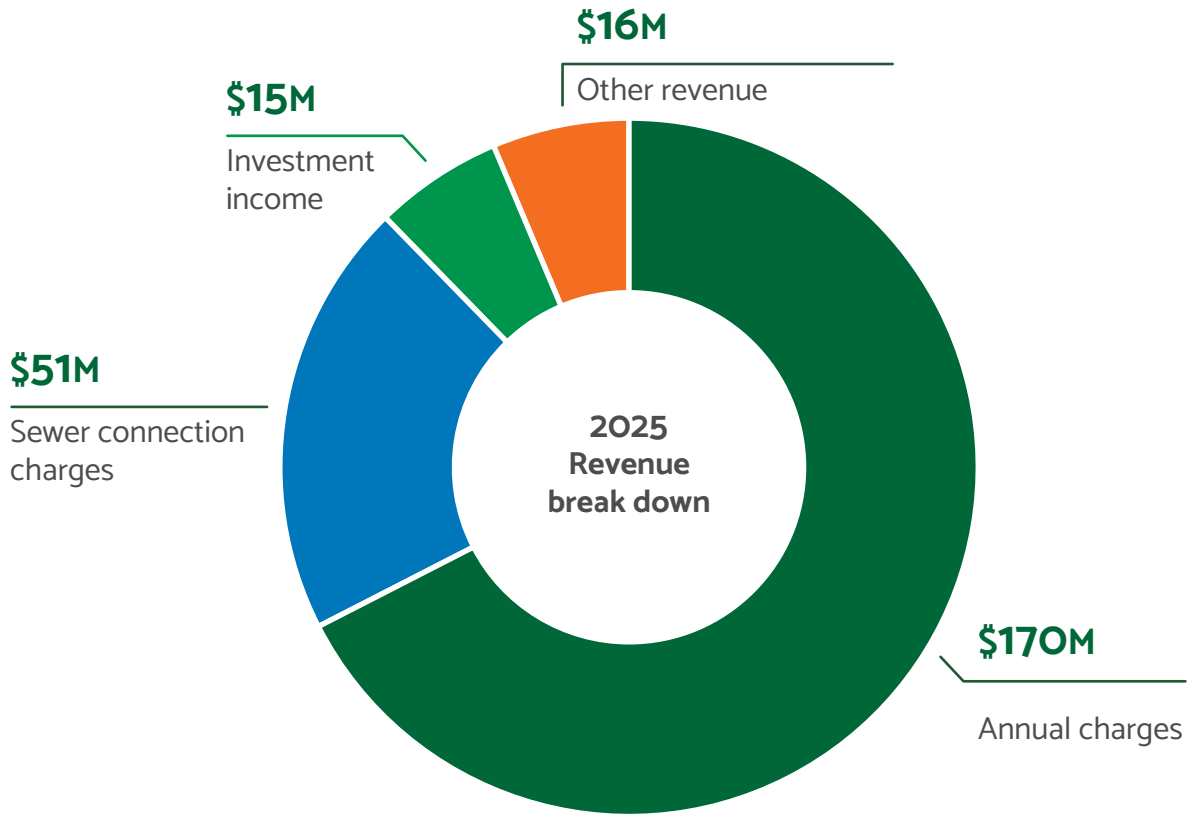
Unrestricted assets decreased by \$64 million, primarily due to the use of current assets to construct capital projects.

Noncurrent liabilities decreased by \$46 million, primarily due to the principal payments on outstanding bonds.

The charts on the previous pages summarize Metro's net position for 2025 and changes in net position. More detailed statements of net position and changes in net position can be found in our Annual Comprehensive Financial Report, [available on our website](#).

# Revenue

Total revenue for 2025 increased by approximately \$15 million, up 8.1 percent from 2024. Operating revenue increased by \$14.8 million, primarily due to the increase in annual charge revenue, which was an overall rate increase of 10.0 percent from 2024. Sewer connection fees decreased by approximately \$6 million, or 11.0 percent, totaling \$51.4 million. This is primarily due to a mild slowdown in the housing market in Metro Denver.



The Robert W. Hite Treatment Facility warehouse

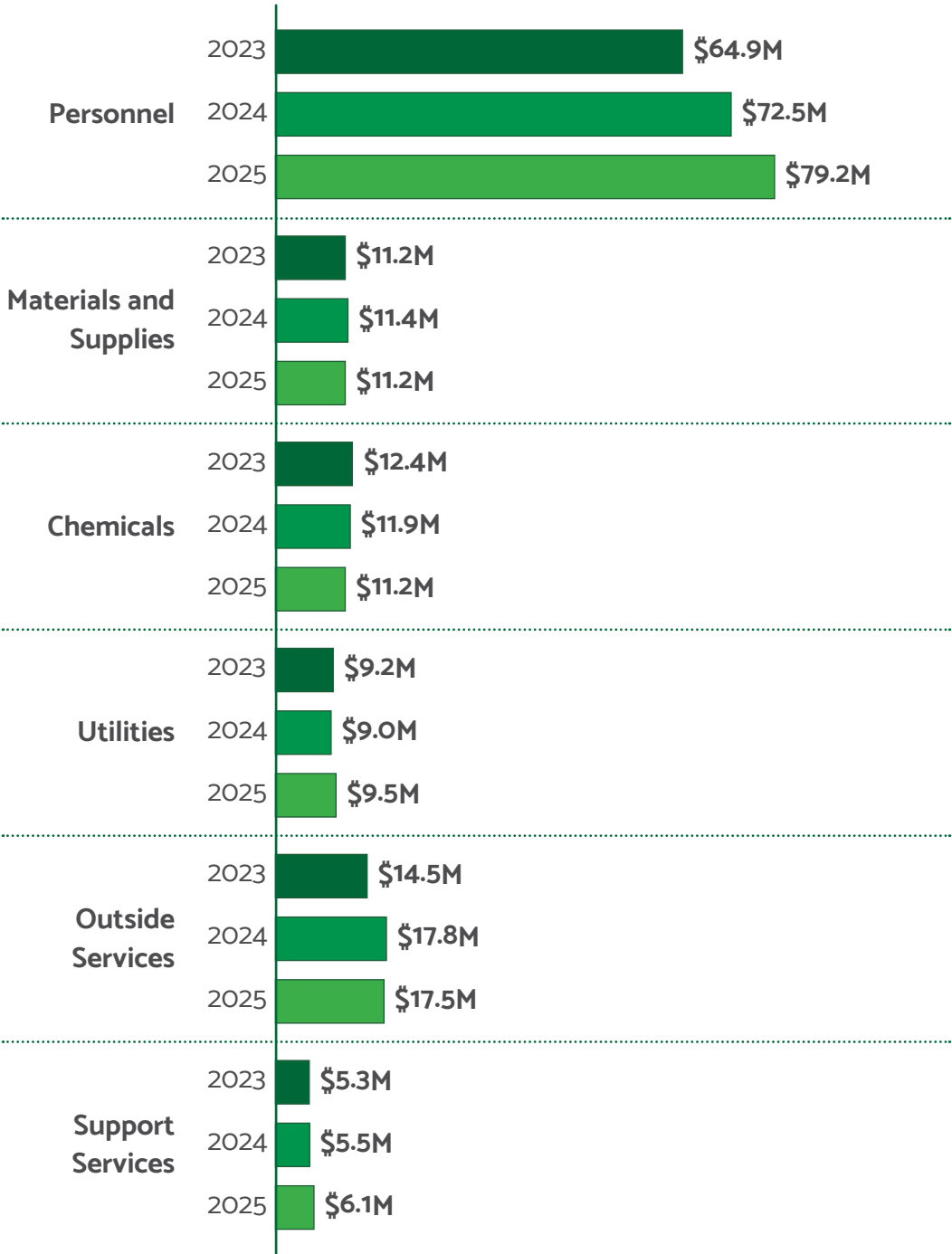


The new peracetic acid disinfection system

# Expenses

Total expenses increased by approximately \$5 million, up 2.4 percent from 2024. This included a small increase in operating expenses of \$6 million netted against a decrease of \$1 million in nonoperating expenses.

## Expense breakdown by type



## Long-Term Debt Summary

As of December 31, 2025, Metro’s long-term debt consisted of approximately \$518 million in bonds payable and premium on bonds.

### Metro’s underlying bond ratings

#### Moody’s Investors Services

**Aa1**

➤ An Aa1 rating means that Metro has high-quality and very low credit risk.

#### Standard & Poor’s

**AAA**

➤ The AAA rating means that Metro has extremely strong capacity to meet its financial commitments.

### Total outstanding improvement and refunding bonds

Issue	Date issued	Amount issued	December 31, 2025	December 31, 2024
2009B Sewer Improvement Bonds *	08-27-09	\$187,380,000	\$0	\$94,195,000
2019B Sewer Refunding Bonds	12-10-19	\$332,770,000	\$282,945,000	\$296,555,000
2020A Sewer Improvement Bonds	10-27-20	\$146,545,000	\$146,545,000	\$146,545,000
2025A Sewer Refunding Bonds	03-12-25	\$73,625,000	\$73,625,000	\$0
Plus premium on 2020A Bonds			\$11,068,623	\$11,653,749
Plus premium on 2025A Bonds			\$3,445,835	\$0
<b>TOTAL</b>			<b>\$517,629,458</b>	<b>\$548,948,749</b>

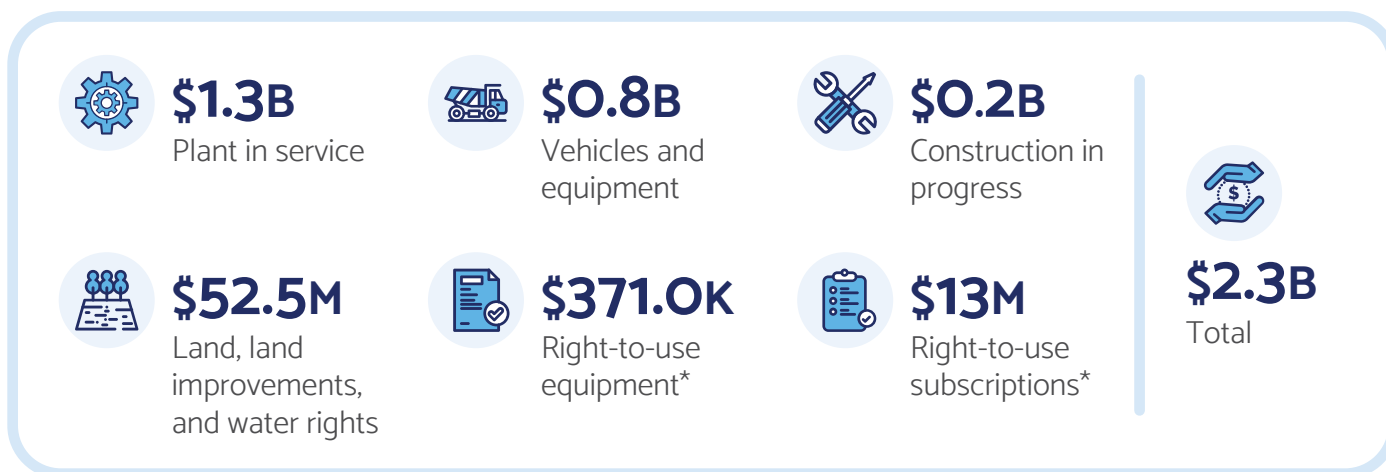
\* Refunded in 2025 with the 2025A Sewer Refunding Bonds

## Capital Asset Summary

Metro’s net capital assets increased by \$55 million in 2025, bringing our investment in capital assets to \$1.482 billion. This increase was primarily due to approximately \$61 million in additions to construction in progress for wastewater improvement and rehabilitation projects, offset by \$61 million in completed projects placed in service and \$67 million in depreciation expenses.

The following projects incurred costs for 2025: Electrical Transmission Service Substation - \$45 million, Robert W. Hite Treatment Facility Biogas Utilization - \$27 million, Peracetic Acid Disinfection System - \$5 million, and North Secondary Upgrades - \$10 million. The remaining addition of \$25 million was a result of additions to numerous smaller projects.

### 2025 Capital Assets



\*Right-to-use indicates non-cancelable leases and technology subscription agreements where Metro maintains a right to use assets belonging to other entities.

This report presented key highlights of our financial position. For detailed financial statements and disclosures, refer to our Annual Comprehensive Financial Report, which is [available on our website](#).

## Award for Outstanding Achievement

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Metro Water Recovery for its Popular Annual Financial Report for the fiscal year ended December 31, 2024. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive the Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Government Finance Officers Association

**Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting**

Presented to

**Metro Water Recovery  
Colorado**

For its Annual Financial Report  
For the Fiscal Year Ended

December 31, 2024

*Christopher P. Morill*

Executive Director/CEO



# METRO WATER RECOVERY®

We get your water.

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