

RESOLUTION
ADOPTING BUDGET, APPROPRIATING SUMS OF MONEY AND CERTIFYING
MILL LEVIES FOR THE CALENDAR YEAR 2025

The Board of Directors of Forest Trace Metropolitan District No. 3 (the “**Board**”), City of Aurora, Arapahoe County, Colorado (the “**District**”), held a special meeting, via teleconference on November 12, 2024, at the hour of 6:30 p.m.

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

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NOTICE AS TO PROPOSED 2025 BUDGET

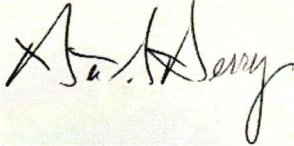
SENTINEL
PROOF OF PUBLICATION

STATE OF COLORADO
COUNTY OF ARAPAHOE }ss.

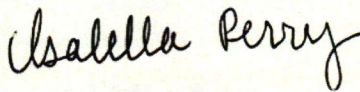
I DAVID PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the Counties of Arapahoe, Adams, and Denver, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said Counties of Arapahoe, Adams and Denver for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 30, 1923, entitled "Legal Notices and Advertisements," or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period 1 of consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated October 31 A.D. 2024 and that the last publication of said notice was in the issue of said newspaper dated October 31 A.D. 2024.

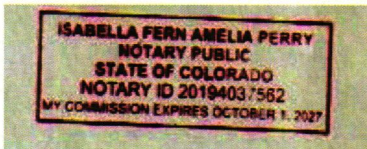
I witness whereof I have hereunto set my hand this 31st day of October A.D. 2024.



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 31st day of October A.D. 2024.



Notary Public



**NOTICE OF PUBLIC HEARING
ON THE PROPOSED 2025 BUDGETS
AND NOTICE OF PUBLIC HEARING
ON THE AMENDED 2024 BUDGETS**

The Boards of Directors (collectively the "Boards") of the forest trace METROPOLITAN DISTRICT 1 & 3 (collectively the "Districts"), will hold a public hearing via teleconference on November 12th, 2024, at 6:30 p.m., to consider adoption of the Districts' proposed 2025 budgets (the "Proposed Budgets"), and, if necessary, adoption of an amendment to the 2024 budgets (the "Amended Budgets"). The public hearing may be joined using the following teleconference information:
<https://us06web.zoom.us/j/89028324223?pwd=2QgHkLiLS7BbbdmzigT1sujKlQCUr.1>
Meeting ID: 890 2832 4223
Passcode: 485116
Call-in Number: +1-720-707-2699

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

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to the final adoption of the Proposed Budgets or the Amended Budgets by the Boards.

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

BY ORDER OF THE BOARDS OF DIRECTORS:
forest trace METROPOLITAN DISTRICT NOS. 1 & 3, quasi-municipal corporations and political subdivisions of the State of Colorado/s/ White Bear Ankele Tanaka & Waldron
Attorneys at Law

Publication: October 31, 2024
Sentinel

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

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

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

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

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2025. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy of Property Taxes. The Board does hereby certify the levy of property taxes for collection in 2025 as more specifically set out in the budget attached hereto.

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

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

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

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

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

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ADOPTED NOVEMBER 12, 2024.

DISTRICT:

**FOREST TRACE METROPOLITAN
DISTRICT NO. 3**, a quasi-municipal corporation
and political subdivision of the State of Colorado

By: *Daniel Frank*
Daniel Frank (Nov 14, 2024 11:11 MST)
Officer of the District

Attest:

By: *Richard Robbins*
Richard Robbins (Dec 20, 2024 04:59 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Ch W
General Counsel to the District

STATE OF COLORADO
COUNTY OF ARAPAHOE
FOREST TRACE METROPOLITAN DISTRICT NO. 3

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Tuesday, November 12, 2024, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 14th day of November, 2024.

Richard Robbins
Richard Robbins (Dec 20, 2024 04:59 MST)
Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

FOREST TRACE METROPOLITAN DISTRICT No. 3
2025
BUDGET MESSAGE

Attached please find a copy of the adopted 2025 budget for the Forest Trace Metropolitan District No. 3.

Forest Trace Metropolitan District No. 3 has adopted a budget for three separate funds, a General Fund to provide for the payment of operating and maintenance expenditures; a Capital Projects Fund to provide for estimated infrastructure costs that are to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the outstanding general obligation loan and bonds.

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

The primary sources of revenue for the district in 2025 will be property taxes from the imposition of a 58.603 mill levy on property within the district for 2025, of which 1.031 mills will be dedicated to the General Fund and the balance of 57.572 mills will be allocated to the Debt Service Fund. 1.132 mills of the 57.572 mills are restricted for regional improvements per an intergovernmental agreement with the City of Aurora.

Forest Trace Metropolitan District No. 3
Adopted Budget
General Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual <u>6/30/2024</u>	Estimated <u>2024</u>	Adpoted Budget <u>2025</u>
Beginning fund balance	\$ 54,553	\$ 55,442	\$ 149,542	\$ 149,542	\$ 114,507
Revenues:					
Property taxes	30,932	21,246	22,695	22,695	21,181
Specific ownership taxes	2,267	1,293	607	1,200	1,287
HOA Cost Sharing	125,000	-	-	-	-
Interest/misc income	<u>3</u>	<u>10</u>	<u>1</u>	<u>10</u>	<u>10</u>
Total revenues	<u>158,202</u>	<u>22,549</u>	<u>23,303</u>	<u>23,905</u>	<u>22,478</u>
Total funds available	<u>212,755</u>	<u>77,991</u>	<u>172,845</u>	<u>173,447</u>	<u>136,985</u>
Expenditures:					
Accounting / audit	18,709	10,500	5,107	15,000	10,500
Election	2,105	-	-	-	3,500
Insurance	2,847	3,500	3,441	3,500	3,500
Professional services	8,000	-	-	-	-
Legal	31,024	15,000	23,646	40,000	15,000
Miscellaneous	60	1,000	40	100	1,000
Treasurer fees	468	319	340	340	318
Contingency	-	46,762	-	-	102,152
Emergency reserve (3%)	<u>-</u>	<u>910</u>	<u>-</u>	<u>-</u>	<u>1,015</u>
Total expenditures	<u>63,213</u>	<u>77,991</u>	<u>32,574</u>	<u>58,940</u>	<u>136,985</u>
Ending fund balance	<u>\$ 149,542</u>	<u>\$ -</u>	<u>\$ 140,271</u>	<u>\$ 114,507</u>	<u>\$ -</u>
Assessed valuation		<u>\$20,606,839</u>			<u>\$20,544,755</u>
Mill Levy		<u>1.031</u>			<u>1.031</u>

Forest Trace Metropolitan District No. 3
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2025

	Actual <u>2023</u>	Adopted Budget <u>2024</u>	Actual 6/30/2024	Estimated <u>2024</u>	Adpoted Budget <u>2025</u>
Beginning fund balance	\$ 851,309	\$ 842,753	\$ 1,000,648	\$ 1,000,649	\$ 818,126
Revenues:					
Property taxes	818,362	1,163,050	1,162,470	1,163,050	1,159,546
Specific ownership taxes	53,623	93,044	33,209	67,000	69,573
Property taxes - ARI	16,363	23,327	23,315	23,327	23,257
Specific ownership taxes -ARI	1,072	1,866	666	1,200	1,861
Interest income	<u>56,132</u>	<u>2,000</u>	<u>32,118</u>	<u>40,000</u>	<u>2,000</u>
Total revenues	<u>945,552</u>	<u>1,283,287</u>	<u>1,251,778</u>	<u>1,294,577</u>	<u>1,256,237</u>
Total funds available	<u>1,796,861</u>	<u>2,126,040</u>	<u>2,252,426</u>	<u>2,295,226</u>	<u>2,074,363</u>
Expenditures:					
2019 Loan Interest Expense	351,354	344,869	174,319	344,869	336,500
Bond principal Series 2019	245,000	245,000	-	245,000	250,000
Interest expense Series 2020	143,392	708,569	-	422,977	332,311
Interest expense Series 2023	24,327	-	-	418,781	289,915
Regional Mill levy	16,117	24,843	19,675	24,177	24,769
Treasurer's fees	12,277	17,446	17,438	17,446	17,393
Treasurer's fees - ARI	245	350	350	350	349
Trustee / paying agent fees	<u>3,500</u>	<u>5,000</u>	<u>3,500</u>	<u>3,500</u>	<u>5,000</u>
Total expenditures	<u>796,212</u>	<u>1,346,077</u>	<u>215,282</u>	<u>1,477,100</u>	<u>1,256,237</u>
Ending fund balance	<u>\$ 1,000,649</u>	<u>\$ 779,963</u>	<u>\$ 2,037,144</u>	<u>\$ 818,126</u>	<u>\$ 818,126</u>
Assessed valuation		<u>\$20,606,839</u>			<u>\$20,544,755</u>
Mill Levy		<u>56.440</u>			<u>56.440</u>
ARI Mill levy		<u>1.132</u>			<u>1.132</u>
Total Mill Levy		<u>58.603</u>			<u>58.603</u>

Forest Trace Metropolitan District No. 3
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2025

	Actual 2023	Adopted Budget 2024	Actual 6/30/2024	Estimate 2024	Adpoted Budget 2025
Beginning fund balance	\$ -	\$ -	\$ 2,518,310	\$ 2,483,019	\$ 2,263,019
Revenues:					
Bond proceeds	3,063,225	3,000,000	-	-	-
Interest income	<u>17,755</u>	<u>-</u>	<u>66,095</u>	<u>80,000</u>	<u>50,000</u>
Total revenues	<u>3,080,980</u>	<u>3,000,000</u>	<u>66,095</u>	<u>80,000</u>	<u>50,000</u>
Total funds available	<u>3,080,980</u>	<u>3,000,000</u>	<u>2,584,405</u>	<u>2,563,019</u>	<u>2,313,019</u>
Expenditures:					
Repay developer advance - principal	300,000	500,000	-	-	-
Cost of issuance	262,670	120,000	-	-	-
Capital improvements	<u>-</u>	<u>2,380,000</u>	<u>101,386</u>	<u>300,000</u>	<u>2,313,019</u>
Total expenditures	<u>562,670</u>	<u>3,000,000</u>	<u>101,386</u>	<u>300,000</u>	<u>2,313,019</u>
Ending fund balance	<u>\$ 2,518,310</u>	<u>\$ -</u>	<u>\$ 2,483,019</u>	<u>\$ 2,263,019</u>	<u>\$ -</u>