

# Fossil Ridge Metropolitan Districts 1, 2 & 3 (“District” or “Solterra”) 2024 Business/Community Plan Results

## Our Mission

The Boards of Fossil Ridge Metropolitan Districts (“the Boards”), on behalf of and with the input of the residents, exist to guide the community’s priorities, projects, and activities in accordance with the founding documents, i.e., the Second Amended and Restated Service Plan.

As part of its responsibility, the Boards oversee the financial affairs (in a prudent, cost-effective, fair, timely, and transparent manner) in compliance with statutory requirements and existing agreements.

## Our Vision

We envision a community that offers an inspiring lifestyle and quality of life while preserving property values. We will enhance the character of Solterra, the quality of life to its residents, the feeling of community and inform and represent its members.

The Boards will strive to make Solterra a highly desirable community in the Denver area by maintaining lofty standards and fairness through Community Resident Boards who are committed to efficient, sustainable, and cost-effective operations and maintenance.

The Boards will lead community efforts to:

- promote and protect the quality of life, safety, and well-being of its residents,
- enhance the character of the Solterra neighborhoods with responsive service and support in the management of district assets, and
- encourage community involvement and collaboration.

## 2024 Plan Results

The 2024 Business/Community Plan followed the founding documents, i.e., the Second Amended and Restated Service Plan, and is focused on continuing the well-being and fairness of all residents, making Solterra a highly desirable community within the Denver area, while staying within prudent financial limits.

The results for 2024 are in **Bold** below:

1. Governance (Board specific activities)
  - a. Semiannual reporting to residents on the status of the community.  
**Completed**
  - b. There are seven prescheduled Board meetings in 2024.  
**Completed**
  - c. Conduct a community outreach program to encourage resident participation and solicit input.  
**Completed**
  - d. Respond to resident comments and questions raised at Board meetings.  
**Completed**
  - e. Oversee activities of all FRMD’s Committees.  
**Completed**

2. Acceptance Procedures for New Filings

**The global settlement discussed below with the developer has an impact on all accepted filings and future acceptance of various filings.**

3. Tributary and Water Feature

**The global settlement discussed below with the developer will have an impact on the Tributary and Water Feature.**

4. Litigation

**Since 2022, FRMD has been involved in two lawsuits with our developer, Brookfield, the litigation has now been settled. In the first suit, Brookfield sought for FRMD to immediately issue \$31M in new bonds to repay their claims, despite the fact the development was not finished. The second two suits, which involved both FRMD and the Green Mountain Water and Sewer District, sought the provision of sewer service to the uncompleted filings within the Solterra development.**

**A settlement agreement has been reached and executed with Brookfield on the bond issue and with Green Mountain Water and Sewer District.**

**Details relating to the resolution of the lawsuit with Brookfield will continue to be updated on the Solterra Connect Website Under Documents Brookfield Lawsuit.**

5. Committees

Each committee follows their own unique mission statement.

A. Financial Committee

Mission: The Finance Committee is established for the purpose of reviewing various financial matters concerning the Districts, including budgets, audits and financing matters and to further make recommendations to the Boards regarding such matters. The focus for 2024 will be:

- a. Finalize and oversee the 2024 Annual Business Plan.  
**Completed**
- b. Spread 2024 final budget by quarters and monitor quarterly.  
**Completed**
- c. Review quarterly Financial Statement and budget variances.  
**Completed**
- d. Oversee 2023 independent audit.  
**Completed**
- e. Conduct an updated Reserve Study to be effective 1/1/25.  
**Completed**

- f. Plan and oversee the 2025 budget.

**Completed**

- g. Initiate actions to combine the Reserve Study Fund and Capital Projects Fund for the 2025 Budget.

**Completed**

- h. Track bond compliance requirements with the assistance of CRS.

**Not Completed**

- i. Project out the capital and repair needs for the next 5 years using the "to be" updated Reserve Study and working with the Retreat & Pool Committee, the District Engineer, and the Community Manager.

**Deferred to 2025**

- j. Develop 3-5-year strategic projection of revenue and expenses (moved from the 2023 Business Plan).

**Deferred until after resolution of litigation.**

- k. Monitor and analyze the Special Revenue Fund balances relating to Private Access Area Policy.

**Completed**

#### B. Pool and Retreat Committee

The focuses of the Pool and Retreat Committee 2024 are:

- 1. Coordinate with CRS for the operation of the Retreat and Pool as policies, hours, rentals, resident activities, etc.

**Completed**

- 2. Coordinate with CRS and Perfect Pools to ensure the facilities are being maintained as needed.

**Completed**

- 3. Recommend replacement or repair of Retreat furniture (community assets) as needed within the 2024 budget or reserve study.

**Completed**

- 4. Recommend replacement or repair of pool and patio furniture (community assets) as needed within the 2024 budget or reserve study.

**Completed**

- 5. Ensure maintenance of the interior and exterior of the Retreat and Pool is being completed as needed in coordination with CRS.

**Completed**

#### C. Social Committee

The focus for 2024 was:

- a. Easter Event – Saturday before Easter

**Completed**

- b. Cinco de Mayo – May 5<sup>th</sup>

**Completed**

- c. Food Truck Gatherings – Dates TBD

**Completed**

- d. 4<sup>th</sup> of July

**Completed**

- e. Rocktoberfest – date TBD

**Completed**

- f. Holiday Party (Santa & Mrs. Claus) – December date TBD

**Completed**

D. Landscape Committee

Mission: The Landscaping Committee was established for the purpose of reviewing all “common areas” within the Districts, and to further make recommendations regarding the care and maintenance of the “common areas” within the Districts. The focus for 2024 will be the accepted filings of 1-12:

- a. Spring: Replace evergreens identified in 2023 in the spring 2024.

**Completed**

- b. Summer: Identify deciduous trees for replacement or remediation in the fall. Identify rock beds to be remediated in the spring of 2024.

**Completed**

- c. Fall: Replace or remediate deciduous trees identified in the summer. Identify evergreen trees for replacement in the spring of 2025.

**Completed**

6. Budget(s)

Since there are three Districts, each District has its own set of budgets.

**There were four budgets that FMRD #1 controls:** 1) the operational budget (general fund), 2) the capital budget projects (fund), 3) the reserve study budget (fund), and 4) a special revenue budget (fund).

**FRMD #2** has an operational budget and a debt service budget. Since FRMD #2 is a taxing district, its purpose is to collect property taxes and Specific Ownership Taxes (“SOT”), which in turn is transferred to either the FRMD #1 operational budget or to the FRMD #3 debt service budget.

**FRMD #3** holds all the bond debt. FRMD #3 has an operational budget and a debt service budget. FRMD #3 is also a taxing district, so its purpose is to collect property and SOT taxes. A portion of the tax revenue is transferred to the FRMD #1 (operational budget) but most of the tax revenue is retained in the FRMD #3 Debt Service Fund.

**Budget variances have been reported to the Board and community after each quarter.**