

**SOLA METROPOLITAN DISTRICT - COMMERCIAL**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2026**

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
SUMMARY  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/3/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 348,629	\$ 609,557	\$ 227,029
<b>REVENUES</b>			
Property taxes	554,742	601,828	849,194
Specific ownership taxes	23,436	24,073	42,460
Interest Income	16,670	200	16,000
Developer advance	-	13,873	-
Fee revenue - Copper Stone	152,486	154,011	155,551
Fee revenue - Lafayette Traditions	75,447	76,202	76,964
Fee revenue - True Up	294,649	121,030	22,000
Other Revenue	3,271	5,356	-
Intergovernmental revenues	9,076	-	-
Loan issuance proceeds	9,750,000	-	-
Total revenues	<u>10,879,777</u>	<u>996,573</u>	<u>1,162,169</u>
Total funds available	<u>11,228,406</u>	<u>1,606,130</u>	<u>1,389,198</u>
<b>EXPENDITURES</b>			
General Fund	198,588	174,404	210,000
Debt Service Fund	10,420,261	1,204,697	974,200
Total expenditures	<u>10,618,849</u>	<u>1,379,101</u>	<u>1,184,200</u>
Total expenditures and transfers out requiring appropriation	<u>10,618,849</u>	<u>1,379,101</u>	<u>1,184,200</u>
ENDING FUND BALANCES	<u>\$ 609,557</u>	<u>\$ 227,029</u>	<u>\$ 204,998</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	\$ 7,200	\$ 6,500	\$ 5,400
	76,498	117,162	86,314
TOTAL RESERVE	<u>\$ 7,200</u>	<u>\$ 6,500</u>	<u>\$ 5,400</u>

See summary of significant assumptions.

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
PROPERTY TAX SUMMARY INFORMATION  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/3/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
<b>ASSESSED VALUATION</b>			
Residential	\$ 1,662,605	\$ 1,662,605	\$ -
Commercial	5,489,121	5,441,216	12,141,121
State assessed	27,199	25,802	23,266
Vacant land	1,234,686	1,390,842	1,568,052
Other	145	145	135
Certified Assessed Value	<u>\$ 8,413,756</u>	<u>\$ 8,520,610</u>	<u>\$ 13,732,574</u>
<b>MILL LEVY</b>			
General	16.811	16.980	8.135
Debt Service	50.000	53.652	53.703
Total mill levy	<u>66.811</u>	<u>70.632</u>	<u>61.838</u>
<b>PROPERTY TAXES</b>			
General	\$ 141,443	\$ 144,680	\$ 111,714
Debt Service	420,688	457,148	737,480
Levied property taxes	562,131	601,828	849,194
Adjustments to actual/rounding	(5,235)	-	-
Refunds and abatements	(2,154)	-	-
Budgeted property taxes	<u>\$ 554,742</u>	<u>\$ 601,828</u>	<u>\$ 849,194</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 139,756</b>	<b>\$ 144,680</b>	<b>\$ 111,714</b>
Debt Service	<b>414,986</b>	<b>457,148</b>	<b>737,480</b>
	<u><b>\$ 554,742</b></u>	<u><b>\$ 601,828</b></u>	<u><b>\$ 849,194</b></u>

See summary of significant assumptions.

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
GENERAL FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/3/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 44,513	\$ 83,698	\$ 123,662
<b>REVENUES</b>			
Property taxes	139,756	144,680	111,714
Specific ownership taxes	5,897	5,787	5,586
Fee revenue - Copper Stone	25,414	25,669	25,925
Fee revenue - Lafayette Traditions	12,574	12,700	12,827
Fee revenue - True Up	49,263	20,176	22,000
Other Revenue	3,271	5,356	-
Intergovernmental revenues	1,598	-	-
Total revenues	<u>237,773</u>	<u>214,368</u>	<u>178,052</u>
Total funds available	<u>282,286</u>	<u>298,066</u>	<u>301,714</u>
<b>EXPENDITURES</b>			
General and administrative			
Accounting	47,259	37,950	37,950
Auditing	6,600	6,800	7,000
Banking fees	90	250	200
Contingency	-	-	1,554
County Treasurer's Fee	2,103	2,170	1,676
District management	30,082	32,000	33,500
Dues and Membership	666	701	750
Election	-	1,500	-
Insurance	7,130	7,417	8,200
Legal	12,103	12,000	18,000
Miscellaneous	1,010	1,500	1,500
Website	-	616	670
Operations and maintenance			
Irrigation repairs	26,039	5,000	7,500
Landscaping	30,881	35,000	40,000
Repairs and maintenance	7,172	5,000	10,000
Snow removal	834	6,500	6,500
Tree Care	2,372	2,500	5,000
Tree/Plant replacement	-	2,500	5,000
Utilities	24,247	15,000	25,000
Total expenditures	<u>198,588</u>	<u>174,404</u>	<u>210,000</u>
Total expenditures and transfers out requiring appropriation	<u>198,588</u>	<u>174,404</u>	<u>210,000</u>
ENDING FUND BALANCES	<u>\$ 83,698</u>	<u>\$ 123,662</u>	<u>\$ 91,714</u>
EMERGENCY RESERVE	\$ 7,200	\$ 6,500	\$ 5,400
AVAILABLE FOR OPERATIONS	76,498	117,162	86,314
TOTAL RESERVE	<u>\$ 83,698</u>	<u>\$ 123,662</u>	<u>\$ 91,714</u>

See summary of significant assumptions.

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
DEBT SERVICE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/3/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 318,022	\$ 539,732	\$ 103,367
<b>REVENUES</b>			
Property taxes	414,986	457,148	737,480
Specific ownership taxes	17,539	18,286	36,874
Interest Income	16,637	200	16,000
Fee revenue - Copper Stone	127,072	128,342	129,626
Fee revenue - Lafayette Traditions	62,873	63,502	64,137
Fee revenue - True Up	245,386	100,854	-
Intergovernmental revenues	7,478	-	-
Loan issuance proceeds	9,750,000	-	-
Total revenues	<u>10,641,971</u>	<u>768,332</u>	<u>984,117</u>
Total funds available	<u>10,959,993</u>	<u>1,308,064</u>	<u>1,087,484</u>
<b>EXPENDITURES</b>			
County Treasurer's Fee	6,244	6,857	11,062
Banking fees	-	14	-
Paying agent fees	1,000	7,000	1,000
Contingency	-	-	264
2009B Bond principal	2,900,000	-	-
2012 Bond principal	3,755,000	-	-
2019B Bond interest	2,918,214	-	-
2012 Bond interest	211,114	-	-
2024 Loans issue costs	347,449	7,500	-
2024A Loan interest	117,883	390,826	384,224
2024B Loan interest	63,357	188,500	156,650
2024A Loan principal	100,000	114,000	121,000
2024B Loan principal	-	490,000	300,000
Total expenditures	<u>10,420,261</u>	<u>1,204,697</u>	<u>974,200</u>
Total expenditures and transfers out requiring appropriation	<u>10,420,261</u>	<u>1,204,697</u>	<u>974,200</u>
ENDING FUND BALANCES	<u>\$ 539,732</u>	<u>\$ 103,367</u>	<u>\$ 113,284</u>

See summary of significant assumptions.

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
CAPITAL PROJECTS FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

12/3/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ (13,906)	\$ (13,873)	\$ -
REVENUES			
Interest Income	33	-	-
Developer advance	-	13,873	-
Total revenues	<u>33</u>	<u>13,873</u>	<u>-</u>
Total funds available	<u>(13,873)</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ (13,873)</u>	<u>\$ -</u>	<u>\$ -</u>

See summary of significant assumptions.

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
2026 BUDGET  
SCHEDULE OF DEVELOPER ADVANCES**

	Balance at Dec 31, 2024	Additions*	Payments	Balance at Dec 31, 2025*
Developer advance payable	\$ 3,393,270	-	-	\$ 3,393,270
Accrued interest on advances	2,513,160	244,875	-	2,758,035
	<u>\$ 5,906,430</u>	<u>244,875</u>	<u>-</u>	<u>\$ 6,151,305</u>

	Balance at Dec 31, 2025*	Additions*	Payments	Balance at Dec 31, 2026*
Developer advance payable	\$ 3,393,270	-	-	\$ 3,393,270
Accrued interest on advances	2,758,035	244,876	-	3,002,911
	<u>\$ 6,151,305</u>	<u>244,876</u>	<u>-</u>	<u>\$ 6,396,181</u>

\*Estimated amounts

See summary of significant assumptions.

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by court order on October 18, 2008, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within the City of Lafayette (the "City"), in Boulder County, Colorado.

SOLA Metropolitan District - Commercial (the "District") was organized to provide financing, design, construction, acquisition, installation and to the extent necessary, operation and maintenance of services and facilities for street improvements, safety protection, transportation, water and sanitation services. The District was organized in conjunction with SOLA Metropolitan District - Institutional. The Districts, collectively, will undertake the financing and construction of the public improvements. The Districts have entered into a Facilities Funding, Construction and Operations Agreement ("FFCOA") which governs the relationship between the Districts with respect to the financing, construction and operation of the public improvements. The Districts operate under a Service Plan originally approved by the City on April 1, 2008. An amended and restated Service Plan was approved by the City on May 16, 2017.

At its formation election held on May 6, 2008, District voters approved authorization to increase property taxes up to \$35,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District. The election approved general obligation indebtedness of \$17,000,000 for street improvements, \$17,000,000 for traffic and safety protection, \$17,000,000 for water, \$17,000,000 for sanitary sewer systems, \$17,000,000 for transportation, \$17,000,000 for refinancing of District debt, and \$17,000,000 for Intergovernmental Agreements (IGA) as debt.

At the election held on May 8, 2012, District voters approved authorization to increase property taxes up to \$23,000,000, annually, as necessary to pay for operations and maintenance of the District. The election approved general obligation indebtedness of \$23,000,000 for street improvements, \$23,000,000 for parks and recreation, \$23,000,000 for water, \$23,000,000 for sanitary sewer systems, \$23,000,000 for transportation, \$23,000,000 for mosquito control, \$23,000,000 for safety protection, \$23,000,000 for fire protection, \$23,000,000 for television relay and translation, \$23,000,000 for refunding of District debt, and \$23,000,000 for Intergovernmental Agreements as debt.

The Districts' service plan limits the total debt issuance of the project to \$23,000,000 total aggregate principal amount. Also, the service plan states that any debt issued by either of the Districts shall mature no later than December 31, 2048, and the maximum term cannot exceed 30 years. More than one third of the Debt authorized by the service plan will be issued to finance the construction of two parking structures serving the Commercial District. 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. 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.

As a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate. Additionally, the maximum operations mill levy is 20.000 mills, however the total aggregate mill levies for both debt and operations cannot exceed 60.000 mills.

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided (Continued)**

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 actions. 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 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.

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. As of December 31, 2025, the adjusted maximum mill levy for debt service is 53.703 mills. 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 the same becomes due and payable.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		Oil & Gas Production	87.50%

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**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 4.00% of the property taxes collected by the General Fund and Debt Service Fund.

**Intergovernmental with SOLA Institutional**

Per the FFCOA between the District and the Institutional District, the Institutional District will transfer its operating and debt property tax and specific ownership tax revenues, net of any applicable fees, to the District to fund operating and debt service costs.

**District Fees**

Pursuant to an agreement effective April 1, 2018, Copper Stone Apartments, LLC (Copper Stone), operating in part with the Housing Authority of the County of Boulder, is to pay a District Fee, in substitution of PILOTs that would otherwise be payable, for the period commencing in the tax collection year 2018 through the tax collection year 2033. The annual amount of the District Fee is set forth in the agreement and is subject to reconciliation against actual assessed valuation of the property as certified by the County Assessor. The District Fee is allocated between the General Fund and Debt Service Fund according to the ratio of the certified mill levy. In the event of an over(under) payment, the District will credit (or bill) Copper Stone an amount equal to the difference payable on October 1. The expected revenues from the District Fee are noted in the General Fund and Debt Service pages of the budget.

Pursuant to an agreement dated June 4, 2020, Lafayette Traditions Apartments, LLC (La Fayette), operating in part with the Housing Authority of the County of Boulder, is to pay a District Fee, in substitution of PILOTs that would otherwise be payable, for the period commencing in the tax collection year 2020 through the tax collection year 2035. The annual amount of the District Fee is set forth in the agreement and is subject to reconciliation against actual assessed valuation of the property as certified by the County Assessor. The District Fee is allocated between the General Fund and Debt Service Fund according to the ratio of the certified mill levy. In the event of an over(under) payment, the District will credit (or bill) Copper Stone an amount equal to the difference payable on October 1. The expected revenues from the District Fee are noted in the General Fund and Debt Service pages of the budget.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on historical interest earnings.

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**General and Administrative Expenditures**

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as accounting, legal, insurance, and other administrative expenditures.

**Operations and Maintenance**

Certain common areas and street landscaping improvements are owned and maintained by the District. The estimated costs for repairs and maintenance are found on the General Fund page of the budget.

**County Treasurer's Fees**

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

**Developer Advances**

Developer advances are no longer required. As of December 31, 2025, the District has received advances from the Developer, which remain outstanding per the attached schedule.

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2024A Loan (discussed under Debt and Leases).

**Debt and Leases**

**Debt**

On August 14, 2024, the District issued the Special Revenue Refunding Loan, Senior Promissory Note, Series 2024A in the amount of \$6,850,000 (2024A Loan). The proceeds of the 2024A Loan were used for the purpose of refunding the 2012 Bonds and a portion of the 2009 Subordinate Bonds and paying certain costs of issuance. The 2024A Loan bears tax exempt interest rate at 5.790% per annum and is payable semiannually on June 1 and December 1. The principal payment is due annually on December 1. The 2024A Loan has a final maturity date of December 1, 2034. The 2024A Loan is subject to optional prepayment beginning on December 1, 2026, with a prepayment fee of 3%, declining 1% annually through December 1, 2029. The 2024A Loan, Senior Promissory Note are special limited revenue obligations payable from and secured by the Pledged Revenue, which means a) the Required Mill Levy, b) the Pledge Agreement Revenues, c) the District Fees, d) the portion of Specific Ownership Tax Revenues which are collected as a result of the Required Mill Levy.

On August 14, 2024, contemporaneously with the issuance of the Senior Loan and the Senior Promissory Note, the District issued its Subordinate Revenue Notes in the aggregate amount of \$2,900,000. The 2024B Notes are special revenue obligations of the District, payable only from the Subordinate Pledged Revenue and are subordinate in all respects to the 2024A Loan and the Senior Promissory Note.

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

**Debt (continued)**

The Subordinate Notes bear interest at 6.5% per annum, with interest and principal payable annually on December 15. The Subordinate Notes mature on December 1, 2031, and terminate on December 31, 2050, with any unpaid amounts outstanding as of the Termination Date extinguished.

**Leases**

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**SOLA METROPOLITAN DISTRICT - COMMERCIAL  
SCHEDULE OF DEBT SERVICE TO MATURITY**

**\$6,850,000**

**General Obligation Refunding Loan**

Dated August 14, 2024

Interest Rate 5.790%

Interest payable June 1 and December 1

Principal Payable December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 121,000	\$ 384,224	\$ 505,224
2027	128,000	377,219	505,219
2028	136,000	369,807	505,807
2029	144,000	361,933	505,933
2030	153,000	353,595	506,595
2031	162,000	344,737	506,737
2032	171,000	335,357	506,357
2033	182,000	325,456	507,456
2034	193,000	314,918	507,918
2035	204,000	262,300	466,300
2036	217,000	252,100	469,100
2037	230,000	241,250	471,250
2038	243,000	229,750	472,750
2039	258,000	217,600	475,600
2040	273,000	204,700	477,700
2041	290,000	191,050	481,050
2042	307,000	176,550	483,550
2043	326,000	161,200	487,200
2044	345,000	144,900	489,900
2045	366,000	127,650	493,650
2046	388,000	109,350	497,350
2047	411,000	89,950	500,950
2048	436,000	69,400	505,400
2049	462,000	47,600	509,600
2050	490,000	24,500	514,500
Total	<u>\$ 6,636,000</u>	<u>\$ 5,717,096</u>	<u>\$ 12,353,096</u>

See summary of significant assumptions.