

RESOLUTION
ADOPTING BUDGET, AND APPROPRIATING SUMS OF MONEY
AND CERTIFYING MILL LEVIES FOR THE CALENDAR YEAR 2026

The Board of Directors of Forest Trace Metropolitan District No. 2 (the “**Board**”), City of Aurora, Arapahoe County, Colorado (the “**District**”), held a regular meeting, via teleconference, on November 18, 2025, at the hour of 11:00 a.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.

[Remainder of Page Intentionally Left Blank]

NOTICE AS TO PROPOSED 2026 BUDGET

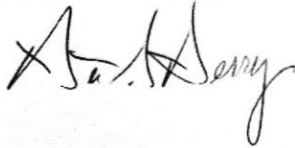
SENTINEL
PROOF OF PUBLICATION

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 November 6 A.D. 2025 and that the last publication of said notice was in the issue of said newspaper dated November 6 A.D. 2025.

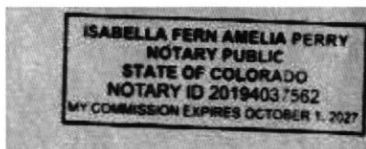
I witness whereof I have hereunto set my hand this 6th day of November A.D. 2025



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 6th day of November A.D. 2025.



Notary Public



**NOTICE OF PUBLIC HEARING
ON THE PROPOSED 2026 BUDGET
AND NOTICE OF PUBLIC HEARING
ON THE AMENDED 2025 BUDGET**

The Board of Directors (the "Board") of the FOREST TRACE METROPOLITAN DISTRICT NO. 2 (the "District"), will hold a public hearing via teleconference on NOVEMBER 18, 2025 at 11:00 a.m., to consider adoption of the District's proposed 2026 budget (the "Proposed Budget"), and, if necessary, adoption of an amendment to the 2025 budget (the "Amended Budget").

The public hearing can be joined using the following teleconference information:
<https://us06web.zoom.us/j/8908669458?pwd=8l3sqTqGtxROxlot-VtcnNiizD3062r.1>

Meeting ID: 890 8666 9458
Passcode: 547469
Call-in Number: +1-720-707-2699

The Proposed Budget and Amended Budget 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 District may file any objections to the Proposed Budget and Amended Budget at any time prior to the final adoption of the Proposed Budget or the Amended Budget by the Board.

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

BY ORDER OF THE BOARD OF DIRECTORS:
FOREST TRACE METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado.
/s/ WBA, PC

Publication: November 6, 2025
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 2026. 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 2026 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.

[Remainder of Page Intentionally Left Blank]

ADOPTED NOVEMBER 18, 2025.

DISTRICT:

FOREST TRACE METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By: *Daniel Frank*
Daniel Frank (Jan 5, 2026 14:11:35 MST)

Officer of the District

ATTEST:

By: *Marc Cooper*
Marc Cooper (Jan 6, 2026 10:22:49 MST)

STATE OF COLORADO
COUNTY OF ARAPAHOE
FOREST TRACE METROPOLITAN DISTRICT NO. 2

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 18, 2025, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 18th day of November, 2025.

Marc Cooper
Marc Cooper (Jan 6, 2026 10:22:49 MST)

Signature

[Signature page to Resolution Adopting Budget, and Appropriating Sums of Money and Certifying Mill Levies for the Calendar Year 2026]

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

FOREST TRACE METROPOLITAN DISTRICT No. 2
2026
BUDGET MESSAGE

Attached please find a copy of the adopted 2026 budget for the Forest Trace Metropolitan District No. 2.

Forest Trace Metropolitan District No. 2 has adopted a budget for one fund, a General Fund, to provide for the payment of operating and maintenance expenditures.

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

The primary sources of revenue for the district in 2026 will be maintenance fees and property taxes from the imposition of a 4.000 mill levy on property within the district for 2026, all of which will be dedicated to the General Fund.

Forest Trace Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2026

	Actual <u>2024</u>	Adpoted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 71,992	\$ 66,242	\$ 76,370	\$ 59,013	\$ 39,522
Revenues:					
Property taxes	52,961	51,244	31,989	31,989	45,265
Specific ownership taxes	3,033	4,309	1,386	2,800	3,712
Maintenance fees	71,086	74,494	20,734	76,220	90,489
Misc/Interest income	<u>2,048</u>	<u>258</u>	<u>(697)</u>	<u>2,000</u>	<u>11,815</u>
Total revenues	<u>129,128</u>	<u>130,305</u>	<u>53,412</u>	<u>113,009</u>	<u>151,281</u>
Total funds available	<u>201,120</u>	<u>196,547</u>	<u>129,782</u>	<u>172,022</u>	<u>190,803</u>
Expenditures:					
General and Administrative					
Accounting/Audit	10,562	12,000	4,613	10,000	12,000
Insurance	12,417	13,000	12,187	12,500	13,000
Management	9,000	13,000	4,500	12,000	13,000
Legal	20,872	18,000	6,293	18,000	18,000
Election	-	3,000	1,344	3,000	-
Detention pond	16,256	12,789	-	-	-
Miscellaneous	130	500	104	300	500
Treasurer fees	794	769	466	480	679
Operations & Maintenance					
CAM-Snow Removal	12,463	13,574	10,626	14,000	15,612
CAM-Sweep/Clean	7,478	5,182	2,441	5,000	5,448
CAM-Utilities Electricity	1,182	911	473	1,000	945
CAM-Utilities Irrigation Water	3,312	4,523	647	3,000	4,583
CAM-Landscaping (Contract-R/M)	12,955	12,216	4,075	10,000	12,355
CAM-Detention System Maint	-	-	-	-	13,085
CAM-Fence	-	-	-	-	600
CAM-signs	-	540	508	720	540
CAM-Electrical Repairs	-	-	-	-	360
CAM-repairs	6,824	1,960	1,233	2,500	1,000
CAM-repairs (Sidewalk)	27,862	35,588	816	40,000	35,961
Contingency	-	46,803	-	-	41,420
Emergency reserve (3%)	<u>-</u>	<u>2,192</u>	<u>-</u>	<u>-</u>	<u>1,715</u>
Total expenditures	<u>142,107</u>	<u>196,547</u>	<u>50,326</u>	<u>132,500</u>	<u>190,803</u>
Ending fund balance	<u>\$ 59,013</u>	<u>\$ -</u>	<u>\$ 79,456</u>	<u>\$ 39,522</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 12,810,912</u>			<u>\$ 11,316,200</u>
Mill Levy		<u>4.000</u>			<u>4.000</u>