

PARADISE OF COLORADO METROPOLITAN DISTRICT

**ANNUAL REPORT
TO
THE CITY OF WOODLAND PARK**

FISCAL YEAR ENDING DECEMBER 31, 2021

I. ANNUAL REPORT REQUIREMENT

Pursuant to Section VII of the Paradise of Colorado Metropolitan District Service Plan, the District is responsible for submitting an annual report to the City of Woodland Park no later than March 1 of each year that the District is in existence. The annual report shall include information as to any of the following significant events that occurred during the preceding calendar year:

- (1) Boundary changes made or proposed.
- (2) Intergovernmental Agreements with other governmental entities entered into or proposed.
- (3) Changes or proposed changes in the District's policies.
- (4) Changes or proposed changes in the District's operations.
- (5) Any changes in the financial status of the District including revenue projections, or operating costs.
- (6) A summary of any litigation involving the District.
- (7) Proposed plans for the year immediately following the year summarized in the annual report.
- (8) Status of District's public improvement schedule.
- (9) A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City.

In addition, the annual report shall include a summary of the following information:

- (1) Total acreage of property within the District.
- (2) The District's current outstanding Debt (stated separately for each class of debt)
- (3) The District's current debt service mill levy (stated separately for each class of debt)
- (4) The District's tax revenue.
- (5) Other revenues of the District.
- (6) Public improvement expenditures of the District.
- (7) The current assessed valuation of the District.
- (8) Other District expenditures.

II. FOR THE YEAR ENDING DECEMBER 31, 2021, THE DISTRICT MAKES THE FOLLOWING REPORT:

- (1) Boundary changes made or proposed.

There were no changes made or proposed to the District's boundaries in 2021.

- (2) Intergovernmental Agreements entered into or proposed.

There were no new Intergovernmental Agreements entered into or proposed in 2021.

- (3) Changes or proposed changes in the District's policies.

There were no changes made or proposed changes to the District's policies in 2021.

- (4) Changes or proposed changes in the District's operations.

There were no changes made or proposed to the District's operations in 2021.

- (5) Any changes in the financial status of the District including revenue projections or operating costs.

The current status of the financial condition of the District is reflected in the 2022 budget, attached as **Exhibit A**.

- (6) A summary of any litigation involving the District.

There is no litigation, of which we are aware, currently pending or anticipated against the District.

- (7) Proposed plans for the year immediately following the year summarized in the annual report.

There are no plans for major capital improvements within the District in 2022.

- (8) Status of the District's public improvement construction schedule.

There were no changes to the District's public improvement construction schedule in 2021.

- (9) A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City.

There were no facilities or improvements constructed by the District that were dedicated to and accepted by the City in 2021.

SUMMARY OF THE FOLLOWING INFORMATION:

- (1) Total acreage of property within the District.

The total acreage of the property within the District consists of 202.6 acres.

- (2) The District's current outstanding Debt (stated separately for each class of debt).

The current status of the financial condition of the District is reflected in the 2022 budget, attached as **Exhibit A**.

- (3) The District's current debt service mill levy (stated separately for each class of debt)

The District has certified a debt service mill levy of 20.000 mills for year 2022.

- (4) The District's tax revenue.

The current status of the financial condition of the District is reflected in the 2022 budget, attached as **Exhibit A**.

- (5) Other revenues of the District.

The current status of the financial condition of the District is reflected in the 2022 budget, attached as **Exhibit A**.

- (6) Public improvement expenditures of the District.

The current status of the financial condition of the District is reflected in the 2022 budget, attached as **Exhibit A**.

- (7) The current assessed valuation of the District

The current assessed valuation of the District is \$3,303,030.

- (8) Other District expenditures.

The current status of the financial condition of the District is reflected in the 2022 budget, attached as **Exhibit A**.

EXHIBIT A:
2022 BUDGET
ATTACHED

PARADISE OF COLORADO METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**PARADISE OF COLORADO METROPOLITAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 61,038	\$ 97,577	\$ 1,438
REVENUE			
Property taxes	45,964	49,911	82,576
Specific ownership tax	4,418	4,719	4,955
Interest income	30	60	-
Funding advance	12,000	19,371	-
Funding contributions	-	146,961	44,000
Total revenue	<u>62,412</u>	<u>221,022</u>	<u>131,531</u>
Total funds available	<u>123,450</u>	<u>318,599</u>	<u>132,969</u>
EXPENDITURES			
General Fund	24,821	168,861	55,900
Debt Service Fund	1,052	148,300	49,800
Total expenditures	<u>25,873</u>	<u>317,161</u>	<u>105,700</u>
Total expenditures and transfers out requiring appropriation	<u>25,873</u>	<u>317,161</u>	<u>105,700</u>
ENDING FUND BALANCES	<u>\$ 97,577</u>	<u>\$ 1,438</u>	<u>\$ 27,269</u>
EMERGENCY RESERVE	\$ 400	\$ 1,200	\$ 1,850
TOTAL RESERVE	<u>\$ 400</u>	<u>\$ 1,200</u>	<u>\$ 1,850</u>

No assurance provided. See summary of significant assumptions.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Residential	\$ 898,690	\$ 1,067,020	\$ 1,681,610
Commercial	90.00	80.00	-
Agricultural	210	210	210
State assessed	530	850	-
Vacant land	924,490	928,260	1,621,210
	<u>1,824,010</u>	<u>1,996,420</u>	<u>3,303,030</u>
Certified Assessed Value	<u>\$ 1,824,010</u>	<u>\$ 1,996,420</u>	<u>\$ 3,303,030</u>
MILL LEVY			
General	5.000	5.000	5.000
Debt Service	20.000	20.000	20.000
Total mill levy	<u>25.000</u>	<u>25.000</u>	<u>25.000</u>
PROPERTY TAXES			
General	\$ 9,120	\$ 9,982	\$ 16,515
Debt Service	36,480	39,929	66,061
Levied property taxes	<u>45,600</u>	<u>49,911</u>	<u>82,576</u>
Refunds and abatements	380	-	-
Budgeted property taxes	<u>\$ 45,980</u>	<u>\$ 49,911</u>	<u>\$ 82,576</u>
BUDGETED PROPERTY TAXES			
General	\$ 9,193	\$ 9,982	\$ 16,515
Debt Service	36,771	39,929	66,061
	<u>\$ 45,964</u>	<u>\$ 49,911</u>	<u>\$ 82,576</u>

No assurance provided. See summary of significant assumptions.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (4,614)	\$ (7,356)	\$ 1,061
REVENUE			
Property taxes	9,193	9,982	16,515
Specific ownership tax	878	944	991
Interest income	7	20	-
Funding advance	12,000	19,371	-
Funding contributions	-	146,961	44,000
Total revenue	<u>22,078</u>	<u>177,278</u>	<u>61,506</u>
Total funds available	<u>17,464</u>	<u>169,922</u>	<u>62,567</u>
EXPENDITURES			
General and administrative			
Accounting	10,950	16,000	15,000
Contingency	-	-	7,355
County Treasurer's fee	263	299	495
Dues and licenses	374	315	350
Election expense	103	-	500
Insurance and bonds	2,810	2,880	3,200
Legal services	5,321	18,500	15,000
Miscellaneous	72	1,000	1,000
Payment on funding advances	-	120,867	-
Operations and maintenance			
Repairs and maintenance	-	9,000	13,000
Engineering	4,928	-	-
Total expenditures	<u>24,821</u>	<u>168,861</u>	<u>55,900</u>
Total expenditures and transfers out requiring appropriation	<u>24,821</u>	<u>168,861</u>	<u>55,900</u>
ENDING FUND BALANCE	<u>\$ (7,356)</u>	<u>\$ 1,061</u>	<u>\$ 6,667</u>
EMERGENCY RESERVE	\$ 400	\$ 1,200	\$ 1,850
TOTAL RESERVE	<u>\$ 400</u>	<u>\$ 1,200</u>	<u>\$ 1,850</u>

No assurance provided. See summary of significant assumptions.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
DEBT SERVICE FUND
2021 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 65,652	\$ 104,933	\$ 377
REVENUE			
Property taxes	36,771	39,929	66,061
Specific ownership tax	3,540	3,775	3,964
Interest income	23	40	-
Total revenue	<u>40,334</u>	<u>43,744</u>	<u>70,025</u>
Total funds available	<u>105,986</u>	<u>148,677</u>	<u>70,402</u>
EXPENDITURES			
General and administrative			
Miscellaneous	-	140	-
Debt Service			
Interest expense - Note	-	146,961	44,000
Contingency	-	-	3,818
County Treasurer's fee	1,052	1,199	1,982
Total expenditures	<u>1,052</u>	<u>148,300</u>	<u>49,800</u>
Total expenditures and transfers out requiring appropriation	<u>1,052</u>	<u>148,300</u>	<u>49,800</u>
ENDING FUND BALANCE	<u>\$ 104,933</u>	<u>\$ 377</u>	<u>\$ 20,602</u>

No assurance provided. See summary of significant assumptions.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Paradise of Colorado Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by court order and decree of the District Court on May 31, 2006, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan dated March 16, 2006, and approved by the City of Woodland Park, Colorado. The District's service area is located entirely in the City of Woodland Park, Teller County, Colorado. The District was organized to provide financing for the design, acquisition, construction and installation and maintenance of essential public-purpose facilities.

On May 2, 2006, the District's voters authorized indebtedness of \$500,000 for operation and maintenance and \$2,500,000 for each of the following purposes: water, sanitary and storm sewer, and parks and recreation. The District's voters also authorized total indebtedness of \$2,500,000 for debt refunding. The election also approved an annual increase in property taxes of \$250,000 without limitation of rate, to pay the District's operation and maintenance costs. Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$1,900,000.

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 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 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.

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.

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 6% of the property taxes collected by the General Fund and the Debt Service Fund.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

County Treasurer's Collection Fees

County Treasurer's collection fees have been computed at 3.0% of property taxes.

Administrative Expenditures

Administrative and operating expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, and other administrative expenses.

Debt and Leases

On December 29, 2011, the District issued a General Obligation Taxable Limited Tax Note, Series 2011 in the amount of \$1,800,000 to the then Developer. The Note bears interest at the rate of 2.0% from December 1, 2011, to November 30, 2013; then 4.0% thereafter. The District may prepay the Note at any time, or from time to time, without prepayment penalty or premium. In the event the full principal balance and all interest thereon is not repaid in full by December 1, 2038, any and all principal balance and accrued interest thereon shall be discharged in full, and the obligation of the District under the Note shall terminate. The proceeds of the Note were used to reimburse the Developer for water facilities.

The Note is secured by and payable solely from a Fixed Mill Levy imposed on all taxable properties within the District at a rate of 20.0 mills. Proceeds of the Fixed Mill Levy are payable on the Note on December 1 of each year. Since the Note is payable solely to the extent of the Fixed Mill Levy, the amounts thereof cannot be determined with certainty. Therefore, a schedule of future debt payments has not been provided.

Developer Advances

The District entered into an Advance and Reimbursement Agreement for Operation and Maintenance (Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of 4% beginning on the date the advance were made to the date of repayment. The Agreement does not constitute a multiple-fiscal year obligation.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The following is the analysis of the anticipated changes in developer advances for the year ending December 31, 2021, and 2022

	Balance December 31, 2020	Additions	Deletions	Balance December 31, 2021
Developer Advance:				
Note Payable	\$ 1,800,000	\$ -	\$ -	\$ 1,800,000
Note Payable -				
Accrued Interest	437,553	72,000	146,961	362,592
Developer Advances -				
Operations	88,253	19,371	107,624	-
Developer Advances -				
Accrued Interest	11,093	2,150	13,243	-
Total	<u>\$ 2,336,899</u>	<u>\$ 93,521</u>	<u>\$ 267,828</u>	<u>\$ 2,162,592</u>
	Balance December 31, 2021	Additions	Deletions	Balance December 31, 2022
Developer Advance:				
Note Payable	\$ 1,800,000	\$ -	\$ -	\$ 1,800,000
Note Payable -				
Accrued Interest	362,592	72,000	44,000	390,592
Total	<u>\$ 2,162,592</u>	<u>\$ 72,000</u>	<u>\$ 44,000</u>	<u>\$ 2,190,592</u>

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3.0% of fiscal year spending for 2022, as defined under TABOR.

This information is an integral part of the accompanying budget.