

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

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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 10, 2025, 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 2026 BUDGET

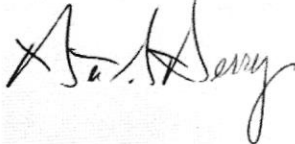
SENTINEL  
PROOF OF PUBLICATION

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 October 30 A.D. 2025 and that the last publication of said notice was in the issue of said newspaper dated October 30 A.D. 2025.

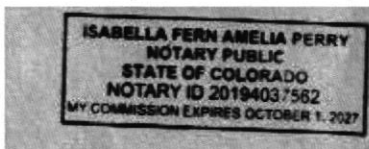
I witness whereof I have hereunto set my hand this 30th day of October A.D. 2025



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 30th day of October A.D. 2025.



Notary Public



NOTICE OF PUBLIC HEARING  
ON THE PROPOSED 2026 BUDGETS  
AND NOTICE OF PUBLIC HEARING  
ON THE AMENDED 2025 BUDGETS

The Boards of Directors (collectively the "Boards") of the FOREST TRACE METROPOLITAN DISTRICT NOS. 1 & 3 (collectively the "Districts"), will hold a public hearing via teleconference on NOVEMBER 10, 2025, at 6:30 p.m. to consider adoption of the Districts' proposed 2026 budgets (the "Proposed Budgets"), and, if necessary, adoption of an amendment to the 2025 budgets (the "Amended Budgets").

The public hearing can be joined using the following teleconference information:  
<https://us06web.zoom.us/j/83683949031?pwd=bJrYBYrdc35b-CzzmdKMDsyXKTwQaN1.1>  
Meeting ID: 836 8394 9031  
Passcode: 038719  
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/ WBA, PC

Publication: October 30, 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.

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ADOPTED NOVEMBER 10, 2025.

**DISTRICT:**

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

By:   
Kevin Payne (Jan 5, 2026 19:59:35 MST)  
\_\_\_\_\_  
Officer of the District


**ATTEST:**

By:   
Bettina Walters (Jan 5, 2026 14:26:26 MST)  
\_\_\_\_\_

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 Monday, November 10, 2025, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 10th day of November, 2025.

  
Bettina Walters (Jan 5, 2026 14:26:26 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. 3**  
**2026**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2026 budget for the Forest Trace Metropolitan District No. 3.

Forest Trace Metropolitan District No. 3 has adopted a budget for three 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 2026 will be interest income and property taxes from the imposition of a 59.832 mill levy on property within the district for 2026, of which 1.087 mills will be dedicated to the General Fund and the balance of 58.745 mills will be allocated to the Debt Service Fund. 1.151 mills of the 58.745 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, 2026**

	Actual <u>2024</u>	Adpoted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimated <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 149,542	\$ 114,507	\$ 125,854	\$ 125,854	\$ 112,679
Revenues:					
Property taxes	22,695	21,181	18,609	22,695	20,373
Abated Taxes 2023	-	-	(2,480)	-	-
Specific ownership taxes	1,251	1,287	852	1,200	1,206
HOA Cost Sharing	-	-	-	-	-
Interest/misc income	1	10	(241)	10	10
	<u>23,947</u>	<u>22,478</u>	<u>16,740</u>	<u>23,905</u>	<u>21,589</u>
Total revenues					
	<u>23,947</u>	<u>22,478</u>	<u>16,740</u>	<u>23,905</u>	<u>21,589</u>
Total funds available	<u>173,489</u>	<u>136,985</u>	<u>142,594</u>	<u>149,759</u>	<u>134,268</u>
Expenditures:					
Accounting	16,195	10,500	6,075	10,000	12,000
Audit	-	-	-	5,000	6,500
Election	-	3,500	2,650	3,500	3,500
Insurance	3,441	3,500	3,140	3,140	3,500
Legal	27,219	15,000	8,514	15,000	15,000
Miscellaneous	440	1,000	40	100	1,000
Treasurer fees	340	318	243	340	306
Contingency	-	102,152	-	-	91,208
Emergency reserve (3%)	-	1,015	-	-	1,254
	<u>47,635</u>	<u>136,985</u>	<u>20,662</u>	<u>37,080</u>	<u>134,268</u>
Total expenditures					
	<u>47,635</u>	<u>136,985</u>	<u>20,662</u>	<u>37,080</u>	<u>134,268</u>
Ending fund balance	<u>\$ 125,854</u>	<u>\$ -</u>	<u>\$ 121,932</u>	<u>\$ 112,679</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 20,544,755</u>			<u>\$ 18,742,210</u>
Mill Levy		<u>1.031</u>			<u>1.087</u>

**Forest Trace Metropolitan District No. 3**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2026**

	Actual <u>2024</u>	Adpoted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimated <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 1,000,648	\$ 818,126	\$ 873,484	\$ 873,485	\$ 679,663
Revenues:					
Property taxes	1,162,470	1,159,546	1,018,695	1,159,546	1,079,439
Abated taxes 2023	-	-	(135,740)	(135,740)	-
Specific ownership taxes	68,476	69,573	30,902	67,000	64,766
Property taxes - ARI	23,315	23,257	20,432	23,327	21,572
Abated taxes 2023 ARI	-	-	(2,723)	(2,723)	-
Specific ownership taxes -ARI	1,373	1,861	620	1,200	1,726
Interest income	<u>72,992</u>	<u>2,000</u>	<u>1,791</u>	<u>3,000</u>	<u>3,000</u>
Total revenues	<u>1,328,626</u>	<u>1,256,237</u>	<u>933,977</u>	<u>1,115,610</u>	<u>1,170,503</u>
Total funds available	<u>2,329,274</u>	<u>2,074,363</u>	<u>1,807,461</u>	<u>1,989,095</u>	<u>1,850,166</u>
Expenditures:					
2019 Loan Interest Expense	345,811	336,500	167,789	336,500	336,500
Bond principal Series 2019	245,000	250,000	-	250,000	250,000
Interest expense Series 2020	364,505	332,311	-	332,311	356,259
Bond Principle Series 2023	177,000	-	-	52,286	26,631
Interest expense Series 2023	282,510	289,915	-	289,915	16,660
Regional Mill levy	19,675	24,769	17,448	24,177	22,974
Treasurer's fees	17,438	17,393	13,043	17,393	16,192
Treasurer's fees - ARI	350	349	262	350	324
Trustee / paying agent fees	<u>3,500</u>	<u>5,000</u>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>
Total expenditures	<u>1,455,789</u>	<u>1,256,237</u>	<u>205,042</u>	<u>1,309,432</u>	<u>1,032,040</u>
Ending fund balance	<u>\$ 873,485</u>	<u>\$ 818,126</u>	<u>\$ 1,602,419</u>	<u>\$ 679,663</u>	<u>\$ 818,126</u>
Assessed valuation		<u>\$ 20,544,755</u>			<u>\$ 18,742,210</u>
Mill Levy		<u>56.440</u>			<u>57.594</u>
ARI Mill levy		<u>1.132</u>			<u>1.151</u>
Total Mill Levy		<u>58.603</u>			<u>59.832</u>

**Forest Trace Metropolitan District No. 3**  
**Adopted Budget**  
**Capital Projects 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	\$ 2,518,310	\$ 2,263,019	\$ 2,487,651	\$ 2,330,576	\$ 1,385,576
Revenues:					
Bond proceeds	-	-	-	-	-
Interest income	<u>130,946</u>	<u>50,000</u>	<u>54,604</u>	<u>80,000</u>	<u>80,000</u>
Total revenues	<u>130,946</u>	<u>50,000</u>	<u>54,604</u>	<u>80,000</u>	<u>80,000</u>
Total funds available	<u>2,649,256</u>	<u>2,313,019</u>	<u>2,542,255</u>	<u>2,410,576</u>	<u>1,465,576</u>
Expenditures:					
Repay developer advance - principa	-	-	-	-	-
Cost of issuance	-	-	-	-	-
Legal	24,450	-	14,698	25,000	20,000
Capital improvements	<u>137,155</u>	<u>2,313,019</u>	<u>196,981</u>	<u>1,000,000</u>	<u>1,445,576</u>
Total expenditures	<u>161,605</u>	<u>2,313,019</u>	<u>211,679</u>	<u>1,025,000</u>	<u>1,465,576</u>
Ending fund balance	<u>\$ 2,487,651</u>	<u>\$ -</u>	<u>\$ 2,330,576</u>	<u>\$ 1,385,576</u>	<u>\$ -</u>