SLC METROPOLITAN DISTRICT NO. 3
ARAPAHOE COUNTY, COLORADO

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

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Board of Directors
SLC 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 SLC 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 SLC 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.

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.

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.

Other and Annual Disclosure Information

Management is responsible for the other and annual disclosure information included in our report. The other and annual disclosure information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other and annual disclosure information, and, accordingly, we do not express an opinion or provide any assurance on them.

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

Wipfli LLP

Wipfli LLP

Denver, Colorado
July 29, 2026

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities
ASSETS	
Cash and Investments	$ 6,329
Cash and Investments - Restricted	1,100,364
Receivable from County Treasurer	6,399
Property Tax Receivable	1,481,127
Unamortized Bond Discount	93,450
Bond Insurance Cost	567,209
Total Assets	3,254,878
LIABILITIES	
Due to Other Districts	12,728
Accrued Interest	59,410
Noncurrent Liabilities:	
Due Within One Year	140,000
Due in More Than One Year	14,300,000
Total Liabilities	14,512,138
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,481,127
Total Deferred Inflows of Resources	1,481,127
NET POSITION	
Unrestricted	(12,738,387)
Total Net Position	$ (12,738,387)

See accompanying Notes to Basic Financial Statements.

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

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 572,612	$ -	$ -	$ -	$ (572,612)
Transfers to MD No. 1	12,812,569	-	-	-	(12,812,569)
Interest on Long-Term Debt and Related Costs	773,229	-	-	-	(773,229)
Total Governmental Activities	$ 14,158,410	$ -	$ -	$ -	(14,158,410)
General Revenues:					
Property Taxes					1,330,844
Specific Ownership Taxes					73,960
Interest Income					15,219
Total General Revenues and Transfers					1,420,023
CHANGES IN NET POSITION					(12,738,387)
Net Position - Beginning of Year					-
NET POSITION - END OF YEAR					$ (12,738,387)

See accompanying Notes to Basic Financial Statements.

SLC METROPOLITAN DISTRICT NO. 3
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	$ 6,329	$ -	$ -	$ 6,329
Cash and Investments - Restricted	-	1,098,402	1,962	1,100,364
Receivable from County Treasurer	6,399	-	-	6,399
Property Tax Receivable	535,126	946,001	-	1,481,127
Total Assets	$ 547,854	$ 2,044,403	$ 1,962	$ 2,594,219
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Due to Other Districts	12,728	-	-	12,728
Total Liabilities	12,728	-	-	12,728
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax	535,126	946,001	-	1,481,127
Total Deferred Inflows of Resources	535,126	946,001	-	1,481,127
FUND BALANCES				
Restricted for:				
Debt Service	-	1,098,402	-	1,098,402
Capital Projects	-	-	1,962	1,962
Total Fund Balances	-	1,098,402	1,962	1,100,364
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 547,854	$ 2,044,403	$ 1,962	
Amounts reported for governmental activities in the statement of net position are different because:				
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.				
Bond Insurance Cost				567,209
Unamortized Bond Discount				93,450
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Accrued Interest				(59,410)
Bonds Payable				(14,440,000)
Net Position of Governmental Activities				$ (12,738,387)

See accompanying Notes to Basic Financial Statements.

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

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	$ 1,330,844	$ -	$ -	$ 1,330,844
Specific Ownership Taxes	73,960	-	-	73,960
Interest Income	36	14,999	184	15,219
Total Revenues	1,404,840	14,999	184	1,420,023
EXPENDITURES				
Current:				
County Treasurer's Fee	19,963	-	-	19,963
Transfers To District No. 1	539,877	-	12,812,569	13,352,446
Debt Service:				
Bond Principal - Series 2025	-	560,000	-	560,000
Bond Interest - Series 2025	-	277,847	-	277,847
Bond Issue Costs	-	-	1,014,146	1,014,146
Total Expenditures	559,840	837,847	13,826,715	15,224,402
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	845,000	(822,848)	(13,826,531)	(13,804,379)
OTHER FINANCING SOURCES (USES)				
Bond Issuance Proceeds	-	-	15,000,000	15,000,000
Bond Discount	-	-	(95,257)	(95,257)
Transfers In (Out)	(845,000)	1,921,250	(1,076,250)	-
Total Other Financing Sources (Uses)	(845,000)	1,921,250	13,828,493	14,904,743
NET CHANGE IN FUND BALANCES	-	1,098,402	1,962	1,100,364
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ 1,098,402	$ 1,962	$ 1,100,364

See accompanying Notes to Basic Financial Statements.

SLC METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE STATEMENTS 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	$ 1,100,364
Amounts reported for governmental activities in the statement of activities are different because:	
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 Issuance	(15,000,000)
Bond Principal	560,000
Bond Insurance	578,174
Bond Discount	95,257
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 Payable - Change in Liability	(59,410)
Amortization of Bond Insurance	(10,965)
Amortization of Bond Discount	(1,807)
Changes in Net Position of Governmental Activities	$ (12,738,387)

See accompanying Notes to Basic Financial Statements.

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

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property Taxes	$ 1,360,736	$ 1,330,844	$ 1,330,844	$ -
Specific Ownership Taxes	68,037	73,960	73,960	-
Interest Income	-	-	36	36
Other Revenue	1,227	30,196	-	(30,196)
Total Revenues	1,430,000	1,435,000	1,404,840	(30,160)
EXPENDITURES				
Contingency	1,227	30,196	-	30,196
County Treasurer's Fee	20,411	19,963	19,963	-
Transfers To District No. 1	1,408,362	539,841	539,877	(36)
Total Expenditures	1,430,000	590,000	559,840	30,160
EXCESS OF REVENUES OVER EXPENDITURES	-	845,000	845,000	-
OTHER FINANCING SOURCES (USES)				
Transfers To Other Fund	-	(845,000)	(845,000)	-
Total Other Financing Uses	-	(845,000)	(845,000)	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

SLC 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 of Arapahoe County, Colorado recorded on December 4, 2019, to provide financing for design, planning, acquisition, construction, relocation, installation, completion, operation, maintenance, and repair or replacement of public improvements and facilities, including streets, park and recreation, water, sanitary and storm sewer, public transportation, mosquito control, traffic and safety, fire protection, television relay and translation, security and communications. The District's service area is located entirely within the City of Aurora (City) in Arapahoe County, Colorado.

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.

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.

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 taxes.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and the sum of liabilities 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 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 instead 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 and notes are 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 and specific ownership taxes. 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.

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 debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 and investments.

Interfund Balances

The District reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds. The interfund balances have been eliminated in the government-wide statements.

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 Commissioners 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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns 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 investment in capital assets.

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.

Deferred Inflow 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 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. Accordingly, 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:

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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 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 did not identify any concentrations or constraints that require disclosure.

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	$ 6,329
Cash and Investments - Restricted	1,100,364
Total Cash and Investments	$ 1,106,693

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

Deposits with Financial Institutions	$ 6,329
Investments	1,100,364
Total Cash and Investments	$ 1,106,693

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 balance and carrying of $6,329.

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.

NOTE 3 CASH AND INVESTEMENTS (CONTINUED)

Investments (Continued)

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 investment:

Investment	Maturity	Amount
Colorado Surplus Asset Fund	Weighted-Average	
Trust (CSAFE)	Under 60 Days	$ 1,100,364
		$ 1,100,364

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 Section 24-75-601.1, C.R.S.

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 Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

NOTE 3 CASH AND INVESTEMENTS (CONTINUED)

CSAFE (Continued)

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 AAAmmf 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.

NOTE 4 LONG-TERM OBLIGATIONS

The following is an analysis of 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:					
General Obligation Bonds					
Series 2025	$ -	$ 15,000,000	$ 560,000	$ 14,440,000	$ 140,000
Subtotal Bonds Payable	-	15,000,000	560,000	14,440,000	140,000
Bond Premium/Discount and Direct Placements:					
Bond Discount - Series 2025	-	(95,257)	1,807	(93,450)	-
Subtotal Bond Premium/Discount	-	(95,257)	1,807	(93,450)	-
Total Long-Term Obligations	$ -	$ 14,904,743	$ 561,807	$ 14,346,550	$ 140,000

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

Limited Tax General Obligation Bonds, Series 2025 (the Bonds)

On July 16, 2025, the District issued $15,000,000 Limited Tax General Obligation Bonds, Series 2025 (the Bonds).

Proceeds of the Bonds

The Bonds were issued for the purpose of paying or reimbursing the costs of public improvements, funding the debt service reserve fund, paying costs of issuance, and paying the premium for a municipal bond insurance policy.

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation Bonds, Series 2025 (the Bonds)

Details of the Bonds

The Bonds were issued as limited tax general obligation current interest bonds dated July 16, 2025. From the date of issuance, the Bonds bear interest at fixed rates ranging from 4.50% to 5.00% per annum.

Interest on the Bonds is payable semiannually on each June 1 and December 1, beginning on December 1, 2025. Principal payments are due annually on December 1 of each year, beginning December 1, 2025, with final maturity on December 1, 2054.

To the extent that principal of any Bond is not paid when due, such principal shall remain outstanding and continue to bear interest at the rate then borne by the Bond. To the extent that interest on any Bond is not paid when due, such unpaid interest shall compound semiannually on each interest payment date at the rate then borne by the Bond, subject to the limitations set forth in the Indenture.

If funds sufficient for the payment of principal of and interest on the Bonds have been deposited with the Trustee or otherwise made available for payment and any Bond is not presented for payment when due, interest on such Bond shall cease to accrue from the date the principal becomes due. If any Bond is not presented for payment within three years after the date such principal becomes due, the Trustee shall return the funds held for payment to the District, and thereafter the unpaid Bond shall be an unsecured obligation of the District, subject to applicable statutes of limitation.

Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue which is defined generally in the Indenture as the money derived from the following sources, net of any costs of collection:

(a) the Property Tax Revenues;

(b) the Specific Ownership Tax Revenues and

(c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for credit to the Bond Fund;

Required Mill Levy

An ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the District each year in an amount sufficient, when combined with the Pledged Revenue then on deposit in the Bond Fund, to pay the principal, and interest on the Bonds as the same become due and payable and to replenish, if necessary, the Reserve Fund to the Reserve Requirement, but not in excess of 25 mills, adjusted as provided for in the bond indenture.

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Optional Redemption

The Bonds are subject to optional redemption prior to maturity, at the option of the District, in whole or in part, on any date on or after December 1, 2030. Bonds redeemed prior to maturity shall be redeemed at a price equal to 100% of the principal amount thereof, together with accrued interest to the redemption date.

If fewer than all of the Bonds are redeemed, such Bonds shall be redeemed in such maturities and principal amounts as determined by the District and, within a maturity, by lot or such other method as determined by the Trustee in accordance with the Indenture. Partial redemptions of Bonds shall be in integral multiples of $5,000.

Date of Redemption	Redemption Premium
December 1, 2030, to November 30, 2031	3.00%
December 1, 2031, to November 30, 2032	2.00
December 1, 2032, to November 30, 2033	1.00
December 1, 2033, and thereafter	0.00

Events of Default

Under the Indenture, failure by the District to pay principal of or interest on the Bonds when due does not constitute an event of default so long as the District continues to levy the Required Mill Levy and apply Pledged Revenue as required. The Indenture does not provide for acceleration of the Bonds under any circumstances. Remedies available to bondholders are limited to those expressly provided in the Indenture.

Bond Debt Service

The district's bonds mature as follows:

Year Ending	Bonded Debt		
December 31,	Principal	Interest	Total
2026	$ 140,000	$ 712,925	$ 852,925
2027	145,000	705,925	850,925
2028	170,000	698,675	868,675
2029	175,000	690,175	865,175
2030	205,000	681,425	886,425
2031-2036	1,590,000	3,846,550	5,436,550
2037-2042	2,395,000	3,308,425	5,703,425
2043-2048	3,510,000	2,480,250	5,990,250
2049-2054	6,110,000	1,247,750	7,357,750
Total	$ 14,440,000	$ 14,372,100	$ 28,812,100

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

Pursuant to its Service Plan, the District is permitted to issue bond indebtedness of up to $156,000,000 (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 refunding's of the Debt authorized to be issued under the Service Plan. As of December 31, 2025, the District has remaining authorization under the Service Plan of $141,000,000.

The District's voters have authorized the District to issue Debt in accordance with the Service Plan Debt Issuance Limit.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt, for purposes of providing public improvements to support development as it occurs within the District's service area.

NOTE 5 NET POSITION

The District has net position consisting of two components – restricted and unrestricted.

Restricted net position includes assets with restrictions 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 has a deficit unrestricted net position as of December 31, 2025. This deficit amount is a result of the District being responsible for the repayment of developer advances for operations and for the repayment of bonds issued for public improvements.

NOTE 6 AGREEMENTS

Memorandum of Understanding

On December 11, 2019, the District and SLC Metropolitan District Nos. 1, 2, and 4 (hereinafter referred to collectively as the Districts) entered into a Memorandum of Understanding, as amended (MOU) whereby District No. 1 agreed to provide for the construction, design, operation and maintenance of certain public improvements for the Districts. District No. 1 further agreed to provide for the overall administration of the Districts. To the extent the Districts enter into a future Facilities Funding, Construction and Operations Agreement (FFCOA), that agreement will, among other things, provide for District Nos. 1, 2, and 4 to reimburse the District for certain costs incurred pursuant to the MOU. For the year ended December 31, 2025, the District transferred $13,352,446 to District No. 1 in accordance with the MOU.

NOTE 6 AGREEMENTS (CONTINUED)

Intergovernmental Agreement with the City

The District and the City are parties to an Intergovernmental Agreement (City IGA) dated December 11, 2019, which provides contractual enforcement rights to the City with respect to certain restrictions set forth in the District's Service Plan. Under the City IGA, the District covenants to dedicate all public improvements to the City or other appropriate jurisdiction, and covenants that all improvements will be constructed in compliance with the City's standards and specifications. The City IGA states that the District is not authorized to operate and maintain improvements, other than park and recreation improvements, unless otherwise agreed to by the City. Further, the District is required to impose a mill levy for Aurora Regional Improvements (the ARI Mill Levy) commencing in the first year the District imposes a debt service mill levy.

Aurora Regional Transportation Authority Establishment Agreement

On June 4, 2020, the District entered into the Seventh Amendment to Aurora Regional Transportation Authority (ARTA) Establishment Agreement, along with other metropolitan districts within the City. This Agreement was further amended to add additional metropolitan district members. Pursuant to the Agreement, ARTA will plan, design, acquire, construct, relocate, redevelop, and finance regional improvements within the boundaries of the metropolitan districts which are a party to the Agreement using the revenue from the ARI Mill Levy (as defined therein) of each of the districts. In accordance with the Agreement, the City has been offered the right to appoint no less than 30% and no more than 49% of the ARTA Board, but as of December 31, 2025, had not exercised this right.

NOTE 7 INTER-DISTRICT TRANSFERS

During the year ended December 31, 2025, the District made inter-district transfers to fund debt service and other governmental activities. Transfers to SLC Metropolitan District No. 1 totaled $13,352,446. These transfers were made in accordance with budgetary authorizations and do not require repayment.

NOTE 8 RISK MANAGEMENT

The District is 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.

NOTE 8 RISK MANAGEMENT (CONTINUED)

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 9 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 limits must be refunded unless the voters approve retention of such revenue.

On November 5, 2019, the Electors of the District authorized the District to collect, spend, and retain all revenues, other than ad valorem taxes, without regard to the limitations contained in Article X, Section 20 of the Colorado constitution. Additionally, the District voters approved authorization to increase property taxes up to $156,000,000 annually to pay for the administration, operations, maintenance, and capital expenditures of the District, and to issue debt in the amount of $156,000,000 to fund each of the following items: street improvements, parks and recreation improvements, water improvements, sanitation improvements, transportation improvements, mosquito control improvements, safety protection improvements, fire protection improvements, television relay and translation improvements, security improvements, operations and maintenance, intergovernmental agreements, refunding, and nonresidential telephone service

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.

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.

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

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.

On May 5, 2025, the qualified electors of the District approved an election question to waive the 5.25% property tax limit established under Section 29-1-1702, C.R.S. for 2026 and all future budget years.

SUPPLEMENTARY INFORMATION

SLC METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Interest Income	$ -	$ -	$ 14,999	$ 14,999
Total Revenues	-	-	14,999	14,999
EXPENDITURES				
Paying Agent Fees	-	4,000	-	4,000
Bond Interest - Series 2025	-	277,847	277,847	-
Bond Principal - Series 2025	-	560,000	560,000	-
Contingency	-	3,153	-	3,153
Total Expenditures	-	845,000	837,847	7,153
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(845,000)	(822,848)	22,152
OTHER FINANCING SOURCES (USES)				
Transfers From Other Funds	-	1,921,250	1,921,250	-
Total Other Financing Sources	-	1,921,250	1,921,250	-
NET CHANGE IN FUND BALANCES	-	1,076,250	1,098,402	22,152
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ 1,076,250	$ 1,098,402	$ 22,152

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

	Budget Original	Budget Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Interest Income	$ -	$ -	$ 184	$ 184
Total Revenues	-	-	184	184
EXPENDITURES				
Bond Issue Costs	-	1,111,180	1,014,146	97,034
Transfers To District No. 1	-	12,812,570	12,812,569	1
Total Expenditures	-	13,923,750	13,826,715	97,035
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(13,923,750)	(13,826,531)	97,219
OTHER FINANCING SOURCES (USES)				
Bond Issuance Proceeds	-	15,000,000	15,000,000	-
Bond Discount	-	-	(95,257)	(95,257)
Transfers To Other Fund	-	(1,076,250)	(1,076,250)	-
Total Other Financing Sources (Uses)	-	13,923,750	13,828,493	(95,257)
NET CHANGE IN FUND BALANCES	-	-	1,962	1,962
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ -	$ 1,962	$ 1,962

OTHER INFORMATION

SLC METROPOLITAN DISTRICT NO. 3
SCHEDULE OF NET ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Assessed Valuation	Percent Change	Total Mills Levied: General Operations	Total Mills Levied: Debt Service	Total Mills Levied: Special Abatement	Total Mills Levied: Total	Total Property Taxes: Levied	Total Property Taxes: Collected	Percent Collected to Levied
2021/2022	$ 926,588	849980.7%	15.090	0.000	0.000	15.090	$ 13,982	$ 14,051	100.49 %
2022/2023	39,246,390	4135.6%	15.090	0.000	0.000	15.090	592,228	590,582	99.72 %
2023/2024	55,438,986	41.3%	15.090	0.000	0.000	15.090	836,574	829,863	99.20 %
2024/2025	90,174,972	62.7%	15.090	0.000	0.000	15.090	1,360,736	1,330,844	97.80 %
Estimated for Year Ending December 31, 2026	$ 91,631,230	1.6%	5.840	9.250	1.074	16.164	1,481,127		

Note:
Property taxes collected in any one year include collection of delinquent property taxes levied in prior
Information received from the Treasurer does not permit identification of specific year of levy.

Source: Arapahoe County Assessor and Treasurer.

SLC METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

Bonds/Loans and Interest Maturing in the Year Ending December 31,	$15,000,000 Limited Tax General Obligation Bonds Series 2025, Dated July 16, 2025 Interest Rate Fixed 4.50-5.00% Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2026	$ 140,000	$ 712,925	$ 852,925
2027	145,000	705,925	850,925
2028	170,000	698,675	868,675
2029	175,000	690,175	865,175
2030	205,000	681,425	886,425
2031	210,000	671,175	881,175
2032	240,000	660,675	900,675
2033	250,000	648,675	898,675
2034	280,000	636,175	916,175
2035	290,000	622,175	912,175
2036	320,000	607,675	927,675
2037	335,000	593,275	928,275
2038	365,000	578,200	943,200
2039	380,000	561,775	941,775
2040	415,000	544,675	959,675
2041	430,000	526,000	956,000
2042	470,000	504,500	974,500
2043	490,000	481,000	971,000
2044	535,000	456,500	991,500
2045	560,000	429,750	989,750
2046	605,000	401,750	1,006,750
2047	635,000	371,500	1,006,500
2048	685,000	339,750	1,024,750
2049	715,000	305,500	1,020,500
2050	770,000	269,750	1,039,750
2051	805,000	231,250	1,036,250
2052	865,000	191,000	1,056,000
2053	905,000	147,750	1,052,750
2054	2,050,000	102,500	2,152,500
Total	$ 14,440,000	$ 14,372,100	$ 28,812,100

ANNUAL DISCLOSURE INFORMATION
(UNAUDITED)

SLC METROPOLITAN DISTRICT NO. 3
ANNUAL DISCLOSURE
HISTORY OF ASSESSED VALUATIONS AND MILL LEVIES
DECEMBER 31, 2025

Levy Year	Collection Year	Assessed Valuation	Percent Change	General Fund Mill Levy	Debt Service Mill Levy	ARI Mill Levy
2019	2020	$ 45	- %	0.000	0.000	0.000
2020	2021	109	142.22	0.000	0.000	0.000
2021	2022	926,588	849980.73	15.090	0.000	0.000
2022	2023	39,246,390	4135.58	15.090	0.000	0.000
2023	2024	55,438,986	41.26	15.090	0.000	0.000
2024	2025	90,174,672	62.66	15.090	0.000	0.000
2025	2026	91,631,230	1.62	5.840	9.250	1.074

(1)Sources: Arapahoe Assessor and Treasurer

SLC METROPOLITAN DISTRICT NO. 3
ANNUAL DISCLOSURE
PROPERTY TAX COLLECTIONS
DECEMBER 31, 2025

Levy Year	Collection Year	Taxes Levied	Current Tax Collection	Collection Rate
2019	2020	$ -	$ -	- %
2020	2021	-	-	-
2021	2022	13,982	14,051	100.49
2022	2023	592,228	590,582	99.72
2023	2024	836,574	829,863	99.20
2024	2025	1,360,736	1,330,844	97.80
2025	2026	1,481,127	827,317	55.86

(1)Sources: Arapahoe Assessor and Treasurer
(2)Property Tax Collections as of May 31, 2026

SLC METROPOLITAN DISTRICT NO. 3
ANNUAL DISCLOSURE
ASSESSED VALUATION OF CLASSES OF PROPERTY
DECEMBER 31, 2025

Property Class	Total Assessed Valuation	Percentage of Taxpayer/ Assessed Valuation
Valuation Year - 2025		
Vacant	$ 1,343,825	1.49%
Commercial	76,443,768	84.77
State Assessed	140	0.00
Personal Property	12,386,939	13.74
Total	$ 90,174,672	100%

(1)Sources: Arapahoe Assessor and Treasurer

SLC METROPOLITAN DISTRICT NO. 3
ANNUAL DISCLOSURE
TEN LARGEST OWNERS OF PROPERTY WITHIN THE DISTRICT
DECEMBER 31, 2025

Taxpayer Name	2025 Assessed Valuation	Percentage of Taxpayer / Assessed Valuation
Valuation Year - 2026		
NP Stafford II, LLC	$ 43,636,860	47.62%
Stafford IV Building 3, LLC	13,012,920	14.20
NP Stafford I Building 1, LLC	12,977,280	14.16
Amazon.com Services LLC	10,275,168	11.21
NP Stafford IV Building 2, LLC	8,693,460	9.49
NP Stafford I, LLC	1,242,404	1.36
NP Stafford III, LLC	1,234,204	1.35
Amazon Data Services INC	201,236	0.22
Tesla INC	104,974	0.11
Oublic SVC CO of Colorado	69,510	0.08
Total	$ 91,448,016	99.80%
All other Taxpayers	183,214	0.20
Total	$ 91,631,230	100.00%

(1)Sources: Arapahoe Assessor and Treasurer

SLC METROPOLITAN DISTRICT NO. 3
ANNUAL DISCLOSURE
MILL LEVIES AFFECTING PROPERTY OWNERS WITHIN THE DISTRICT
DECEMBER 31, 2025

Taxing Entity	Mill Levies for Tax Area 363
Arapahoe County	16.959
Aurora (City)	7.087
Joint School District No. 28J (Aurora Public Schools)	73.186
Regional Transportation District	-
Urban Drainage and Flood District	0.900
Urban Drainage and Flood District-South Platte	0.100
West Arapahoe Conservation District	-
Overlapping Mill Levy	98.232
SLC Metro District No. 3	16.164
Total Mill Levy	114.396

(1) One mill equals 1/10 of one cent.

Mill levies certified in 2025 are for the collection of ad valorem property taxes in 2026.

Sources: County Assessor's office