SOLA METROPOLITAN DISTRICT – COMMERCIAL AND SOLA METROPOLITAN DISTRICT – INSTITUTIONAL

CITY OF LAFAYETTE, COLORADO

2025 CONSOLIDATED ANNUAL REPORT

City of Lafayette, Colorado
via Email

County Clerk and Recorder
Boulder County, Colorado
via Email

Office of the State Auditor,
1525 Sherman Street, 7th Floor
Denver, Colorado 80203
via E-Filing Portal

Division of Local Government,
1313 Sherman Street, Room 521
Denver, Colorado 80203
via E-Filing Portal

Pursuant to Section VII of the Amended and Restated Consolidated Service Plan of the SoLa Metropolitan District – Commercial (the "**Commercial District**") and the SoLa Metropolitan District – Institutional (the "**Institutional District**, together with the Commercial District, the "**Districts**")and Section 32-1-207(3)(c)(I), C.R.S., the District is required to submit an annual report (the "**Report**") for the preceding calendar year no later than September 1 of each year to the City of Lafayette, Colorado (the "**City**"), the Colorado Division of Local Government, the Colorado State Auditor, and the County Clerk and Recorder; the Report must also be posted on the District's website.

For the year ending December 31, 2025, the District makes the following report:

1. Boundary changes made:

The Districts had no boundary changes in 2025.

2. Intergovernmental agreements entered into or terminated:

The Districts did not enter into or terminate any Intergovernmental Agreements in 2025.

3. Access information to obtain a copy of the Rules and Regulations:

The Districts have not adopted Rules and Regulations; however, each District has adopted a Declaration of Use Restrictions and Covenants and can be found on their respective public website:

https://www.solacomd.org/

https://www.solainsmd.org/

4. A summary of any litigation involving public improvements by the District:

There is no litigation, pending or threatened, against the Districts of which we are aware.

5. A narrative summary of the progress of the Districts in implementing the Service Plan for the report year:

In 2009, the Commercial District issued its Subordinate Limited Property Tax Supported Convertible Capital Appreciation Revenue Bonds, Series 2009B (in the aggregate original principal amount of $2,193,369.50) (the "**Series 2009B Bonds**") and Junior Lien Limited Tax Supported Convertible Capital Appreciation Revenue Bonds, Series 2009C (in the original principal amount of $2,098,173.95) (the "**Series 2009C Bonds**" and together with the 2009 Bonds, the "**Series 2009 Bonds**"). Proceeds from the Series 2009 Bonds were used to pay the capital costs for the Public Improvements, details of the use of proceeds were provided in the Commercial District's 2020 annual report. The Districts entered into the Subordinate Capital Pledge Agreement by which both Districts agreed to impose the debt service mill levy required to service the Series 2009 Bonds.

In 2012, the Commercial District issued its Senior Limited Property Tax Supported Convertible Capital Appreciation Revenue Bonds, Series 2012 (in the aggregate principal amount of $3,125,171.70) (the "**Series 2012 Bonds**"). Proceeds from the Series 2012 Bonds were used to pay the capital costs for Public Improvements. The Districts entered into the 2012 Senior Capital Pledge Agreement by which both Districts agreed to impose the debt service mill levy required to service the Series 2012 Bonds.

In 2024, the Commercial District issued its Special Revenue Refunding Loan, Series 2024 (in the aggregate principal amount of $6,850,000) (the "**Refunding Loan**"), and its Subordinate Revenue Notes, Series 2024 (in the aggregate principal amount of $2,900,000) (the "**Subordinate Notes**" and together with the Refunding Loan, the "**2024 Obligations**"). The proceeds of the 2024 Obligations refunded all of the Series 2012 Bonds and a portion of the Series 2009B Bonds. As part of the issuance of the 2024 Obligations, $4,519,346 of principal and interest due on the Series 2009B Bonds and all $6,713,783 of principal and interest due on the 2009C Bonds were canceled.

6. Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the Districts for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year:

A copy of the 2025 audited financial statements for the Commercial District will be provided once they have been completed.

Attached as Exhibit A is a copy of the 2025 Audit Exemption Application for the Institutional District.

7. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the Districts in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five (5) years following the report year:

The summary of the capital expenditures for 2025 will be included in the Commercial District's 2025 audited financial statements.

The Institutional District did not have any capital expenditures for the development of Public Improvements in 2025. Rather, the Institutional District has contributed and will continue to contribute toward the financing of the Public Improvements financed and constructed by the Commercial District pursuant to the Facilities Funding, Construction and Operations Agreement approved by the Districts and the City of Lafayette, a copy of which was provided with the 2011 Report.

8. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the Districts at the end of the report year, including the amount of outstanding Debt, the amount and terms of any new Debt issued in the report year, the amount of payment or retirement of existing Debt of the Districts in the report year, the total assessed valuation of all taxable properties within the Districts as of January 1 of the report year, and the current mill levy of the Districts pledged to Debt retirement in the report year:

The summary of the financial obligations for 2025 will be included in the Commercial District's 2025 audited financial statements. The Institutional District has financial obligations owed to the Commercial District to pay for the Districts' collective operating expenses and for bonds issued by the Commercial District.

As of December 31, 2025, the Districts had an aggregate total of $23,000,000 of authorized debt under the Service Plan, of which $10,317,945 has been issued by the Commercial District, leaving $12,682,055 of authorized but unissued debt.

The Districts' 2026 Budget specifies their respective assessed valuation and the mill levy certified in 2025.

9. The Districts' budgets for the calendar year in which the annual report is submitted:

Attached as <u>Exhibit B</u> is a copy of the Commercial District's 2026 Budget, which shows estimated financial activity for 2026.

Attached as <u>Exhibit C</u> is a copy of the Institutional District's 2026 Budget, which shows estimated financial activity for 2026.

10. A summary of the residential and commercial development in the Districts for the report year:

Commercial District: Dairy Queen, Carl's Jr., Ziggi's Coffee, Murphy Oil gas station and convenience store, Blue Federal Credit Union, The Learning Experience, Hampton Inn and Suites, and Main Street aka Powerback Rehabilitation Center are open for business. No residential development is anticipated within the Commercial District.

Institutional District: Copper Stone Apartments, a multi-family apartment complex with approximately 260 units, is open for business. The Traditions at Lafayette apartment complex with approximately 133 units is open for business.

11. List of facilities or improvements constructed by the District that were conveyed to the City in 2025:

There were no improvements conveyed to the City during the report year.

12. A summary of all fees, charges and assessments imposed by the Districts as of January 1 of the report year:

Commercial District: None. Copper Stone and Lafayette Traditions, although in the Institutional District, are each paying a Fee instead of a Payment in Lieu of Tax to Commercial.

Institutional District**:** None.

13. A certification by the Board of the Districts that no action, event or condition has occurred that constitutes a modification of the Service Plan, or that if a modification has occurred, it has been approved by the City:

The Certification is attached hereto as Exhibit D

Respectfully submitted this 19th day of August, 2026.

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EXHIBIT A

2025 AUDIT EXEMPTION APPLICATION – INSTITUTIONAL DISTRICT

Application for Exemption From Audit
Short Form

Instructions

If either revenues or expenditures exceed $200,000, use the Long Form

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed $1,000,000 in the year.

Exemptions from audit are **NOT** automatic

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit **each year** and submit it to the Office of the State Auditor (OSA). Approval for an exemption from audit is granted only upon the review by the OSA.

Any preparer of an Application for Exemption from Audit — Short Form must be a person skilled in governmental accounting.

Read **ALL** instructions before completing and submitting this form

All applications must be filed with the OSA **within 3 months** after the accounting year-end.

For example, applications must be received by the OSA on or before March 31 for governments with a December 31 year-end. Applications for exemption from audit are not eligible for an extension of time.

Governmental activity should be reported on the modified accrual basis. Proprietary activity should be reported on a cash or budgetary basis.

Important!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the **Modified Accrual Basis.**

Proprietary Activity should be reported on a **Budgetary Basis**.

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year. In that event, an audit shall be required.

Postmark dates will not be accepted as proof of submission on or before the statutory deadline

Prior year forms are obsolete and will not be accepted.

Applications must be fully and accurately completed. Applications submitted on forms other than those prescribed by the OSA will not be accepted.

For your reference, the Colorado Revised Statutes are available through the LexisNexis Colorado portal.

Checklist

- ☐ Has the preparer signed the application prior to board approval?
- ☐ Has the entity corrected all prior year deficiencies as communicated by the OSA?
- ☐ Has the application been **personally** reviewed and approved by the governing body?
- ☐ Are all sections on the form complete, including responses to all of the questions?
- ☐ Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?

Will this application be submitted electronically? ○ Yes ○ No

- ☐ If yes, have you read and understood the Electronic Signature Policy? See policy in Part 10.

-- or --

☐ If yes, have you included a resolution?

☐ Does the resolution state that the governing body **personally** reviewed and approved the resolution in an open public meeting?

☐ Has the resolution been signed by a **majority** of the governing body? See sample resolution at the end of this form.

Will this application be submitted via a mail service (e.g., U.S. Post Office, FedEx, UPS, courier)? ○ Yes ◉ No

☐ If yes, does the application include **original ink signatures** from the **majority** of the governing body?

Filing Methods

Web Portal (recommended)

apps.leg.co.gov/osa/lg

For faster processing, the web portal should be used for submissions.

Mail

Office of the State Auditor

Local Government Audit Division
1375 Sherman St., 5th Floor
Denver, CO 80261-3000

Questions? **Email:** osa.lg@coleg.gov **Phone:** 303-869-3000

Contact Information

For the year ended 12/31/2025 or the fiscal year ended ______________.

Name of government	Sola Metropolitan District - Institutional
Street address	2001 16th St, Suite 1700
City, State, Zip	Denver, CO 80202
Contact person	Paul Wilson
Phone	(303) 779-5710
Email	paul.wilson@claconnect.com

Certification of Preparer

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge. The preparer must sign prior to board approval.

Name	Paul Wilson
Title	Accountant for the District
Firm name (if applicable)	CliftonLarsonAllen LLP
Address	2001 16th St, Suite 1700
Phone	(303) 779-5710
Preparer signature	Date prepared
Paul A. Wilson	2/13/2026

See accompanying letter at the end of this form.

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types.

☑ Governmental (modified accrual basis)

☐ Proprietary (cash or budgetary basis)

Part 1: Revenues

Part 1A: Revenues Table

All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
1-1	Taxes: Property (report mills levied in line 9-12)	$ 9,705
1-2	Specific ownership	$ 436
1-3	Sales and use	
	Other (specify in line 1-4):	
1-4	PP Reimbursement	$ 7
1-5	Licenses and permits	
1-6	Intergovernmental: Grants	
1-7	Conservation Trust Funds (Lottery)	
1-8	Highway Users Tax Funds (HUTF)	
	Other (specify in line 1-9):	
1-9		
1-10	Charges for services	
1-11	Fines and forfeits	
1-12	Special assessments	
1-13	Investment income	
1-14	Charges for utility services	
1-15	Debt proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-16	Lease proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-17	Developer Advances received (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-18	Proceeds from sale of capital assets	
1-19	Fire and police pension	
1-20	Donations	
	Other (specify in lines 1-21 through 1-24)	
1-21		
1-22		
1-23		
1-24		
1-25	**TOTAL REVENUES** (add lines 1-1 through 1-24)	$ 10,148

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN $200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 1B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 2: Expenditures/Expenses

Part 2A: Expenditures/Expenses Table

All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
2-1	Administrative	
2-2	Salaries	
2-3	Payroll taxes	
2-4	Contract services	
2-5	Employee benefits	
2-6	Insurance	
2-7	Accounting and legal fees	
2-8	Repair and maintenance	
2-9	Supplies	
2-10	Utilities and telephone	
2-11	Fire/Police	
2-12	Streets and highways	
2-13	Public health	
2-14	Capital outlay	
2-15	Utility operations	
2-16	Culture and recreation	
2-17	Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')	
2-18	Debt service interest	
2-19	Repayment of Developer Advances Principal (should agree to Part 3, Debt Schedule Table, column 'Retired during year')	
2-20	Repayment of Developer Advances Interest	
2-21	Contribution to pension plan	
2-22	Contribution to Fire & Police Pension Association	
2-23	Other (specify in lines 2-24 through 2-27)	
2-24	County Treasurer's Fee	$ 145
2-25		
2-26		
2-27		
2-28	**TOTAL EXPENDITURES/EXPENSES** (Add lines 2-1 through 2-27)	$ 145

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN $200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 2B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 3: Debt Outstanding, Issued, and Retired

3-1	Does the entity have outstanding debt?		○ Yes	◉ No
3-2	If no, skip to line 3-13. If yes, please attach a copy of the entity's debt repayment schedule.			
3-3	Is the debt repayment schedule attached?	○ N/A	○ Yes	○ No
	If no, MUST explain below.			
3-4	Is the entity current in its debt service payments?		○ Yes	○ No
	If no, MUST explain below.			
3-5	If no, also indicate if the government is in default with its bond agreements.		○ Yes	○ No

Debt Schedule Table

Please complete the following debt schedule, if applicable.
Please only include principal amounts. Enter all amounts as positive numbers.

Line	Debt Type	Oustanding at End of Prior Year*	Issued During Year	Retired During Year	Outstanding at Year-End
3-6	General Obligation Bonds				$ 0
3-7	Revenue Bonds				$ 0
3-8	Notes/Loans				$ 0
3-9	Lease & SBITA** Liabilities (GASB 87 & 96)				$ 0
3-10	Developer Advances				$ 0
	Other (specify in line 3-11)				
3-11					$ 0
3-12	**TOTAL** (Add lines 3-6 through 3-11)	$ 0	$ 0	$ 0	$ 0

*Must agree to prior year-end balance
**Subscription-Based Information Technology Arrangements

Comments (optional)

3-13	Does the entity have any authorized but unissued debt as of its fiscal year-end?	◉ Yes	○ No
3-14	If yes, how much?	$ 49,000,000	
3-15	Date the debt was authorized	5/6/2008	
3-16	Is the authorized but unissued debt further limited by the entity's most recent Service Plan?	◉ Yes	○ No
3-17	If yes, how much?	$ 23,000,000	
3-18	Date of the most recent Service Plan	4/3/2017	
3-19	Does the entity intend to issue debt within the next calendar year?	○ Yes	◉ No
3-20	If yes, how much?		
3-21	Does the entity have debt that has been refinanced that it is still responsible for?	○ Yes	◉ No
3-22	If yes, what is the amount outstanding?		
3-23	Does the entity have any lease agreements?	○ Yes	◉ No
3-24	If yes, what is being leased?		
3-25	What is the original date of the lease?		
3-26	Number of years of lease?		
3-27	Is the lease subject to annual appropriation?	○ Yes	◉ No
3-28	What are the annual lease payments?		

Please use the space below to provide any additional information (optional):

Part 4: Cash and Investments

Please provide the entity's cash deposit and investment balances.

Line	Description	Amount
4-1	Year-end Total of all Checking and Savings Accounts	
4-2	Certificates of deposit	
4-3	**TOTAL CASH DEPOSITS** (Add lines 4-1 and 4-2)	$ 0
	Investments (specify in lines 4-4 through 4-8. If investment is a mutual fund, please list underlying investment.)	
4-4		
4-5		
4-6		
4-7		
4-8		
4-9	**Total Investments** (Add lines 4-4 through 4-8)	$ 0
4-10	**TOTAL CASH AND INVESTMENTS** (Add lines 4-3 and 4-9)	$ 0

4-11	Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	◉ N/A	○ Yes	○ No
4-12	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?		◉ Yes	○ No
4-13	If no, MUST explain below.			

Please use the space below to provide any additional information (optional).

Part 5: Capital and Right-to-Use Assets

5-1	Does the entity have capitalized assets? (If “no” is selected, skip the rest of Part 5.)	○ Yes	◉ No
5-2	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.?	○ Yes	◉ No
5-3	If no, MUST explain below.		
	The District has no capital assets.		

Capital and Right-to-Use Assets Table

Line	Asset Type	Beginning of the Year Balance*	Additions**	Deletions	Year-End Balance
5-4	Land				$ 0
5-5	Buildings				$ 0
5-6	Machinery and Equipment				$ 0
5-7	Furniture and Fixtures				$ 0
5-8	Infrastructure				$ 0
5-9	Construction In Progress (CIP)				$ 0
5-10	Leased & SBITA Right-to-Use Assets				$ 0
	Other (explain in line 5-11)				
5-11					$ 0
5-12	Accumulated Depreciation/ Amortization (Enter a negative or credit balance)				$ 0
5-13	**TOTAL** (Add lines 5-4 through 5-12)	$ 0	$ 0	$ 0	$ 0

*Must agree to prior year-end balance
**Generally capital asset additions should be reported as capital outlay on line 2-14 and capitalized in accordance with the government’s capitalization policy. Please explain any discrepancy in the comments section below.

Please use the space below to provide any additional information (optional).

Part 6: Pension Information

6-1	Does the entity have an “old hire” firefighters’ pension plan?	○ Yes	◉ No
6-2	Does the entity have a volunteer firefighters’ pension plan?	○ Yes	◉ No
6-3	If yes, who administers the plan?		
	Indicate the contributions from the following in lines 6-4 through 6-6.		
6-4	Tax (property, specific ownership, sales, etc.)		
6-5	State contribution amount		
6-6	Other (gifts, donations, etc.)		
6-7	**TOTAL** (Add lines 6-4 through 6-6)	$ 0	
6-8	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?		

Please use the space below to provide any additional information (optional).

Part 7: Budget Information

7-1	Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?	○ N/A	◉ Yes	○ No
7-2	If no, MUST explain below.			
7-3	Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.?	○ N/A	◉ Yes	○ No
7-4	If no, MUST explain below.			
	If yes, indicate the amount appropriated for each fund separately for the year reported in the table below.			

Appropriation Amount by Fund Table

Enter the fund name, then indicate the final amount appropriated for each fund for the year reported.
Ensure each individual fund's final appropriated amount agrees to the adopted budget. Do not combine funds.

Line	Governmental/Proprietary Fund Name	Total
7-5	General Fund	$ 1,000
7-6	Debt Service Fund	$ 1,500
7-7		
7-8		
7-9		

Please use the space below to provide any additional information (optional).

Part 8: Taxpayer's Bill of Rights (TABOR)

8-1	Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))?	◉ Yes	○ No
8-2	If no, MUST explain below.		

Note: An election to exempt the entity from the spending limitations of TABOR does not exempt the entity from the 3 percent emergency reserve requirement. All entities should determine if they meet this requirement of TABOR.

Please use the space below to provide any additional information (optional).

Part 9: General Information

9-1	Is this application for a newly formed governmental entity?		○ Yes	◉ No
9-2	If yes, what was the date of formation			
9-3	Has the entity changed its name in the past or current year?		○ Yes	◉ No
9-4	If yes, please list the NEW name below.			
9-5	If yes, please list the PRIOR name below.			
9-6	Is the entity a metropolitan district?		◉ Yes	○ No
9-7	Please indicate what services the entity provides below.			
	Financing for design, acquisition, construction and installation of essential public-purpose facilities such as streets and safety controls, water, sanitary sewer, and public transportation.			
9-8	Does the entity have an agreement with another government to provide services?		◉ Yes	○ No
9-9	If yes, list the name of the other governmental entity and the services provided below.			
	Sola Metropolitan District - Commercial - Facilities Funding, Construction, and Operations agreement providing for financing, construction and maintenance of public improvements within the Districts.			
9-10	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.)		○ Yes	◉ No
9-11	If yes, what was the date filed			
9-12	Does the entity have a certified mill levy?		◉ Yes	○ No
	If yes, please provide the following mills levied for the year reported in lines 9-13 through 9-14. (Do not report $ amounts.)			
9-13	Bond redemption mills		51.971	
9-14	General/other mills		10.394	
9-15	**TOTAL MILLS** (Add lines 9-13 through 9-14)		62.365	
9-16	If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 (Section 32-1-207 C.R.S.)?	○ N/A	◉ Yes	○ No
9-17	If no, please explain below.			

Please use the space below to provide any additional information (optional).

Part 10: Governing Body Approval

10-1	If you plan to submit this form electronically, have you read the Electronic Signature Policy?	◉ Yes	○ No

Office of the State Auditor — Local Government Division
Exemption Form Electronic Signature Policy and Procedure

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as Docusign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards must note their approval and submit the application using one of the following two methods:

1) Submit the application in hard copy via U.S. Mail, including original signatures.
2) Submit the application electronically via email and either:
   a. include a copy of an adopted resolution that documents formal approval by the board; or
   b. include electronic signatures obtained through a software program such as Docusign or Echosign, in accordance with the requirements noted above.

Governing Body Signatures

Print or type the names of all members of current governing body below.
A majority of the members of the governing body must sign below.

Board Member 1		
Board member's name	Alexander Pedersen	
My term expires on	MAY 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature Signed by: Alexander Pedersen 69A309BE10AE45A...	Date 3/11/2026
Board Member 2		
Board member's name	Thomas VonGillern	
My term expires on	MAY 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature DocuSigned by: 72012B06945048A...	Date 3/11/2026
Board Member 3		
Board member's name	Emily Pedersen	
My term expires on	MAY 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature DocuSigned by: Emily Pedersen 83643476CB2E4A4...	Date 3/11/2026
Board Member 4		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 5		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 6		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 7		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date

February 13, 2026

Board of Directors
Sola Metropolitan District - Institutional
Boulder County, Colorado

The accompanying Application for Exemption from Audit ("Application") was prepared by CliftonLarsonAllen, LLP in a format prescribed by the Colorado Office of the State Auditor which may differ from accounting principles generally accepted in the United States of America. The application is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

docusign

Certificate Of Completion

Envelope Id: A03082B2-AC68-4728-A53E-86AFE35EF266		Status: Completed

Subject: SOLA MD Institutional : 00 D1 SOLA Metropolitan District - Institutional 2025 Audit Exemption.pdf

Client Name: SOLA MD Institutional

Client Number: A513034

Source Envelope:

Document Pages: 17	Signatures: 3	Envelope Originator:
Certificate Pages: 5	Initials: 0	Kathy Suazo
AutoNav: Enabled		220 S 6th St Ste 300
EnvelopeId Stamping: Enabled		Minneapolis, MN 55402-1418
Time Zone: (UTC-06:00) Central Time (US & Canada)		Kathy.Suazo@claconnect.com
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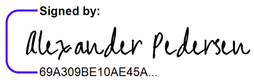
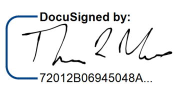
Alexander Pedersen apedersen@conexusins.com Managing Member Conexus Insurance Partners Inc. Security Level: Email, Account Authentication (None)	 Signature Adoption: Pre-selected Style Using IP Address: 65.133.48.51	Sent: 3/11/2026 12:26:55 PM Viewed: 3/11/2026 12:29:33 PM Signed: 3/11/2026 12:29:43 PM
Electronic Record and Signature Disclosure: Accepted: 3/11/2026 12:29:32 PM ID: 7f9ce09e-71c3-4976-a813-650d6e1d81ef		
Emily Pedersen emily.pedersen@hotmail.com Security Level: Email, Account Authentication (None)	 Signature Adoption: Pre-selected Style Using IP Address: 2601:280:5280:8860:85a:d4de:dcd9:8753	Sent: 3/11/2026 12:26:56 PM Viewed: 3/11/2026 12:30:30 PM Signed: 3/11/2026 12:30:58 PM
Electronic Record and Signature Disclosure: Accepted: 2/28/2019 9:33:23 PM ID: 0ff7f2e0-e935-4949-ae19-625b26d71cb1		
Thomas VonGillern tlvong@gmail.com Security Level: Email, Account Authentication (None)	 Signature Adoption: Drawn on Device Using IP Address: 37.19.210.170 Signed using mobile	Sent: 3/11/2026 12:26:55 PM Resent: 3/11/2026 12:55:10 PM Viewed: 3/11/2026 1:32:24 PM Signed: 3/11/2026 1:33:42 PM
Electronic Record and Signature Disclosure: Accepted: 3/11/2026 1:32:24 PM ID: cfbd7463-f92c-4b0a-83a5-42b55d3b7a7a		

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/11/2026 12:26:56 PM
Envelope Updated	Security Checked	3/11/2026 12:55:08 PM
Certified Delivered	Security Checked	3/11/2026 1:32:24 PM
Signing Complete	Security Checked	3/11/2026 1:33:42 PM
Completed	Security Checked	3/11/2026 1:33:42 PM

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EXHIBIT B

2026 BUDGET - COMMERCIAL DISTRICT

EXHIBIT C

2026 BUDGET - INSTITUTIONAL DISTRICT

Sola Metropolitan District-Institutional

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

SOLA METROPOLITAN DISTRICT INSTITUTIONAL
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	$ -	$ -	$ -
REVENUES			
Property taxes	9,047	9,704	10,032
Specific ownership taxes	377	388	401
Other revenue	43	7	167
Total revenues	9,467	10,099	10,600
Total funds available	9,467	10,099	10,600
EXPENDITURES			
General Fund	1,665	1,689	1,800
Debt Service Fund	7,802	8,410	8,800
Total expenditures	9,467	10,099	10,600
Total expenditures and transfers out requiring appropriation	9,467	10,099	10,600
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

SOLA METROPOLITAN DISTRICT INSTITUTIONAL
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
ASSESSED VALUATION			
State assessed	$ 149,038	$ 154,219	$ 154,521
Personal property	758	1,395	1,159
Certified Assessed Value	$ 149,796	$ 155,614	$ 155,680
MILL LEVY			
General	10.394	10.394	10.740
Debt Service	50.000	51.971	53.703
Total mill levy	60.394	62.365	64.443
PROPERTY TAXES			
General	$ 1,557	$ 1,617	$ 1,672
Debt Service	7,490	8,087	8,360
Budgeted property taxes	$ 9,047	$ 9,704	$ 10,032
BUDGETED PROPERTY TAXES			
General	**$ 1,557**	**$ 1,617**	**$ 1,672**
Debt Service	**7,490**	**8,087**	**8,360**
	$ 9,047	**$ 9,704**	**$ 10,032**

See summary of significant assumptions.

SOLA METROPOLITAN DISTRICT INSTITUTIONAL
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	$ -	$ -	$ -
REVENUES			
Property taxes	1,557	1,617	1,672
Specific ownership taxes	65	65	67
Other revenue	43	7	61
Total revenues	1,665	1,689	1,800
Total funds available	1,665	1,689	1,800
EXPENDITURES			
General and administrative			
County Treasurer's fee	23	24	25
County Treasurer Abatement payback	44	1,665	1,714
IGA Expenditure Commercial District	1,598	-	-
Contingency	-	-	61
Total expenditures	1,665	1,689	1,800
Total expenditures and transfers out requiring appropriation	1,665	1,689	1,800
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

SOLA METROPOLITAN DISTRICT INSTITUTIONAL
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	$ -	$ -	$ -
REVENUES			
Property taxes	7,490	8,087	8,360
Specific ownership taxes	312	323	334
Other revenue	-	-	106
Total revenues	7,802	8,410	8,800
Total funds available	7,802	8,410	8,800
EXPENDITURES			
County Treasurer's fee	113	121	125
County Treasurer Abatement payback	211	8,289	8,569
IGA Expenditure Commercial District	7,478	-	-
Contingency	-	-	106
Total expenditures	7,802	8,410	8,800
Total expenditures and transfers out requiring appropriation	7,802	8,410	8,800
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

SOLA METROPOLITAN DISTRICT - INSTITUTIONAL
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 - Institutional (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 - Commercial. 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 approved by the City of Lafayette.

At its formation election held on May 6, 2008, District voters approved authorization to increase property taxes up to $25,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District. The election approved general obligation indebtedness of $7,000,000 for street improvements, $7,000,000 for safety protection, $7,000,000 for water, $7,000,000 for sanitary sewer systems, $7,000,000 for transportation, $7,000,000 for refinancing of District debt, and $7,000,000 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 the 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 refinancing 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 and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation or rate. Additionally, the maximum operations mill levy is 10.000 mills.

The District has no employees, and all administrative functions are contracted.

Services Provided (continued)

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:

Category	Rate		Category	Rate
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%

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 4.0% of the property taxes collected by the General Fund and Debt Service Fund.

Expenditures

General and Administrative Expenditures

The Commercial District is the operating District; therefore, the administrative expenditures necessary to maintain the District's administrative viability such as accounting, legal, insurance, and other administrative expenditures will be incurred in the Commercial District for both Districts.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Intergovernmental Agreement with SOLA Commercial

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

Debt and Leases

The District has no debt or operating or capital leases. However, the District is party to the Amended and Restated Capital Pledge Agreement entered into on April 14, 2024, whereby the District and the Commercial District each pledge to impose a senior mill levy and a subordinate mill levy for the payment of their share of debt service of the Commercial District.

Reserves

Emergency Reserve

The District anticipates transferring all of its operating revenues to the Commercial District. Therefore, the Commercial District will provide 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.

EXHIBIT D

CERTIFICATION

On behalf of the Boards of Directors of the Sola Metropolitan District – Commercial and Sola Metropolitan District – Institutional, I hereby certify that to my knowledge no action, event or condition has occurred that constitutes a modification of the Service Plan, or that if a modification has occurred, it has been approved by the City of Lafayette.

David A. Greher

David Greher, General Counsel