FITZSIMONS VILLAGE
METROPOLITAN DISTRICT NO. 3
Arapahoe County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

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WIPFLI

Board of Directors
Fitzsimons Village Metropolitan District No. 3
Arapahoe County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Fitzsimons Village 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 Fitzsimons Village 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
September 17, 2026

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BASIC FINANCIAL STATEMENTS

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 140,730
Cash and Investments - Restricted	907,585
Prepaid Insurance	450
Due from District No. 1	17,978
Due from District No. 2	5,056
Receivable from County Treasurer	2,327
Property Tax Receivable	186,926
Capital Assets:	
Capital Assets, Net of Depreciation	2,260,247
Total Assets	3,521,299
LIABILITIES	
Accounts Payable	49,093
Due to ARTA	20,487
Accrued Bond Interest Payable	177,925
Noncurrent Liabilities:	
Due Within One Year	1,995,000
Due in More Than One Year	44,001,022
Total Liabilities	46,243,527
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	186,926
Total Deferred Inflows of Resources	186,926
NET POSITION	
Net Investment in Capital Assets	2,260,247
Restricted for:	
Emergency Reserve	4,500
Capital Projects	2,672
Unrestricted	(45,176,573)
Total Net Position	$ (42,909,154)

See accompanying Notes to Basic Financial Statements.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expenses) and Changes in Net Position: Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	$ 201,370	$ 63,547	$ 52,344	$ -	$ (85,479)
Intergovernmental Expenditures	77,083	-	-	-	(77,083)
Interest on Long-Term Debt and Related Costs	2,245,215	-	-	1,388,728	(856,487)
Total Governmental Activities	$ 2,523,668	$ 63,547	$ 52,344	$ 1,388,728	(1,019,049)
GENERAL REVENUES					
Property Taxes					172,664
Specific Ownership Taxes					26,903
Interest Income					137,382
Total General Revenues					336,949
CHANGES IN NET POSITION					(682,100)
Net Position - Beginning of Year					(42,227,054)
NET POSITION - END OF YEAR					$ (42,909,154)

See accompanying Notes to Basic Financial Statements.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
BALANCE SHEET – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Special Revenue	Debt Service 2021A-1	Debt Service 2021A-2	Capital Projects	Total Governmental Funds
ASSETS						
Cash and Investments	$ 49,364	$ 91,366	$ -	$ -	$ -	$ 140,730
Cash and Investments - Restricted	2,600	1,900	666,738	233,675	2,672	907,585
Receivable from County Treasurer	418	-	1,909	-	-	2,327
Due from District No. 1	2,861	12,084	2,135	898	-	17,978
Due from District No. 2	-	-	5,056	-	-	5,056
Prepaid Insurance	450	-	-	-	-	450
Property Tax Receivable	32,063	-	154,863	-	-	186,926
Total Assets	$ 87,756	$ 105,350	$ 830,701	$ 234,573	$ 2,672	$ 1,261,052
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 13,353	$ 35,740	$ -	$ -	$ -	$ 49,093
Due to ARTA	20,487	-	-	-	-	20,487
Total Liabilities	33,840	35,740	-	-	-	69,580
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Tax	32,063	-	154,863	-	-	186,926
Total Deferred Inflows of Resources	32,063	-	154,863	-	-	186,926
FUND BALANCES						
Nonspendable:						
Prepaid Expense	450	-	-	-	-	450
Restricted for:						
Emergency Reserves	2,600	1,900	-	-	-	4,500
Debt Service	-	-	675,838	234,573	-	910,411
Capital Projects	-	-	-	-	2,672	2,672
Committed:						
Operations	-	67,710	-	-	-	67,710
Unassigned	18,803	-	-	-	-	18,803
Total Fund Balances	21,853	69,610	675,838	234,573	2,672	1,004,546
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 87,756	$ 105,350	$ 830,701	$ 234,573	$ 2,672	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,260,247
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued Bond Interest Payable	(177,925)
Bonds Payable - Series 2021A-1	(38,075,000)
Bonds Payable - Series 2021A-2	(7,810,000)
Developer Advance and Accrued Interest Payable	(191,867)
Unamortized Bond Discount	115,546
Unamortized Bond Premium	(34,701)
Net Position of Governmental Activities	$ (42,909,154)

See accompanying Notes to Basic Financial Statements.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Special Revenue	Debt Service 2021A-1	Debt Service 2021A-2	Capital Projects	Total Governmental Funds
REVENUES						
Property Taxes	$ 28,317	$ -	$ 144,347	$ -	$ -	$ 172,664
Property Taxes - ARI	3,293	-	-	-	-	3,293
Specific Ownership Taxes	4,833	-	22,070	-	-	26,903
Operations And Maintenance Fee	-	63,547	-	-	-	63,547
Interest Income	177	-	111,531	25,567	107	137,382
AURA Funding - Lodger Tax	-	-	256,579	-	-	256,579
AURA Funding - Property Tax	-	-	964,925	-	-	964,925
AURA Funding - Sales Tax	-	-	50,849	-	-	50,849
Transfer from AURA - ARI Property Taxes	3,960	-	-	-	-	3,960
Transfer from AURA - TIF Property Taxes	38,020	-	-	-	-	38,020
Transfer from District No. 1 - PIF	-	-	-	16,335	-	16,335
Transfer from District No. 2 - Taxes	-	-	100,040	-	-	100,040
Transfer from District No. 1 - Taxes	7,071	-	-	-	-	7,071
Total Revenues	85,671	63,547	1,650,341	41,902	107	1,841,568
EXPENDITURES						
Current:						
Accounting	38,004	-	-	-	-	38,004
ARI Payment (Base AV)	3,244	-	-	-	-	3,244
ARI Payment (TIF AV)	3,960	-	-	-	-	3,960
Auditing	6,996	-	-	-	-	6,996
County Treasurer's Fee	477	-	2,177	-	-	2,654
District Management	10,741	-	-	-	-	10,741
Dues And Membership	340	-	-	-	-	340
Insurance	3,954	-	-	-	-	3,954
Landscaping	-	12,424	-	-	-	12,424
Legal	3,172	-	-	-	-	3,172
Miscellaneous	1,381	-	-	-	-	1,381
Snow Removal	-	7,750	-	-	-	7,750
Transfers To District No. 1 - For Parking/Other	-	77,083	-	-	-	77,083
Debt Service:						
Bond Interest	-	-	1,667,000	551,250	-	2,218,250
Bond Principal	-	-	1,965,000	65,000	-	2,030,000
Paying Agent Fees	-	-	9,000	4,000	-	13,000
Total Expenditures	72,269	97,257	3,643,177	620,250	-	4,432,953
OTHER FINANCING SOURCES (USES)						
Transfers to Other Fund	(33,956)	33,956	-	-	-	-
Total Other Financing Sources (Uses)	(33,956)	33,956	-	-	-	-
NET CHANGE IN FUND BALANCES	(20,554)	246	(1,992,836)	(578,348)	107	(2,591,385)
Fund Balances - Beginning of Year	42,407	69,364	2,668,674	812,921	2,565	3,595,931
FUND BALANCES - END OF YEAR	$ 21,853	$ 69,610	$ 675,838	$ 234,573	$ 2,672	$ 1,004,546

See accompanying Notes to Basic Financial Statements.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Total Governmental Funds	$ (2,591,385)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.	
Depreciation Expense	(108,927)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.	
Bond Principal Payment	2,030,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued Interest on Bonds - Change in Liability	6,930
Accrued Interest on Developer Advance - Change in Liability	(9,830)
Amortization of Bond Premium	1,801
Amortization of Bond Discount	(10,689)
Changes in Net Position of Governmental Activities	$ (682,100)

See accompanying Notes to Basic Financial Statements.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	$ 28,239	$ 28,317	$ 28,317	$ -
Property Taxes - ARI	3,284	3,293	3,293	-
Specific Ownership Taxes	4,446	4,002	4,833	831
Interest Income	-	178	177	(1)
Transfer from AURA - ARI Property Taxes	5,890	5,890	3,960	(1,930)
Transfer from AURA - TIF Property Taxes	50,000	50,000	38,020	(11,980)
Transfer from District No. 1 - Taxes	5,674	7,096	7,071	(25)
Total Revenues	97,533	98,776	85,671	(13,105)
EXPENDITURES				
Accounting	38,000	38,000	38,004	(4)
ARI Payment (Base AV)	3,235	3,244	3,244	-
ARI Payment (TIF AV)	5,801	5,890	3,960	1,930
Auditing	7,000	7,000	6,996	4
County Treasurer's Fee	473	425	477	(52)
District Management	22,000	20,000	10,741	9,259
Dues and Membership	400	340	340	-
Election	500	-	-	-
Insurance	4,200	3,954	3,954	-
Legal	8,000	8,000	3,172	4,828
Miscellaneous	2,891	5,647	1,381	4,266
PIF Collection Fees	500	500	-	500
Total Expenditures	93,000	93,000	72,269	20,731
OTHER FINANCING SOURCES (USES)				
Transfers To Other Fund	-	(34,000)	(33,956)	44
Total Other Financing Sources (Uses)	-	(34,000)	(33,956)	44
NET CHANGE IN FUND BALANCE	4,533	(28,224)	(20,554)	7,670
Fund Balance - Beginning of Year	44,861	42,407	42,407	-
FUND BALANCE - END OF YEAR	$ 49,394	$ 14,183	$ 21,853	$ 7,670

See accompanying Notes to Basic Financial Statements.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Operations and Maintenance Fee	$ 64,000	$ 63,547	$ 63,547	$ -
Total Revenues	64,000	63,547	63,547	-
EXPENDITURES				
Landscaping	40,000	20,000	12,424	7,576
Repairs And Maintenance	25,000	-	-	-
Snow Removal	60,000	20,000	7,750	12,250
Transfers to District No. 1 - for Parking/Other	-	124,000	77,083	46,917
Total Expenditures	125,000	164,000	97,257	66,743
OTHER FINANCING SOURCES				
Transfers from Other Funds	-	34,000	33,956	(44)
Total Other Financing Sources	-	34,000	33,956	(44)
NET CHANGE IN FUND BALANCE	(61,000)	(66,453)	246	66,699
Fund Balance - Beginning of Year	64,292	69,364	69,364	-
FUND BALANCE - END OF YEAR	$ 3,292	$ 2,911	$ 69,610	$ 66,699

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Fitzsimons Village Metropolitan District No. 3 (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized in July 2006 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located within the City of Aurora (the City), Arapahoe County, Colorado. The District was organized for the purpose of financing and providing public improvements and related operations and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, certain recreation facilities, water, sewer, transportation and mosquito control. Certain public improvements will be dedicated to the City, Arapahoe County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District was organized in conjunction with two other related districts, Fitzsimons Village Metropolitan District No. 1 and No. 2 (District No. 1 and District No. 2, and together with the District, the Districts).

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

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

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.

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to 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 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.

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, intergovernmental revenues, operation and maintenance fees, 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 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 is due.

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 Special Revenue Fund accounts for resources accumulated to be used for payment of certain operation and maintenance expenses.

The Debt Service Funds account for the resources accumulated and payments made for principal and interest on the Series 2021 Bonds issued by the District.

The Capital Projects Fund accounts for resources to be used for the acquisition and construction of capital infrastructure.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and 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 has amended its annual budget for the year ended 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.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported 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.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Streets	30 Years

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Amortization

Original Issue Premium/Discount

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

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:

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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 balances 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 Standard

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 required disclosures are included below.

The District's Bonds (discussed in Note 5) are secured and payable from pledged revenues being generated, and projected to be generated, from properties constructed, and planned to be constructed, within the boundaries of District No. 2 and District No. 3. Pledged revenues primarily come/will come from the following: property taxes (including increment financing revenues from mill levies imposed by other entities on properties within District No. 2); increment financing from sales tax, use tax and lodging tax generated within District No. 2; public improvement fees generated within District No. 2, and parking fees.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standard (Continued)

Parts of the planned development have been delayed; therefore, certain pledged revenues have not been generated through December 31, 2025, as projected. Further, the increment financing revenues (through an agreement with Aurora Urban Renewal Authority) will expire on January 31, 2027. The delayed planned development adversely impacted the amount of increment tax revenues received/to be received by the District through January 31, 2027. Similarly, public improvement fee revenues are trending lower than projected, and parking fee revenues have not been generated to support debt service on the Bonds.

Delayed and/or lost pledged revenues will continue to unfavorably affect the District's ability to pay interest and/or principal due on the Bonds. Per the Indenture, non-payment of interest and principal on the Bonds when due shall not, in itself, constitute an event of default.

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	$	140,730
Cash and Investments - Restricted		907,585
Total Cash and Investments	$	1,048,315

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

Deposits with Financial Institutions	$	181,045
Investments		867,270
Total Cash and Investments	$	1,048,315

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’s cash deposits had a bank and carrying balance of $181,045.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

The District has adopted a policy authorizing investments in accordance with state statutes.

The District generally limits its concentration of investments to those noted with asterisks 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
- 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:

Investment	Maturity	Amount
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	$ 867,270
		$ 867,270

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to $1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $10.00 transactional share price. COLOTRUST EDGE 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 the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAm by Standard & Poor's. COLOTRUST EDGE is rated AAAf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

The following is an analysis of the changes in the District's capital assets for the year ended December 31, 2025:

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Being Depreciated:				
Streets	$ 3,267,823	$ -	$ -	$ 3,267,823
Total Capital Assets, Being Depreciated	3,267,823	-	-	3,267,823
Less Accumulated Depreciation for:				
Streets	898,649	108,927	-	1,007,576
Total Accumulated Depreciation	898,649	108,927	-	1,007,576
Total Capital Assets, Being Depreciated, Net	2,369,174	(108,927)	-	2,260,247
Governmental Activities Capital Assets, Net	$ 2,369,174	$ (108,927)	$ -	$ 2,260,247

NOTE 4 CAPITAL ASSETS (CONTINUED)

Depreciation costs of the assets owned by the District, totaling $108,927, was charged to general government function of the District for the year ended December 31, 2025.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2025:

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Bonds Payable:					
Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1	$ 40,040,000	$ -	$ 1,965,000	$ 38,075,000	$ 1,815,000
Bond Premium - Series 2021A-1	36,502	-	1,801	34,701	-
Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2	7,875,000	-	65,000	7,810,000	180,000
Bond Discount - Series A-2	(126,235)	10,689	-	(115,546)	-
Subtotal Bonds Payable	47,825,267	10,689	2,031,801	45,804,155	1,995,000
Other Debts:					
Developer Advance - Operating	134,403	-	-	134,403	-
Accrued Interest on:					
Developer Advance - Operating	47,634	9,830	-	57,464	-
Subtotal Other Debts	182,037	9,830	-	191,867	-
Total Long-Term Obligations	$ 48,007,304	$ 20,519	$ 2,031,801	$ 45,996,022	$ 1,995,000

The details of the District's long-term obligations are as follows:

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds)

The District issued the Bonds on December 28, 2021, in the par amounts of $40,040,000 for the 2021A-1 Bonds and $7,875,000 for the 2021A-2 Taxable Bonds.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds) (Continued)

Use of Proceeds

Proceeds from the sale of the 2021A-1 Bonds were used for the purposes of:

(a) currently refunding District No. 1's Tax Increment/Public Improvement Fee Supported Junior Revenue Bonds, Series 2010B (the 2010B Bonds) and District No. 1's Refunding Tax Increment/Public Improvement Fee Supported Revenue Bonds, Series 2020 (the 2020 Bonds" and, together with the 2010B Bonds, the Refunded Bonds);

(b) financing public improvements, including a portion of the costs of a parking structure;

(c) funding a portion of interest to accrue on the Series 2021A-1 Bonds;

(d) funding the Reserve Fund, and

(e) paying costs incurred in connection with the issuance of the 2021A-1 Bonds and the refunding of the Refunded Bonds.

Proceeds from the sale of the 2021A-2 Taxable Bonds were used for the purposes of:

(a) financing public improvements, including a portion of the costs of a parking structure;

(b) funding a portion of interest to accrue on the 2021A-2 Taxable Bonds;

(c) funding the Taxable Reserve Fund, and

(d) paying costs incurred in connection with the issuance of the 2021A-2 Taxable Bonds.

Bond Details

The 2021A-1 Bonds and the 2021A-2 Taxable Bonds bear interest at rates ranging from 4.00% to 4.25%, and 7.00%, respectively, payable semiannually on June 1 and December 1, beginning on June 1, 2022, to the extent of available 2021A-1 Pledged Revenue with respect to the 2021A-1 Bonds and 2021A-2 Pledged Revenue with respect to the 2021A-2 Taxable Bonds.

Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2025 for the 2021A-1 Bonds and the 2021A-2 Taxable Bonds. The last maturity of the 2021A-1 Bonds is on December 1, 2055 and the 2021A-2 Taxable Bonds mature on December 1, 2041.

To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid and is to continue to bear interest at the rate then borne by the Bond. To the extent interest on the Bonds is not paid when due, such interest shall compound on each June 1 and December 1, at the rate then borne by the Bonds.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds) (Continued)

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

Date of Redemption	Redemption Premium
December 1, 2026, to November 30, 2027	3.00%
December 1, 2027, to November 30, 2028	2.00
December 1, 2028, to November 30, 2029	1.00
December 1, 2029, and thereafter	0.00

Pledged Revenue

The Bonds are secured by and payable solely from the revenues pledged in accordance with the applicable Indenture. Both the 2021A-1 Pledged Revenue and the 2021A-2 Pledged Revenue include the Shared Pledged Revenue.

A portion of the 2021A-1 Pledged Revenue and the 2021A-2 Pledged Revenue consist of revenues of District No. 1 and District No. 2, which are pledged by such Districts to the District in accordance with Capital Pledge Agreements.

2021A-1 Pledged Revenue

The 2021A-1 Pledged Revenue (securing payment of the Series 2021A-1 Bonds) additionally includes the District No. 3 PIF Revenues, the District No. 2 Capital Fees and the District No. 3 Capital Fees.

2021A-2 Pledged Revenue

The 2021A-2 Pledged Revenue (securing payment of the Series 2021A-2 Taxable Bonds) additionally includes the Parking Fees of District No. 1, and the District No. 2 PIF Revenues.

Shared Pledged Revenue

The Shared Pledged Revenue includes the District No. 1 Shared Pledged Revenue and the District Nos. 2 and 3 Shared Pledged Revenue. Generally, Shared Pledged Revenue is anticipated to be applied to the payment of the Series 2021A-2 Taxable Bonds only in the event that Parking Fees and District No. 2 PIF Revenues on deposit with the Trustee as of May 15 and November 15 are not anticipated to be sufficient to pay debt service on the Series 2021A-2 Taxable Bonds when due on the succeeding June 1 and December 1, respectively.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds) (Continued)

Pledged Revenue (Continued)

District No. 1 Shared Pledged Revenue

District No. 1 Shared Pledged Revenue means the moneys derived by District No. 1 from the following sources:

(a) 2008 PFRA Revenue;
(b) Use Restrictions Revenue;
(c) TCHA Payments, and
(d) any other legally available moneys which District No. 1 determines, in its absolute discretion, to transfer to the Custodian for application pursuant to the terms of the Custodial Agreement.

District Nos. 2 and 3 Shared Pledged Revenue

District Nos. 2 and 3 Shared Pledged Revenue means the moneys derived by District No. 2 or the District from the following sources:

(a) the Property Tax Revenues;
(b) the Specific Ownership Tax Revenues, and
(c) any other legally available moneys which District No. 2 or the District determines, in its absolute discretion, to transfer to the Custodian for application pursuant to the terms of the Custodial Agreement.

2008 PFRA Revenue

2008 PFRA Revenue consists of the amounts constituting “Pledged Revenues” under the 2008 Public Finance Agreement generated from or attributable to the property within the boundaries of District No. 2, and payable by AURA to District No. 1, but net of any such Pledged Revenues generated from any operations mill levy imposed by District No. 2 and any ARI Mill Levy imposed by District No. 2.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds) (Continued)

Pledged Revenue (Continued)

2008 PFRA Revenue (Continued)

The obligation of AURA to remit such revenues expires at the end of the Pledged TIF Revenue Term, meaning the earlier of (a) payment in full of the Funding Obligation (which is not to exceed $42,000,000, plus accrued interest thereon), or (b) January 31, 2027. The 2008 PFRA Revenue generally consists of the following:

(a) 100% of the incremental property tax revenues received by AURA from the levy of ad valorem property taxes by all public bodies (including District No. 2) on property within District No. 2;

(b) 80% of the incremental sales tax revenues (i.e., sales tax revenues in excess of a stated base amount) collected from property in District No. 2 from imposition of the City Sales Tax at the rate of 3.50%;

(c) 100% of the incremental lodging tax revenues (i.e., lodging tax revenues in excess of a stated base amount) collected from property in District No. 2 from imposition of the City Lodging Tax at the rate of 8.0%, but less the AURA share of incremental District No. 2 lodger's tax revenue (which AURA share is equal to 20% of the total lodger's tax revenue produced in District No. 2 multiplied by 8% less the proportionate share of the District No. 2 lodger's tax base), and

(d) 100% of the incremental use tax revenues (i.e., use tax revenues in excess of a stated base amount) collected from property in District No. 2 from imposition of the City Use Tax at the rate of 3.50%.

Use Restrictions Revenue (PILOT)

Use Restrictions Revenue generally includes payments in lieu of ad valorem property taxes and use taxes payable by entities which are exempt from property taxation to District No. 1 pursuant to the Use Restrictions Covenant in amounts relating to ad valorem property taxes collected from property located within the boundaries of District No. 2 and the District from the imposition of ad valorem property taxes by District No. 2 and the District and, prior to the expiration of the Pledged TIF Revenue Term, all other public bodies, and also use taxes that would otherwise be payable to District No. 1 in accordance with the 2008 Public Finance Agreement. However, there is excluded from the Use Restrictions Revenue pledged to the Bonds any such amounts relating to operations mill levies imposed by District No. 2 or the District.

TCHA Payments

TCHA Payments are payments in lieu of certain ad valorem property taxes and use taxes payable to District No. 1 by Children's Hospital with respect to a portion (but not all) of its property located in District No. 2.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds) (Continued)

Pledged Revenue (Continued)

Property Tax Revenues

Property Tax Revenues means all monies derived from imposition by District No. 2 and the District of the Required Mill Levy, net of the costs of collection of the City and/or County and net of any tax refunds or abatements authorized by or on behalf of the City and/or County.

Required Mill Levy

District No. 2 and the District have covenanted to levy the Required Mill Levy generally meaning an ad valorem mill levy imposed upon all taxable property of District No. 2 and the District each year in an amount which would generate Property Tax Revenues (including any payments in lieu of taxes relating to such Property Tax Revenues) in the succeeding calendar year equal to the sum of (a) with respect to the Series 2021A-1 Bonds an amount equal to the Annual Tax-Exempt Financing Costs, plus (b) with respect to the Series 2021A-2 Taxable Bonds, an amount equal to the Annual Net Taxable Financing Costs, but (i) not in excess of 50.000 mills (subject to adjustment), and (ii) for so long as the Tax-Exempt Surplus Fund and the Taxable Surplus Fund are required to be maintained and are not fully funded to the Tax-Exempt Maximum Surplus Amount or Taxable Maximum Surplus Amount, respectively, the Required Mill Levy is to be not less than 35.000 mills (subject to adjustment).

Mill levies to be imposed for debt service by District No. 2 and the District are subject to adjustment for changes in the method of calculating assessed valuation on or after January 1, 2022, at which time the residential assessment rate was 7.15%. Such mill levies may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Boards in good faith so that to the extent possible, the actual tax revenues generated by such mill levy, as so adjusted, are neither diminished nor enhanced as a result of such changes. The minimum and maximum mill levies in 2024 for collection in 2024 were 35.000 and 50.000 mills, respectively, subject to adjustment.

A portion of Property Tax Revenues resulting from imposition of the Required Mill Levy by District No. 2 and the District will, for a period of time, constitute tax increment revenues initially payable to AURA in accordance with the Urban Renewal Law. AURA has agreed to remit such incremental property tax revenues to District No. 1 or the District in accordance with the 2008 Public Finance Agreement.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds) (Continued)

Additional Security for the 2021A-1 Bonds

District No. 3 PIF Revenues

District No. 3 PIF Revenues are generated from the imposition of the District No. 3 Sales PIF on the sales price of PIF Sales within the boundaries of the District. The District No. 3 Sales PIF is imposed at a rate of 1.5% of the sales price. Commencing in calendar year 2022, there is to be annually withheld from such District No. 3 PIF Revenues $25,000 for collection costs and $50,000 for operations and maintenance costs of the District, in both cases subject to increase one percent (1%) annually, beginning in 2023.

Capital Fees of District No. 2 and District No. 3

District No. 2 Capital Fees and District No. 3 Capital Fees include the District No. 2 Facilities Fees and the District No. 3 Facilities Fees, respectively. The District No. 2 Capital Fees imposed by District No. 2 consist of a one-time facilities fee on commercial property located within the boundaries of District No. 2 in the amount of $1.00 per gross square foot, and a one-time facilities fee for any residential building consisting of one self-contained living unit, whether attached or detached in the amount of $1,500 per residential unit. The District No. 3 Capital Fees imposed by the District consist of a one-time facilities fee on commercial property located within the boundaries of the District in the amount of $1.00 per gross square foot.

Reserve Fund

The 2021A-1 Bonds are also secured by amounts on deposit in the Reserve Fund which was funded from proceeds of the 2021A-1 Bonds in the amount of $2,899,798.

Surplus Fund

Available 2021A-1 Pledged Revenue, if any, is to be accumulated in the Surplus Fund up to the Maximum Surplus Amount of $4,004,000. The Surplus Fund will not be funded with 2021A-1 Bond proceeds. The Surplus Fund is to be maintained until the earlier of the final maturity date or redemption in full of the 2021A-1 Bonds, at which time the Surplus Fund is to be terminated and any moneys therein remitted to the District for application to any lawful purpose of the District.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds) (Continued)

Additional Security for the 2021A-2 Taxable Bonds

District No. 2 PIF Revenues

District No. 2 PIF Revenues result from the imposition of the District No. 2 Sales PIF and the District No. 2 Lodging PIF on the sales price of PIF Sales within the boundaries of District No. 2. The District No. 2 Sales PIF is imposed at a rate of 1.5% of the sales price. The District No. 2 Lodging PIF is imposed at a rate of 2.75% of the sales price. Beginning in calendar year 2022, there is to be annually withheld or otherwise paid from such District No. 2 PIF Revenues $52,552 for collection costs and $104,754 for operations and maintenance costs of District No. 1, in both cases subject to increase one percent (1%) annually, beginning in 2023.

Parking Fees

Parking Fees mean all the amounts charged and collected for any parking activity at the District No. 1 Parking Facility, including any such amounts charged and collected (i) directly by District No. 1 or (ii) the Developer or another third party pursuant to a Parking Facility Operating Agreement. The District No. 1 Parking Fees constitute a portion of the revenue pledged by District No. 1 to the District in accordance with the District No. 1 Capital Pledge Agreement. District No. 1 has covenanted to impose Parking Fees that will generate revenue sufficient to fund operation and maintenance of the Parking Facility.

Taxable Reserve Fund

The 2021A-2 Taxable Bonds are also secured by amounts on deposit in the Taxable Reserve Fund which was funded from proceeds of the 2021A-2 Taxable Bonds in the amount of $787,500.

Taxable Surplus Fund

Available 2021A-2 Pledged Revenue, if any, is to be accumulated in the Taxable Surplus Fund up to the Maximum Taxable Surplus Amount of $787,500. The Surplus Fund will not be funded with 2021A-2 Taxable Bond proceeds. The Taxable Surplus Fund is to be maintained until the earlier of the final maturity date or redemption in full of the 2021A-2 Taxable Bonds, at which time the Taxable Surplus Fund is to be terminated and any moneys therein remitted to the District for application to any lawful purpose of the Issuing District.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds) (Continued)

Events of Default

The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an Event of Default under the Indenture (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body):

(a) (i) The District fails or refuses to impose the Required Mill Levy or to apply the Pledged Revenue as required by the Indenture, the Pledge Agreement and the Custodial Agreement; (ii) District No. 1 fails or refuses to apply the revenues resulting from the District No. 1 Shared Pledged Revenue as required by the District No. 1 Capital Pledge Agreement and the Custodial Agreement; or (iii) District No. 2 fails or refuses to impose the District No. 2 Required Mill Levy or to apply the revenues resulting from the District No. 2 Shared Pledged Revenue as required by the District No. 2 Capital Pledge Agreement and the Custodial Agreement;

(b) The District defaults in the performance or observance of any of the covenants, agreements, or conditions on the part of the District in the Indenture or the Bond Resolution; (ii) District No. 1 defaults in the performance or observance of any of the covenants, agreement or conditions on the part of District No. 1 in the District No. 1 Capital Pledge Agreement; or (iii) District No. 2 defaults in the performance or observance of any of the covenants, agreement or conditions on the part of District No. 2 in the District No. 2 Capital Pledge Agreement;

(c) Failure of the District to enforce or cooperate in the enforcement of any of the Trust Estate Agreements upon a material default thereunder by any party thereto, if such material default could result in impairing or diminishing the collection or amount of the Pledged Revenue; or

(d) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds.

It is acknowledged that due to the limited nature of the Pledged Revenue, the failure to pay the principal of or interest on the Bonds when due shall not, of itself, constitute an Event of Default.

The Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Bonds.

The Bonds are not subject to early termination and are not subject to acceleration.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the 2021A-1 Bonds) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the 2021A-2 Taxable Bonds and, together with the 2021A-1 Bonds, the Bonds) (Continued)

The District's 2021A-1 Bonds and 2021A-2 Bonds will mature as follows:

Bonds and Interest Maturing in the Year Ending December 31,	Principal	Totals Interest	Total
2026	$ 1,995,000	$ 2,135,100	$ 4,130,100
2027	335,000	2,049,900	2,384,900
2028	680,000	2,030,050	2,710,050
2029	730,000	1,995,350	2,725,350
2030	820,000	1,957,900	2,777,900
2031-2035	5,140,000	9,090,950	14,230,950
2036-2040	7,430,000	7,533,000	14,963,000
2041-2045	7,490,000	5,412,163	12,902,163
2046-2050	7,950,000	3,880,888	11,830,888
2051-2055	13,315,000	1,991,338	15,306,338
Total	$ 45,885,000	$ 38,076,639	$ 83,961,639

Authorized Debt

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to $382,440,000 (Service Plan Debt Issuance Limit). In no event is the District authorized to issue debt in excess of the Service Plan Debt Issuance Limit, with the exception that such limit is not applicable to refundings of the debt authorized to be issued under the Service Plan.

The District has 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, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer or streets). Therefore, the Service Plan Debt Issuance Limit was voted in every power relative to debt for public improvements. With that understanding, on May 2, 2006, a majority of the qualified electors of the District authorized the issuance of indebtedness in accordance with State Law.

NOTE 6 NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2025, the District had net investment in capital assets of $2,260,247.

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2025 as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	$ 4,500
Capital Projects	2,672
Total Restricted Net Position	$ 7,172

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued, and accrued interest, for the construction of public improvements conveyed to other governments or owned and maintained by District No. 1.

NOTE 7 INTERFUND AND OPERATING TRANSFERS

During 2025, the District transferred $33,956 from the General Fund to the Special Revenue Fund to provide additional resources for operations of the parking garage. The parking garage is currently being maintained by District No. 1; therefore, the funds were eventually transferred to District No. 1.

NOTE 8 AGREEMENTS

City IGA

On June 30, 2008, the Districts executed intergovernmental agreements with the City (collectively, the City IGA), pursuant to which the Districts agreed to retain ownership or dedicate public improvements to the City or other appropriate jurisdiction or owners association. The City IGA also reaffirms certain requirements and restrictions set forth in the Service Plan, including the Districts' obligation to impose the ARI Mill Levy and convey the revenue from the ARI Mill Levy to the Aurora Regional Transportation Authority for the provision of regional improvements which includes the planning, design, acquisition, construction, installation and redevelopment of street and transportation related improvements.

NOTE 8 AGREEMENTS (CONTINUED)

FFCO Agreement

On April 29, 2010, the Districts entered into the Facilities Funding, Construction and Operations Agreement as amended on August 21, 2014, by a First Amendment to Facilities Funding, Construction and Operations Agreement (as so amended, the FFCO Agreement). The FFCO Agreement establishes certain expectations as to the financing, construction, operation, and maintenance of improvements contemplated in the Service Plan for the purpose of providing, in a timely and coordinated manner, essential services in the community to be served by the Districts. The FFCO Agreement anticipates that the Districts will, from time to time, enter into intergovernmental agreements whereby one or more of the Districts will act as an issuing district and/or an operating district to finance certain public improvements and one or more of the Districts will act as a taxing district to pledge revenues for the financing, operations and maintenance of the public improvements.

Capital Pledge Agreements

On March 11, 2020, District No. 1 (Issuing District), the District (Taxing District) and UMB Bank, n.a. (Trustee) entered into a Capital Pledge Agreement (the 2020 Capital Pledge Agreement) to secure payment of District No. 1's Limited Tax General Obligation and Special Revenue Refunding Bonds, Series 2020A issued by the Issuing District on March 11, 2020, for purposes of (i) currently refunding the Tax Increment/Public Improvement Fee Supported Revenue Bonds, Series 2014A and the Tax Increment/Public Improvement Fee Supported Subordinate Revenue Bonds, Series 2014B, previously issued by the District; (ii) funding the Senior Reserve Fund, and (iii) paying costs incurred in connection with the issuance of the Bonds. Pursuant to the 2020 Capital Pledge Agreement, the District has pledged certain property tax revenues received under a certain intergovernmental agreement, PIF revenues and other revenues to District No. 1 for the payment of the Bonds.

On December 28, 2021, the District, District No. 1, and UMB Bank, n.a. (Trustee) entered into a Capital Pledge Agreement (the Pledge Agreement) to secure payment of the District's Limited Tax General Obligation and Special Revenue Refund and Improvement Bonds, Series 2021A-1, and the District's Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2. Pursuant to the Pledge Agreement, all revenue comprising of District No. 1's Shared Pledged Revenue and District No. 1's Taxable Shared Revenue is pledged to the Series 2021A-1 and Series 2021A-2 Bonds. District No. 1's Shared Pledged Revenue generally consists of (a) the 2008 PFRA Revenue, (b) the Use Restrictions Revenue, (c) the TCHA Payments and (d) any other legally available monies which District No. 1 determines to transfer to the Custodian for application pursuant to the terms of the Custodial Agreement. District No. 1's Taxable Pledged Revenue generally consists of (a) District No. 2 PIF Revenues less the Collection Fee and less the District Operations and Maintenance Costs, (b) the Parking Fees, and (c) any other legally available monies which District No. 1 determines to transfer to the Taxable Trustee for credit to the Bond Fund under the Series 2021A-2 Taxable Indenture.

NOTE 8 AGREEMENTS (CONTINUED)

Capital Pledge Agreements (Continued)

On December 28, 2021, the District, District No. 2, and UMB Bank, n.a. (Trustee) entered into a Capital Pledge Agreement (the Pledge Agreement) to secure payment of the District's Limited Tax General Obligation and Special Revenue Refund and Improvement Bonds, Series 2021A-1, and the District's Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2. Pursuant to the Pledge Agreement, all revenue comprising of District No. 2's Shared Pledged Revenue and District No. 2's Taxable Shared Revenue is pledged to the Series 2021A-1 and Series 2021A-2 Bonds. District No. 2's Shared Pledged Revenue generally consists of (a) the Property Tax Revenues related to District No. 2, (b) the Specific Ownership Tax Revenues related to District No. 2, and (c) any other legally available monies which District No. 2 determines to transfer to the Custodian for application pursuant to the terms of the Custodial Agreement. District No. 2's Taxable Pledged Revenue generally consists of (a) Capital Fees imposed by District No. 2, and (b) any other legally available monies which District No. 2 determines to transfer to the Taxable Trustee for credit to the Bond Fund under the Series 2021A-1 Indenture.

Operations Financing IGA

As contemplated in the FFCO Agreement, on August 21, 2014, the District (as Operating District) entered into an Operations Financing IGA (OF IGA) with District Nos. 1 and 2 (as Taxing Districts). Pursuant to the OF IGA, the District will receive pledged revenues from the imposition of the O&M Fee and the Operations Mill Levy, along with certain specific ownership taxes associated with such mill levy, for payment of operation and maintenance costs associated with the District's Improvements (as defined in the OF IGA).

O&M Fees

The District and District Nos. 1 and 2 approved a Joint Operations and Maintenance Fee Resolution, as amended and restated (O&M Fee Resolution), to provide funds for the operations and maintenance costs of the public improvements constructed as contemplated in the Service Plans of the Districts. The O&M Fee Resolution imposes a monthly operations and maintenance fee (the O&M Fee) on structures within the Districts' boundaries for which a certificate of occupancy has been issued, excluding any parking garages or real property actually conveyed or dedicated to nonprofit owners' associations, governmental entities or utility providers.

The O&M Fee Resolution was amended in 2014 to increase the O&M Fee to $0.025 per square foot per month for commercial property effective January 1, 2015 and increased 0.50% per year thereafter. The amendment to the O&M Fee Resolution will also allow the O&M Fee to be imposed on property owned by governmental entities.

NOTE 8 AGREEMENTS (CONTINUED)

Operation Funding Agreement

On August 1, 2014, the District, and CPX Aurora FS Hotel, LLC (Hotel Developer) entered into the Operation Funding Agreement pursuant to which the Developer has agreed to advance funds to the District to cover the shortfall, if any, in the District's General Fund for the payment of administrative, operations and maintenance expenditures. The District has agreed to reimburse such advances, together with interest at 8% per annum, subject to annual appropriation and budget approval by the District. As of December 31, 2025, the outstanding advances under this agreement totaled $42,162 and accrued interest totaled $30,767.

Reimbursement Agreement

On January 1, 2018, the District, and Corporex Colorado LLC (the Developer) entered into the Reimbursement Agreement (2019-2024 Operations) pursuant to which the Developer has agreed to advance funds to the District to cover the shortfall, if any, in the District's General Fund for the payment of administrative, operations and maintenance expenditures. District has agreed to reimburse such advances, together with interest at 7% per annum, subject to annual appropriation and budget approval by the District. As of December 31, 2025, the outstanding advances under this agreement totaled $92,241 and accrued interest totaled $26,697.

Facilities Acquisition Agreement

As contemplated in the FFCO Agreement, on August 21, 2014, the District entered into a Facilities Acquisition Agreement (2014 FFA) with the Developer and Hotel Developer (collectively with the Developer, CPX). Under the 2014 FAA, the District agrees to acquire certain improvements constructed by the Developer (or as assigned to CPX Aurora FS Hotel, LLC and Sunflower Bank, N.A. (Sunflower) pursuant to that certain Collateral Assignment of Project Documents between the District, CPX, and Sunflower dated August 21, 2014) in connection with development of a hotel, conference center, and parking structure within the District's service area. Such public improvements include a boulevard entry, new water, storm, and sanitary lines, relocated electric utilities, roadways, landscaping and lighting (as defined in the 2014 FAA, the District Development Work). As contemplated in both the 2014 FAA and the AURA Contribution Agreement, certain proceeds of the 2014 Bonds, as well as the $400,000 AURA Contribution shall be held in separate escrow accounts pursuant to the Escrow Agreement – District Improvements, and the Developer has the right to draw on the funds maintained in such escrow accounts, subject to receipt of a written certification from an independent engineer that the construction costs for which the Developer seeks reimbursement are reasonable and subject to reimbursement. Pursuant to the 2014 FAA, the District agrees to periodically reimburse the Developer for Certified Construction Costs (as defined therein) no more often than monthly up to a maximum amount of $5,700,000, together with interest thereon, which shall accrue at the rate of 8% per annum.

NOTE 8 AGREEMENTS (CONTINUED)

Joint Facilities Fee Resolution

On August 13, 2014, the Boards of Directors of the District and District No. 1 adopted a Joint Resolution of Fitzsimons Village Metropolitan District Nos. 1 and 3 regarding the Imposition of Facilities Fees (Facilities Fee Resolution), which Resolution was recorded on August 21, 2014. The Facilities Fee Resolution imposes a one-time fee in the amount of $1.00 per gross square foot on property located within the boundaries of the District or District No. 1 and intended for nonresidential use (Commercial Facilities Fee). The Commercial Facilities Fee is imposed on any building intended for nonresidential use and for which a building permit is required by the City, excluding parking structures and any land owned by nonprofit homeowners' associations, governmental entities, or utility providers. The Commercial Facilities Fee is due and payable on or before the date of issuance of a building permit for the applicable building. The Facilities Fee Resolution provides that interest will accrue on facilities fees not paid when due at the rate of 12% per annum until paid. Revenues derived from the imposition of the Commercial Facilities Fee by the District and by District No. 1 are pledged to the payment of the District's Bonds or any other indebtedness issued by the District.

Aurora Urban Renewal Authority IGA

On August 21, 2014, the District and District No. 1 entered into an Intergovernmental Agreement with the Aurora Urban Renewal Authority (AURA) (the AURA IGA). Pursuant to the AURA IGA, the parties agree to cooperate to assure that ad valorem property taxes levied by the District and District No. 1 and other Pledged Revenues are made available to the District and District No. 1 by AURA for purposes of financing public improvements necessary to develop a hotel, conference center, structured parking facility, and related amenities within the 3.822 acre Tax Increment Area 1 (TIF Area 1). The District has agreed to remit any such revenues received from AURA to District No. 1 pursuant to the 2020 Capital Pledge Agreement.

Operations and Maintenance Fee Payment Agreement

On August 21, 2014, the Districts entered into the Agreement Regarding Payment of Operations and Maintenance Fee with AURA (O&M Fee Agreement). Under the O&M Fee Agreement, AURA acknowledges the Districts' adoption of the O&M Fee Resolution, pursuant to which the Districts are authorized to impose a monthly O&M Fee on property within the Districts' boundaries for the payment of operations and maintenance costs related to certain public improvements. Pursuant to the O&M Fee Agreement, AURA consents to payment of the O&M Fee to the Districts from its Available Revenues (as defined in that certain 2013 PFRA). Likewise, the Districts acknowledge their intent to apply all or a portion of the Available Revenues allocated to each by AURA to the payment of operations and maintenance-related expenditures and agree that the rate of the O&M payable by AURA will not be increased without AURA's prior written consent.

NOTE 8 AGREEMENTS (CONTINUED)

Public Finance and Redevelopment Agreement

On July 28, 2008, the Districts, BWAB Fitzsimons LLC (General Developer), and AURA entered into the Public Finance and Redevelopment Agreement (2008 PFRA), pursuant to which the parties set forth their respective obligations regarding, among other things, the redevelopment of the Districts' service area and the financing of public infrastructure necessary for such redevelopment. Under the 2008 PFRA, AURA is obligated to pay certain of its tax increment revenues derived from the following sources to any of the Districts that issue bonds: ad valorem property tax, sales tax, lodger's tax, use tax, and any interest earned on such tax revenues (Pledged Revenues). AURA further agrees to irrevocably pledge such Pledged Revenues (net of any Pledged Revenues generated from the Districts' Operations Mill Levies or from the Districts' ARI Mill Levies) to the payment of bonds issued by any of the Districts to the extent such amounts are pledged under any applicable bond documents. The total principal amount of the funding obligation under terms of the 2008 PFRA is $42,000,000 plus interest at 7% compounded annually on February 1st.

On August 21, 2014, the Districts, AURA, and the Developer (as successor-in-interest to the General Developer) entered into the First Amendment to the Public Finance and Redevelopment Agreement (Amended 2008 PFRA). The Amended 2008 PFRA acknowledges the exclusion of a certain portion of property from the redevelopment area described in the 2008 PFRA (Excluded Area) and establishes that only the Pledged Revenues generated from within the remaining property (Phase I Parcel) may be used to pay the Districts' financial obligations incurred to finance or refinance development to benefit the Phase I Parcel. Likewise, revenues generated from or attributable to the Excluded Area may be used to pay the Districts' financial obligations incurred to finance or refinance development to benefit the Excluded Area.

On November 1, 2021, the District and District No. 1 entered into the Project Funding Agreement in furtherance of the purpose, intent and provisions of the FFCO Agreement, and intend for this agreement to be a Capital Pledge Agreement as such term is defined in the FFCO Agreement. Under the Project Funding Agreement, District No. 1 shall be primarily responsible for facilitating, overseeing, and completing the Project. The Project includes the planning, design and construction, including soft costs, of the following public improvements:

NOTE 8 AGREEMENTS (CONTINUED)

Project Funding Agreement (Continued)

(i) An eight-level structured parking facility with approximately 660 parking spaces located within the boundaries of District No. 2 (the Parking Garage).

(ii) An approximately 2.3 acre public park and community area located within the boundaries of the District (Promenade Park).

(iii) Various internal street, street safety, wayfinding signage, stormwater drainage, water, and sanitary sewer improvements and related appurtenances located throughout the Fitzsimons Village community necessary to allow and support development within the District, District No. 1 and District No. 2 (Other Improvements).

(iv) The Project also includes any public improvements funded under the Advance and Reimbursement Agreements, including the planning, design and/or construction thereof.

The District agreed to contribute funding toward actual costs incurred by District No. 1 to complete the Project, including, but not limited to, costs associated with the planning, design and construction of the Project. The District also agreed to contribute funds to District No. 1 for the express limited purpose of funding the Project costs, provided the District Contribution shall not exceed actual proceeds available to the District for such purpose from the 2021 Bonds.

NOTE 9 RELATED PARTIES

Development of the Project Area has been undertaken (through multiple affiliates) by Corporex Colorado, LLC, a Colorado limited liability company (the Developer) since its acquisition of such property (through affiliates) in 2010. The Developer is wholly owned by Corporex Companies, LLC, a Kentucky limited liability company, and the Developer is managed by Corporex Realty & Investment, LLC, a Kentucky limited liability company, which is also wholly owned by Corporex Companies, LLC (Corporex). The majority of the members of the Board of Directors are officers and employees of the Developer or an entity affiliated with the Developer and may have conflicts of interest in dealing with the District.

NOTE 10 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 (the 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 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 11 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.

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.

On May 2, 2006, the District voters passed an election question allowing the District to levy and collect property taxes up to $5,000,000 annually, without limitation of rate, to pay the District's operations, maintenance, and other expenses. Additionally, the District's voters authorized the District to collect, retain and spend all revenues in excess of TABOR spending, revenue raising or other limitations.

NOTE 11 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 revenue is limited to a 5.25% increase, such increase is determined based on the 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.

SUPPLEMENTARY INFORMATION

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND 2021A-1
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 143,950	$ 144,347	$ 397
Specific Ownership Taxes	14,000	22,070	8,070
Interest Income	70,000	111,531	41,531
AURA Funding - Lodger Tax	250,000	256,579	6,579
AURA Funding - Property Tax	820,000	964,925	144,925
AURA Funding - Sales Tax	120,000	50,849	(69,151)
Transfer from District No. 2 - Taxes	141,365	100,040	(41,325)
Total Revenues	1,559,315	1,650,341	91,026
EXPENDITURES			
County Treasurer's Fee	2,159	2,177	(18)
Paying Agent Fees	7,000	9,000	(2,000)
Bond Interest	1,667,000	1,667,000	-
Bond Principal	1,965,000	1,965,000	-
Contingency	2,841	-	2,841
Total Expenditures	3,644,000	3,643,177	823
NET CHANGE IN FUND BALANCE	(2,084,685)	(1,992,836)	91,849
Fund Balance - Beginning of Year	2,531,851	2,668,674	136,823
FUND BALANCE - END OF YEAR	$ 447,166	$ 675,838	$ 228,672

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND 2021A-2
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	$ -	$ 25,567	$ 25,567
Transfer from District No. 1 - PIF	80,000	16,335	(63,665)
Total Revenues	80,000	41,902	(38,098)
EXPENDITURES			
Paying Agent Fees	4,000	4,000	-
Bond Interest	551,250	551,250	-
Bond Principal	65,000	65,000	-
Contingency	5,750	-	5,750
Total Expenditures	626,000	620,250	5,750
NET CHANGE IN FUND BALANCE	(546,000)	(578,348)	(32,348)
Fund Balance - Beginning of Year	857,689	812,921	(44,768)
FUND BALANCE - END OF YEAR	$ 311,689	$ 234,573	$ (77,116)

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Final Budget Positive (Negative)
REVENUES			
Interest Income	$ -	$ 107	$ 107
Total Revenues	-	107	107
EXPENDITURES			
Total Expenditures	-	-	-
NET CHANGE IN FUND BALANCE	-	107	107
Fund Balance - Beginning of Year	-	2,565	2,565
FUND BALANCE - END OF YEAR	$ -	$ 2,672	$ 2,672