HIGHLANDS METROPOLITAN DISTRICT NO. 3

2025 ANNUAL REPORT

Pursuant to §32-1-207(3)(c) and the Service Plan for Highlands Metropolitan District No. 3 (the "**District**"), the District is required to provide an annual report to the City and County of Broomfield, Colorado ("**Broomfield**") with regard to the following matters:

For the year ending December 31, 2025, the District makes the following report:

§32-1-207(3) Statutory Requirements

1. **Boundary changes made**

   The District did not have any boundary changes in 2025.

2. **Intergovernmental Agreements entered into or terminated with other governmental entities.**

   There were no new intergovernmental agreements entered into or terminated in 2025.

3. **Access information to obtain a copy of rules and regulations adopted by the board.**

   The District has not adopted any rules and regulations.

4. **A summary of litigation involving public improvements owned by the District.**

   To our actual knowledge, based on review of the court records in Broomfield County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2025.

5. **The status of the construction of public improvements by the District.**

   The District did not construct any public improvements in 2025. The public improvements to serve the property within the District are being constructed by Vista Highlands Development Corporation.

6. **A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.**

   No facilities or improvements were constructed by the District that were conveyed or dedicated to Broomfield as of December 31, 2025. The facilities and improvements to serve the property within the District are being constructed by Vista Highlands Development Corporation.

7. **The final assessed valuation of the District as of December 31st of the reporting year.**

The final assessed valuation of the District is attached hereto as **Exhibit A**.

8. **A copy of the current year's budget.**

   A copy of the 2026 Budget is attached hereto as **Exhibit B.**

9. **A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

   The 2025 Audit is in process and will be submitted in a Supplemental Annual Report.

10. **Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

    To our actual knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period, under any Debt instrument.

11. **Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

    To our actual knowledge, the District has been able to pay its obligations as they come due.

EXHIBIT A
2025 Final Assessed Valuation

County Tax Entity Code ___

RECERTIFICATION OF VALUATION BY BROOMFIELD COUNTY ASSESSOR

DOLA LGID/SID ____

New Tax Entity? 0 YES __ NO

Date 11/20/2025

NAME OF TAX ENTITY: HIGHLANDS METRO DIST 3 BOND

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	I.	$80,096
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: t	2.	$8,689,600
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	$8,600,424
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	$89,176
5.	NEW CONSTRUCTION: *	5.	$917,560
6.	INCREASED PRODUCTION OF PRODUCING MINE: :::	6.	$0
7.	ANNEXATIONS/INCLUSIONS:	7.	$0
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: :::	8.	$0
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-l-301(l)(b), C.R.S.): <1>	9.	$0
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-l-301(l)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	$0.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-l-301(l)(a), C.R.S.) and (39-10-114(1)(a)(T)(B), C.R.S.):	11.	$0.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution
* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
''' Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use forms DLG 52 & 52A.
Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 528.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTUTION AND 39-5-121(2Xb), C.R.S., THE BROOMFIELD County ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025:

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: 11	1.	$42,401,980
	ADDITIONS TO TAXABLE REAL PROPERTY		
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	$3,398,360
3.	ANNEXATIONS/INCLUSIONS:	3.	$0
4.	INCREASED MINING PRODUCTION: §	4.	$0
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	$0
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	$0
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	$0
	DELETIONS FROM TAXABLE REAL PROPERTY		
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	$0
9.	DISCONNECTIONS/EXCLUSIONS:	9.	$0
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	$0

11 This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
* Construction is defined as newly constructed taxable real property structures.
§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY **$48,092,010**

IN ACCORDANCE WITH 39-5-128(1.S), C.R.S., THE ASSESSOR PROVIDES:
HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** **$0**
** The lax revenue lost due to this exempted value will be reimbursed lo the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER IS.

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25%" LIMIT)

IN ACCORDANCE WITH§§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1.	$8,689,600
2.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2.	$8,600,424
3.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3.	$89,176
4.	NEW CONSTRUCTION:	4.	$917,560
5.	ANNEXATIONS/INCLUSIONS:	5.	$0
6.	PREVIOUSLY EXEMPT PROPERTY:	6.	$0
7.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301 (1)(A),C.R.S). Includes all revenue collected on valuation not previously certified:	7.	$$0.00
8.	INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION* (29-1-306(3)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	8.	$0
9.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) AND (39-10-114(1)(a)(I)(B), C.R.S):	9.	$$0.00
10.	TOTAL VALUATION FOR ASSESSMENT FROM PRODUCING MINES OR LANDS OR LEASEHOLDS PRODUCING OIL OR GAS	10.	$0
11.	REVENUE INCREASE FROM EXPIRED TIF:	11.	$0

* Change in law for property tax classification does not include changes in classification due to property use changes.

Note:
The property tax limit will apply to all property taxing entities with the exception of school districts and any county, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government ("the Division") has developed technical assistance resources to assist taxing entities with the calculation of the property tax limit available online here (https://dlg.colorado.gov/budget-information-and-resources). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity's revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division's technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

County Tax Entity Code ___

RECERTIFICATION OF VALUATION BY BROOMFIELD COUNTY ASSESSOR

DOLA LGID/SID ____

New Tax Entity? 0 YES __ NO

Date 11/20/2025

NAME OF TAX ENTITY: HIGHLANDS METRO DISTRICT 3

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	$80,096
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: t	2.	$8,689,600
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	$8,600,424
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	$89,176
5.	NEW CONSTRUCTION: *	5.	$917,560
6.	INCREASED PRODUCTION OF PRODUCING MINE: ‡	6.	$0
7.	ANNEXATIONS/INCLUSIONS:	7.	$0
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ‡	8.	$0
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	$0
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	$0.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(T)(B), C.R.S.):	11.	$0.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution

* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.

''' Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 528.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTUTION AND 39-5-121(2Xb), C.R.S., THE BROOMFIELD County ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025:

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: 11	1.	$42,401,980
	ADDITIONS TO TAXABLE REAL PROPERTY		
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	$3,398,360
3.	ANNEXATIONS/INCLUSIONS:	3.	$0
4.	INCREASED MINING PRODUCTION: §	4.	$0
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	$0
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	$0
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	$0
	DELETIONS FROM TAXABLE REAL PROPERTY		
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	$0
9.	DISCONNECTIONS/EXCLUSIONS:	9.	$0
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	$0

11 This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY **$48,092,010**

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** **$0**

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25%" LIMIT)

IN ACCORDANCE WITH§§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1.	$8,689,600
2.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2.	$8,600,424
3.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3.	$89,176
4.	NEW CONSTRUCTION:	4.	$917,560
5.	ANNEXATIONS/INCLUSIONS:	5.	$0
6.	PREVIOUSLY EXEMPT PROPERTY:	6.	$0
7.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301 (1)(A),C.R.S). Includes all revenue collected on valuation not previously certified:	7.	$$0.00
8.	INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION* (29-1-306(3)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	8.	$0
9.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) AND (39-10-114(1)(a)(I)(B), C.R.S):	9.	$$0.00
10.	TOTAL VALUATION FOR ASSESSMENT FROM PRODUCING MINES OR LANDS OR LEASEHOLDS PRODUCING OIL OR GAS	10.	$0
11.	REVENUE INCREASE FROM EXPIRED TIF:	11.	$0

* Change in law for property tax classification does not include changes in classification due to property use changes.

Note:
The property tax limit will apply to all property taxing entities with the exception of school districts and any county, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

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NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

County Tax Entity Code ___

DOLA LGID/SID ____

RECERTIFICATION OF VALUATION BY BROOMFIELD COUNTY ASSESSOR

New Tax Entity? 0 YES __ NO

Date 11/20/2025

NAME OF TAX ENTITY: HIGHLANDS METRO DIST 3 EXCLUSION ORDER

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	$972g
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: t	2.	$811,180
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	$802,855
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	$8,325
5.	NEW CONSTRUCTION: *	5.	$46,090
6.	INCREASED PRODUCTION OF PRODUCING MINE: ‡	6.	$0
7.	ANNEXATIONS/INCLUSIONS:	7.	$0
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ‡	8.	$0
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-l-301(l)(b), C.R.S.): Φ	9.	$0
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-l-301(l)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	$$0.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-l-301(l)(a), C.R.S.) and (39-10-114(1)(a)(T)(B), C.R.S.):	11.	$$0.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution

* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.

" Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 528.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITHART.X, SEC.20, COLO. CONSTUTION AND 39-5-121(2Xb), C.R.S., THE BROOMFIELD County ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025:

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: 11	1.	$4,227,900
	ADDTTI0NS TO TAXABLE REAL PROPERTY		
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	$737,500
3.	ANNEXATIONS/INCLUSIONS:	3.	$0
4.	INCREASED MINING PRODUCTION: §	4.	$0
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	$0
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	$0
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	$0
	DELETIONS FROM TAXABLE REAL PROPERTY		
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	$0
9.	DISCONNECTIONS/EXCLUSIONS:	9.	$0
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	$0

11 This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY **$4,262,010**

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** **$0**

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25%" LIMIT)

IN ACCORDANCE WITH§§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025:

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2.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2.	$802,855
3.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3.	$8,325
4.	NEW CONSTRUCTION:	4.	$46,090
5.	ANNEXATIONS/INCLUSIONS:	5.	$0
6.	PREVIOUSLY EXEMPT PROPERTY:	6.	$0
7.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301 (l)(A),C.R.S). Includes all revenue collected on valuation not previously certified:	7.	$$0.00
8.	INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION* (29-1-306(3)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	8.	$0
9.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) AND (39-10-114(1)(a)(I)(B), C.R.S):	9.	$$0.00
10.	TOTAL VALUATION FOR ASSESSMENT FROM PRODUCING MINES OR LANDS OR LEASEHOLDS PRODUCING OIL OR GAS	10.	$0
11.	REVENUE INCREASE FROM EXPIRED TIF:	11.	$0

* Change in law for property tax classification does not include changes in classification due to property use changes.

Note:
The property tax limit will apply to all property taxing entities with the exception of school districts and any county, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

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NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

EXHIBIT B
2026 Budget

HIGHLANDS METROPOLITAN DISTRICT NO. 3
2026
BUDGET MESSAGE

Attached please find a copy of the adopted 2026 budget for the Highlands Metropolitan District No. 3.

The Highlands Metropolitan District No. 3 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 developer advances and property tax revenue from the imposition of a 69.541 mill levy on property within the district for 2026, of which 16.202 mills will be dedicated to the General Fund and the balance of 53.339 mills will be allocated to the Debt Service Fund.

Highlands Metropolitan District No.3
Adopted Budget
General 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	$ -	1,679,009	$ 1,346,590	$ 1,346,590	1,366,526
Revenues:					
Property taxes	554	1,239	1,233	1,239	1,444
TIF	42,384	117,811	117,816	117,816	137,254
Specific ownership taxes	1,849	4	938	1,800	1,801
Developer advances	-	-	-	-	-
Operations funding	1,720,022	-	-	-	-
Interest income	19,599	68,800	32,242	65,000	68,800
Total revenues	1,784,408	187,854	152,229	185,855	209,299
Total funds available	1,784,408	1,866,863	1,498,819	1,532,445	1,575,825
Expenditures:					
Audit	5,800	6,000	-	6,000	7,500
Accounting and audit	9,610	14,000	7,291	14,000	14,500
Legal	28,361	30,000	5,054	30,000	31,000
Election	835	6,000	9,431	10,000	-
Insurance & bonds	7,043	8,500	7,774	7,900	8,500
Miscellaneous	41,143	1,000	-	-	1,000
Locates	-	5,000	-	-	5,000
Management	20,839	30,000	17,460	30,000	32,000
Utilities	3,779	500	615	1,000	1,500
Website	1,200	2,000	950	2,000	2,000
Maintenance and repairs	32,450	30,000	16,972	30,000	35,000
Snow removal	3,228	20,000	2,497	10,000	25,000
Landscaping	-	40,000	12,042	25,000	45,000
Planning and Engineering	-	5,000	-	-	-
Repay Developer advance	283,407	-	-	-	-
Treasurer's fee	123	19	23	19	22
Reserve		1,500,000			1,300,000
Contingency	-	162,903	-	-	61,562
Emergency reserve (3%)	-	5,941	-	-	6,241
Total expenditures	437,818	1,866,863	80,109	165,919	1,575,825
Ending fund balance	$ 1,346,590	-	$ 1,418,710	$ 1,366,526	-
Current Year Total		7,817,000			8,689,600
Current year TIF		7,736,904			8,600,424
Assessed valuation		80,096			89,176
New construction					917,560
Mill Levy		15.459			16.202

Highlands Metropolitan District No.3
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	$ 8	8	$ 8	$ 8	8
Revenues:					
Developer advances	-	500,000	-	-	500,000
Interest income	-	-	-	-	-
Total revenues	-	500,000	-	-	500,000
Total funds available	8	500,008	8	8	500,008
Expenditures:					
Capital expenditures	-	500,000	-	-	500,000
Total expenditures	-	500,000	-	-	500,000
Ending fund balance	$ 8	8	$ 8	$ 8	8

Highlands Metropolitan District No.3
Adopted Budget
Debt Service 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	$ 21,909	-	$ 385	$ 385	1,871
Revenues:					
Property taxes	2,016	4,127	4,109	4,127	4,757
TIF	141,282	392,703	392,721	392,721	451,857
Specific ownership taxes	6,164	4	3,126	6,200	20,000
Interest income	2,004	-	1,450	2,000	5,000
Total revenues	151,466	396,834	401,406	405,048	481,614
Total funds available	173,375	396,834	401,791	405,433	483,485
Expenditures:					
Trustee fee	-	3,500	3,500	3,500	3,500
Treasurer's fees	411	62	77	62	71
Bond interest	172,579	393,272	-	400,000	479,914
Total expenditures	172,990	396,834	3,577	403,562	483,485
Ending fund balance	$ 385	-	$ 398,214	$ 1,871	-
Current Year Total		7,817,000			8,689,600
Current year TIF		7,736,904			8,600,424
Assessed valuation		80,096			89,176
Exclusion no mill levy					
Current Year Total					811,180
Current year TIF					802,855
Assessed valuation					8,325
Mill Levy		51.530			53.339