

PARADISE OF COLORADO METROPOLITAN DISTRICT

ANNUAL REPORT

TO

THE CITY OF WOODLAND PARK

FISCAL YEAR ENDING DECEMBER 31, 2025

I. ANNUAL REPORT REQUIREMENT

Pursuant to Section VII of the Paradise of Colorado Metropolitan District Service Plan, and § 32-1-207(3)(c), C.R.S., 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.
- (9) Access information to obtain a copy of the rules and regulations adopted by the Board.

- (10) A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.
- (11) Notice of any uncured defaults existing for more than ninety days under any debt instrument of the district.
- (12) Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period

II. FOR THE YEAR ENDING DECEMBER 31, 2025, 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 2025.

- (2) Intergovernmental Agreements entered into or proposed.

There were no new Intergovernmental Agreements entered into or proposed in 2025.

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

There were no changes made or proposed changes to the District’s policies in 2025.

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

There were no changes made or proposed to the District’s operations in 2025.

- (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 2026 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 2025.

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

There were no changes to the District's public improvement construction schedule in 2025.

(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 2025.

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 2026 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 2026.

(4) The District's tax revenue.

The current status of the financial condition of the District is reflected in the 2026 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 2026 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 2026 budget, attached as **Exhibit A**.

(7) The current assessed valuation of the District

The current assessed valuation of the District is \$5,845,710.

(8) Other District expenditures.

The current status of the financial condition of the District is reflected in the 2026 budget, attached as **Exhibit A**.

(9) Access information to obtain a copy of the rules and regulations adopted by the Board.

For a copy of the rules and regulations adopted by the Board, if any, contact its legal counsel:

Seter, Vander Wall & Mielke, P.C.
7400 E Orchard Rd., Suite 3300
Greenwood Village, CO 80111
303.770.2700
svw@svwpc.com

(10) A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

The Application for Exemption from Audit for 2025 was not available at the time this annual report was filed.

(11) Notice of any uncured defaults existing for more than ninety days under any debt instrument of the district.

None.

(12) Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

None.

EXHIBIT A
2026 Budget

PARADISE OF COLORADO METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

**PARADISE OF COLORADO METROPOLITAN DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 98,265	\$ 148,592	\$ 54,309
REVENUES			
Property taxes	132,382	129,203	146,143
Specific ownership taxes	12,626	9,044	10,230
Funding Contribution	31,500	42,000	40,000
Interest Income	625	1,819	1,101
Other Revenue	975	-	9,050
Total revenues	<u>178,108</u>	<u>182,066</u>	<u>206,524</u>
Total funds available	<u>276,373</u>	<u>330,658</u>	<u>260,833</u>
EXPENDITURES			
General Fund	44,940	84,537	75,000
Debt Service Fund	82,841	191,813	134,000
Total expenditures	<u>127,781</u>	<u>276,350</u>	<u>209,000</u>
Total expenditures and transfers out requiring appropriation	<u>127,781</u>	<u>276,350</u>	<u>209,000</u>
ENDING FUND BALANCES	<u>\$ 148,592</u>	<u>\$ 54,309</u>	<u>\$ 51,832</u>
EMERGENCY RESERVE	\$ 1,900	\$ 2,100	\$ 2,300
AVAILABLE FOR OPERATIONS	18,446	3,409	3,532
DEBT SERVICE RESERVE	46,000	46,000	46,000
TOTAL RESERVE	<u>\$ 66,346</u>	<u>\$ 51,509</u>	<u>\$ 51,832</u>

See summary of significant assumptions.

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

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Residential	\$ 2,927,350	\$ 3,579,070	\$ 3,726,900
Agricultural	210	210	2,140
Vacant land	2,369,790	1,588,840	2,116,670
ASSESSED VALUATION	5,297,350	5,168,120	5,845,710
Adjustments	-	-	-
Certified Assessed Value	\$ 5,297,350	\$ 5,168,120	\$ 5,845,710
 MILL LEVY			
General	5.000	5.000	5.000
Debt Service	20.000	20.000	20.000
Total mill levy	25.000	25.000	25.000
 PROPERTY TAXES			
General	\$ 26,487	\$ 25,841	\$ 29,229
Debt Service	105,947	103,362	116,914
Levied property taxes	132,434	129,203	146,143
Adjustments to actual/rounding	(52)	-	-
Budgeted property taxes	\$ 132,382	\$ 129,203	\$ 146,143
 BUDGETED PROPERTY TAXES			
General	\$ 26,477	\$ 25,841	\$ 29,229
Debt Service	105,905	103,362	116,914
	\$ 132,382	\$ 129,203	\$ 146,143

See summary of significant assumptions.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 3,684	\$ 20,346	\$ 5,509
REVENUES			
Property taxes	26,477	25,841	29,229
Specific ownership taxes	2,525	1,809	2,046
Funding Contribution	31,500	42,000	40,000
Interest Income	125	50	100
Other Revenue	975	-	3,948
Total revenues	<u>61,602</u>	<u>69,700</u>	<u>75,323</u>
Total funds available	<u>65,286</u>	<u>90,046</u>	<u>80,832</u>
EXPENDITURES			
General and administrative			
Accounting	18,736	22,500	22,500
County Treasurer's Fee	801	776	877
Dues and Membership	319	319	350
Insurance	2,990	3,391	4,000
Legal	15,195	37,000	25,000
Miscellaneous	1,362	1,415	1,000
Banking fees	-	650	325
Election	-	2,311	-
Contingency	-	-	3,948
Operations and maintenance			
Repairs and maintenance	275	10,000	10,000
Landscaping	3,680	4,760	5,000
Utilities	1,582	1,415	2,000
Total expenditures	<u>44,940</u>	<u>84,537</u>	<u>75,000</u>
Total expenditures and transfers out requiring appropriation	<u>44,940</u>	<u>84,537</u>	<u>75,000</u>
ENDING FUND BALANCES	<u>\$ 20,346</u>	<u>\$ 5,509</u>	<u>\$ 5,832</u>
EMERGENCY RESERVE	\$ 1,900	\$ 2,100	\$ 2,300
AVAILABLE FOR OPERATIONS	18,446	3,409	3,532
TOTAL RESERVE	<u>\$ 20,346</u>	<u>\$ 5,509</u>	<u>\$ 5,832</u>

See summary of significant assumptions.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 94,581	\$ 128,246	\$ 48,799
REVENUES			
Property taxes	105,905	103,362	116,914
Specific ownership taxes	10,101	7,235	8,184
Interest Income	500	1,769	1,001
Other Revenue	-	-	5,102
Total revenues	<u>116,506</u>	<u>112,366</u>	<u>131,201</u>
Total funds available	<u>211,087</u>	<u>240,612</u>	<u>180,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	3,203	3,102	3,509
Contingency	-	-	5,102
Debt Service			
Interest expense - Note	79,638	146,711	85,389
Interest expense - Funding Contribution	-	42,000	40,000
Total expenditures	<u>82,841</u>	<u>191,813</u>	<u>134,000</u>
Total expenditures and transfers out requiring appropriation	<u>82,841</u>	<u>191,813</u>	<u>134,000</u>
ENDING FUND BALANCES	<u>\$ 128,246</u>	<u>\$ 48,799</u>	<u>\$ 46,000</u>
DEBT SERVICE RESERVE	<u>\$ 46,000</u>	<u>\$ 46,000</u>	<u>\$ 46,000</u>
TOTAL RESERVE	<u>\$ 46,000</u>	<u>\$ 46,000</u>	<u>\$ 46,000</u>

See summary of significant assumptions.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
2026 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 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.

The District is required to impose a maximum Required Mill Levy of 25.000 mills for collection in 2026. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up and deficiencies in the Reserve Fund].

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.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes – (continued)

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%

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 7% of the property taxes collected by the General Fund and the Debt Service Fund.

Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.0%.

Expenditures

County Treasurer's Collection Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as accounting, dues and membership, insurance, and meeting expense. Estimated expenditures related to repairs and maintenance, landscaping and utilities were also included the General Fund budget.

**PARADISE OF COLORADO METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

The District The following is the analysis of the anticipated changes in long-term obligations:

	Balance December 31, 2024	Additions *	Deletions*	Balance December 31, 2025
Developer Advance:				
Note Payable	\$ 1,800,000	\$ -	\$ -	\$ 1,800,000
Note Payable -				
Acrued Interest	448,236	72,000	188,711	331,525
Total	<u>\$ 2,248,236</u>	<u>\$ 72,000</u>	<u>\$ 188,711</u>	<u>\$ 2,131,525</u>
	Balance December 31, 2025	Additions *	Deletions*	Balance December 31, 2026
Developer Advance:				
Note Payable	\$ 1,800,000	\$ -	\$ -	\$ 1,800,000
Note Payable -				
Acrued Interest	331,525	72,000	125,389	278,136
Total	<u>\$ 2,131,525</u>	<u>\$ 72,000</u>	<u>\$ 125,389</u>	<u>\$ 2,078,136</u>

*Estimate

The District has no operating and capital leases.

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.