

JOHNSTOWN FARMS METROPOLITAN DISTRICT

2025 ANNUAL REPORT

Pursuant to §32-1-207(3)(c) and the Service Plan for the Johnstown Farms Metropolitan District (the "**District**"), the District is required to provide an annual report to the Town of Johnstown (the "**Town**") with regard to the following matters:

For the year ending December 31, 2025, the District makes the following report:

§32-1-207(3) Statutory Requirements

1. Boundary changes made.

There were no changes or proposed changes to the boundaries of the District during the reporting year.

2. Intergovernmental Agreements entered into or terminated with other governmental entities.

There were no Intergovernmental Agreements entered into or terminated with other governmental entities during the reporting year.

3. Access information to obtain a copy of rules and regulations adopted by the board.

The District has not adopted any rules and regulations as of December 31st of the reporting year.

4. A summary of litigation involving public improvements owned by the District.

To our actual knowledge, based on review of the court records in Weld County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2025.

5. The status of the construction of public improvements by the District.

All public improvements to serve the District have been completed and dedicated to the Town or other appropriate entity, except the detention pond which is owned by the District.

6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.

The developers within the District constructed all public improvements and conveyed them to the Town or other appropriate entity, except the detention pond which is owned by the District.

7. **The final assessed valuation of the District as of December 31st of the reporting year.**

The District's final assessed valuation for 2025 is \$4,051,610.

8. **A copy of the current year's budget.**

A copy of the 2026 Budget is attached hereto as **Exhibit A**

9. **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 2025 Audit is in process and will be provided as a supplement to this report.

10. **Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

The District is not aware of any uncured events of default that existed for more than ninety (90) days under any debt instrument of the District.

11. **Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

The District is not aware of any inability to pay its obligations as they become due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

Service Plan Requirements

1. **Boundary changes made.**

There were no changes or proposed changes to the boundaries of the District during the reporting year.

2. **Intergovernmental Agreements entered into or proposed.**

There were no Intergovernmental Agreements entered into or proposed with other governmental entities during the reporting year.

3. **Changes or proposed changes in the District's policies.**

There were no changes or proposed changes in the District's Policies that occurred during the reporting period.

4. **Changes or proposed changes in the District's operations.**

There were no changes or proposed changes in the District's operations that occurred during the reporting period, though the District continues to seek an appropriate entity to take over

operation and maintenance of the detention pond.

5. Any changes in the financial status of the District including revenue projections operating costs

The District's financial status, including revenue projections or operating costs remain substantially unchanged from the prior reporting period.

6. A summary of any litigation involving the District.

To our actual knowledge, based on review of the court records in Weld County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2025.

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

The District plans to continue to meet its debt service obligations though the imposition of a debt service mill levy, and to provide limited operation services, including detention pond maintenance.

8. Status of construction of public improvements.

All public improvements to serve the District have been completed and dedicated to the Town or other appropriate entity, except the detention pond which is owned by the District.

9. The current assessed valuation of the District.

The District's final assessed valuation for 2025 is \$4,051,610.

EXHIBIT A
2026 Budget

JOHNSTOWN FARMS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

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

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 272,406	\$ 343,972	\$ 400,818
REVENUES			
Property taxes	197,399	195,341	163,774
Specific ownership taxes	7,133	8,346	6,551
Interest Income	18,794	15,300	13,500
Other Revenue	3,806	-	-
Total revenues	227,132	218,987	183,825
Total funds available	499,538	562,959	584,643
EXPENDITURES			
General Fund	45,617	46,486	60,000
Debt Service Fund	109,949	115,655	115,000
Total expenditures	155,566	162,141	175,000
Total expenditures and transfers out requiring appropriation	155,566	162,141	175,000
ENDING FUND BALANCES	\$ 343,972	\$ 400,818	\$ 409,643
EMERGENCY RESERVE	\$ 1,500	\$ 1,600	\$ 1,700
SERIES 2020 BOND RESERVE FUND	153,059	153,059	153,059
TOTAL RESERVE	\$ 154,559	\$ 154,659	\$ 154,759

See summary of significant assumptions.

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

1/27/26

ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
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ASSESSED VALUATION

Residential	\$ 3,145,860	\$ 3,147,340	3,430,570
Commercial	410,070	397,690	410,850
Oil and gas	39,430	41,100	40,590
State assessed	810	1,020	920
Vacant land	140,510	65,980	63,860
Personal property	84,590	116,840	104,820
Certified Assessed Value	<u>\$ 3,821,270</u>	<u>\$ 3,769,970</u>	<u>\$ 4,051,610</u>

MILL LEVY

General	10.000	12.000	12.422
Debt Service	41.558	39.696	28.000
Total mill levy	<u>51.558</u>	<u>51.696</u>	<u>40.422</u>

PROPERTY TAXES

General	\$ 38,213	\$ 45,239	\$ 50,329
Debt Service	158,804	149,653	113,445
Levied property taxes	197,017	194,892	163,774
Adjustments to actual/rounding	382	449	-
Budgeted property taxes	<u>\$ 197,399</u>	<u>\$ 195,341</u>	<u>\$ 163,774</u>

BUDGETED PROPERTY TAXES

General	\$ 38,287	\$ 45,344	\$ 50,329
Debt Service	159,112	149,997	113,445
	<u>\$ 197,399</u>	<u>\$ 195,341</u>	<u>\$ 163,774</u>

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

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 47,970	\$ 49,060	\$ 53,156
REVENUES			
Property taxes	38,287	45,344	50,329
Specific ownership taxes	1,384	1,938	2,013
Interest Income	3,230	3,300	3,500
Other Revenue	3,806	-	-
Total revenues	46,707	50,582	55,842
Total funds available	94,677	99,642	108,998
EXPENDITURES			
General and administrative			
Accounting	19,016	19,857	22,000
Auditing	5,000	6,000	6,000
County Treasurer's Fee	585	679	755
Dues and Membership	305	311	700
Election	113	3,219	200
Insurance	2,671	2,771	3,200
Legal	17,327	9,348	20,000
Miscellaneous	600	-	-
Website	-	800	1,500
Contingency	-	-	2,145
Detention Pond Maintenance	-	3,500	3,500
Total expenditures	45,617	46,486	60,000
Total expenditures and transfers out requiring appropriation	45,617	46,486	60,000
ENDING FUND BALANCES	\$ 49,060	\$ 53,156	\$ 48,998
EMERGENCY RESERVE	\$ 1,500	\$ 1,600	\$ 1,700

See summary of significant assumptions.

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

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 224,436	\$ 294,912	\$ 347,662
REVENUES			
Property taxes	159,112	149,997	113,445
Specific ownership taxes	5,749	6,408	4,538
Interest Income	15,564	12,000	10,000
Total revenues	180,425	168,405	127,983
Total funds available	404,861	463,317	475,645
EXPENDITURES			
General and administrative			
County Treasurer's Fee	2,433	2,245	1,702
Paying agent fees	4,000	6,000	6,000
Contingency	-	-	1,177
Debt Service			
Bond Interest - 2020	73,516	72,410	71,121
Bond Principal - 2020	30,000	35,000	35,000
Total expenditures	109,949	115,655	115,000
Total expenditures and transfers out requiring appropriation	109,949	115,655	115,000
ENDING FUND BALANCES	\$ 294,912	\$ 347,662	\$ 360,645
SERIES 2020 BOND RESERVE FUND	\$ 153,059	\$ 153,059	\$ 153,059
TOTAL RESERVE	\$ 153,059	\$ 153,059	\$ 153,059

See summary of significant assumptions.

**JOHNSTOWN FARMS METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Johnstown Farms Metropolitan District (the 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.

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%

**JOHNSTOWN FARMS METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

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 4.00% 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 4.00%.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.50% 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.

**JOHNSTOWN FARMS METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

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.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal at least 3.00% of fiscal year spending for 2026, as defined under TABOR.

Debt Service Reserves

The District maintains a Debt Service Reserve of \$153,059 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
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
	<u>\$ 1,930,000</u>	<u>\$ 1,115,449</u>	<u>\$ 3,045,449</u>