ICENOGLE SEAVER POGUE

July 31, 2026

Office of Development Assistance
City of Aurora Colorado
Attn: Jacob Cox & Cesarina Dancy
15151 East Alameda Parkway, Suite 5200
Aurora, CO 80012
Via E-mail: oda@auroragov.org

State of Colorado
Office of the State Auditor
1525 Sherman St., 7th Floor
Denver, CO 80203
(Via E-Portal)

Division of Local Government
1570 Grant Street, Ste 4007
Denver, Colorado 80203
(Via E-Portal)

Arapahoe County Clerk & Recorder
5334 S. Prince St.
Littleton, CO 80120
Via E-Mail: clerk@arapahoegov.com

Re: Annual Report for Horizon Metropolitan District No. 2

To Whom It May Concern:

Pursuant to the Service Plan enclosed please find the 2025 Annual Report for Horizon Metropolitan District No. 2.

Please contact our office with any questions regarding the Annual Report.

Sincerely,

ICENOGLE SEAVER POGUE
A Professional Corporation

Hannah Pogue

Hannah Pogue
Paralegal

HORIZON METROPOLITAN DISTRICT NO. 2
2025 ANNUAL REPORT

Pursuant to Section VIII of the First Amended and Restated Service Plan for Horizon Metropolitan District No. 2 (the "Service Plan"), Horizon Metropolitan District No. 2 (the "District") is required to submit an annual report to the City of Aurora ("City") for fiscal year 2025 (the "Report Year") that includes certain information and documentation as described in the Service Plan. Information and documentation provided in Section I of this Annual Report satisfies the annual report requirement set forth in the Service Plan for the Report Year.

Pursuant to Section 32-1-207(3)(c), C.R.S. of the Special District Act, the District is required to submit certain information and documentation in an annual report for the preceding calendar year to the City, the Division of Local Government, the State Auditor, and the Arapahoe County Clerk and Recorder. Information and documentation provided in Section II of this Annual Report satisfies the Special District Act annual report requirement for the Report Year. References herein to "the prior year" shall mean the Report Year.

I. SERVICE PLAN - ANNUAL REPORT REQUIREMENT

A. Changes to the District's boundaries as of December 31 of the prior year.

1. Inclusions. The boundaries for the District were changed upon the issuance of the following Order for Inclusion by the District Court for Arapahoe County:

    a. Order for Inclusion of Horizon Uptown (Denver) SPV, LLC Property into Horizon Metropolitan District No. 2, recorded in the office of the Arapahoe County Clerk and Recorder on April 16, 2025, at Reception No. E5025880.

2. Exclusions. The District did not undergo any exclusions within the report year.

B. Intergovernmental agreements entered into by the District during the prior year.

No intergovernmental agreements were entered into or proposed to be entered into in 2024.

C. Copies of rules and regulations, if any, as of December 31 of the prior year.

- *Revised Technology Accessibility Statement and Directing Compliance with the Accessibility Rules,* which was adopted by the Board on July 9, 2025, and is attached hereto as **Exhibit A**.

D. A summary of any litigation which involves the District public improvements as of December 31 of the prior year.

The District's General Counsel is not aware of any litigation concerning the District's public improvements as of December 31, 2025.

E. Status of the District's construction of public improvements as of December 31 of the prior year.

The District did not construct any public improvements in 2025.

F. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.

No facilities or improvements constructed by the District were dedicated or accepted by the City in the year 2025.

G. Assessed valuation of the District for the current year.

The final gross assessed valuation of the District for 2026 is $15,738,120 and the final net assessed valuation of the District for 2026 is $27,851.

H. Current year budget, including a description of Public Improvements to be constructed in such year.

A copy of the District's 2026 budget is attached hereto as **Exhibit B**. The District does not anticipate constructing any improvements in 2026.

I. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

A copy of the District's audited financial statements for year ending December 31, 2025 is attached hereto as **Exhibit C**.

J. Notice of any uncured of default by the District, which continue beyond a ninety (90) day period, under any debt instrument.

As of the date of submission of this Annual Report, the District is not aware of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument.

K. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

As of the date of submission of this Annual Report, the District is not aware of any inability of the District to pay its obligations as they come due in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

II. SPECIAL DISTRICT ACT (SECTION 32-1-207(3)(c), C.R.S.) ANNUAL REPORT REQUIREMENT

A. Boundary changes made.

See Section I.A. above.

B. Intergovernmental agreements entered into or terminated with other governmental entities.

See Section I.B. above.

C. Access information to obtain a copy of rules and regulations adopted by the Board.

For information concerning rules and regulations adopted by the District please contact the District's Manager:

Cohere Life
Attn: Geol Scheirman, District Manager
18001 N. 79th Avenue, Suite C65
Glendale, Arizona 85308
Email: gscheirman@coherelife.com

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

See Section I.D. above.

E. The status of the construction of public improvements by the District.

See Section I.E. above.

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

See Section I.F. above.

G. The final assessed valuation of the District as of December 31 of the Report Year.

See Section I.G. above.

H. A copy of the current year's budget.

See Section I.H. above.

I. 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.

See Section I.I. above.

J. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the District.

See Section I.J. above.

K. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

See Section I.K. above.

EXHIBIT A

Revised Technology Accessibility Statement and Directing Compliance with the Accessibility Rules

BOARDS OF DIRECTORS OF HORIZON METROPOLITAN DISTRICT NOS. 1 - 10

A RESOLUTION ADOPTING THE HORIZON METROPOLITAN DISTRICT NOS. 1 – 10 REVISED TECHNOLOGY ACCESSIBILITY STATEMENT AND DIRECTING COMPLIANCE WITH THE ACCESSIBILITY RULES

WHEREAS, Horizon Metropolitan District Nos. 1 – 10 (the "Districts") are special districts organized and existing pursuant to Sections 32-1-101 et seq., C.R.S.; and

WHEREAS, the Boards of Directors of the District (the "Boards") have a duty to perform certain obligations in order to assure the efficient operation of the Districts; and

WHEREAS, pursuant to Section 32-1-1001(1)(m), C.R.S., the Districts' Boards are authorized to adopt, amend, and enforce bylaws and rules and regulations not in conflict with the constitution and the laws of the State for carrying on the business, objects, and affairs of the Boards and the Districts; and

WHEREAS, the Colorado Anti-Discrimination Act ("CADA"), as set forth in Title 24, Article 34, Parts 3 through 8 of the Colorado Revised Statutes provides that it is unlawful to discriminate against an individual with a disability as that term is defined in Section 24-34-301(7), C.R.S.; and

WHEREAS, the Colorado General Assembly, through House Bill 21-1110 and subsequently amended by Senate Bill 23-244 (the "Technology Accessibility Bills"), amended CADA to include certain provisions regarding website accessibility for individuals with disabilities; and

WHEREAS, the Technology Accessibility Bills require the Colorado Office of Information Technology (the "OIT") to establish rules regarding information technology systems accessibility standards for individuals with disabilities; and

WHEREAS, on February 23, 2024, the OIT adopted the Rules Establishing Technology Accessibility Standards as contained in 8 CCR § 1501-11, *et seq.* (the "Accessibility Rules"), to define the accessibility standards and compliance parameters for individuals with a disability for information systems; and

WHEREAS, on May 9, 2025, the OIT adopted amendments to the Rules Establishing Technology Accessibility Standards as contained in 8 CCR § 1501-11, *et seq.,* (the "Amended Accessibility Rules") to emphasize progress over strict technical conformance for technology accessibility and more clearly align with federal laws, with an effective date of June 30, 2025; and

WHEREAS, the Technology Accessibility Bills set forth that the Accessibility Rules, as amended, apply to public entities which expressly includes special districts; and

WHEREAS, the Accessibility Rules and Amended Accessibility Rules apply to all information communication technology (the "ICT"), as such term is defined in the Amended Accessibility Rules and includes the Districts' website, that is in active use or ICT that is newly created, developed, acquired, altered, updated, or purchased on or after July 1, 2024; and

WHEREAS, in compliance with the Accessibility Rules, on April 3, 2024, the Districts approved a resolution adopting the then applicable Accessibility Rules and the Technology Accessibility Statement, as required therein, and directing the posting of and compliance with the same; and

WHEREAS, the Amended Accessibility Rules modified the provisions to be included in the Technology Accessibility Statement and further provides for the Districts to make ICT that is in active use accessible by meeting one or a combination of the compliance options set forth in under the Amended Accessibility Rules; and

WHEREAS, the Districts desire to declare their compliance with the Amended Accessibility Rules and ratify its posting of a revised Technology Accessibility Statement in compliance with the Amended Accessibility Rules, as may be further amended from time to time.

NOW THEREFORE, BE IT RESOLVED BY THE BOARDS OF DIRECTORS OF THE HORIZON METROPOLITAN DISTRICT NOS. 1 – 10 AS FOLLOWS:

1. Accessibility Rules. The Districts recognize the adoption of the Amended Accessibility Rules, as contained within 8 CCR § 1501-11, *et seq.*, as may be further amended from time to time, and shall comply with the applicable requirements contained therein.

2. Technology Accessibility Statement. The Districts ratify the adoption of the revised Technology Accessibility Statement attached hereto in **Exhibit A** (the "Statement") in accordance with the Amended Accessibility Rules and recognize that such Statement was posted publicly in a conspicuous location on the Districts' website on or before July 1, 2025. The Districts direct legal counsel to periodically update the Statement as needed to ensure compliance with future amendments or guidance to the Amended Accessibility Rules.

3. Accessibility Plan. The Districts ratify the preparation and publication of an accessibility plan attached hereto in **Exhibit B** (the "Accessibility Plan") that demonstrates good faith progress with the Amended Accessibility Rules in accordance with requirements set forth in the Amended Accessibility Rules and recognizes that the Accessibility Plan was posted on the Districts' website on or before July 1, 2025. The Districts direct the District Manager to annually update the Accessibility Plan to ensure compliance with the Amended Accessibility Rules, as may be amended from time to time.

4. Reasonable Accommodations and Modifications. The Districts direct legal counsel to provide reasonable accommodations and modifications, when requested, to enable an individual with a disability to access public-facing ICT in order to further access the Districts' programs, services, and activities in accordance with the Amended Accessibility Rules. No payment is required to cover the costs of such accommodations or modifications.

5. Actions to Effectuate Resolution. Legal counsel for the Districts is authorized and directed to take all actions necessary and appropriate now and as may be needed in the future to effectuate this Resolution and compliance with the Amended Accessibility Rules, as may be amended from time to time. All actions not inconsistent with the provisions of this Resolution heretofore taken by the members of the Boards of Directors and/or management or legal counsel for the Districts and the officers, agents and employees of the Districts and directed toward effectuating the purposes stated herein are hereby ratified, approved and confirmed.

6. Effective Date. This Resolution shall take effect on the date and at the time of its adoption.

[Remainder of page intentionally left blank.]

ADOPTED THIS 9TH DAY OF JULY, 2025.

HORIZON METROPOLITAN DISTRICT NOS. 1 – 10

Signed by:
David Crowder
661A5D1F9F5E4E5...

By: David Crowder
Its: President

EXHIBIT A

HORIZON METROPOLITAN DISTRICT NOS. 1 – 10

TECHNOLOGY ACCESSIBILITY STATEMENT

Contact Us

Website "Contact Us" Form: https://www.horizonmds.org/contact-us

Phone: TTY 970-617-2470

E-mail: info@horizonmd.live

Physical/Mailing Address: 550 W. Eisenhower Blvd, Loveland CO 80537

We welcome your feedback about the accessibility of Horizon Metropolitan District Nos. 1- 10 (the "Districts") online services. Please let us know if you encounter accessibility barriers or would like to request assistance.

- All requests are considered on a case-by-case basis and we will reply to all communication in a timely manner
- Reasonable accommodations or modifications are provided at no cost.
- Accommodation requests that would impose an undue financial, technical or administrative burden to the Districts may not be fulfilled as requested.

Examples of accommodations include:

- Using built-in live transcription tools during virtual meetings
- Alternative document formats (such large print)
- Remediating PDFs

Commitment

The Districts are committed to providing equitable access to our services to all Coloradans.

Our ongoing accessibility effort works towards being in line with the Web Content Accessibility Guidelines (WCAG) version 2.1, level AA criteria. These guidelines help make technology accessible not only to users with sensory, cognitive and mobility disabilities, but ultimately to all users, regardless of ability.

Our efforts are just part of a meaningful change in making all State of Colorado services inclusive and accessible. We welcome comments on how to improve our technology's accessibility for users with disabilities and for requests for accommodations to any of our services.

The Districts have an Accessibility Plan and Progress Report which can be accessed using the following link: https://www.horizonmds.org/technology-accessibility

How the Districts Are Implementing Accessibility

Website Testing and Remediation

- We conduct monthly technology accessibility scans of the Districts' website against applicable Technical Standards.
- We work with the Districts' website platform, Streamline, to improve and implement accessibility features.
- We remediate public records in an effort to provide continuous improvement of our website.

Training

We participate in webinars and review guidance provided by Streamline and the Special District Association on the topic of accessibility. We monitor for rulemaking efforts and guidance promulgated by the Colorado Governor's Office of Information Technology.

Procurement

We require contractors and consultants comply with all federal, state, and local laws, statutes, ordinances, codes, guidelines, court ruling and orders of all governmental authorities applicable to the services or work being performed, including accessibility requirements.

Updated On

This Accessibility Statement was last updated on: June 30, 2025.

EXHIBIT B
HORIZON METROPOLITAN DISTRICT NOS. 1 – 10
ACCESSIBILITY PLAN AND PROGRESS REPORT

Accessibility Standards

Our ongoing technology accessibility efforts rely on the Technical Standards provided by:

- 8 CCR 1501-11 Rules Establishing Technology Accessibility Standards
- World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.1 Level AA or higher
- Section 508 of the U.S. Rehabilitation Act of 1973, Chapter 4

Accessibility Maturity

Date	Check One	Stage	Criteria
		Inactive	No awareness and recognition of need. At this stage, organizations are inventorying their technology, have begun to make investments, etc.
		Launch	Recognized need organization-wide. Planning initiated but activities not well organized.
7/1/2025	✓	Integrate	Roadmap including timeline is in place; overall organizational approach defined and well organized.
		Optimize	Incorporated into the whole organization, consistently evaluated and actions taken on assessment outcomes.

Progress Since Our Last Update

The Districts continue to make progress with complying with the Rules Establishing Technology Accessibility Standards as contained in 8 CCR § 1501-11, *et seq.*

Progress includes:

- Integration of Streamline’s DocAccess AI platform to remediate PDF documents.
- Creating accessible templates for public records

- Conducting monthly technology accessibility scans of the Districts' website against applicable Technical Standards
- Reviewed technology accessibility scans and ordered remediation for noncompliant ICT contained within the Districts' website
  - As of _6/30/2025_, the result of the regular scanning and monitoring showed the Districts' ICT having an overall compliance score of 85% with the Technical Standards, as such term is defined in 8 CCR § 1501-11.
- Providing contact information for people to give us accessibility feedback and request reasonable accommodations or modifications. (*See the Technology Accessibility Statement which can be accessed using the following link: https://www.horizonmds.org/technology-accessibility*)

Challenges include:

- The Districts have limited funding available for remediation and no funding is provided by external sources imposing the mandates.
- The Districts lack staff to provide continuity of management for technology.
- External District management and other consultants perform District operations given the relatively small scale of District operations, and they are not specialists in information technology.
- Information technology matters are not easily understood or learned by lay people who are not information technology specialists.
- Accessibility standards are rapidly changing making complete compliance difficult.
- Consultant managed website, documentation, procurement, contract and vendor management and communications present issues with remediation by multiple parties.

How We Are Implementing Accessibility

The Districts are committed to providing equitable access to all Coloradans. To that end, the Districts have a plan to prioritize, evaluate, remediate and continuously improve digital touchpoints within our services, programs and activities. We are working to incorporate accessibility into our day-to-day operations. Below, you'll find some of the measures that the Districts are undertaking.

- Integration of Streamline's DocAccess AI platform to remediate PDF documents.
- Continuing to remediate known compliance issues identified through regular scanning and monitoring.
- Considering accessibility roadmaps to the extent offered by the Colorado Governor's Office of Information Technology or other third parties.
- Direct consultants to include accessibility in the procurement processes to the extent within the Districts' control.
- Direct consultants to create and implement a process for providing reasonable accommodations and modifications, which includes responses to requests for assistance.

- Participate in webinars and events, and review guidance, provided by the Districts' website platform, the Colorado Governor's Office of Information Technology, and the Colorado Special District Association.
- Monitor rulemaking efforts and guidance promulgated by the Colorado Governor's Office of Information Technology.
- Incorporate and utilize, to the extent reasonably available, new and future accessibility features in public-facing technology used by the Districts.
- Conduct and maintain an inventory of technology and work to address accessibility issues.
    - We prioritize the order to address technology assets by Community Impact and Strategic impact. Community Impact includes considerations of user impact, usage metrics, and the importance of the technology asset to accessing our programs, services, and activities. Strategic Impact includes considerations of legal requirements, the type of program or service that the technology asset supports, and our plans for continuing / sunsetting / replacing / expanding the technology asset or the program in the future.
        - Group 1: High Community Impact + High Strategic Impact = Test/remediate first.
        - Group 2: High Community Impact + Low Strategic Impact = Test/remediate next. Plan accommodations first.
        - Group 3: Low Community Impact + High Strategic Impact = Test/remediate after Group 2. Plan accommodations next.
        - Group 4: Low Community Impact + Low Strategic Impact = Test/remediate last. Put accommodations in place last.

EXHIBIT B

2026 Budget

CERTIFIED RECORD

OF

PROCEEDINGS RELATING TO

HORIZON METROPOLITAN DISTRICT NO. 2

ARAPAHOE COUNTY, COLORADO

AND THE BUDGET HEARING

FOR FISCAL YEAR

2026

STATE OF COLORADO)
COUNTY OF ARAPAHOE)
)ss.
HORIZON)
METROPOLITAN)
DISTRICT NO. 2)

The Board of Directors (the "Board") of the Horizon Metropolitan District No. 2, Arapahoe County, Colorado (the "District"), held a special meeting via teleconference on December 4, 2025, at 6:00 pm.

The following members of the Board were present:

David Andrews, Vice President
Peter Navik, Treasurer
Victoria Partridge, Assistant Secretary

Also in attendance were:

Alan Pogue and Deborah Early, Icenogle Seaver Pogue, P.C.
Wendy McFarland, Pinnacle Consulting Group, Inc.
Geol Scheirman, CoHere Life

Mr. Pogue stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2026 budget. Mr. Scheirman opened the public hearing on the District's proposed 2026 budget. Ms. McFarland discussed the District's proposed 2026 Budget with the Board and the public was invited to comment on the budget. There were no public comments on the District's budget and the public hearing was then closed.

Thereupon, Director Andrews introduced and moved for the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, SETTING FORTH MILL LEVIES, AND APPROPRIATING SUMS OF MONEY TO THE GENERAL FUND AND DEBT SERVICE FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR HORIZON METROPOLITAN DISTRICT NO. 2, ARAPAHOE COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2026, AND ENDING ON THE LAST DAY OF DECEMBER 2026.

WHEREAS, the Board of Directors (the "Board") of the Horizon Metropolitan District No. 2 (the "District") has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

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

WHEREAS, upon due and proper notice, published on November 20, 2025, in the *Aurora Sentinel*, a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 4, 2025, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF HORIZON METROPOLITAN DISTRICT NO. 2, ARAPAHOE COUNTY, COLORADO, HEREBY RESOLVES AS FOLLOWS:

Section 1. 2026 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget, attached hereto as **Exhibit A,** are accepted and approved.

Section 2. 2026 Budget Expenditures. That the estimated expenditures for each fund, as more specifically set out in the budget attached as Exhibit A hereto, are accepted and approved.

Section 3. Adoption of Budget for 2026. That the budget as submitted and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the District for calendar year 2026.

Section 4. 2026 Levy of Property Taxes. That the foregoing budget indicates that the amount of money necessary to balance the budget from property taxes for the 2026 Budget year is $2,088.72. That the 2025 valuation for assessment, as certified by the Arapahoe County Assessor, is $15,738,120.

A. Levy for General Fund. That for the purposes of meeting all general operating expenses of the District during the 2026 budget year, there is hereby levied a tax of 14.371 mills upon each dollar of the 2025 total valuation of assessment of all taxable property within the District.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt service obligations of the District during the 2026 budget year, there is hereby levied a tax of 59.434 mills upon each dollar of the 2025 total valuation of assessment of all taxable property within the District.

B. Levy for Contractual Obligations. That for the purposes of meeting all contractual obligations expenses of the District during the 2026 budget year, there is hereby levied a tax of 1.191 mills upon each dollar of the 2025 total valuation of assessment of all taxable property within the District.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. The District's accountant is hereby authorized and directed to immediately certify to the County Commissioners of Arapahoe County, Colorado, the 74.996 mill levy for the District, as hereinabove determined and set. That said certification shall be in substantially the following form:

[Remainder of page left blank intentionally]

[INSERT CERTIFICATION OF TAX LEVIES]

4302 County Tax Entity Code — DOLA LGID/SID 65596

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners[1] of Arapahoe County, Colorado.

On behalf of the Horizon Metropolitan District No. 2,
(taxing entity)[A]

the Board of Directors
(governing body)[B]

of the Horizon Metropolitan District No. 2
(local government)[C]

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: $ 15,738,120
(GROSS[D] assessed valuation, Line 2 of the Certification of Valuation Form DLG 57[E])

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area[F] the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: $ 27,851
(NET[G] assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/15/2025 (mm/dd/yyyy) for budget/fiscal year 2026 (yyyy).
(no later than Dec. 15)

PURPOSE (see end notes for definitions and examples)	**LEVY**[2]		**REVENUE**[2]
1. General Operating Expenses[H]	14.371	mills	$ 400.25
2. <**Minus**> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction[I]	< >	mills	$ < >
SUBTOTAL FOR GENERAL OPERATING:	14.371	**mills**	**$** 400.25
3. General Obligation Bonds and Interest[J]	59.434	mills	$ 1,655.30
4. Contractual Obligations[K]	1.191	mills	$ 33.17
5. Capital Expenditures[L]		mills	$
6. Refunds/Abatements[M]		mills	$
7. Other[N] (specify):		mills	$
		mills	$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	74.996	**mills**	**$** 2,088.72

Contact person: (print) Amanda Castle — Daytime phone: ( ) 970 669-3611

Signed: Amanda Kae Castle — Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

[1] If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
[2] Levies must be rounded to three decimal places and revenue must be calculated from the total *NET assessed valuation* (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS[J]:

1. Purpose of Issue: Capital Infrastructure
   Series: Limited Tax General Obligation and Special Revenue Bonds Series 2021A
   Date of Issue: 08/11/2021
   Coupon Rate: 4.5%
   Maturity Date: 12/01/2051
   Levy: 59.434
   Revenue: 1,655.30

2. Purpose of Issue:
   Series:
   Date of Issue:
   Coupon Rate:
   Maturity Date:
   Levy:
   Revenue:

CONTRACTS[K]:

3. Purpose of Contract: Facilitate Provisions of Services and Infrastructure
   Title: Coordinating Agreement with AURA
   Date: 06/15/2021
   Principal Amount: N/A
   Maturity Date: N/A
   Levy: 1.191
   Revenue: 33.17

4. Purpose of Contract:
   Title:
   Date:
   Principal Amount:
   Maturity Date:
   Levy:
   Revenue:

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund to each fund, for the purposes stated and no other.

Section 8. Budget Certification. That the budget shall be certified by Director Navik, Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Navik.

[Remainder of page left blank intentionally]

ADOPTED AND APPROVED this 4th day of December, 2025.

HORIZON METROPOLITAN DISTRICT NO. 2

Signed by:

David Andrews

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David Andrews, Vice President

STATE OF COLORADO)
COUNTY OF ARAPAHOE)
) ss.
HORIZON)
METROPOLITAN)
DISTRICT NO. 2)

I, Peter Navik, Treasurer to the Board of Directors (the "Board") of Horizon Metropolitan District No. 2 (the "District"), Arapahoe County, Colorado, do hereby certify that the foregoing pages constitute a true and correct copy of the record of proceedings of the Board of said District, adopted at a meeting of the Board held via teleconference on Thursday, December 4, 2025, at 6:00 p.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2026; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown. Further, I hereby certify that the attached budget is a true and accurate copy of the 2026 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 4th day of December, 2025.

Signed by:
Peter Navik
3AD3941370D6447...

Peter Navik, Treasurer

EXHIBIT A

2026 PROPOSED BUDGET
BUDGET MESSAGE

PINNACLE
CONSULTING GROUP, INC.

Management Budget Report

BOARD OF DIRECTORS
HORIZON METROPOLITAN DISTRICT NO. 2

We have presented the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2026, including the comparative information of the forecasted estimate for the year ending December 31, 2025 and the actual historic information for the year 2024.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the results of operations for the forecasted periods.

Amanda Kae Castle

Pinnacle Consulting Group, Inc.
January 31, 2026

HORIZON METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS
GENERAL FUND

	(a)	(b)	(c)	(d)
	2024 Audited Actual	2025 Amended Budget	2025 Projected Budget	2026 Adopted Budget
Revenues				
Property Taxes	$ 248	$ 3,007	$ 3,007	$ 400
Property Tax - ARI	17	188	188	33
Property Tax - TIF	246,245	175,594	175,594	225,772
Property Tax - TIF ARI	17,120	10,884	10,884	18,711
Specific Ownership Taxes	8,657	9,600	9,600	13,947
Specific Ownership Taxes - ARI	602	601	601	1,156
Interest & Other	5,236	0	0	100
Total Revenues	**$ 278,125**	**$ 199,874**	**$ 199,874**	**$ 260,119**
Expenditures				
Payment for Services to No. 1	$ 260,386	$ 188,153	$ 188,153	$ 240,059
City of Aurora	17,736	11,674	11,674	19,900
Treasurer's Fees	4	48	48	60
Contingency	-	-	-	100
Total Expenditures	**$ 278,125**	**$ 199,874**	**$ 199,874**	**$ 260,119**
Revenues over/(under) Expenditures	**$ (0)**	**$ -**	**$ -**	**$ -**
Beginning Fund Balance	**3**	**-**	**3**	**3**
Ending Fund Balance	**$ 3**	**$ -**	**$ 3**	**$ 3**
Mill Levy				
Operating	11.275	20.088	20.088	14.371
Operating - ARI	1.065	1.258	1.258	1.191
Debt Service	53.255	59.434	59.434	59.434
Total Mill Levy	**65.595**	**80.780**	**80.780**	**74.996**
Assessed Value	**$ 18,086**	**$ 15,492**	**$ 15,492**	**$ 27,851**
Property Tax Revenue				
Operating	204	311	311	400
Operating - ARI	19	19	19	33
Debt Service	963	921	921	1,655
Return of Backfill Funds	-	-	-	-
Total Property Tax Revenue	**$ 1,186**	**$ 1,251**	**$ 1,251**	**2,089**

HORIZON METROPOLITAN DISTRICT NO. 2 STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS DEBT SERVICE FUND				
	(a)	(b)	(c)	(d)
	2024 Audited Actual	**2025 Amended Budget**	**2025 Projected Budget**	**2026 Adopted Budget**
Revenues				
Property Taxes	$ 862	$ 8,895	$ 8,895	$ 1,655
Property Taxes - TIF	856,470	524,145	524,145	933,724
Specific Ownership Tax	30,112	28,404	28,404	56,123
Service Fees - District No. 3	13,322	167,794	167,794	152,020
Interest & Other	7,341	14,901	14,901	1,000
Total Revenues	**$ 908,107**	**$ 744,140**	**$ 744,140**	**$ 1,144,522**
Expenditures				
Debt Interest - Series 2021A	$ 690,340	$ 960,926	$ 960,926	$ 1,139,274
Treasurer's fees	13	138	138	248
Trustee Fees	4,000	4,000	4,000	4,000
Contingency	-	-	-	1,000
Total Expenditures	**$ 694,353**	**$ 965,064**	**$ 965,064**	**$ 1,144,522**
Revenues over/(under) Expenditures	**$ 213,755**	**$ (220,924)**	**$ (220,924)**	**$ -**
Beginning Fund Balance	**7,169**	**220,924**	**220,924**	**-**
Ending Fund Balance	**$ 220,924**	**$ -**	**$ -**	**-**

Modified Accrual Budgetary Basis

HORIZON METROPOLITAN DISTRICT NO. 2
2026 BUDGET MESSAGE
SUMMARY OF SIGNFICANT ASSUMPTIONS

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on December 29, 2005, to provide financing for the acquisition and installation of streets and traffic signals, water, sewer, storm drainage and park and recreation facilities. The District's service area is located entirely within the City of Aurora (the "City"), in Arapahoe County, Colorado. The District was organized in conjunction with other related districts, Horizon Metropolitan District Nos. 1, 3, 4, 5, 6, 7, 8, 9 and 10. The Districts, collectively, will undertake the financing and construction of the public improvements. The Districts shall enter into one or more Intergovernmental Agreements which shall govern the relationships between and among the Districts with respect to the financing, construction and operation of the public improvements. The District will establish a mechanism whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the improvements.

On May 5, 2020, the District's voters authorized revenue for indebtedness totaling to $9,750,000,000, restating and replacing all authorization for debt approved by the District's voters at prior elections. The District's service plan limits the District's authorized indebtedness to $750,000,000 at an interest rate not to exceed 18%. The service plan set the maximum mill levy to 50.000 mills. As of December 31, 2025, the District had not used any of the authorized indebtedness.

The Maximum Debt Mill Levy the District is permitted to impose is 50.000 mills for any aggregate District's Debt which exceeds fifty percent of the District's assessed valuation. The Maximum Debt Mill Levy will be adjusted for changes in the ratio of actual value to assessed value of property within the District. For the portion of any aggregate District's Debt which is equal to or less than fifty percent of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation or rate.

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

The District prepares its budget on the modified accrual basis of accounting, in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of action. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

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

Revenues (continued)

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 sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the county Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6.00% of the property taxes collected

TIF Revenue from AURA

Pursuant to a cooperation agreement with Aurora Urban Renewal Authority ("AURA"), AURA remits the portion of revenues which it receives as a result of Tax Increment Revenues attributable to the District's current mill levy to the District.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense but are to be incurred and paid by District No. 1.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections.

Intergovernmental Expenditures – Transfer to Other Districts

The District is obligated to impose mill levies which will be sufficient to promptly and fully pay amounts to District No. 1. The District is required to remit property taxes derived from such mill levies, together with specific ownership taxes applicable to property within the District less County Treasurer Fees, to District No. 1. The District anticipates transferring funds to District No. 1, as shown in the General Fund budget for operations.

Debt and Leases

The District issued Bonds on August 11, 2021, in the par amount of $25,247,000. Proceeds from the sale of the Bonds will be used to pay or reimburse Project Costs and pay the costs of issuing the Bonds.

The Bonds bear interest at the rate of 4.500% per annum and are payable annually on December 1, beginning December 1, 2021, from, and to the extent of, Pledged Revenue available, if any, and mature

Debt and Leases (continued)

on December 1, 2051. The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Bonds compounds annually on each December 1.

If any amount of principal or interest on the Bonds remains unpaid after the application of all Pledged Revenue available on December 1, 2061, such unpaid amount will be deemed discharged on December 2, 2061 (the "Termination Date").

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue which means the money derived by the District from the following sources:

(a) the Property Tax Revenues;

(b) the Senior Capital Revenue;

(c) the portion of the Specific Ownership Tax which is collected as a result of the District's imposition of the Required Mill Levy; and

(d) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

"Property Tax Revenues" means the property taxes derived from imposition by the District of the Required Mill Levy, net of any fees and collection costs of the County Treasurer and any tax refunds or abatements authorized by or on behalf of the County, which revenues include (a) the Pass-Through Tax Revenue (generally meaning that portion of the property tax revenue derived from imposition of the Required Mill Levy which is allocable to the District's incremental assessed valuation in excess of its base assessed valuation) received from AURA pursuant to the Cooperation Agreement and (b) the property tax revenue allocable to the District's base assessed valuation received directly from the County Treasurer.

Pursuant to the Indenture, the District has covenanted to impose a Required Mill Levy upon all taxable property of the District each year in the amount of 50.000 mills (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after January 1, 2004) or such lesser mill levy which, when combined with the District No. 3 Senior Tax Revenue, will pay all of the principal of, premium if any, and interest on the Bonds in full.

"District No. 3 Senior Tax Revenue" means, when calculating the Required Mill Levy for certification in any tax levy year, the property tax revenue expected to be received in the related tax collection year as a result of the imposition by District No. 3 of the District No. 3 Senior Required Mill Levy in that same tax levy year.

Pursuant to a Capital Pledge Agreement (the "Pledge Agreement") between the District, District No. 3, and UMB Bank, n.a, (the "Trustee"), District No. 3 pledges Senior Capital Revenue to the Trustee on behalf of the District for the purpose of paying and securing the Bonds.

Debt and Leases (continued)

Senior Capital Revenue means the sum of the following:

a) the ad valorem property taxes derived from imposition of the District No. 3 Senior Required Mill Levy, net of any fees and collection costs of the County Treasurer and any tax refunds or abatements authorized by or on behalf of the County, which revenues include:

   (i) the Senior Pass-Through Tax Revenue received by or on behalf of District No. 3 from AURA pursuant to the Cooperation Agreement; and

   (ii) the property tax revenue allocable to District No. 3's base assessed valuation received directly from the County Treasurer; and

b) the Specific Ownership Tax revenue allocable to the District No. 3 Senior Required Mill Levy.

District No. 3 Senior Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of District No. 3 each year in the amount of 30.000 mills (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after the date of issuance of the Bonds) or such lesser mill levy which, when combined with the District No. 2 Senior Tax Revenue, will pay the principal of, premium if any, and interest on the Bonds in full. The maximum mill levy of 30 mills (as adjusted) is to be reduced by the number of mills necessary to pay unlimited mill levy debt (none of which is currently outstanding).

District No. 2 Senior Tax Revenue means, when calculating the District No. 3 Senior Required Mill Levy for certification in any tax levy year, the property tax revenue expected to be received in the related tax collection year as a result of the imposition by District No. 2 of the Required Mill Levy in that same tax levy year.

If the District Required Mill Levy or the District No. 3 Senior Required Mill Levy as calculated above is less than the maximum number of mills which can be imposed, such District shall compute its respective Required Mill Levy using the Senior Mill Levy Proportion. Senior Mill Levy Proportion means (a) 35% as to District No. 3 and (b) 65% as to District No. 2, being the respective proportions of the maximum District No. 3 Senior Required Mill Levy and the maximum Required Mill Levy (as adjusted) as of the date of issuance of the Bonds, each stated as a percentage, where the total of such two mill levies equals 100%.

Reserves

Emergency Reserves

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3.00% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 1, which pays for all Districts' operations and maintenance costs, the Emergency Reserve related to this District is held in Horizon Metropolitan District No. 1.

HORIZON METROPOLITAN DISTRICT NO. 2

FORECASTED SURPLUS CASH BALANCES AND CASH RECEIPTS AND DISBURSEMENTS

GENERAL AND DEBT SERVICE FUNDS ONLY

SCHEDULE OF ESTIMATED BONDS DEBT SERVICE REQUIREMENTS

FOR THE CALENDAR YEARS ENDING 2021 THROUGH 2061

Series 2021A(3) Cash Flow Bond Issue

Dated: **August 11, 2021** **$25,247,000**
Issued: **August 11, 2021**
Interest Rate: **4.500%** **compounded annually**
Principal payments due on December 1 (to the extent of available Pledged Revenue)

	Bond Principal		Bond Interest			Total	
Year	Principal Payments	Outstanding Balance	Interest Accrued on Outstanding Principal and Unpaid Interest	Interest Payments	Cumulative Unpaid Interest	**Total Cash Flow Bonds Debt Service Payments** (To Page 5)	Year
2021	-	25,247,000	347,146	-	347,146	-	2021
2022	-	25,247,000	1,151,737	207,919	1,290,964	207,919	2022
2023	-	25,247,000	1,194,208	368,032	2,117,140	368,032	2023
2024	-	25,247,000	1,231,386	733,179	2,615,347	733,179	2024
2025	-	25,247,000	1,253,806	1,092,141	2,777,012	1,092,141	2025
2026	-	25,247,000	1,261,081	1,334,605	2,703,488	1,334,605	2026
2027	-	25,247,000	1,257,772	1,368,639	2,592,621	1,368,639	2027
2028	-	25,247,000	1,252,783	1,450,997	2,394,407	1,450,997	2028
2029	-	25,247,000	1,243,863	1,450,997	2,187,273	1,450,997	2029
2030	-	25,247,000	1,234,542	1,538,297	1,883,518	1,538,297	2030
2031	-	25,247,000	1,220,873	1,538,297	1,566,094	1,538,297	2031
2032	-	25,247,000	1,206,589	1,630,835	1,141,849	1,630,835	2032
2033	-	25,247,000	1,187,498	1,630,835	698,512	1,630,835	2033
2034	-	25,247,000	1,167,548	1,728,925	137,135	1,728,925	2034
2035	449,000	24,798,000	1,142,286	1,279,421	-	1,728,421	2035
2036	717,000	24,081,000	1,115,910	1,115,910	-	1,832,910	2036
2037	749,000	23,332,000	1,083,645	1,083,645	-	1,832,645	2037
2038	893,000	22,439,000	1,049,940	1,049,940	-	1,942,940	2038
2039	934,000	21,505,000	1,009,755	1,009,755	-	1,943,755	2039
2040	1,092,000	20,413,000	967,725	967,725	-	2,059,725	2040
2041	1,141,000	19,272,000	918,585	918,585	-	2,059,585	2041
2042	1,317,000	17,955,000	867,240	867,240	-	2,184,240	2042
2043	1,376,000	16,579,000	807,975	807,975	-	2,183,975	2043
2044	1,569,000	15,010,000	746,055	746,055	-	2,315,055	2044
2045	1,639,000	13,371,000	675,450	675,450	-	2,314,450	2045
2046	1,853,000	11,518,000	601,695	601,695	-	2,454,695	2046
2047	1,936,000	9,582,000	518,310	518,310	-	2,454,310	2047
2048	2,170,000	7,412,000	431,190	431,190	-	2,601,190	2048
2049	2,268,000	5,144,000	333,540	333,540	-	2,601,540	2049
2050	2,527,000	2,617,000	231,480	231,480	-	2,758,480	2050
2051	2,617,000	-	117,765	117,765	-	2,734,765	2051
2052	-	-	-	-	-	-	2052
2053	-	-	-	-	-	-	2053
2054	-	-	-	-	-	-	2054
2055	-	-	-	-	-	-	2055
2056	-	-	-	-	-	-	2056
2057	-	-	-	-	-	-	2057
2058	-	-	-	-	-	-	2058
2059	-	-	-	-	-	-	2059
2060	-	-	-	-	-	-	2060
2061	-	-	-	-	-	-	2061
	25,247,000		28,829,379	28,829,379		54,076,379	

USE OF PROCEEDS	
Project Fund	$24,382,030
Costs of Issuance	360,030
Underwriter's Discount	504,940
	$25,247,000

This financial information should be read only in connection with the accompanying Summary of Significant Forecast Assumptions and Accounting Policies and Accountant's Compilation Report.

4362 County Tax Entity Code

CERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity ☐ YES ☒ NO Date: November 25, 2025

NAME OF TAX ENTITY: HORIZON METRO DISTRICT #2

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.	$	15,492
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	$	15,738,120
3.	<u>LESS</u> TOTAL TIF AREA INCREMENTS, IF ANY:	3.	$	15,710,269
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	$	27,851
5.	NEW CONSTRUCTION: *	5.	$	1,638,909
6.	INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	$	0
7.	ANNEXATIONS/INCLUSIONS:	7.	$	677
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
11.	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.):	11.	$	149

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authroized by Art. X, Sec 20(8)(b), Colo. Constituion
* 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 treaed 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 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

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

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	$	171,158,011
	ADDITIONS TO TAXABLE REAL PROPERTY			
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	$	26,221,464
3.	ANNEXATIONS/INCLUSIONS:	3.	$	2,506
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

¶ 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:

1.	TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	$	0

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

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** $ 13

** 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) 29-1-1703, C.R.S.

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.	$	15,738,120
2.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2.	$	15,710,269
3.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3.	$	27,851
4.	NEW CONSTRUCTION:	4.	$	1,638,909
5.	ANNEXATIONS/INCLUSIONS:	5.	$	677
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
8.	INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION:	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)(1)(B), C.R.S.):	9.	$	149
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

Notes:
The property tax limit will apply to all property taxing entities with the exception of school districts, 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 in 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.

EXHIBIT C

2025 Audited Financial Statements

HORIZON METROPOLITAN DISTRICT NO. 2

ARAPAHOE COUNTY, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2025

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BiggsKofford

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Horizon Metropolitan District No. 2
Arapahoe County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Horizon Metropolitan District No. 2 ("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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2025, the respective changes in financial position, and the 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the 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, 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, 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 management's discussion and analysis that accounting principles generally accepted in the United States of America 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 which 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 basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BiggsKofford LLP

Colorado Springs, Colorado
July 1, 2026

HORIZON METROPOLITAN DISTRICT NO. 2

STATEMENT OF NET POSITION

DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and investments - restricted	$ 13,212
Receivable from County Treasurer	3,356
Property taxes receivable	2,089
Due from District No. 1	1,686
Total assets	20,343
LIABILITIES	
Due to City of Aurora	6,476
Due to District No. 1	16,214
Due to District No. 3	3,140
Noncurrent liabilities:	
Due in more than one year	27,916,157
Total liabilities	27,941,987
DEFERRED INFLOWS OF RESOURCES	
Deferred property taxes	2,089
Total deferred inflows of resources	2,089
NET POSITION	
Restricted for:	
Emergency reserve	6,000
Unrestricted	(27,929,733)
Total net position	$ (27,923,733)

The accompanying notes and independent auditor's report should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 2
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS / PROGRAMS					
Primary government					
Government activities:					
General government	$ 198,258	$ -	$ -	$ -	$ (198,258)
Interest and related costs on long-term debt	1,278,179	-	-	-	(1,278,179)
Total government activities	$ 1,476,437	$ -	$ -	$ -	(1,476,437)
GENERAL REVENUES					
Property taxes					11,901
Property taxes - ARI					188
Property taxes - TIF					688,014
Property taxes - TIF - ARI					10,884
Specific ownership taxes					38,185
Specific ownership taxes - ARI					604
Investment income					17,845
Transfers from District No. 3					167,836
Total general revenues					935,457
Change in net position					(540,980)
Net position, beginning of year					(27,382,753)
Net position, end of year					$ (27,923,733)

The accompanying notes and independent auditor's report should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 2
BALANCE SHEETS - GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash and investments - restricted	$ 6,000	$ 7,212	$ 13,212
Receivable from County Treasurer	848	2,508	3,356
Property taxes receivable	407	1,682	2,089
Due from District No. 1	426	1,260	1,686
Due from other funds	15,422	-	15,422
Total assets	$ 23,103	$ 12,662	$ 35,765
LIABILITIES			
Due to City of Aurora	$ 6,476	$ -	$ 6,476
Due to District No. 1	16,214	-	16,214
Due to District No. 3	-	3,140	3,140
Due to other funds	-	15,422	15,422
Total liabilities	22,690	18,562	41,252
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	407	1,682	2,089
Total deferred inflows of resources	407	1,682	2,089
FUND BALANCES			
Restricted for:			
Emergency reserve	6,000	-	6,000
Debt service	-	(7,582)	(7,582)
Unassigned:			
Unrestricted	(5,994)	-	(5,994)
Total fund balances	6	(7,582)	(7,576)
Total liabilities, deferred inflows of resources, and fund balances	$ 23,103	$ 12,662	

Amounts reported in governmental activities in the statement of net position are different because:

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable	(25,247,000)
Accrued interest on bonds payable	(2,669,157)
Net position of governmental activities	$ (27,923,733)

The accompanying notes and independent auditor's report should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 2
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General Fund	Debt Service Fund	Total Governmental Funds
REVENUES			
Property taxes	$ 3,007	$ 8,894	$ 11,901
Property taxes - ARI	188	-	188
Property taxes - TIF	173,799	514,215	688,014
Property taxes - TIF - ARI	10,884	-	10,884
Specific ownership taxes	9,646	28,539	38,185
Specific ownership taxes - ARI	604	-	604
Investment income	-	17,845	17,845
Transfers from District No. 3	-	167,836	167,836
Total revenues	198,128	737,329	935,457
EXPENDITURES			
Current:			
County Treasurer fees	46	133	179
Transfers to District No. 1	186,403	-	186,403
Transfer to City of Aurora	11,676	-	11,676
Debt service:			
Bond interest payments	-	961,700	961,700
Trustee fees	-	4,000	4,000
Total expenditures	198,125	965,833	1,163,958
Net change in fund balances	3	(228,504)	(228,501)
Fund balances, beginning of year	3	220,922	220,925
Fund balances, end of year	$ 6	$ (7,582)	$ (7,576)

The accompanying notes and independent auditor's report should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 2

RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net change in fund balances	$	(228,501)
Amounts reported for governmental activities in the statement of activities are different because:		
Some items in the statement of activities do not provide or require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in accrued interest on bonds payable		(312,479)
Change in net position	$	(540,980)

The accompanying notes and independent auditor's report should be read with these financial statements.

HORIZON METROPOLITAN DISTRICT NO. 2

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(BUDGET AND ACTUAL)
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
Property taxes	$ 311	$ 3,007	$ 2,696
Property taxes - ARI	18	188	170
Property taxes - TIF	177,155	173,799	(3,356)
Property taxes - TIF - ARI	10,054	10,884	830
Specific ownership taxes	10,940	9,646	(1,294)
Specific ownership taxes - ARI	621	604	(17)
Investment income	100	-	(100)
Total revenues	199,199	198,128	(1,071)
EXPENDITURES			
County Treasurer fees	47	46	1
Transfers to District No. 1	188,360	186,403	1,957
Transfer to City of Aurora	10,692	11,676	(984)
Contingency	100	-	100
Total expenditures	199,199	198,125	1,074
Net change in fund balance	$ -	3	$ 3
Fund balance, beginning of year		3	
Fund balance, end of year		$ 6	

The accompanying notes and independent auditor's report should be read with these financial statements.

1. DEFINITION OF REPORTING ENTITY

Horizon Metropolitan District No. 2 ("District"), a quasi-municipal corporation and political subdivision of the state of Colorado, was formed on December 29, 2005, and is governed pursuant to provisions of the Colorado Special District Act. The District was organized for the acquisition, installation, operation and maintenance of streets and traffic signals, water, sewer, storm drainage, and park and recreation facilities. The District's service area is located entirely within the City of Aurora ("City"), in Arapahoe County, Colorado. The District was organized in conjunction with other related districts, Horizon Metropolitan District No. 1 ("District No. 1"), Horizon Metropolitan District No. 3 ("District No. 3"), and Horizon Metropolitan District Nos. 4, 5, 6, 7, 8, 9, and 10 (together with the District, District No. 1, and District No. 3, the "Districts").

The District follows 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, and 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 operational and administrative functions are contracted.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

<u>Government-wide and fund financial statements</u>

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. Material interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the assets plus deferred outflows of resources and the liabilities plus deferred inflows of resources is reported as net position.

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 charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and grants and contributions that are restricted to meet the operational or capital requirements of a particular function or segment. Taxes and other items are properly excluded from program revenues and are reported as general revenues.

<u>Measurement focus, basis of accounting, and financial statement position</u>

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectable 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. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The *general fund* accounts for all financial resources of the District except those required to be accounted for in another fund.

The *debt service fund* accounts for the servicing of general long-term debt and revenues generated and received by the District that are required to be used for repayment of debt.

Debt service fund deficit

As of December 31, 2025, the District reported a deficit in the debt service fund. This deficit is expected to be eliminated with the receipt of property taxes in the future.

<u>Budgets</u>

In accordance with state budget law, the District holds public hearings in the fall each year to approve the budget and appropriate funds for the ensuing year. Total fund expenditures are appropriated. 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.

<u>Pooled cash and investments</u>

The District follows the practice of pooling cash and investments of funds to maximize investment earnings. Except when required by trust or other agreements, 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 balance.

<u>Property taxes</u>

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 and attaches as an enforceable lien as of January 1 of the following year. The County Treasurer collects the taxes during the ensuing calendar year. The taxes are payable by April or, at the taxpayer's election, in February and June in equal installments. Delinquent taxpayers are notified in August and sales of tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected to the District monthly.

Property taxes, net of estimated uncollectable amounts, are recorded initially as deferred revenues in the year they are levied and measurable. The deferred property tax revenues are recorded as revenues in the year they are available or collected.

<u>Deferred inflows of resources</u>

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenues) until that time. Accordingly, property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

<u>Interfund balances and transactions</u>

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

Net position and fund balances

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 balances

Fund balances for governmental funds are 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. 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:

The *nonspendable fund balance* is the portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventories) or is legally or contractually required to be maintained intact.

The *restricted fund balance* is 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.

The *committed fund balance* is 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.

The *assigned fund balance* is 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.

The *unassigned fund balance* is the residual portion of fund balance that does not meet any of the criteria described above.

For fund presentation purposes, if more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

Use of estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent events

The District has evaluated subsequent events through the date of the attached independent auditor's report, the date these financial statements were available to be issued.

New accounting pronouncements

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.

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 - restricted	$ 13,212
	$ 13,212

The carrying amounts of cash and investments, which equal estimated fair value, as of December 31, 2025, are as follows:

Investments	$ 13,212
	$ 13,212

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. The 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 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.

As of December 31, 2025, the District had no cash deposits with financial institutions.

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 below which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. The District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless otherwise formally approved by the board of directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the US and certain US government agency securities
- Certain international agency securities
- General obligation and revenue bonds of US local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certificates of deposit in Colorado PDPA approved banks or savings banks
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2025, the District had the following in investments:

Investment	Maturity	Amount
Liquid Asset Trust (COLOTRUST)	Weighted average under 60 days	$ 13,021
Colorado Surplus Asset Fund (CSAFE)	Weighted average under 60 days	191
		$ 13,212

COLOTRUST

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

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund in which each share is equal in value to $1, offer daily liquidity. Both portfolios may invest in US Treasury securities and repurchase agreements collateralized by US Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of US government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable net asset value ("NAV") local government investment pool, offers weekly liquidity and is managed to approximate a $10 transactional share price. COLOTRUST EDGE may invest in US Treasury securities, repurchase agreement collateralized by US Treasury securities, certain obligations of US government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAm by Standard & Poor's. COLOTRUST EDGE is rated AAAf/S1 by FitchRatings. COLOTRUST records its investment at fair value and the District records its investment in COLOTRUST at NAV as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust ("CSAFE"), 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 CSAFE. CSAFE offers two portfolios: CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND, which operates similarly to a money market fund in which each share is equal in value to $1, offers daily liquidity. CSAFE CASH FUND may invest in US Treasury securities, repurchase agreements collateralized by US Treasury securities, certain money market funds, highest rated commercial paper, and any security allowed under CRS 24-75-601.

CSAFE CORE, a variable net asset value ("NAV") local government investment pool, offers weekly liquidity, and is managed to approximate a $2 transactional share price. CSAFE CORE may invest in US Treasury securities and repurchase agreements collateralized by US Treasury securities, certain obligations of US government agencies, and highest rated commercial paper.

A designated custodial bank serves as custodian for CSAFE's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAm by FitchRatings. CSAFE records its investment 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 or weekly, and there is no redemption notice period.

4. LONG-TERM OBLIGATIONS

The following is a summary of long-term debt of the District during the year ended December 31, 2025:

	Balance 01-01-25	Additions	Repayments / Amortization	Balance 12-31-25	Due Within One Year
Governmental activities					
Bonds payable:					
Series 2021A(3) Bonds	$ 25,247,000	$ -	$ -	$ 25,247,000	$ -
Accrued interest on Series 2021A(3) Bonds	2,356,678	1,274,179	(961,700)	2,669,157	-
Total bonds payable	27,603,678	1,274,179	(961,700)	27,916,157	-
Total long-term obligations	$ 27,603,678	$ 1,274,179	$ (961,700)	$ 27,916,157	$ -

Series 2021A(3) Limited Tax General Obligation and Special Revenue Bonds

On August 11, 2021, the District issued Series 2021A(3) Limited Tax General Obligation and Special Revenue Bonds ("Series 2021A(3) Bonds") for the purpose of: (i) paying the project costs; and (ii) paying other costs incurred in connection with the issuance of the bonds. The Series 2021A(3) Bonds were issued in the amount of $25,247,000; bear interest at 4.50% per annum, calculated on the basis of a 360-day year of twelve 30-day months; are payable to the extent of pledged revenues available on December 1 each year; and mature on December 1, 2051. The Series 2021A(3) Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Accordingly, a maturity schedule is not included in these financial statements. Unpaid interest on the Series 2021A(3) Bonds compounds annually on each December 1.

If any amount of principal or interest on the Series 2021A(3) Bonds remains unpaid after the application of all pledged revenue available on December 1, 2061, such unpaid amount will be deemed discharged on December 2, 2061.

Pledged revenues

The Series 2021A(3) Bonds are secured by and payable from the pledged revenue consisting of monies derived by the District from the following sources, net of any collection costs: (i) the pledged property tax revenues; (ii) the senior capital revenue; (iii) the portion of the specific ownership tax which is collected as a result of imposition of the required mill levy; and (iv) any other legally available monies which the District determines to be treated as pledged revenue. Required mill levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the bonds as they become due and payable.

Property tax revenues are the property taxes derived from imposition by the District of the required mill levy, net of any fees and collection costs of the County Treasurer and any tax refunds or abatements authorized by or on behalf of the county, which revenues include (a) the pass-through tax revenue (generally meaning the portion of the property tax revenue derived from imposition of the required mill levy which is allocable to the District’s incremental assessed valuation in excess of its base assessed valuation) received from Aurora Urban Renewal Authority ("AURA") pursuant to the Cooperation Agreement, and (b) the property tax revenue allocable to the District’s base assessed valuation received directly from the County Treasurer.

Pursuant to the indenture, the District has covenanted to impose a required mill levy upon all taxable property of the District each year in the amount of 50.000 mills (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after January 1, 2004) or such lesser mill levy which, when combined with District No. 3's senior tax revenue, will pay all of the principal of, premium if any, and interest on the Series 2021A(3) Bonds in full.

Pursuant to a capital pledge agreement (Note 6) between the District, District No. 3, and the trustee, District No. 3 pledges senior capital revenue to the trustee on behalf of the District for the purpose of paying and securing the Series 2021A(3) Bonds. The District No. 3 senior required mill levy is an ad valorem mill levy imposed upon all taxable property of District No. 3 each year in the amount of 30.000 mills (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement on or after the date of issuance of the Series 2021A(3) Bonds) or such lesser mill levy which, when combined with the District's senior tax revenue, will pay the principal of, premium if any, and interest on the Series 2021A(3) Bonds in full. The maximum mill levy of 30.000 mills (as adjusted) is to be reduced by the number of mills necessary to pay unlimited mill levy debt (none of which is currently outstanding).

The District's senior tax revenue is, when calculating the District's senior required mill levy for certification in any tax levy year, the property tax revenue expected to be received in the related tax collection year as a result of the imposition by the District of the required mill levy in that same tax levy year.

If the District's required mill levy or the District No. 3 senior required mill levy as calculated above is less than the maximum number of mills which can be imposed, the District will compute its respective required mill levy using the senior mill levy proportion. The senior mill levy proportion is (a) 35% as to District No. 3 and (b) 65% as to the District, being the respective proportions of the maximum District No. 3 senior required mill levy and the maximum required mill levy (as adjusted) as of the date of issuance of the Series 2021A(3) Bonds, each stated as a percentage, where the total of such two mill levies equals 100%.

Optional redemption

The Series 2021A(3) Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of $1,000, in any order of maturity and in whole or partial maturities, on September 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium on the principal amount redeemed, as follows:

Date of Redemption	Premium
September 1, 2026 to August 31, 2027	3.00%
September 1, 2027 to August 31, 2028	2.00%
September 1, 2028 to August 31, 2029	1.00%
September 1, 2029 and thereafter	0.00%

Events of default under the indenture

The occurrence of any one or more of the following events or the existence of any one or more of the following conditions constitutes an event of default under the indenture:

i. (a) The District fails or refuses to impose the required mill levy or to apply the pledged revenue as required by the indenture,

(b) District No. 3 fails or refuses to impose the District No. 3 senior required mill levy or to apply the revenues resulting therefrom as required by the capital pledge agreement;

ii. The District defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the indenture or the bond resolution other than as described in (a) above, and fails to remedy the same after notice thereof pursuant to the indenture, or District No. 3 defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of District No. 3 in the capital pledge agreement, other than as described in (b) above, and fails to remedy the same after notice thereof pursuant to the indenture; or

iii. The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Series 2021A(3) Bonds.

It is acknowledged that, due to the limited nature of the pledged revenue, the failure to pay the principal of or interest on the bonds when due does not, in itself, constitute an event of default under the indenture.

Upon the occurrence and continuance of an event of default, the trustee will have the following rights and remedies which may be pursued:

i. Receivership - Upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the trustee and of the owners, the trustee is entitled as a matter of right to the appointment of receiver or receivers of the trust estate, and of the revenues, income, product, and profits thereof pending such proceedings, subject however, to constitutional limitation inherent in the sovereignty of the District; but notwithstanding the appointment of any receiver or other custodian, the trustee will be entitled to the possession and control of any cash, securities, or other instruments at the time held by, or payable or deliverable under the provisions of the indenture to the trustee.

ii. Suit for judgment - The trustee may proceed to protect and enforce its rights and the rights of the owners by such suit, action, or special proceedings as the trustee, being advised by counsel, deems appropriate.

iii. Mandamus or other suit - The owner may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce its rights.

Events of non-compliance under the capital pledge agreement

The occurrence or existence of any one or more of the following events shall be an event of non-compliance under the capital pledge agreement.

i. District No. 3 fails or refuses to impose the capital mill levy or any component thereof;

ii. District No. 3 fails or refuses to collect or enforce the collection of the capital revenue or any portion thereof;

iii. District No. 3 fails to remit the capital revenue or any portion thereof as required by the terms of the capital pledge agreement;

iv. Any representation or warranty made by any party to the capital pledge agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompletion would have a material adverse effect upon any other party to the capital pledge agreement;

v. District No. 3's pledge of the capital revenue for the purposes stated in the capital pledge agreement fails to be enforceable with the priority required thereunder;

vi. Any party to the capital pledge agreement materially fails in the performance of any other of its covenants in therein, and such material failure continues for 60 days after receipt of written notice from the other party specifying such default and requiring the same to be remedied;

vii. District No. 3 commences proceedings for dissolution or consolidation with another metropolitan district during the term of the capital pledge agreement; or

viii. Any party to the capital pledge agreement will commence any case, proceeding, or other action (a) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition, or other relief with respect to it or its debts, or (b) seeking appointment of a receiver, trustee, custodian, or other similar official for itself or for any substantial part of its property, or any party will make a general assignment for the benefit of its creditors; or (ii) commence any case, proceeding, or other action of a nature referred to in clause (i) and the same will remain not dismissed within 90 days following the date of filing; or (iii) commence any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, distraint, or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which will not have been vacated, discharged, stayed, or bonded pending appeal within 90 days from the entry thereof; or (iv) any party will take action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) generally not, or will be unable to, or will admit in writing its inability to pay its debts as they become due.

Upon the occurrence and continuance of an event of non-compliance, any party may proceed to protect and enforce its rights against the party or parties causing the event of non-compliance by mandamus or such other suit, action, or special proceedings in equity or at law, in any court of competent jurisdiction, including an action for specific performance. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions hereof, the party in such litigation or other proceeding will obtain, as part of its judgment or award, its reasonable attorneys' fees and costs.

Notwithstanding the foregoing, acceleration will not be an available remedy for an event of default.

Debt authorization

On November 1, 2005, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $1,805,000,000 at an interest rate not to exceed 18% per annum. On October 31, 2025, the indebtedness authorized from 2005 became stale and expired. On May 20, 2020, a majority of the qualified electors of the District authorized the issuance of additional indebtedness in an amount not to exceed $9,750,000,000 at an interest rate not to exceed 18% per annum. As of December 31, 2025, the District had authorized but unissued electoral indebtedness of $9,724,753,000.

As set forth in the District's Service Plan, the City has limited the amount of debt to be issued by the District to a total of $750,000,000 without further approval by the City. The District may levy up to 50.000 mills for debt service less the number of mills to pay the unlimited mill levy debt, if any, for the portion of any aggregate District debt that exceeds 50% of the District's assessed valuation, subject to adjustment. As of December 31, 2025, the District has had authorized but unissued service plan indebtedness of $724,753,000.

5. NET POSITION

The District has net position consisting of restricted and unrestricted.

Restricted net position includes balances with external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2025 as follows:

Restricted net position:	
Emergency reserve (Note 9)	$ 6,000
	$ 6,000

The District has a deficit in unrestricted net position as of December 31, 2025. This deficit is the result of the District being responsible for the repayment of bonds issued for public improvements, of which a significant portion were conveyed to other governmental entities and which costs were removed from the District's financial records.

6. AGREEMENTS

First Amended and Restated Intergovernmental Agreement between the District and the City of Aurora

Effective January 18, 2006, and as amended and restated on August 23, 2010, the District entered into an intergovernmental agreement with the City of Aurora in which the District agreed to dedicate public improvements to the City or other appropriate jurisdiction or owners association and to maintain all public improvements which are not accepted for operation and maintenance by the City or other public entity.

Facilities, Funding, Construction, and Operation Agreement

Effective November 30, 2017, and as amended August 6, 2020, the District, District No. 1, and District No. 3 entered into the Facilities Funding, Construction and Operation Agreement ("FFCO"). The FFCO establishes District No. 1's responsibility, as the operating district, for constructing, designing, financing, and operating the public improvements that benefit the District, District No. 1, and District No. 3, and establishes the District's and District No. 3's obligations, as the taxing districts, to pay for the services and benefits of the public improvements received from District No. 1. The FFCO further provides that District No. 1 will own, operate, maintain, finance, and construct certain public improvements, and the District, District No. 1, and District No. 3 will contribute to the costs of construction, operation, management, and maintenance of the public improvements. District No. 1 will also provide for the operation, maintenance, and administrative services of the District, District No. 1, and District No. 3.

The intergovernmental revenues are transferred from the District and District No. 3 to District No. 1. District No. 1 will coordinate the payment of administrative expenditures for these districts as well as District No. 1's own administrative expenditures.

The Urban Renewal Plan

All of the property within the boundaries of the Districts is subject to the Horizon Uptown Urban Renewal Plan ("Urban Renewal Plan"). The Urban Renewal Plan specifies, for the purposes of the Urban Renewal Law, that the Horizon Uptown Urban Renewal Area ("Urban Renewal Area") encompasses all of Horizon Uptown (a larger mixed-use development that includes the Districts). Until the expiration of the tax increment financing ("TIF"), which was authorized on March 8, 2010, pursuant to the Urban Renewal Plan, all property taxes resulting from imposition of ad valorem property taxes on the assessed valuation of all taxable property in the Urban Renewal Area (which includes all of property within the boundaries of the Districts) in excess of the base assessed valuation (incremental assessed valuation) are payable to the AURA pursuant to the Urban Renewal Plan and the Urban Renewal Law.

Cooperation Agreement

Effective June 15, 2021, the District, District No. 1, and Horizon Metropolitan District Nos. 3 – 6 entered into a Cooperation Agreement with the Aurora Urban Renewal Authority ("AURA"). Per the Cooperation Agreement, in consideration of the Districts providing public improvements and services to the property in the service plan and Urban Renewal Plan, AURA agreed that the portion of revenues it receives as a result of tax increment revenues attributable to the Districts' current and future levy of ad valorem taxes within the Urban Renewal Plan will be paid to the Districts within 15 days of receipt. The District records tax increment revenues based upon allocations and calculations provided by AURA.

Facilities fees

Effective May 17, 2018, and as subsequently amended January 1, 2021 and June 14, 2021, the District and District No. 1 adopted a facilities fee resolution where District No. 1 imposes and collects facilities fees which are due and payable on or before the date of issuance of a building permit. The fees are $1,200 per single family detached or attached residential unit, $1,000 per multi-family residential unit, and $0.50 per gross square foot of interior space intended for nonresidential use as defined.

Capital pledge agreement

To provide for the payment of the Series 2021A(3) Bonds, the District entered into a capital pledge agreement with District No. 3 and the trustee of the bonds dated August 11, 2021. Under this agreement, the District is to receive all of District No. 3's senior capital revenue and agrees to remit the senior capital revenue to the trustee of the bonds as soon as practicable upon receipt in accordance with the terms of the Series 2021A(3) Bonds indenture of trust. The District should apply such revenue, together with all other pledged revenue (Note 4) in its possession, to the payment of the principal, premium if any, and interest on the bonds due in accordance with the terms of the Series 2021A(3) Bonds indenture. The capital pledge agreement defines senior capital revenue as the sum of the following: (a) the ad valorem property taxes derived from imposition of the District No. 3 senior required mill levy, net of any fees and collection costs of the County Treasurer and any tax refunds or abatements authorized by or on behalf of the county, which revenues include: (i) the senior pass-through tax revenue received by or on behalf of District No. 3 from AURA pursuant to the cooperation agreement, and (ii) the property tax revenue allocable to District No. 3's base assessed valuation received directly from the County Treasurer; and (b) the specific ownership tax revenue allocable to the District No. 3 senior required mill levy.

7. RELATED PARTIES

The developer of the property within the District is Horizon Uptown (Denver) SPV, LLC. Some members of the board of directors are officers, employees, or associated with the developers and may have conflicts of interest in dealing with the District.

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 ("Pool"). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

9. TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known 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 within the state of Colorado.

Spending and revenue limits are determined based on the prior 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. Revenues in excess of the fiscal year spending limit must be refunded unless the voters approve retention of such revenues. On May 5, 2020, the District's voters approved a ballot issue allowing the District to retain all revenues.

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.

District management believes the District 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 likely require judicial interpretation.

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado.

Annual operating revenue is limited to a 5.25% increase, such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues. The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

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SUPPLEMENTARY INFORMATION

HORIZON METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND - SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Property taxes	$ 921	$ 8,895	$ 8,894	$ (1)
Property taxes - TIF	524,145	514,215	514,215	-
Specific ownership taxes	31,504	28,539	28,539	-
Investment income	1,000	17,845	17,845	-
Transfers from District No. 3	165,160	167,836	167,836	-
Total revenues	722,730	737,330	737,329	(1)
EXPENDITURES				
County Treasurer fees	138	133	133	-
Bond interest payments	728,761	961,700	961,700	-
Trustee fees	-	4,000	4,000	-
Contingency	4,340	-	-	-
Total expenditures	733,239	965,833	965,833	-
Net change in fund balance	$ (10,509)	$ (228,503)	(228,504)	$ (1)
Fund balance, beginning of year			220,922	
Fund balance, end of year			$ (7,582)	

The accompanying notes and independent auditor's report should be read with these financial statements.