

SOLARIS METROPOLITAN DISTRICT NO. 1

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January 30, 2023

Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

RE: Solaris Metropolitan District No. 1

Attached is the 2023 Budget for the Solaris Metropolitan District No. 1 in Eagle County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on November 22, 2022. If there are any questions on the budget, please contact Mr. Jon Erickson, telephone number 970-926-6060, extension 101.

The mill levy certified to the County Commissioners of Eagle County is 0.000 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 0.000 mills for general obligation debt; 0.000 mills for contractual obligations; 0.000 for refund/abatement; and 0.000 mills for Temporary Tax Credit/Mill Levy Reduction. Based on a net assessed valuation of \$11,820, the total property tax revenue is \$0. A copy of the certification of mill levies sent to the County Commissioners for Eagle County is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Eagle County, Colorado.

Sincerely,



District Administrator

Enclosure(s)

SOLARIS METROPOLITAN DISTRICT NO. 1

2023 BUDGET MESSAGE

Solaris Metropolitan District No. 1 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to supply the necessary public improvements and related operation and maintenance services as such power and authority is described in the Special District Act, and other applicable statutes.

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

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2022 BUDGET STRATEGY

The District was formed in late 2006. The District has joined with Solaris Metropolitan District No. 2 and Solaris Metropolitan District No. 3 in adopting a consolidated service plan. Under this consolidated service plan, the District is the “service district” and Solaris Metropolitan District No. 2 and No. 3 are the “financing districts.”

As such, the District is responsible for managing the construction and operation of facilities and improvements needed for the Solaris Metropolitan District No. 2 and No. 3 areas. For this reason, the District issued \$30,560,000 property tax revenue variable rate bonds on March 25, 2008 to be repaid with revenues pledged by Solaris Metropolitan District No. 2 and No. 3. During 2013 Solaris Metropolitan District No. 2 issued bonds and transferred the proceeds to District No. 1 and the 2008 bonds were paid off and the District has no bonds currently outstanding.

Operating expenses are funded pursuant to an Operating Agreement between Solaris Metropolitan District Nos. 1, 2 and 3. District No. 1 performs the operations and the operating expenses are funded through property tax revenues collected by the “financing” districts (No. 2 and No. 3) and paid to District No. 1. Additionally, the Developer in the District advances funds to District No. 1 for operations and then such advances are repaid as the property tax revenues are received.

RESOLUTIONS OF SOLARIS METROPOLITAN DISTRICT NO. 1

TO ADOPT 2023 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE SOLARIS METROPOLITAN DISTRICT NO. 1, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023 AND ENDING ON THE LAST DAY OF DECEMBER 2023.

WHEREAS, the Board of Directors of the Solaris Metropolitan District No. 1 has appointed a budget committee to prepare and submit a proposed 2023 budget at the proper time; and

WHEREAS, such committee has submitted a proposed budget to this governing body at the proper time, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on November 10, 2022 and continued to November 22, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget; and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of directors of the Solaris Metropolitan District No. 1, Eagle County, Colorado:

Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Solaris Metropolitan District No. 1 for the year stated above, as adjusted for immaterial changes in the final certified assessed value of the District as certified by the county assessor and corresponding adjustments resulting from such changes to the assessed value. In the event there are material changes to the assessed value then a subsequent meeting of the Board shall be called to consider such changes. Furthermore, to the extent capital or significant operating expenditures forecasted for the current year are anticipated to be extended into the following year, the expenditures and offsetting change in the budgeted beginning fund balance shall be updated to reflect management's best estimate at the time the budget is to be filed with the Colorado Division of Local Affairs.

Section 2. That the budget hereby approved and adopted shall be certified by any officer or the District Administrator of the District and made a part of the public records of the District.

RESOLUTIONS OF SOLARIS METROPOLITAN DISTRICT NO. 1 (CONTINUED)

TO SET MILL LEVIES

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2022, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE SOLARIS METROPOLITAN DISTRICT NO. 1, EAGLE COUNTY, COLORADO, FOR THE 2023 BUDGET YEAR.

WHEREAS, the Board of Directors of the Solaris Metropolitan District No. 1, has adopted the annual budget in accordance with the Local Government Budget Law, on November 10 and continued to November 22, 2022 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$0.00 and;

WHEREAS, the Solaris Metropolitan District No. 1 finds that it is required to temporarily lower the general operating mill levy to render a refund for \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$0.00, and;

WHEREAS, the 2022 valuation for assessment for the Solaris Metropolitan District No. 1, as certified by the County Assessor is \$11,820.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the SOLARIS METROPOLITAN DISTRICT No. 1, EAGLE COUNTY, COLORADO:

Section 1. That for the purposes of meeting all general operating expenses of the Solaris Metropolitan District No. 1 during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

Section 2. That for the purposes of rendering a refund to its constituents during budget year 2023 there is hereby levied a temporary tax credit/mill levy reduction of 0.00 mills.

Section 3. That for the purpose of meeting all capital expenditures of the Solaris Metropolitan District No. 1 during the 2023 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

RESOLUTIONS OF SOLARIS METROPOLITAN DISTRICT NO. 1 (CONTINUED)

TO SET MILL LEVIES (CONTINUED)

Section 4. That for the purpose of meeting all payments for bonds and interest of the Solaris Metropolitan District No. 1 during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

Section 5. That any officer or the District Administrator is hereby authorized and directed to either immediately certify to the County Commissioners of Eagle County, Colorado, the mill levies for the Solaris Metropolitan District No. 1 as hereinabove determined and set, or be authorized and directed to certify to the County Commissioners of Eagle County, Colorado, the mill levies for the Solaris Metropolitan District No. 1 as hereinabove determined and set based upon the final (December) certification of valuation from the county assessor.

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RESOLUTIONS OF SOLARIS METROPOLITAN DISTRICT NO. 1 (CONTINUED)

TO APPROPRIATE SUMS OF MONEY
(PURSUANT TO SECTION 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE SOLARIS METROPOLITAN DISTRICT NO. 1, EAGLE COUNTY, COLORADO, FOR THE 2023 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on November 10, 2022 and continued to November 22, 2022, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal or greater to the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOLARIS METROPOLITAN DISTRICT No. 1, EAGLE COUNTY, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

GENERAL FUND:

General and Admin Expenditures	\$109,785
Operations Expenditures	\$1,144,009
Developer Repayment	\$521,632
Advance Note Principal & Interest	<u>\$0</u>
TOTAL GENERAL FUND	\$1,775,425

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RESOLUTIONS OF SOLARIS METROPOLITAN DISTRICT NO. 1 (CONTINUED)

**TO ADOPT 2023 BUDGET, SET MILL LEVIES AND
APPROPRIATE SUMS OF MONEY
(CONTINUED)**

The above resolutions to adopt the 2023 budget, set the mill levies and to appropriate sums of money were adopted this 22nd day of November, 2022.

DocuSigned by:
Attest: Ryan Smith
EC0919BEBEA3426...

Title: President

**SOLARIS METROPOLITAN DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED**

Printed: 01/27/23
Modified Accrual Basis

GENERAL FUND

	Cal Yr 2021 Prelim Actual	Cal Yr 2022 Adopted Budget	Variance Favorable (Unfav)	Cal Yr 2022 Amended Budget	9 Months Ended 09/30/22 Actual	9 Months Ended 09/30/22 Budget	Variance Favorable (Unfav)	Cal Yr 2023 Adopted Budget	
Assessed Valuation									
Solaris Metro Dist # 1	11,660	11,660		11,660				11,820	FINAL NOV AV
Solaris Metro Dist # 2	32,177,050	31,542,490		31,542,490				30,680,560	FINAL NOV AV
Allowance for Protests/Abatements									
Solaris Metro Dist # 3	8,516,620	7,104,950		7,104,950				7,166,660	FINAL NOV AV
Residential Service Obligation Mill Levy	10.000	10.000		10.000				10.000	
Residential Advance Note Mill Levy	(8.888)	0.000		0.000				0.000	
Commercial Service Obligation Mill Levy	10.000	10.000		10.000				10.000	
Commercial Advance Note Mill Levy	3.000	0.000		0.000				0.000	
REVENUES									
Developer Cost Recovery Advance		0	0	0		0	0	0	
SMD No. 2 Operations Costs Payment	36,676	315,525	822	316,347	315,034	315,525	(491)	307,506	
SMD No. 2 Advance Note Payment		0	0	0		0	0	0	
SMD No. 3 Operations Costs Payment	111,069	72,470	0	72,470	71,259	72,470	(1,212)	73,100	
SMD No. 3 Advance Note Payment		0	0	0		0	0	0	
Ice Skate Rental Income	211,450	150,000	65,000	215,000	145,150	150,000	(4,850)	200,000	Per Matt
Skate Shop Rent Income	22,916	22,916	687	23,603	17,614	17,187	427	24,311	Per Matt
Special Event Income	15,600	25,000	0	25,000	19,450	18,750	700	25,000	Per Matt
Miscellaneous Income	0	0	0	0	0	0	0	0	
Interest Income	73	240	2,760	3,000	2,406	180	2,226	1,500	
Total Revenues	397,784	586,151	69,269	655,420	570,912	574,112	(3,200)	631,417	
							=		
GENERAL & ADMIN EXPENDITURES									
Accounting	21,263	30,750	(19,250)	50,000	23,235	23,063	(172)	33,500	
Audit	9,350	9,400	0	9,400	0	0	0	9,600	Per Engagement
Elections	25	1,500	(1,511)	3,011	3,011	1,500	(1,511)	3,000	Bd mbr election
General Engineering	0	0	0	0	0	0	0	0	
Insurance	13,779	14,750	(384)	15,134	15,134	14,750	(384)	16,750	
Legal - General Counsel	16,559	15,750	0	15,750	8,734	11,813	3,079	15,750	
Miscellaneous	365	1,050	0	1,050	375	788	413	1,050	
Contingency	0	10,000	0	10,000	0	0	0	10,000	
Contributions to SMD 2 and 3	17,375	17,510	(1,207)	18,717	8,367	6,135	(2,232)	20,135	
TOTAL G&A EXPENDITURES	78,716	100,710	(22,352)	123,062	58,855	58,048	(807)	109,785	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

SOLARIS METROPOLITAN DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET, ACTUAL AND FORECAST FOR THE PERIODS INDICATED

Printed: 01/27/23
 Modified Accrual Basis

GENERAL FUND - (CONTINUED)

	Cal Yr 2021 Prelim Actual	Cal Yr 2022 Adopted Budget	Variance Favorable (Unfav)	Cal Yr 2022 Amended Budget	9 Months Ended 09/30/22 Actual	9 Months Ended 09/30/22 Budget	Variance Favorable (Unfav)	Cal Yr 2023 Adopted Budget	
OPERATING EXPENDITURES									
Bank Fees	0	0	0	0	0	0	0	0	Per Matt
Cash Short (Sales Tax not Collected)	0		0		0	0	0	0	Should be \$0
Credit Card Fees	7,348	5,550	(1,975)	7,525	5,045	3,700	(1,345)	7,000	Per Matt
Insurance Expense	16,132	14,500	(1,500)	16,000	8,789	14,500	5,711	16,000	Per Matt
Janitorial Expense / Trash	20,130	22,000	3,461	18,539	13,539	14,667	1,128	20,000	
Plaza & Bathroom Trash Expense	8,100	8,100	0	8,100	6,075	4,050	(2,025)	8,100	
Misc Expense	0		0		0	0	0	0	
Rent & CAM	115,785	118,330	(524)	118,854	88,747	88,748	0	122,420	2022 plus 3% inci
Management Labor	81,250	84,500	0	84,500	64,875	63,375	(1,500)	87,035	Per Matt
Repairs and Maintenance	9,984	10,000	(4,000)	14,000	12,437	7,500	(4,937)	10,000	Per Matt
Supplies	0	1,000	1,000	0	0	750	750	1,000	Per Matt
Skate Shop Contract Labor	27,704	35,000	4,965	30,035	22,039	23,333	1,295	31,000	Per Matt
Skate Shop Management Fee	20,995	18,500	(3,000)	21,500	14,415	12,333	(2,082)	20,000	% of Sales
Skate Shop Supplies	200	1,500	1,500	0	0	1,000	1,000	1,500	Per Matt
Special Event Expenses	1,560	2,500	0	2,500	1,945	0	(1,945)	2,500	% of Event
Utilities - Skate Shop	1,555	1,500	(355)	1,855	1,384	1,000	(384)	1,900	Per Matt
Utilities - Electricity	34,128	42,451	14,686	27,765	22,174	28,301	6,126	30,000	Per Matt
Utilities - Gas	43,716	46,000	(9,682)	55,682	44,497	30,667	(13,830)	55,000	Per Matt
Utilities - Water	12,439	13,000	(1,518)	14,518	12,031	8,667	(3,364)	15,000	Per Matt
Utilities - Street Scapes	17,534	18,054	0	18,054	0	12,036	12,036	18,054	Per Matt
Landscaping - Plaza	39,759	35,000	(5,000)	40,000	36,308	23,333	(12,975)	40,000	Per Matt
Plaza Repair & Maintenance	14,413	15,000	(24,693)	39,693	37,157	10,000	(27,157)	225,000	Breezeway/plaza
Plaza Maintenance Labor	102,133	60,000	(20,000)	80,000	60,434	45,000	(15,434)	80,000	Per Matt
Public Bathroom Labor	26,546	26,500	(10,118)	36,618	26,693	19,875	(6,818)	37,000	Per Matt
Loading Dock Labor	19,543	20,000	(12,000)	32,000	26,363	15,000	(11,363)	20,000	Per Matt
Loading Dock Repair & Maintenance	17,485	25,000	(275,000)	300,000	187,270	18,750	(168,520)	125,000	Possible, Large L
Art Repair & Maintenance	285,430	153,000	144,000	9,000	0	114,750	114,750	153,000	Repairs - Tree Lig
Ice Rink Repair & Maintenance	20,207	5,000	(35,000)	40,000	28,478	3,750	(24,728)	15,000	Per Matt
Zamboni Maint. And Fuel	1,230	1,500	300	1,200	716	1,000	284	1,500	Per Matt
Turf	55	1,000	1,000	0	0	750	750	1,000	Repl every 4-5 yr
Contingency			0			0	0		
Operating Expenditures	945,364	784,485	(233,453)	1,017,938	721,413	566,834	(154,579)	1,144,009	
REVENUE OVER (UNDER) EXPEND.	(626,296)	(299,044)	(186,536)	(485,580)	(209,355)	(50,769)	(158,586)	(622,377)	0
OTHER FINANCING SOURCES and (USES)									
Advance/Loan from District No. 2	0		0		0	0	0		
Advance/Loan from District #3	0		0		0	0	0		
Transfer in from District #3	1,046,950		0		0	0	0		
Transfer in from District #3	0		0		0	0	0		
Developer Advances	866,419	784,485	0	784,485	360,921	566,834	(205,914)	1,144,009	
Repayment of Developer Advances/Intere	(223,486)	(450,272)	2,272	(448,000)	(200,000)	(516,065)	316,065	(521,632)	
Repayment of Developer Principal from N	(871,106)		0		0	0	0		
Repayment of Developer Interest from Ne	(175,844)		0		0	0	0		
Advance Note Principal	0	0	0	0	0	0	0	0	
Advance Note Interest	0	0	0	0	0	0	0	0	
Transfer to Debt Service Fund									
TOTAL OTHER FINANCING SOURCES	642,933	334,213	2,272	336,485	160,921	50,769	110,151	622,377	
FUND BALANCE - BEGINNING	153,775	56,143	114,269	170,412	170,412	56,143	114,269	21,317	
FUND BALANCE - ENDING	170,412	91,312	(69,994)	21,317	121,977	56,143	65,834	21,317	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Eagle County, Colorado.

On behalf of the Solaris Metropolitan District #1

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Solaris Metropolitan District #1

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 11,820 (Gross^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

\$ 11,820 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/6/2022 (not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2023 (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY², and REVENUE². Rows include General Operating Expenses, Temporary General Property Tax Credit/Temporary Mill Levy Rate Reduction, General Obligation Bonds and Interest, Contractual Obligations, Capital Expenditures, Refunds/Abatements, and Other. Total: 0.000 mills, \$ -.

Contact person: Ken Marchetti

Daytime phone: (970) 926-6060 x8

Signed: [Signature]

Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S. with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, Colorado 80203. Questions? Call DLG (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).