

**RESOLUTION**  
**ADOPTING BUDGET, AND APPROPRIATING SUMS OF MONEY**  
**AND CERTIFYING MILL LEVIES FOR THE CALENDAR YEAR 2026**

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The Board of Directors of Highlands Metropolitan District No. 1 (the “**Board**”), City and County of Broomfield, Colorado (the “**District**”), held a regular meeting, via teleconference on October 8, 2025, at the hour of 10:00 a.m.

Prior to the meeting, each of the directors was notified of the date, time, and place of the budget meeting and the purpose for which it was called, and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2026 BUDGET

**NOTICE OF PUBLIC HEARING ON THE PROPOSED 2026 BUDGET  
AND  
NOTICE OF PUBLIC HEARING ON THE AMENDED 2025 BUDGET**

The Board of Directors (the "Board") of the HIGHLANDS METROPOLITAN DISTRICT NO. 1 (the "District"), will hold a public hearing via teleconference on OCTOBER 8, 2025 at 10:00 AM, to consider adoption of the District's proposed 2026 budget (the "Proposed Budget"), and, if necessary, adoption of an amendment to the 2025 budget (the "Amended Budget").

The public hearing can be joined using the following teleconference information:

<https://us06web.zoom.us/j/82665242451?pwd=B0HRchAzVYs9q8xRCP8dqbnZXh0Zzg8.1>  
Meeting ID: 826 6524 2451  
Passcode: 645132  
Call-in Number: +1-720-707-2699

The Proposed Budget and Amended Budget are available for inspection by the public at the offices of Simmons & Wheeler, 304 Inverness Way S #490, Englewood, CO 80112.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to the final adoption of the Proposed Budget or the Amended Budget by the Board.

The agenda for any meeting may be obtained at <https://highlandsmetrodistrict1.com/> or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:  
HIGHLANDS METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado

/s/ WBA, PC

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**Prairie Mountain Media, LLC**

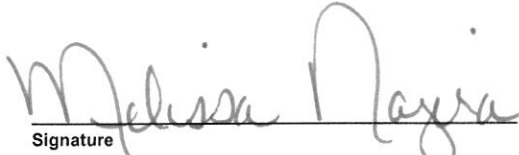
**PUBLISHER'S AFFIDAVIT**

**County of Broomfield  
State of Colorado**

The undersigned, Agent, being first duly sworn under oath, states and affirms as follows:

1. He/she is the legal Advertising Reviewer of **Prairie Mountain Media LLC**, publisher of the **Broomfield Enterprise**.
2. The **Broomfield Enterprise** is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Broomfield County and meets the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in the **Broomfield Enterprise** in Broomfield County on the following date(s):

Sep 14, 2025

  
\_\_\_\_\_  
Signature

Subscribed and sworn to me before me this

15<sup>th</sup> day of September, 2025.

  
\_\_\_\_\_  
Notary Public

(SEAL)

**SHAYLA NAJERA  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20174031965  
MY COMMISSION EXPIRES JULY 31, 2029**

Account: 1051175  
Ad Number: 2132765  
Fee: \$51.48

WHEREAS, the Board has appointed its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was available for inspection by the public at a designated place, a public hearing was held and interested electors of the District were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2026. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy of Property Taxes. The Board does hereby certify the levy of property taxes for collection in 2026 as more specifically set out in the budget attached hereto.

Section 3. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut, or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 4. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant, or other designee to certify to the Board of County Commissioners of Broomfield County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 5. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 6. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager, or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 7. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED OCTOBER 8, 2025.

**DISTRICT:**

**HIGHLANDS METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado

By: *Jordan Reisman*  
Officer of the District

STATE OF COLORADO  
COUNTY OF BROOMFIELD  
HIGHLANDS METROPOLITAN DISTRICT NO. 1

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Wednesday, October 8, 2025, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 8<sup>th</sup> day of October, 2025.

*Jordan Reisman*  
Signature

*[Signature page to Resolution Adopting Budget, and Appropriating Sums of Money and Certifying Mill Levies for the Calendar Year 2026]*

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**HIGHLANDS METROPOLITAN DISTRICT NO. 1**  
**2026**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2026 budget for the Highlands Metropolitan District No. 1.

Highlands Metropolitan District No. 1 has adopted a budget for three separate funds, a General Fund to provide for the payment of operating and maintenance expenditures; a Capital Projects Fund to provide for estimated infrastructure costs that are to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the outstanding general obligation bonds.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary sources of revenue for the district in 2026 will be sales tax and property tax revenue from the imposition of a 52.333 mill levy on property within the district for 2026, of which 4.000 mills will be dedicated to the General Fund and the balance of 48.333 mills will be allocated to the Debt Service Fund.

**Highlands Metropolitan District No.1**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2026**

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 170,555	\$ 162,370	\$ 161,713	\$ 161,713	\$ 145,413
Revenues:					
Property taxes	233	325	323	325	309
Tif to district	31,828	30,980	30,838	30,980	29,381
Specific ownership taxes	1,380	2,174	701	1,200	2,062
Other income	<u>19,641</u>	<u>27</u>	<u>4,176</u>	<u>8,000</u>	<u>27</u>
Total revenues	<u>53,082</u>	<u>33,506</u>	<u>36,038</u>	<u>40,505</u>	<u>31,779</u>
Total funds available	<u>223,637</u>	<u>195,876</u>	<u>197,751</u>	<u>202,218</u>	<u>177,192</u>
Expenditures:					
Audit	5,500	6,000	-	6,500	6,000
Accounting	10,235	9,500	6,018	10,000	9,500
Legal	39,434	30,000	7,142	30,000	30,000
Election	382	2,500	3,282	3,500	2,500
Insurance & bonds	4,340	5,000	4,201	4,600	5,000
Miscellaneous	829	600	479	1,000	600
Website	1,200	1,200	800	1,200	1,200
Treasurer's fee	4	5	5	5	5
Contingency	-	139,427	-	-	120,743
Emergency reserve (3%)	<u>-</u>	<u>1,644</u>	<u>-</u>	<u>-</u>	<u>1,644</u>
Total expenditures	<u>61,924</u>	<u>195,876</u>	<u>21,927</u>	<u>56,805</u>	<u>177,192</u>
Ending fund balance	<u>\$ 161,713</u>	<u>\$ -</u>	<u>\$ 175,824</u>	<u>\$ 145,413</u>	<u>\$ -</u>
Current Year Total		7,944,390			7,534,310
Current year TIF		<u>7,862,989</u>			<u>7,456,990</u>
Assessed valuation		<u>\$ 81,401</u>			<u>\$ 77,320</u>
Mill Levy		<u>4.000</u>			<u>4.000</u>

**Highlands Metropolitan District No.1**  
**Adopted Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2026**

	Actual 2024	Adopted Budget 2025	Actual 6/30/2025	Estimate 2025	Adopted Budget 2026
Beginning fund balance	<u>\$ 310,719</u>	<u>\$ 325,719</u>	<u>\$ 326,657</u>	<u>\$ 326,657</u>	<u>\$ 341,657</u>
Revenues:					
Interest income	<u>15,938</u>	<u>5,000</u>	<u>6,735</u>	<u>15,000</u>	<u>5,000</u>
Total revenues	<u>15,938</u>	<u>5,000</u>	<u>6,735</u>	<u>15,000</u>	<u>5,000</u>
Total funds available	<u>326,657</u>	<u>330,719</u>	<u>333,392</u>	<u>341,657</u>	<u>346,657</u>
Expenditures:					
Capital expenditures	-	330,719	-	-	330,719
Transfer to Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>330,719</u>	<u>-</u>	<u>-</u>	<u>330,719</u>
Ending fund balance	<u><u>\$ 326,657</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 333,392</u></u>	<u><u>\$ 341,657</u></u>	<u><u>\$ 15,938</u></u>

**Highlands Metropolitan District No.1**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2026**

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>06/30/25</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 1,037,214	\$ 794,124	\$ 863,024	\$ 863,024	\$ 480,934
Revenues:					
Property taxes	2,714	3,812	4,635	4,837	3,737
TIF	371,633	362,654	360,992	369,596	355,012
Specific ownership taxes	16,866	25,386	8,195	16,000	24,851
Sales Tax	169,121	153,185	84,337	170,000	180,000
Interest income	49,973	10,000	18,581	30,000	30,000
Transfer from Capital Projects	-	-	-	-	-
Total revenues	<u>610,307</u>	<u>555,037</u>	<u>476,740</u>	<u>590,433</u>	<u>593,600</u>
Total funds available	<u>1,647,521</u>	<u>1,349,161</u>	<u>1,339,764</u>	<u>1,453,457</u>	<u>1,074,534</u>
Expenditures:					
Interest	455,450	442,450	221,225	442,450	421,450
Principal	325,000	525,000	-	525,000	605,000
Trustee Fees	4,000	5,000	4,000	5,000	5,000
Treasurer fees	47	57	57	73	56
Total expenditures	<u>784,497</u>	<u>972,507</u>	<u>225,282</u>	<u>972,523</u>	<u>1,031,506</u>
Ending fund balance	<u>\$ 863,024</u>	<u>\$ 376,654</u>	<u>\$ 1,114,482</u>	<u>\$ 480,934</u>	<u>\$ 43,028</u>
Current Year Total		7,944,390			7,534,310
Current year TIF		7,862,989			7,456,990
Assessed valuation		<u>\$ 81,401</u>			<u>\$ 77,320</u>
Mill Levy		<u>46.824</u>			<u>48.333</u>