

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT
TOWN OF JOHNSTOWN, WELD COUNTY, COLORADO**

Pursuant to section VII of the District's approved Service Plan, the District shall be responsible for submitting an annual report to the Town no later than August 1st of each year following the year in which the Order and Decree creating the District has been issued (the "report year"). The District makes the following report for the year ending December 31, 2020:

REPORTING OF SIGNIFICANT EVENTS (Section VII.B)

1. Narrative of the District's progress in implementing the Service Plan and a summary of the development in the Project.

The developer within the District is undertaking construction of public improvements, and the District anticipates undertaking the issuance of debt in 2021 in order to help finance the construction of public improvements.

2. Boundary changes made or proposed.

There were no boundary changes made or proposed to the District's boundaries during 2020.

3. Intergovernmental agreements executed.

The District executed that certain Intergovernmental Agreement between the Town of Johnstown and the Johnstown Farms East Metropolitan District, dated December 11, 2020 regarding the Service Plan; and, that certain Assignment and Assumption Agreement, Johnstown Farms Filing 3, between Johnstown Farms Metropolitan District and Johnstown Farms East Metropolitan District, dated December 11, 2020.

4. 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 as of December 31, 2020.

5. Proposed plans for the year immediately following the report year.

The District anticipates financing and/or reimbursing costs for public improvements from the issuance of debt in 2021.

6. Construction contracts executed and the name of the contractors as well as the principal of each contractor.

The District did not execute any construction contracts in 2020.

7. Status of the District's Public Improvement construction schedule and the Public Improvement schedule for the following five years.

The District anticipates that the developer within the District will construct all public improvements within the District. All public improvements are expected to be construction within the next five years.

8. Notice of any uncured defaults of the Service Plan or any Debt.

To our knowledge, there are no uncured events of default by the District, which continue beyond a ninety (90) day period, under the Service Plan or any Debt instrument.

9. A list of all Public Improvements constructed by the District that have been dedicated to and accepted by the Town.

The Districts did not construct improvements in 2020.

10. If requested by the Town, copies of minutes of all meetings of the District's board of directors.

As of the date of this report, the Town has not requested copies of minutes from meetings of the District's board of directors.

11. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel and the date, place and time of the regular meetings of the Board.

Board of Directors:

Craig Campbell
Kurtis Jones
Jack Hoagland
May Kirschner
Michael Pietschmann

General Counsel and Contact for the District:

Zachary P. White, Esq.
White Bear Ankele Tanka & Waldron, PC
2154 E. Commons Avenue, Suite 2000
Centennial, CO 80122
zwhite@wbapc.com
Phone: 303-858-1800

2021 Meeting Dates:

Regular meetings are scheduled for June 15 and October 5, 2021 at 11:00 a.m. at 400 South Parish Avenue, Johnstown, Colorado

12. Certification from the Board that the District is in compliance with all provisions of the Service Plan.

Please see the attached Certification of Compliance as **Exhibit A**.

13. Copies of any Agreements with the Developer entered into in the report year.

Funding and Reimbursement Agreement between the District and T.F. Johnstown Farms, L.P. attached hereto as **Exhibit B**.

14. Copies of any Cost Verification Reports provided to the District in the report year.

Not applicable.

REPORTING OF SIGNIFICANT EVENTS (Section VII.B)

Summary of Financial Information - The annual report shall include a summary of the following information for the report year:

1. Assessed value of Taxable Property within the District's boundaries.

The District's Assessed Valuation for 2020 was \$268,640.

2. Total acreage of property within the District's boundaries.

The area of the Initial District Boundaries includes approximately 90.563 acres.

3. Most recently filed audited financial statements of the District, to the extent audited financial statements are required by state law, or most recently filed audit exemption.

The District is currently exempt from Audit, pursuant to § 29-1-604, C.R.S. A copy of the 2020 Application for Exemption from Audit is attached hereto as **Exhibit C**.

4. Annual budget of the District.

A copy of the District's 2021 Budget is attached hereto as **Exhibit D**.

5. Resolutions regarding issuance of Debt or other financial obligations, including relevant financing documents, credit agreements, and official statements.

Not applicable.

6. Outstanding Debt (stated separately for each class of Debt).

Not applicable.

7. Outstanding Debt service (stated separately for each class of Debt).

Not applicable.

8. The District's tax revenue.

This information is contained in the District's 2021 Budget, attached as **Exhibit D**.

9. Other revenues of the District.

This information is contained in the District's 2021 Budget, attached as **Exhibit D**.

10. The District's Public Improvements expenditures.

This information is contained in the District's 2021 Budget, attached as **Exhibit D**.

11. The District's other expenditures.

This information is contained in the District's 2021 Budget, attached as **Exhibit D**.

12. The District's inability to pay any financial obligations as they come due.

None.

13. The amount and terms of any new Debt issued.

Not applicable.

14. Any Developer Debt.

None

EXHIBIT A

Certification of Compliance

By signature below, the President of the Board of Directors certifies that, to the best of his actual knowledge, the District is in compliance with all provisions of the Service Plan. This Certification is provided in relation to the Annual Report for the year 2020, as required under the Service Plan for the Johnstown Farms East Metropolitan District.

Craig Campbell

[Craig Campbell \(Jul 30, 2021 09:08 MDT\)](#)

By: Craig Campbell, President

Dated: 7/29/2021

EXHIBIT B
Developer Agreements

FUNDING AND REIMBURSEMENT AGREEMENT (Operations and Maintenance)

This **FUNDING AND REIMBURSEMENT AGREEMENT** (the “**Agreement**”) is made and entered into as of the 11th day of December, 2020, by and between JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and TF JOHNSTOWN FARMS, L.P., A Delaware limited partnership (“**TFJF**”). The District and the TFJF are collectively referred to herein as the “**Parties**”.

RECITALS

WHEREAS, the District has been duly and validly organized as a quasi-municipal corporation and political subdivision of the State of Colorado, in accordance with the provisions of Article 1, Title 32, Colorado Revised Statutes (the “**Special District Act**”), with the power to provide certain public infrastructure, improvements and services, as described in the Special District Act, within and without its boundaries (collectively, the “**Public Infrastructure**”), as authorized and in accordance with the Service Plan for the District (the “**Service Plan**”); and

WHEREAS, TFJF has directed or intends to direct certain development activities or cause development activities to occur with respect to property included within and without the boundaries of the District (the “**Project**”), which depend upon the timely delivery of the Public Infrastructure; and

WHEREAS, the District has incurred and will incur costs in furtherance of the District’s permitted purposes, including but not limited to: costs in the nature of general operating, administrative and maintenance costs, such as attorney, engineering, architectural, surveying, district management, accounting, auditing, insurance, and other costs necessary to continued good standing under applicable law (the “**Costs**”); and

WHEREAS, the District does not presently have financial resources to provide funding for payment of Costs that are projected to be incurred prior to the anticipated availability of funds; and

WHEREAS, the District has determined that delay in the provision of the Public Infrastructure and the conduct of other service functions by the District will impair the ability to provide facilities and services necessary to support the Project on a timely basis; and

WHEREAS, TFJF is willing to loan funds to the District, from time to time, on the condition that the District agrees to repay such loans, in accordance with the terms set forth in this Agreement; and

WHEREAS, the District is willing to execute one or more reimbursement notes, bonds, or other instruments (“**Reimbursement Obligations**”), in an aggregate principal amount not to exceed the Maximum Loan Amount (as defined below), to be issued to or at the direction of TFJF upon its request, subject to the terms and conditions hereof, to further evidence the District’s obligation to repay the funds loaned hereunder; and

WHEREAS, the District anticipates repaying moneys advanced by TFJF hereunder, including as evidenced by any requested Reimbursement Obligations, with the proceeds of future bonds, ad valorem taxes, or other legally available revenues of the District determined to be available therefor; and

WHEREAS, the District and TFJF desire to enter into this Agreement for the purpose of consolidating all understandings and commitments between them relating to the funding and repayment of the Costs; and

WHEREAS, the Board of Directors of the District (the “**Board**”) has determined that the best interests of the District and its property owners will be served by entering into this Agreement for the funding and reimbursement of the Costs; and

WHEREAS, the Board has authorized its officers to execute this Agreement and to take all other actions necessary and desirable to effectuate the purposes of this Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the District and TFJF agree as follows:

COVENANTS AND AGREEMENTS

1. Loan Amount and Term. TFJF agrees to loan to the District one or more sums of money, not to exceed the aggregate of \$55,000 per annum for three years, up to \$165,000 (as the same may be subsequently increased by agreement of the Parties hereto and execution of a supplement or addendum to this Agreement) (the “**Maximum Loan Amount**”). These funds shall be loaned to the District in one or a series of installments and shall be available to the District through December 31, 2022 (as the same may be amended pursuant to an annual review evidenced by supplement or amendment hereto, the “**Loan Obligation Termination Date**”). Thereafter, TFJF may agree to renew its obligations hereunder by providing written notice thereof to the District, in which case the Loan Obligation Termination Date shall be amended to the date provided in such notice, which date shall not be earlier than December 31 of the succeeding year.

2. Prior Costs Incurred. The Parties agree and acknowledge that TFJF has incurred Costs on behalf of the District prior to the execution of this Agreement in anticipation that the same would be reimbursed as provided herein (the “**Prior Costs**”). Reimbursement for Prior Costs shall be made in accordance with, and subject to the terms and conditions of this Agreement governing the reimbursement for Costs, except that any Prior Costs reimbursed in accordance with this Agreement shall not be included in the calculation of the Maximum Loan Amount under Section 1 of this Agreement.

3. Use of Funds. The District agrees that it shall apply all funds loaned by TFJF under this Agreement solely to Costs of the District as set forth from time to time in the annual adopted budget for the District, and pursuant to any contracts entered into with third parties to perform functions for the District under such adopted budget. It is understood that the District has budgeted or will budget as revenue from year to year the entire aggregate amount which may be borrowed hereunder to enable the District to appropriate revenues to pay the Costs included within the District’s annual budget. TFJF shall be entitled to a quarterly accounting of the expenditures made

by the District, upon request, and otherwise may request specific information concerning such expenditures at reasonable times and upon reasonable notice to the District.

4. Manner for Requesting Advances.

a. The District shall from time to time determine the amount of revenue required to fund budgeted expenditures by the District, but such determination shall be made not more often than monthly. Each determination shall be made based upon the expenditures contained in the adopted budget for the District and upon the rate of expenditures estimated for the next succeeding month and such other factors as the Board may consider relevant to the projection of future financial needs. Not less than fifteen (15) days before the beginning of each month, the District shall notify TFJF of the requested advance for the next month, and TFJF shall deposit such advance on or before the beginning of that month. The Parties may vary from this schedule upon mutual agreement.

b. Upon receipt of advances hereunder, the District shall keep a record of such advances made. Failure to record such advances shall not affect inclusion of such amounts as reimbursable amounts hereunder; provided that such advances are substantiated by the District's accountant. TFJF may provide any relevant documentation evidencing such unrecorded advance to assist in the District's final determination.

5. Obligations Irrevocable.

a. The obligations of TFJF created by this Agreement are absolute, irrevocable, unconditional, and are not subject to setoff or counterclaim.

b. TFJF shall not take any action which would delay or impair the District's ability to receive the funds contemplated herein with sufficient time to properly pay approved invoices and/or notices of payment due.

6. Interest Prior to Issuance of Reimbursement Obligations. With respect to each loan advance made under this Agreement prior to the issuance of any Reimbursement Obligation reflecting such advance, the interest rate shall be 6.5% per annum, from the date any such advance is made, simple interest, to the earlier of the date the Reimbursement Obligation is issued to evidence such advance, or the date of repayment of such amount. Upon issuance of any such Reimbursement Obligation, unless otherwise consented to by TFJF, any interest then accrued on any previously advanced amount shall be added to the amount of the loan advance and reflected as principal of the Reimbursement Obligation, and shall thereafter accrue interest as provided in such Reimbursement Obligation.

7. Terms of Repayment; Source of Revenues.

a. Any funds advanced hereunder shall be repaid in accordance with the terms of this Agreement. The District intends to repay any advances made under this Agreement from ad valorem taxes, fees, or other legally available revenues of the District, net of any debt service or current operations and maintenance costs of the District. Any mill levy certified by the District for the purpose of repaying advances made hereunder shall not exceed 40 mills and shall be further

subject to any restrictions provided in the District's Service Plan, electoral authorization, or any applicable laws.

b. The provision for repayment of advances made hereunder, as set forth in Section 7(a) hereof, shall be at all times subject to annual appropriation by the District.

c. At such time as the District issues Reimbursement Obligations to evidence an obligation to repay advances made under this Agreement, the repayment terms of such Reimbursement Obligations shall control and supersede any otherwise applicable provision of this Agreement, except for the Maximum Reimbursement Obligation Repayment Term (as defined below).

8. Issuance of Reimbursement Obligations.

a. Subject to the conditions of this Section 8 and Section 9 hereof, upon request of TFJF, the District hereby agrees to issue to or at the direction of TFJF one or more Reimbursement Obligations to evidence any repayment obligation of the District then existing with respect to advances made under this Agreement. Such Reimbursement Obligations shall be payable solely from the sources identified in the Reimbursement Obligations, including, but not limited to, *ad valorem* property tax revenues of the District, and shall be secured by the District's pledge to apply such revenues as required hereunder, unless otherwise consented to by TFJF. Such Reimbursement Obligations shall mature on a date or dates, subject to the limitation set forth in the Maximum Reimbursement Obligation Repayment Term defined herein, and bear interest at a market rate, to be determined at the time of issuance of such Reimbursement Obligations. The District shall be permitted to prepay any Reimbursement Obligation, in whole or in part, at any time without redemption premium or other penalty, but with interest accrued to the date of prepayment on the principal amount prepaid. The District and TFJF shall negotiate in good faith the final terms and conditions of the Reimbursement Obligations.

b. The term for repayment of any Reimbursement Obligation issued under this Agreement shall not extend beyond thirty (30) years from the date of this Agreement (“**Maximum Reimbursement Obligation Repayment Term**”).

c. The issuance of any Reimbursement Obligation shall be subject to the availability of an exemption from the registration requirements of § 11-59-106, C.R.S., and shall be subject to such prior filings with the Colorado State Securities Commissioner as may be necessary to claim such exemption, in accordance with § 11-59-110, C.R.S., and any regulations promulgated thereunder.

d. In connection with the issuance of any such Reimbursement Obligation, the District shall make such filings as it may deem necessary to comply with the provisions of § 32-1-1604, C.R.S., as amended.

e. The terms of this Agreement may be used to construe the intent of the District and TFJF in connection with issuance of any Reimbursement Obligations, and shall be read as nearly as possible to make the provisions of any Reimbursement Obligations and this Agreement fully effective. Should any irreconcilable conflict arise between the terms of this

Agreement and the terms of any Reimbursement Obligation, the terms of such Reimbursement Obligation shall prevail.

f. If, for any reason, any Reimbursement Obligation is determined to be invalid or unenforceable, the District shall issue a new Reimbursement Obligation to TFJF that is legally enforceable, subject to the provisions of this Section 8.

g. In the event that it is determined that payments of all or any portion of interest on any Reimbursement Obligation may be excluded from gross income of the holder thereof for federal income tax purposes upon compliance with certain procedural requirements and restrictions that are not inconsistent with the intended uses of funds contemplated herein and are not overly burdensome to the District, the District agrees, upon request of TFJF, to take all action reasonably necessary to satisfy the applicable provisions of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

9. No Debt. It is hereby agreed and acknowledged that this Agreement evidences the District's intent to repay TFJF for advances made hereunder in accordance with the terms hereof. However, this Agreement shall not constitute a debt or indebtedness by the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple-fiscal-year financial obligation. Further, the provision for repayment of advances made hereunder, as set forth in Section 7 hereof, and the agreement to issue a Reimbursement Obligation as set forth in Section 8 hereof, shall be at all times subject to annual appropriation by the District, in its absolute discretion. TFJF expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the District's Board and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. By acceptance of this Agreement, TFJF agrees and consents to all of the limitations in respect of the payment of the principal and interest due under this Agreement and in the District's Service Plan

10. Termination.

a. TFJF's obligations to advance funds to the District in accordance with this Agreement shall terminate on December 31, 2022, (subject to the extension terms above), except to the extent advance requests have been made to TFJF that are pending by this termination date, in which case said pending request(s) will be honored notwithstanding the passage of the termination date.

b. The District's obligations hereunder shall terminate at the earlier of the repayment in full of the Maximum Loan Amount (or such lesser amount advanced hereunder if it is determined by the District that no further advances shall be required hereunder) or thirty (30) years from the execution date hereof. After thirty (30) years from the execution of this Agreement, the Parties hereby agree and acknowledge that any obligation created by this Agreement which remains due and outstanding under this Agreement, including accrued interest, is forgiven in its entirety, generally and unconditionally released, waived, acquitted and forever discharged, and shall be deemed a contribution to the District by TFJF, and there shall be no further obligation of the District to pay or reimburse TFJF with respect to such amounts.

Email: mmoser@starwoodland.com
lcolditz@starwoodland.com

13. Amendments. This Agreement may only be amended or modified by a writing executed by both the District and TFJF.

14. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Agreement, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

15. Applicable Laws. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located.

16. Assignment. This Agreement may not be assigned by the District or TFJF and any attempt to assign this Agreement in violation hereof shall be null and void.

17. Authority. By execution hereof, the District and TFJF represent and warrant that their respective representatives signing hereunder have full power and authority to execute this Agreement and to bind the respective party to the terms hereof.

18. Entire Agreement. This Agreement constitutes and represents the entire, integrated agreement between the District and TFJF with respect to the matters set forth herein and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral. This Agreement shall become effective upon the date of full execution hereof.

19. Legal Existence. The District will maintain its legal identity and existence so long as any of the advanced amounts contemplated herein remain outstanding. The foregoing statement shall apply unless, by operation of law, another legal entity succeeds to the liabilities and rights of the District hereunder without materially adversely affecting TFJF's privileges and rights under this Agreement.

20. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the District, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the District and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

21. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

22. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and TFJF any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and TFJF shall be for the sole and exclusive benefit of the District and TFJF.

23. Counterpart Execution. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first above written. By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

DISTRICT:

JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

Craig Campbell
Craig Campbell (Jan 22, 2021 12:09 MST)

Officer of the District

ATTEST:

Kurtis Jones
Kurtis Jones (Jan 22, 2021 13:20 MST)

Secretary

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

[Signature]

General Counsel to the District

DEVELOPER:

TF JOHNSTOWN FARMS, L.P., a Delaware limited partnership

By: _____

Printed Name: _____

Title: _____

[Signature page to Funding and Reimbursement Agreement]

EXHIBIT C

Application for Exemption from Audit

APPLICATION FOR EXEMPTION FROM AUDIT**SHORT FORM**NAME OF GOVERNMENT
ADDRESS

Johnstown Farms East Metropolitan District

8390 E Crescent Parkway

Suite 300

Greenwood Village, CO 80111

CONTACT PERSON

Gigi Pangindian

PHONE

303-779-5710

EMAIL

Gigi.Pangindian@claconnect.com

FAX

303-779-0348

For the Year Ended
12/31/20
or fiscal year ended:**PART 1 - CERTIFICATION OF PREPARER**

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:

Gigi Pangindian

TITLE

Accountant for the District

FIRM NAME (if applicable)

CliftonLarsonAllen LLP

ADDRESS

8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111

PHONE

303-779-5710

DATE PREPARED

3/17/2021

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)



PROPRIETARY
(CASH OR BUDGETARY BASIS)



PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ -	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ -	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ -	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ -	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

	Yes	No		
4-1 Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-2 Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">The District has no debt.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-3 Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">The District has no debt.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
	Outstanding at end of prior year*	Issued during year		
	Retired during year	Outstanding at year-end		
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Date the debt was authorized:	<div style="border: 1px solid black; padding: 2px; margin-top: 5px;">255,000,000.00</div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">11/3/2020</div>	
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have any lease agreements? If yes: What is being leased? What is the original date of the lease? Number of years of lease? Is the lease subject to annual appropriation? What are the annual lease payments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	<div style="border: 1px solid black; padding: 2px; margin-top: 5px;">\$ -</div>	

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		
Investments (if investment is a mutual fund, please list underlying investments):		\$ -
	\$ -	
	\$ -	
5-3	\$ -	
	\$ -	
Total Investments		
Total Cash and Investments		\$ -

Please answer the following questions by marking in the appropriate boxes

	Yes	No	N/A
5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 6-1 Does the entity have capital assets? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain: Yes No

The District has no capital assets.

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 7-1 Does the entity have an "old hire" firemen's pension plan? Yes No
- 7-2 Does the entity have a volunteer firemen's pension plan? Yes No

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -

What is the monthly benefit paid for 20 years of service per retiree as of Jan \$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A

- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

Fund Name	Budgeted Expenditures/Expenses
General Fund	\$ 51,000
	\$ -
	\$ -

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes

No

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

10-1 Is this application for a newly formed governmental entity?

10-1

If yes: **Date of formation:**

10-2 Has the entity changed its name in the past or current year?

If yes: **Please list the NEW name & PRIOR name:**

10-3 Is the entity a metropolitan district?

Please indicate what services the entity provides:

10-4 Does the entity have an agreement with another government to provide services?

If yes: **List the name of the other governmental entity and the services provided:**

10-5 Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during

If yes: **Date Filed:**

10-6 Does the entity have a certified Mill Levy?

If yes:

Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills	-
General/Other mills	-
Total mills	-

	-
	-
	-

Please use this space to provide any explanations or comments:

10-3: Financing for the acquisition, construction, operations and maintenance of streets, parks and recreation, water, sanitary and storm sewer, mosquito control, traffic and safety, and security.

PART 11 - GOVERNING BODY APPROVAL

	Please answer the following question by marking in the appropriate box	YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, **or**
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Mary Kirschner	I, Mary Kirschner, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Mary Kirschner</u> Date: <u>3/22/2021</u> My term Expires: May 2022
Board Member 2	Michael Pietschmann	I, Michael Pietschmann, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Michael Pietschmann</u> Date: <u>3/22/2021</u> My term Expires: May 2022
Board Member 3	Craig Campbell	I, Craig Campbell, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: May 2023
Board Member 4	Jack N. Hoagland	I, Jack N. Hoagland, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: _____ Date: _____ My term Expires: May 2023
Board Member 5	Kurtis Jones	I, Kurtis Jones, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>Kurtis Jones</u> Date: <u>3/22/2021</u> My term Expires: May 2023
Board Member 6	Print Board Member's Name	
Board Member 7	Print Board Member's Name	



CliftonLarsonAllen LLP
www.CLACONnect.com

Accountant's Compilation Report

Board of Directors
Johnstown Farms East Metropolitan District
Larimer County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Johnstown Farms East Metropolitan District as of and for the year ended December 31, 2020, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Johnstown Farms East Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
March 17, 2021

Certificate Of Completion

Envelope Id: 08FF0FECDD13489BB8A24A00AB404DAA	Status: Completed
Subject: Please DocuSign: Johnstown Farms East MD - 2020 Audit Exemption.pdf	
Client Name: Johnstown Farms East Metropolitan District	
Client Number: 011-095999-00	
Source Envelope:	
Document Pages: 8	Signatures: 3
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Tom Drobnick
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 South 6th Street
	Suite 300
	Minneapolis, MN 55402
	Tom.Drobnick@claconnect.com
	IP Address: 71.218.238.244

Record Tracking

Status: Original 3/22/2021 1:46:23 PM	Holder: Tom Drobnick Tom.Drobnick@claconnect.com	Location: DocuSign
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Signer Events

Kurtis Jones
kjones@starwoodland.com
Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

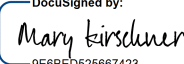
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Signature Adoption: Pre-selected Style
Using IP Address: 97.122.92.99

Timestamp

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Signed: 3/22/2021 2:03:01 PM

Electronic Record and Signature Disclosure:
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ID: 0c8267cc-1e59-4620-84bf-d2fcdada4d86

Mary Kirschner
libby-kirschner@comcast.net
Security Level: Email, Account Authentication (None)

DocuSigned by:

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Signature Adoption: Pre-selected Style
Using IP Address: 67.164.184.251

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Electronic Record and Signature Disclosure:
Accepted: 3/22/2021 1:55:07 PM
ID: e2213cad-f6f2-4a71-8872-a27bce253078

Michael Pietschmann
mpietschmann@redland.com
Security Level: Email, Account Authentication (None)

DocuSigned by:

854A4FDC2F384A6...
Signature Adoption: Pre-selected Style
Using IP Address: 63.157.240.198

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Signed: 3/22/2021 2:09:07 PM

Electronic Record and Signature Disclosure:
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In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp
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Certified Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Certified Delivered	Security Checked	3/22/2021 2:07:49 PM
Signing Complete	Security Checked	3/22/2021 2:09:07 PM
Completed	Security Checked	3/22/2021 2:10:32 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.

EXHIBIT D

2021 Budget

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2021)

The Board of Directors of Johnstown Farms East Metropolitan District (the “**Board**”), Town of Johnstown, County of Weld, Colorado (the “**District**”) held a special meeting via teleconference on Friday, December 11, 2020, at the hour of 10:30 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

[Remainder of Page Intentionally Left Blank.]

NOTICE AS TO PROPOSED 2021 BUDGET

**NOTICE OF MEETING
NOTICE OF PUBLIC HEARING ON THE PROPOSED 2021 BUDGET**

NOTICE IS HEREBY GIVEN that the Boards of Directors (the “Boards”) of the KINGS POINT SOUTH METROPOLITAN DISTRICT NOS. 1 AND 2 (collectively the “Districts”), will hold a joint meeting of the Districts on Tuesday, November 10, 2020 at 10:00 A.M., for the purpose of conducting such business as may come before the Boards. Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the directions below:

Join Zoom Meeting

<https://zoom.us/j/97354726369>

Meeting ID: 973 5472 6369

Dial-In: Phone: 720-707-2699

This meeting is open to the public. Pursuant to § 24-6-402(2)(c), C.R.S., the agenda for any meeting may be obtained by visiting www.whitebearankele.com* or, alternatively, by calling (303) 858-1800.

NOTICE IS FURTHER GIVEN that proposed 2021 budgets have been submitted to the Districts. A copy of each of the proposed budgets is on file in the office of Simmons & Wheeler, P.C., 304 Inverness Way South, Suite 490, Englewood, Colorado, where the same are open for public inspection.

Such proposed budgets will be considered at a public hearing during a joint meeting of the Districts to be held on Tuesday, November 10, 2020 at 10:00 A.M. Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the directions below:

Join Zoom Meeting

<https://zoom.us/j/97354726369>

Meeting ID: 973 5472 6369

Dial-In: Phone: 720-707-2699

Any interested elector of the Districts may file or register any objections to the proposed budgets at any time prior to final adoption of the budgets by the governing body of the District.

BY ORDER OF THE BOARDS OF DIRECTORS:
KINGS POINT SOUTH METROPOLITAN
DISTRICT NOS. 1 AND 2

/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Agendas may change from time to time after posting on this website and such agenda will be posted when available. Any matter listed on an agenda in any manner may lead to formal action at any time. Agenda items may be added or deleted at or before a meeting and formal action may be taken at a meeting on any added matter. No assurance can be made that changes to agendas made within 72 hours of a meeting will be known by White Bear Ankele Tanaka & Waldron (“WBA”), as the website posting entity, or that the website posting entity will be able to respond all callers and/or email contacts prior to any meeting. WBA will do what it reasonably can do to have accurate information and be responsive to the public at all times.

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 11, 2020, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2021 budget year, there is hereby levied a tax of

40.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2021 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2021 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Weld County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

[Remainder of page intentionally left blank.]

ADOPTED THIS 11th DAY OF DECEMBER, 2020.

JOHNSTOWN FARMS EAST METROPOLITAN
DISTRICT

Craig Campbell

Craig Campbell (Jan 22, 2021 12:07 MST)

Officer of the District

ATTEST:

Kurtis Jones

Kurtis Jones (Jan 22, 2021 13:15 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

[Signature]

General Counsel to the District

STATE OF COLORADO
COUNTY OF WELD
JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Friday, December 11, 2020, via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 22nd day of January, 2021.

Kurtis Jones

Kurtis Jones (Jan 22, 2021 13:15 MST)

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2021

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

1/28/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 4,000
REVENUE			
Property taxes	-	-	13,432
Specific ownership tax	-	-	671
Developer advance	-	55,000	55,000
Total revenue	<u>-</u>	<u>55,000</u>	<u>69,103</u>
Total funds available	<u>-</u>	<u>55,000</u>	<u>73,103</u>
EXPENDITURES			
General Fund	-	51,000	51,000
Debt Service Fund	-	-	1,000
Total expenditures	<u>-</u>	<u>51,000</u>	<u>52,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>51,000</u>	<u>52,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 21,103</u>
EMERGENCY RESERVE	\$ -	\$ -	\$ 100

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

1/28/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Agricultural	-	\$ -	\$ 2,860
Oil and Gas	-	-	265,780
Certified Assessed Value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 268,640</u>
MILL LEVY			
General	0.000	0.000	10.000
Debt Service	0.000	0.000	40.000
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>50.000</u>
PROPERTY TAXES			
General	\$ -	\$ -	\$ 2,686
Debt Service	-	-	10,746
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,432</u>
BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ 2,686
Debt Service	-	-	10,746
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,432</u>

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

1/28/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 4,000
REVENUE			
Property taxes	-	-	2,686
Specific ownership tax	-	-	134
Developer advance	-	55,000	55,000
Total revenue	<u>-</u>	<u>55,000</u>	<u>57,820</u>
Total funds available	<u>-</u>	<u>55,000</u>	<u>61,820</u>
EXPENDITURES			
General and administrative			
Accounting	-	6,000	20,000
Contingency	-	17,000	2,960
County Treasurer's fee	-	-	40
Dues	-	500	500
Insurance	-	2,500	2,500
Legal	-	25,000	25,000
Total expenditures	<u>-</u>	<u>51,000</u>	<u>51,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>51,000</u>	<u>51,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 10,820</u>
EMERGENCY RESERVE	\$ -	\$ -	\$ 100

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

1/28/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUE			
Property taxes	-	-	10,746
Specific ownership tax	-	-	537
Total revenue	<u>-</u>	<u>-</u>	<u>11,283</u>
Total funds available	<u>-</u>	<u>-</u>	<u>11,283</u>
EXPENDITURES			
General and administrative			
Contingency	-	-	839
County Treasurer's fee	-	-	161
Total expenditures	<u>-</u>	<u>-</u>	<u>1,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>1,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,283</u>

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Johnstown Farms East Metropolitan District (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order of the District Court in Weld County on November 30, 2020, and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District's service area is located in Weld County. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services.

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$12,500,000. In the future, the District may issue a portion or all of the authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contractual.

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.

Revenues

Developer Advances

The District's general and administrative costs in 2021 will be partially funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bonds proceeds (if applicable) and other legally available revenue.

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 information page of the budget.

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT
2021 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 5% of the property taxes collected.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, membership dues, election and other administrative expenditures.

Debt and Leases

The District has no debt, nor any capital and operating leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish emergency reserve. This reserve must be at least 3% of fiscal year spending.

This information is an integral part of the accompanying budget.