

**AVIATION STATION NORTH METROPOLITAN
DISTRICT NO. 3
Denver County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2025

**AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2025**

INDEPENDENT AUDITOR’S REPORT	I
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	5
NOTES TO BASIC FINANCIAL STATEMENTS	6
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	19
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	20

Board of Directors
Aviation Station North Metropolitan District No. 3
Denver County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Aviation Station North Metropolitan District No. 3 (the "District"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Aviation Station North Metropolitan District No. 3 as of December 31, 2025, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Wipfli LLP

Wipfli LLP
Denver, Colorado

June 1, 2026

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BASIC FINANCIAL STATEMENTS

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	\$ 3,588
Receivable from County Treasurer	4,208
Property Tax Receivable	<u>1,018,646</u>
Total Assets	<u>1,026,442</u>
LIABILITIES	
Payable to Aviation Station North Metro District No. 1	2,700
Payable to Aviation Station North Metro District No. 2	<u>5,096</u>
Total Liabilities	<u>7,796</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>1,018,646</u>
Total Deferred Inflows of Resources	<u>1,018,646</u>
NET POSITION	
Total Net Position	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS	<u>Expenses</u>				
Primary Government:					
Governmental Activities:					
General Government	<u>\$ 1,063,361</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,063,361)</u>
Total Governmental Activities	<u>\$ 1,063,361</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,063,361)</u>
GENERAL REVENUES					
Property Taxes					1,018,666
Specific Ownership Taxes					48,509
Interest Income					<u>5,547</u>
Total General Revenues					<u>1,072,722</u>
CHANGES IN NET POSITION					
					9,361
Net Position - Beginning of Year					<u>(9,361)</u>
NET POSITION - END OF YEAR					
					<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Investments	\$ 539	\$ 3,049	\$ 3,588
Receivable from County Treasurer	635	3,573	4,208
Property Tax Receivable	<u>147,806</u>	<u>870,840</u>	<u>1,018,646</u>
Total Assets	<u>\$ 148,980</u>	<u>\$ 877,462</u>	<u>\$ 1,026,442</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Payable to Aviation Station North Metro District No. 1	\$ 1,174	\$ 1,526	\$ 2,700
Payable to Aviation Station North Metro District No. 2	<u>-</u>	<u>5,096</u>	<u>5,096</u>
Total Liabilities	1,174	6,622	7,796
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	<u>147,806</u>	<u>870,840</u>	<u>1,018,646</u>
Total Deferred Inflows of Resources	147,806	870,840	1,018,646
FUND BALANCES			
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 148,980</u>	<u>\$ 877,462</u>	<u>\$ 1,026,442</u>

NOTE: Amounts reported for the governmental activities in the Statement of Net Position are the same as above.

**AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025**

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	\$ 153,722	\$ 665,106	\$ 818,828
Property Taxes DIA	-	199,838	199,838
Specific Ownership Taxes	7,320	31,673	38,993
Specific Ownership Taxes DIA	-	9,516	9,516
Interest Income	24	5,523	5,547
Total Revenues	<u>161,066</u>	<u>911,656</u>	<u>1,072,722</u>
EXPENDITURES			
Current:			
County Treasurer's Fee	1,537	8,651	10,188
Transfers to Aviation Station North Metro District No. 1	158,091	205,518	363,609
Transfers to Aviation Station North Metro District No. 2	-	689,564	689,564
Total Expenditures	<u>159,628</u>	<u>903,733</u>	<u>1,063,361</u>
NET CHANGE IN FUND BALANCES	1,438	7,923	9,361
Fund Balances - Beginning of Year	<u>(1,438)</u>	<u>(7,923)</u>	<u>(9,361)</u>
FUND BALANCES - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

NOTE: Amounts reported for the governmental activities in the Statement of Activities are the same as above.

**AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 153,722	\$ 153,722	\$ -
Specific Ownership Taxes	7,686	7,320	(366)
Interest Income	-	24	24
Other Revenue	3,030	-	(3,030)
Total Revenues	164,438	161,066	(3,372)
EXPENDITURES			
Contingency	3,030	-	3,030
County Treasurer's Fee	1,537	1,537	-
Transfers To Aviation Station North Metro District No. 1	158,433	158,091	342
Total Expenditures	163,000	159,628	3,372
NET CHANGE IN FUND BALANCE	1,438	1,438	-
Fund Balance - Beginning of Year	(1,438)	(1,438)	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 DEFINITION OF REPORTING ENTITY

Aviation Station North Metropolitan District No. 3 (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City and County of Denver, Colorado recorded on May 29, 2013, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District is located entirely within the City and County of Denver, Colorado (Denver).

The District was established to provide financing for the acquisition, construction, completion, and operation and maintenance of public improvements, including all streets, traffic and safety, water, sanitation, storm drainage, safety protection, transportation, mosquito control, operations and maintenance, covenant enforcement, fire protection, and park and recreation facilities (the Improvements).

The District was organized under a multiple district structure with Aviation Station North Metropolitan Districts Nos. 1 and 2 and Nos. 4 through 6 (collectively, the Aviation Districts), and in conjunction with Smith Metropolitan District Nos. 1 through 4 (collectively, the Smith Districts). Through the execution of a Memorandum of Understanding (MOU), Aviation Station North Metropolitan District No. 1 (Aviation 1) will finance, own, acquire, operate, and maintain any or all of the Improvements and services needed to serve the Project with financing provided by the District and/or Aviation Station North Metropolitan District No. 2 and Nos. 4 through 6. On July 27, 2015, Aviation 1 and Aviation Station North Metropolitan District No. 5 (Aviation 5) executed a Partial Termination of MOU, whereby Aviation 5 was released from further obligations and rights to services established under the MOU, with the exception of certain agreements related to Pena Station Improvements and related financing.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District has no employees, and all operations and administrative functions are contracted.

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

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Redemption of bonds is recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, and public improvement fees. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its budget for the year ending December 31, 2025.

Pooled Cash and Investments

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

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Assessor to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and, generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes (Continued)

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

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

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of the net investment in capital assets.

The District had no capital assets as of December 31, 2025.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. The item *deferred property tax revenue* is deferred, and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures ("Statement 102"). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2025, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 3,588
Total Cash and Investments	<u>\$ 3,588</u>

Cash and investments as of December 31, 2025, consist of the following:

Investments	\$ 3,588
Total Cash and Investments	<u>\$ 3,588</u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2025, the District did not have any cash deposits.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

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

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2025, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund	Weighted-Average	
Trust (CSAFE)	Under 60 Days	\$ 3,588
		<u>\$ 3,588</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 LONG-TERM OBLIGATIONS

The District currently has no long-term obligations.

Debt Authorization

The Aviation Districts and Smith Districts (collectively, the "Districts") were organized to provide services to their respective service areas pursuant to their service plans. The Districts, in aggregate, are limited in their ability to issue Debt as set forth in the Service Plan to a total amount of \$500,000,000 (the Service Plan Debt Issuance Limit). In no event are the Aviation Districts authorized to issue debt, which in aggregate with the debt issued by the Smith Districts, in an amount that is in excess of the Service Plan Debt Issuance Limit. Further, pursuant to the Intergovernmental Agreement Regarding Debt Allocation between the Aviation Districts and the Smith Districts, the Aviation Districts, exclusive of Aviation 5, are allocated \$359,969,737 of the \$500,000,000 authorized. Aviation 5 is allocated \$30,819,736 in total debt authorization and the Smith Districts were allocated \$109,210,527. Of the \$500,000,000 in Service Plan Debt Issuance Limit: Aviation Station North Metropolitan District No. 2 (Aviation 2) has issued to date a total of \$52,294,000 in bonds and loans. Therefore, the amount of debt authorization remaining within the Service Plan Debt Issuance Limit for the Aviation Districts, minus the amount allocated to the Smith Districts, is \$338,495,473.

The Aviation Districts have voter authorization in excess of the Service Plan Debt Issuance Limit as at the time of the election the actual costs of construction were not known. Without knowing the costs of construction or the amount of debt to be issued by the Aviation Districts, it was not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer or streets) or to each of the Aviation Districts. Therefore, the Service Plan Debt Issuance Limit was voted in every power. With that understanding, on May 5, 2013, a majority of the eligible electors of the Aviation Districts voted to authorize debt issuance in an amount not to exceed \$6,500,000,000.

NOTE 5 AGREEMENTS

Capital Pledge Agreements

On March 24, 2017, the District and Aviation 1 entered into a Capital Pledge Agreement (the Mill Levy 10 Pledge Agreement) whereby the District agreed to pledge certain revenues generated from the District's imposition of the Aviation Station Mill Levy Ten to Aviation 1 for the purpose of repayment of the Reimbursement Obligation (defined below).

On March 24, 2017, the District and Aviation 1 entered into a certain Capital Pledge Agreement (Mill Levy 3 Pledge Agreement) whereby the District agreed to pledge certain revenues generated from the District's imposition of the Aviation Station Mill Levy Three to Aviation 1 for the purpose of repayment of the Additional Reimbursement Obligation (defined below)

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 5 AGREEMENTS (CONTINUED)

Project Improvements Reimbursement Agreement

On June 12, 2015, Aviation 1, Smith Metropolitan District No. 1 (Smith 1) and Denver, on behalf of the Department of Aviation (DIA), entered into a Project Improvements Reimbursement Agreement (PIRA) whereby Aviation 1 and Smith 1 set forth the terms of the payment of the Reimbursement Obligation (as defined in the PIRA). Denver agreed to fund a portion of the costs allocated to Aviation 1 and Smith 1 for certain project improvements in the amount of \$17,000,000. Both Aviation 1 and Smith 1 agreed to impose a mill levy of ten mills on all taxable property within their respective boundaries (the Aviation Station Mill Levy Ten and the Smith Mill Levy Ten, respectively) for the purpose of paying principal and interest on the Reimbursement Obligation on a joint and several basis. Further, the PIRA contemplates that at such time any real property is included within any of the Aviation Districts or the Smith Districts such applicable Aviation District or Smith District will be required to execute a pledge agreement whereby such district will agree to impose the Aviation Mill Levy Ten or the Smith Mill Levy Ten, as applicable, and remit the revenues therefrom to UMB Bank, n.a., pursuant to the Custodial Agreement (described below). The PIRA is terminated on the date on which the aggregate amount of all payments of principal and interest paid by the Districts equals \$35,600,000 or the date on which the principal amount and all accrued and unpaid interest is paid in full, whichever date occurs first. As of December 31, 2025, the amount outstanding on Aviation 1 totaled \$26,979,218, comprised of principal \$17,000,000 and accrued interest of \$9,979,218.

Additional Project Improvements Reimbursement Agreement

On June 12, 2015, Aviation 1 and Denver, on behalf of DIA, entered into the Additional Project Improvements Reimbursement Agreement (the APIRA), whereby Denver agreed to fund a portion of Aviation 1's share of costs associated with additional public improvements in the amount of \$3,000,000 (the Additional Reimbursement Obligation) and Aviation 1 agreed to repay that amount. Aviation 1 agreed to impose a mill levy in the amount of 3 mills upon all taxable property within each of the Aviation Districts (the Aviation Station Mill Levy Three). Further, the APIRA contemplates that at such time any real property is included within any of the Aviation Districts such applicable Aviation District will be required to execute a pledge agreement whereby such district will agree to impose the Aviation Station Mill Levy Three and remit the revenues to Aviation 1 for the purpose of repaying the Additional Reimbursement Obligation. The APIRA is terminated on the date on which the aggregate amount of all payments of principal and interest paid by Aviation 1 equals \$6,000,000 or the date on which the principal amount and all accrued and unpaid interest is paid in full, whichever date occurs first. As of December 31, 2025, the amount outstanding on Aviation 1 totaled \$4,761,039, comprised of principal \$3,000,000 and accrued interest of \$1,761,039.

Joinder Agreement

On March 24, 2017, Aviation 1, Aviation 2, Aviation 5, Smith 1, the District, Denver and UMB Bank, n.a., entered into that certain Joinder Agreement to include the District as a party to that certain Custodial Agreement relating to the Reimbursement Obligation (defined above) in the principal amount of \$17,000,000, as agreed to in the PIRA. The Custodial Agreement establishes the obligations of UMB Bank, n.a., as custodian of the Reimbursement Obligation Fund (as defined in the Custodial Agreement).

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 5 AGREEMENTS (CONTINUED)

Facilities Funding, Construction and Operations Agreement

On July 8, 2019, the District, Aviation 1, Aviation 2, Aviation Station North Metropolitan District No. 4 and Aviation Station North Metropolitan District No. 6 entered into a Facilities Funding, Construction and Operations Agreement, effective January 1, 2019 (FFCOA). Pursuant to the FFCOA, Aviation 1 accepts responsibility for constructing, designing, financing and operating the Public Improvements (as defined in the FFCOA) that benefit the Aviation Districts and establishes the Aviation Districts' obligation to pay for the services and benefit of the Public Improvements received from Aviation 1 by the issuance of bonds and remittance of proceeds thereof to Aviation 1 or a pledge of revenues to Aviation 1 or the Issuing District.

Senior Capital Pledge Agreement

On July 1, 2019, the District, Aviation 2, and UMB Bank, n.a. entered into a Senior Capital Pledge Agreement (the Senior Pledge Agreement) whereby the District agreed to pledge certain revenues generated from its imposition of the Senior Required Mill Levy (as defined in the Senior Pledge Agreement) to Aviation 2 for the purpose of repayment of Aviation 2's Senior Payment Obligation (as defined in the Senior Pledge Agreement).

Subordinate Capital Pledge Agreement

On July 1, 2019, the District, Aviation 2, and UMB Bank, n.a. entered into a Subordinate Capital Pledge Agreement (the Subordinate Pledge Agreement) whereby the District agreed to pledge certain revenues generated from its imposition of the Subordinate Required Mill Levy (as defined in the Subordinate Pledge Agreement) to Aviation 2 for the purpose of repayment of Aviation 2's Subordinate Payment Obligation (as defined in the Subordinate Pledge Agreement).

Declaration of Payment in Lieu of Taxes (PILOT)

In July, 2019, the Developer executed and caused to be recorded in the real property records of the County of Denver, the PILOT. The PILOT named the District and Aviation 2 as beneficiaries thereof. The PILOT was recorded against the real property contained within the boundaries of the District and Aviation 2. The PILOT obligates any owner of real property that is exempt from taxation to pay the District or Aviation 2, as applicable, an annual amount of revenue that would be derived from the imposition of a debt service mill levy and operating

Declaration of Payment in Lieu of Taxes (PILOT) (Continued)

mill levy of the District or Aviation 2, as applicable. The determination of the revenue will be based off the most recent certified assessed value of any tax-exempt property or property within the District or Aviation 2 owned by a Tax-Exempt Entity (as defined in the PILOT). The PILOT revenue may be pledged to the repayment of bonded indebtedness of the District or Aviation 2.

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 6 RELATED PARTIES

Rail Stop LLC (Developer), along with L.C. Fulenwider, Inc. (Fulenwider), are involved with the development of the Project. All members of the Board of Directors are employees, owners or otherwise associated with the Developer and/or Fulenwider and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed to the board.

NOTE 7 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S., the District may be exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, workers compensation, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 8 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 5, 2013, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 8 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the State of Colorado.

Annual operating property tax revenue is limited to a 5.25% increase (or 10.50% over a two-year period), such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues.

The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025**

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 665,106	\$ 665,106	\$ 665,106	\$ -
Property Taxes DIA	199,838	199,838	199,838	-
Specific Ownership Taxes	33,255	31,605	31,673	68
Specific Ownership Taxes DIA	9,992	9,495	9,516	21
Interest Income	1,000	7,500	5,523	(1,977)
Other Revenue	-	4,379	-	(4,379)
Total Revenues	909,191	917,923	911,656	(6,267)
EXPENDITURES				
County Treasurer's Fee	8,649	8,651	8,651	-
Contingency	-	4,379	-	4,379
Transfers To Aviation Station North Metro District No. 1	206,232	207,334	205,518	1,816
Transfers To Aviation Station North Metro District No. 2	686,387	689,636	689,564	72
Total Expenditures	901,268	910,000	903,733	6,267
NET CHANGE IN FUND BALANCE	7,923	7,923	7,923	-
Fund Balance - Beginning of Year	(7,923)	(7,923)	(7,923)	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

AVIATION STATION NORTH METROPOLITAN DISTRICT NO. 3
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Assessed Valuation	Total Mills Levied			Total Property Taxes		Percent Collected to Levied
		General Operations	Debt Service	Contractual	Levied	Collected	
2021	\$ 6,184,560	\$ 10.000	\$ 41.191	\$ 13.000	\$ 396,993	\$ 279,384	70.38 %
2022	4,686,970	10.000	41.191	13.000	300,861	290,289	96.49 %
2023	7,838,920	10.319	42.506	13.000	515,997	488,673	94.70 %
2024	10,741,200	10.000	42.106	13.000	699,317	690,394	98.72 %
2025	15,372,140	10.000	42.267	13.000	1,018,666	1,018,666	100.00 %
Estimated for Year Ending December 31, 2026	\$ 14,780,550	10.000	45.918	13.000	\$ 1,018,646		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years, as well as reductions for property tax refunds or abatements. Information Treasurer does not permit identification of specific year of assessment.