

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2021)

The Board of Directors of Forest Trace Metropolitan District No. 3 (the “**Board**”), City of Aurora, Colorado (the “**District**”) held a special meeting via teleconference on Tuesday, September 29, 2020, at the hour of 1:30 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 2021 BUDGET

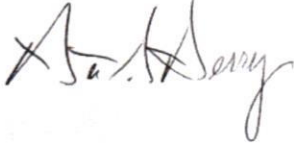
SENTINEL
PROOF OF PUBLICATION

STATE OF COLORADO
COUNTY OF ARAPAHOE }ss.

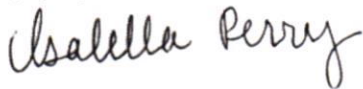
I DAVID PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the Counties of Arapahoe, Adams, and Denver, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said 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 of consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated September 24 A.D. 2020 and that the last publication of said notice was in the issue of said newspaper dated September 24 A.D. 2020.

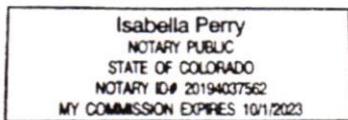
I witness whereof I have hereunto set my hand this 24th day of September A.D. 2020



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 24th day of September A.D. 2020.



Notary Public



NOTICE OF PUBLIC HEARING
ON PROPOSED 2021 BUDGETS
AND NOTICE OF PUBLIC HEARING
ON AMENDED 2020 BUDGETS

NOTICE IS HEREBY GIVEN that proposed 2021 budgets have been submitted to the Boards of Directors (the "Boards") of the FOREST TRACE METROPOLITAN DISTRICT NOS. 1-3 (collectively the "Districts"). A copy of the proposed budgets is on file in the office of Simmons & Wheeler, P.C., 304 Inverness Way South, Suite 490, Englewood, Colorado, where the same is open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2020 budgets have been submitted to the Districts. A copy of the proposed amended budgets is on file in the office of Simmons & Wheeler, P.C., 304 Inverness Way South, Suite 490, Englewood, Colorado, where the same is open for public inspection.

Such proposed 2021 budgets and 2020 amended budgets will be considered at a public hearing during a joint meeting of the Districts to be held on Tuesday, September 29, 2020 at 1:30 P.M. Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the directions below:
Link: <https://zoom.us/j/98607396448?pwd=-bmwzWi9yUzZXSXFweHR5M0E3c2lLQT09>

Call in Number: 720-707-2699
Meeting ID: 986 0739 6448
Passcode: 090327

Any interested elector of the Districts may file any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing body of the Districts.

BY ORDER OF THE
BOARDS OF DIRECTORS:
FOREST TRACE METROPOLITAN
DISTRICT NOS. 1-3
/s/ White Bear Ankele Tanaka & Waldron
Attorneys at Law

Publication: September 24, 2020
Sentinel

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board has authorized 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 open for inspection by the public at a designated place, a public hearing was held on September 29, 2020, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to 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 2021. 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 for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 2.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2021 budget year, there is hereby levied a tax of

51.641 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2021 budget year, there is hereby levied a tax of 1.032 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2021 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. 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 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. 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 9. 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.

[Remainder of page intentionally left blank.]

ADOPTED THIS 29th DAY OF SEPTEMBER, 2020.

FOREST TRACE METROPOLITAN DISTRICT NO. 3

Daniel Frank
Daniel Frank (Oct 5, 2020 14:21 MDT)

Officer of the District

ATTEST:

Marc Cooper
Marc Cooper (Oct 6, 2020 14:30 MDT)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



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 as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 29th day of September 2020.

Marc Cooper
Marc Cooper (Oct 6, 2020 14:30 MDT)

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

FOREST TRACE METROPOLITAN DISTRICT NO. 3
2021
BUDGET MESSAGE

Attached please find a copy of the adopted 2021 budget for Forest Trace Metropolitan District No. 3.

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

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

The primary source of revenue for the District in 2021 will be property taxes. The District intends to impose a 54.673 mill levy on the property within the District in 2021, of which 2.000 mills will be dedicated to the General Fund and the balance of 52.673 mills will be allocated to the Debt Service Fund. 1.032 mills of the 52.673 mills is 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, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>7/31/2020</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 12,391	\$ 32,459	\$ 38,799	\$ 38,799	\$ 41,980
Revenues:					
Property taxes	43,407	28,404	28,247	28,404	29,532
Specific ownership taxes	3,392	2,007	1,150	2,007	2,120
Interest/misc income	<u>40</u>	<u>-</u>	<u>6</u>	<u>10</u>	<u>10</u>
Total revenues	<u>46,839</u>	<u>30,411</u>	<u>29,403</u>	<u>30,421</u>	<u>31,662</u>
Total funds available	<u>59,230</u>	<u>62,870</u>	<u>68,202</u>	<u>69,220</u>	<u>73,642</u>
Expenditures:					
Accounting / audit	9,352	7,500	5,814	7,500	7,500
Election	-	2,000	-	-	-
Insurance	3,233	4,000	2,864	2,864	3,500
Professional services	-	-	950	950	-
Legal	7,194	20,000	6,880	15,000	15,000
Miscellaneous	-	1,000	-	500	1,000
Treasurer fees	652	426	424	426	443
Contingency	-	26,896	-	-	45,376
Emergency reserve (3%)	<u>-</u>	<u>1,048</u>	<u>-</u>	<u>-</u>	<u>823</u>
Total expenditures	<u>20,431</u>	<u>62,870</u>	<u>16,932</u>	<u>27,240</u>	<u>73,642</u>
Ending fund balance	<u>\$ 38,799</u>	<u>\$ -</u>	<u>\$ 51,270</u>	<u>\$ 41,980</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 14,202,247</u>			<u>\$ 14,765,866</u>
Mill Levy		<u>2.000</u>			<u>2.000</u>

Forest Trace Metropolitan District No. 3
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>7/31/2020</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 1,342,563	\$ 447,461	\$ 456,193	\$ 456,193	\$ 645,927
Revenues:					
Property taxes	554,034	733,418	729,347	733,418	762,524
Specific ownership taxes	43,293	58,673	29,687	58,673	61,002
Property taxes - ARI	11,079	14,657	14,575	14,657	15,238
Specific ownership taxes -ARI	866	1,173	593	1,173	1,219
Bond Proceeds	11,286,493	-	-	-	-
Interest income	25,514	15,000	532	2,000	2,000
Total revenues	<u>11,921,279</u>	<u>822,921</u>	<u>774,734</u>	<u>809,921</u>	<u>841,983</u>
Total funds available	<u>13,263,842</u>	<u>1,270,382</u>	<u>1,230,927</u>	<u>1,266,114</u>	<u>1,487,910</u>
Expenditures:					
Interest expense Series 2016	208,625	-	-	-	-
Interest expense Series 2019	-	461,191	238,854	471,356	435,736
Bond principal Series 2019	-	145,000	-	120,000	150,000
Deposit to refunding escrow	12,202,543	-	-	-	-
Cost of issuance	376,000	-	-	-	-
Regional Mill levy	11,079	15,610	14,717	15,610	16,228
Treasurer's fees	8,319	11,001	10,943	11,001	11,438
Treasurer's fees - ARI	166	220	219	220	229
Trustee / paying agent fees	917	2,000	-	2,000	2,000
Total expenditures	<u>12,807,649</u>	<u>635,022</u>	<u>264,733</u>	<u>620,187</u>	<u>615,631</u>
Ending fund balance	<u>\$ 456,193</u>	<u>\$ 635,360</u>	<u>\$ 966,194</u>	<u>\$ 645,927</u>	<u>\$ 872,279</u>
Assessed valuation		<u>\$ 14,202,247</u>			<u>\$ 14,765,866</u>
Mill Levy		<u>51.641</u>			<u>51.641</u>
ARI Mill levy		<u>1.032</u>			<u>1.032</u>
Total Mill Levy		<u>54.673</u>			<u>54.673</u>

Forest Trace Metropolitan District No. 3
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>7/31/2020</u>	Estimated <u>2019</u>	Proposed Budget <u>2020</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Bond proceeds	813,507	1,910,000	2,799,000	2,799,000	-
Interest income	<u>-</u>	<u>-</u>	<u>7</u>	<u>10</u>	<u>-</u>
Total revenues	<u>813,507</u>	<u>1,910,000</u>	<u>2,799,007</u>	<u>2,799,010</u>	<u>-</u>
Total funds available	<u>813,507</u>	<u>1,910,000</u>	<u>2,799,007</u>	<u>2,799,010</u>	<u>-</u>
Expenditures:					
Repay developer advance - principal	813,507	-	2,506,036	2,506,036	-
Cost of issuance	-	57,300	292,964	292,974	-
Capital improvements	<u>-</u>	<u>1,852,700</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>813,507</u>	<u>1,910,000</u>	<u>2,799,000</u>	<u>2,799,010</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ -</u>	<u>\$ -</u>