

THE HIGHLANDS METROPOLITAN DISTRICT NO. 2
COUNTY OF WELD, STATE OF COLORADO
ANNUAL REPORT FOR FISCAL YEAR 2025

Pursuant to §32-1-207(3)(c), C.R.S., and the Service Plan for The Highlands Metropolitan District No. 2 (the “District”), the District hereby submits the following annual report for the year ended December 31, 2025.

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

There are no rules and regulations.

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

We are not aware of any litigation, pending or threatened, involving public improvements owned by the District.

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

No Public Improvements were constructed by the District during the reporting period.

d. **A list of facilities or improvements constructed by the District that were conveyed or dedicated to the Town, the South Beebe Draw Metropolitan District or any other governmental entity.**

No Public Improvements have been dedicated to the Town, the South Beebe Draw Metropolitan District or any other governmental entity as of December 31st of the report year.

e. **The final assessed valuation of the District as of December 31 of the report year.**

The assessed value for 2025 was \$10.

f. **A copy of the current year’s budget.**

The budget resolution for the current year is attached hereto as **Exhibit A**.

g. **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 District is currently exempted from audit pursuant to §29-1-604, C.R.S. The Audit Exemption Application for 2025 is attached hereto as **Exhibit B**.

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

The District has not issued any Debt instruments, and has not received any notices of uncured events of default under any Debt instrument.

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

There was no inability of the District to pay any of its obligations as they came due, in accordance with the terms of any such obligations.

j. **Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.**

The District boundaries did not change in 2025.

k. **Intergovernmental Agreements with other governmental entities, either entered into or proposed as if December of the prior year.**

The District did not enter into, or terminate any IGAs in 2025.

EXHIBIT A

2026 Budget is available at the following [link](#).

EXHIBIT B

2025 Audit Exemption Application is available at the following [link](#).