

JOHNSTOWN FARMS METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2022

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

1/13/22

| | ACTUAL 2020 | ESTIMATED 2021 | BUDGET 2022 |
|-----------------------------------------------------------------|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCES | \$ 14,704 | \$ 215,381 | \$ 221,778 |
| REVENUES | | | |
| Property taxes | 132,047 | 158,066 | 150,248 |
| Specific ownership taxes | 6,268 | 7,907 | 7,512 |
| Interest income | 364 | 161 | 205 |
| Bond proceeds | 2,100,000 | - | - |
| Total revenues | <u>2,238,679</u> | <u>166,134</u> | <u>157,965</u> |
| TRANSFERS IN | <u>43,702</u> | - | - |
| Total funds available | <u>2,297,085</u> | <u>381,515</u> | <u>379,743</u> |
| EXPENDITURES | | | |
| General Fund | 52,337 | 50,044 | 62,000 |
| Debt Service Fund | 1,985,665 | 109,693 | 110,000 |
| Total expenditures | <u>2,038,002</u> | <u>159,737</u> | <u>172,000</u> |
| TRANSFERS OUT | <u>43,702</u> | - | - |
| Total expenditures and transfers out requiring appropriation | <u>2,081,704</u> | <u>159,737</u> | <u>172,000</u> |
| ENDING FUND BALANCES | <u>\$ 215,381</u> | <u>\$ 221,778</u> | <u>\$ 207,743</u> |
| EMERGENCY RESERVE | \$ 4,200 | \$ 1,100 | \$ 1,100 |
| SERIES 2020 BONDS RESERVE FUND | 153,059 | 153,059 | 153,059 |
| TOTAL RESERVE | <u>\$ 157,259</u> | <u>\$ 154,159</u> | <u>\$ 154,159</u> |

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

1/13/22

| | ACTUAL 2020 | ESTIMATED 2021 | BUDGET 2022 |
|--------------------------------|---------------------|---------------------|---------------------|
| ASSESSED VALUATION | | | |
| Agricultural | \$ 2,970 | \$ 4,510 | \$ - |
| State assessed | 110,320 | 112,660 | 88,390 |
| Vacant land | - | 124,490 | 128,520 |
| Oil and gas | 534,200 | 282,020 | 41,990 |
| Residential | 2,653,690 | 2,660,870 | 2,759,300 |
| Commercial | - | 441,730 | 428,420 |
| | <u>3,301,180</u> | <u>3,626,280</u> | <u>3,446,620</u> |
| Adjustments | - | - | - |
| Certified Assessed Value | <u>\$ 3,301,180</u> | <u>\$ 3,626,280</u> | <u>\$ 3,446,620</u> |
| MILL LEVY | | | |
| General | 40.000 | 10.000 | 10.000 |
| Debt Service | 0.000 | 33.593 | 33.593 |
| Total mill levy | <u>40.000</u> | <u>43.593</u> | <u>43.593</u> |
| PROPERTY TAXES | | | |
| General | \$ 132,047 | \$ 36,263 | \$ 34,466 |
| Debt Service | - | 121,818 | 115,782 |
| Levied property taxes | <u>132,047</u> | <u>158,081</u> | <u>150,248</u> |
| Adjustments to actual/rounding | - | - | - |
| Refunds and abatements | - | (15) | - |
| Budgeted property taxes | <u>\$ 132,047</u> | <u>\$ 158,066</u> | <u>\$ 150,248</u> |
| BUDGETED PROPERTY TAXES | | | |
| General | <u>\$ 132,047</u> | <u>\$ 36,259</u> | <u>\$ 34,466</u> |
| Debt Service | <u>-</u> | <u>121,807</u> | <u>115,782</u> |
| | <u>\$ 132,047</u> | <u>\$ 158,066</u> | <u>\$ 150,248</u> |

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

1/13/22

| | ACTUAL 2020 | ESTIMATED 2021 | BUDGET 2022 |
|-----------------------------------------------------------------|------------------|-------------------|------------------|
| BEGINNING FUND BALANCE | \$ 14,704 | \$ 57,269 | \$ 45,298 |
| | - | | |
| REVENUES | | | |
| Property taxes | 132,047 | 36,259 | 34,466 |
| Specific ownership taxes | 6,268 | 1,803 | 1,723 |
| Interest income | 289 | 11 | 30 |
| Total revenues | <u>138,604</u> | <u>38,073</u> | <u>36,219</u> |
| Total funds available | <u>153,308</u> | <u>95,342</u> | <u>81,517</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | - | - | 30,000 |
| Audit | 1,006 | 5,000 | 5,500 |
| County Treasurer's fees | 1,982 | 544 | 517 |
| Dues and membership | 288 | 500 | 500 |
| Insurance and bonds | 2,765 | 3,000 | 3,000 |
| District management | 24,122 | 25,000 | - |
| Legal services | 21,651 | 12,000 | 15,000 |
| Miscellaneous | 249 | 500 | 500 |
| Election expense | 274 | - | 2,000 |
| Contingency | - | - | 1,483 |
| Operations and maintenance | | | |
| Dentention pond maintenance | - | 3,500 | 3,500 |
| Total expenditures | <u>52,337</u> | <u>50,044</u> | <u>62,000</u> |
| TRANSFERS OUT | | | |
| Transfers to other fund | <u>43,702</u> | - | - |
| Total expenditures and transfers out requiring appropriation | <u>96,039</u> | <u>50,044</u> | <u>62,000</u> |
| ENDING FUND BALANCE | <u>\$ 57,269</u> | <u>\$ 45,298</u> | <u>\$ 19,517</u> |
| EMERGENCY RESERVE | \$ 4,200 | \$ 1,100 | \$ 1,100 |
| AVAILABLE FOR OPERATIONS | 53,069 | 44,198 | 18,417 |
| TOTAL RESERVE | <u>\$ 57,269</u> | <u>\$ 45,298</u> | <u>\$ 19,517</u> |

No assurance provided. See summary of significant assumptions.

**JOHNSTOWN FARMS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

| | ACTUAL 2020 | ESTIMATED 2021 | BUDGET 2022 |
|-----------------------------------------------------------------|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCE | \$ - | \$ 158,112 | \$ 176,480 |
| REVENUES | | | |
| Property taxes | - | 121,807 | 115,782 |
| Specific ownership taxes | - | 6,104 | 5,789 |
| Interest income | 75 | 150 | 175 |
| Bond proceeds | 2,100,000 | - | - |
| Total revenues | <u>2,100,075</u> | <u>128,061</u> | <u>121,746</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | <u>43,702</u> | - | - |
| Total funds available | <u>2,143,777</u> | <u>286,173</u> | <u>298,226</u> |
| EXPENDITURES | | | |
| Debt Service | | | |
| County Treasurer's fees | - | 1,827 | 1,737 |
| Developer advance repayment - principal | 753,154 | - | - |
| Developer advance repayment - interest | 1,002,242 | - | - |
| Bond interest -Series 2020 | 16,122 | 76,465 | 75,543 |
| Bond principal Series 2020 | 25,000 | 25,000 | 25,000 |
| Paying agent fees | 6,006 | 6,000 | 6,000 |
| Bond issue costs | 183,141 | - | - |
| Contingency | - | 401 | 1,720 |
| Total expenditures | <u>1,985,665</u> | <u>109,693</u> | <u>110,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>1,985,665</u> | <u>109,693</u> | <u>110,000</u> |
| ENDING FUND BALANCE | <u>\$ 158,112</u> | <u>\$ 176,480</u> | <u>\$ 188,226</u> |
| SERIES 2020 BONDS RESERVE FUND | | | |
| TOTAL RESERVE | <u>\$ 153,059</u> | <u>\$ 153,059</u> | <u>\$ 153,059</u> |

No assurance provided. See summary of significant assumptions.

**JOHNSTOWN FARMS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Johnstown Farms Metropolitan District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was formed under a Service Plan approved by the Town of Johnstown, Colorado and was organized by order and decree of the District Court for Weld County, Colorado, on December 10, 2007 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The primary purpose of the District is to provide for the financing of public improvements, acquiring, completing, construction, equipping, completing, managing operating, providing and maintaining the public improvements and services needed to service the Johnstown Farms Development.

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$5,600,000.

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.

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

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, sale 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 5% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on average interest rate of approximately 0.10%.

**JOHNSTOWN FARMS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

County Treasurer's Fees

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

General and Administrative Expenditures

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability, such as legal, accounting, managerial, insurance, detention pond maintenance, and other administrative expenses.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2020 Bonds (discussed under Debt and Leases).

Debt and Leases

On September 16, 2020, the District issued \$2,100,000 in General Obligation Limited Tax Bonds, Series 2020. The Series 2020 Bonds are limited tax general obligations of the District payable solely from Pledged Revenues, which include property tax revenues derived from the required debt service mill levy net of the cost of collection, specific ownership tax revenues, and any other legally available moneys of the District.

The Series 2020 Bonds bear interest of 3.685%, with interest payable semi-annually on June 1 and December 1 and with annual sinking fund principal payments beginning December 1, 2020. The Series 2020 Bonds mature on December 1, 2049, and are subject to redemption prior to maturity, at the option of the District, as a whole or in part on December 1, 2030, and on any date thereafter, upon payment of the principal amount to be redeemed together with accrued interest without redemption premiums.

The Series 2020 Bonds were issued to reimburse prior certified costs plus accrued interest thereon per the Amended and Restated Infrastructure Acquisition Agreement, acquire a detention pond, fund the Reserve Fund, and pay the costs of issuing the Bonds.

The District has no capital nor operating lease.

**JOHNSTOWN FARMS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal at least 3% of fiscal year spending for 2022, as defined under TABOR.

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the Series 2020 General Obligation Limited Tax Bonds.

This information is an integral part of the accompanying budget.

**JOHNSTOWN FARMS METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

| Bonds and Interest Maturing in the Year Ending December 31, | \$2,100,000 Limited Tax General Obligation Bonds Series 2020 Interest 3.685% Dated September 16, 2020 Interest Payable June 1 and December 1 Principal Payable December 1 | | |
|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------|
| | Principal | Interest | Total |
| 2022 | \$ 25,000 | \$ 75,543 | \$ 100,543 |
| 2023 | 30,000 | 74,621 | 104,621 |
| 2024 | 30,000 | 73,516 | 103,516 |
| 2025 | 35,000 | 72,410 | 107,410 |
| 2026 | 35,000 | 71,121 | 106,121 |
| 2027 | 40,000 | 69,831 | 109,831 |
| 2028 | 40,000 | 68,357 | 108,357 |
| 2029 | 45,000 | 66,883 | 111,883 |
| 2030 | 45,000 | 65,225 | 110,225 |
| 2031 | 50,000 | 63,566 | 113,566 |
| 2032 | 50,000 | 61,724 | 111,724 |
| 2033 | 55,000 | 59,881 | 114,881 |
| 2034 | 60,000 | 57,855 | 117,855 |
| 2035 | 60,000 | 55,643 | 115,643 |
| 2036 | 65,000 | 53,432 | 118,432 |
| 2037 | 70,000 | 51,037 | 121,037 |
| 2038 | 75,000 | 48,458 | 123,458 |
| 2039 | 75,000 | 45,694 | 120,694 |
| 2040 | 80,000 | 42,930 | 122,930 |
| 2041 | 85,000 | 39,982 | 124,982 |
| 2042 | 90,000 | 36,850 | 126,850 |
| 2043 | 90,000 | 33,533 | 123,533 |
| 2044 | 100,000 | 30,217 | 130,217 |
| 2045 | 100,000 | 26,532 | 126,532 |
| 2046 | 110,000 | 22,847 | 132,847 |
| 2047 | 110,000 | 18,793 | 128,793 |
| 2048 | 120,000 | 14,740 | 134,740 |
| 2049 | 280,000 | 10,318 | 290,318 |
| | \$ 2,050,000 | \$ 1,411,539 | \$ 3,461,539 |

No assurance provided. See summary of significant assumptions.