

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT**  
**2023 ANNUAL REPORT**

Pursuant to §32-1-207(3)(c), C.R.S., and the Service Plan for Johnstown Farms East Metropolitan District (the “**District**”), the District are required to provide an annual report to the with regard to the following matters:

For the year ending December 31, 2023, the District make the following report:

**§32-1-207(3), C.R.S. Statutory Requirements**

**1. Boundary changes made.**

There were no changes or proposed changes to the boundaries of the District in 2023.

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

The District did not enter into any intergovernmental agreements during the reporting year.

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

The District’s rules of regulations can be found on the District’s website at <https://johnstownfarmseastmetro.com/>

**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, 2023.

**5. Status of the construction of public improvements by the District.**

All public improvements within the have been constructed or will be constructed by the developer and/or builders within the District. To the District’s knowledge, all public improvements except for landscape improvements have been completed to date.

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

All principal public infrastructure has been completed by the developer and/or builders within the District, and dedicated to and accepted by the Town.

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

The District’s Assessed Valuation for 2023 was \$4,037,480.

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

A copy of the 2024 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 2023 Audit is still in process and will be provided in a Supplemental Annual 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 by 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**

Pursuant to section VII of the Service Plan for Johnstown Farms East Metropolitan District (the “District”), the District shall be responsible for submitting an annual report to the Town no later than August 1<sup>st</sup> 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, 2023:

**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 undertook the construction of public improvements, and in 2021, the District issued its General Obligation Limited Tax Bonds, Series 2021 in the principal amount of \$7,062,000. The District used proceeds from its 2021 bonds to reimburse the developer for the costs of public improvements in the District. To the District’s knowledge, all public improvements except for some landscaping improvements have been constructed.

**2. Boundary changes made or proposed.**

There were no boundary changes made or proposed to the District’s boundaries during the Report Year.

**3. Intergovernmental agreements executed.**

The District did not enter into any intergovernmental agreements during the Report Year.

**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, 2023.

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

The District anticipates meeting its debt service obligations in 2023 through the imposition of a debt service mill levy and undertaking administrative and operations functions through the imposition of an operating mill levy, and the imposition of an operations fee. The District engaged a district manager to coordinate property management needs and covenant enforcement in the District.

**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 2023.

**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 and/or builders within the District will complete construct all public improvements within the District. All public improvements are expected to be constructed within the next five years.

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

To the District's knowledge, there are no uncured events of default of the Service Plan of any Debt.

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

The District did not construct improvements in 2023. All public improvements within the District are to be constructed by the developer and/or builders within the District.

**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. The District's meeting minutes can be found on the District's website at <https://johnstownfarmseastmetro.com/>

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  
c/o White Bear Ankele Tanka & Waldron, PC  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122  
Phone: 303-858-1800

Jack Hoagland  
c/o White Bear Ankele Tanka & Waldron, PC  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122  
Phone: 303-858-1800

Cindy Myers  
c/o White Bear Ankele Tanka & Waldron, PC  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122  
Phone: 303-858-1800

**District Manager**

Advance HOA  
Attn: Lane Melott  
PO Box 370390  
Denver, CO 80237  
[lane.melott@advancehoa.com](mailto:lane.melott@advancehoa.com)  
(303) 482-2213 x349

**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

**2024 Meeting Dates:**

Regular meetings are scheduled for June 20 and October 17, 2024, at 10:30 a.m. at 400 South Parish Avenue, Johnstown, Colorado, and by telephone, electronic, or other means not including physical presence.

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 B**.

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

The District did not enter into any agreements with the Developer in 2023.

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

The District did not have any costs accepted in 2023.

**Summary of Financial Information**

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

The District's Assessed Valuation for 2023 was \$4,037,480.

**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 2023 Audit is still in process and will be provided in a Supplemental Annual Report.

**4. Annual budget of the District.**

A copy of the District's 2024 Budget is attached hereto as **Exhibit A**.

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

The District did not issue any Debt during the reporting year.

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

General Obligation Limited Tax Bonds, Series 2021, in the principal amount of \$7,062,000.

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

As of the close of the Report Year, there was \$7,062,000 outstanding on the Series 2021 Bonds.

**8. The District's tax revenue.**

The District collected \$40,661 in tax revenue during the Report Year. On January 8, 2024, the District imposed a total mill levy of 62.431 mills and anticipated the collection in 2023 of \$252,064 in property tax revenues.

**9. Other revenues of the District.**

The District collected \$46,300 in operations fees and late fees, \$1,686 in specific ownership taxes, \$105 in investment income, and received advances from the developer in the Report Year to help meet its financial obligations.

**10. The District's Public Improvements expenditures.**

The District did not have any public improvement expenditures in 2023.

**11. The District's other expenditures.**

The District incurred debt service costs in 2022 associated with the 2021 Bonds.

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

The District was able to pay its financial obligations in the Report Year.

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

The District did not issue any new Debt during the Report Year

**14. Any Developer Debt.**

During the Report Year, the District did not issue any debt to the developer.

**EXHIBIT A**  
**2024 Budget**

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2024**



**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
SUMMARY  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

12/18/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (12,057)	\$ 1,562	\$ 36,505
REVENUES			
Property taxes	9,493	40,661	252,064
Specific ownership taxes	562	1,686	10,082
Operations and maintenance fee	4,614	45,200	144,600
Interest income	46	105	-
Developer advance	55,000	45,000	5,000
Other revenue	-	-	1,582
Collection Letter Fee Revenue	-	220	-
Late fees / penalties	166	1,100	-
Total revenues	<u>69,881</u>	<u>133,972</u>	<u>413,328</u>
TRANSFERS IN	<u>1,929</u>	<u>-</u>	<u>-</u>
Total funds available	<u>59,753</u>	<u>135,534</u>	<u>449,833</u>
EXPENDITURES			
General Fund	46,281	48,932	51,500
Debt Service Fund	9,981	34,097	211,300
Special Revenue Fund	-	16,000	85,000
Total expenditures	<u>56,262</u>	<u>99,029</u>	<u>347,800</u>
TRANSFERS OUT	<u>1,929</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>58,191</u>	<u>99,029</u>	<u>347,800</u>
ENDING FUND BALANCES	<u>\$ 1,562</u>	<u>\$ 36,505</u>	<u>\$ 102,033</u>
EMERGENCY RESERVE	\$ 100	\$ 300	\$ 1,600
SPECIAL REVENUE EMERGENCY RESERVE	-	1,400	4,400
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 1,700</u>	<u>\$ 6,000</u>

No assurance provided. See summary of significant assumptions.

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

12/18/23

ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
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**ASSESSED VALUATION**

Residential	\$ -	\$ -	\$ 2,663,390
Commercial	-	-	36,280
Oil and gas - Production		-	385,570
Oil and gas - Pipeline	130,490	311,290	80,400
Agricultural	2,570	-	-
State assessed	54,970	82,220	690
Vacant land	1,810	419,710	800,870
Personal property	-	-	70,280
Certified Assessed Value	\$ 189,840	\$ 813,220	\$ 4,037,480

**MILL LEVY**

General	10.000	10.000	12.486
Debt Service	40.000	40.000	49.945
Total mill levy	50.000	50.000	62.431

**PROPERTY TAXES**

General	\$ 1,898	\$ 8,132	\$ 50,412
Debt Service	7,594	32,529	201,652
Levied property taxes	9,492	40,661	252,064
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	\$ 9,493	\$ 40,661	\$ 252,064

**BUDGETED PROPERTY TAXES**

General	\$ 1,898	\$ 8,132	\$ 50,412
Debt Service	7,595	32,529	201,652
	\$ 9,493	\$ 40,661	\$ 252,064

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

12/18/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (3,019)	\$ (3,343)	\$ 1,196
REVENUES			
Property taxes	1,898	8,132	50,412
Specific ownership taxes	112	338	2,016
Interest income	1	1	-
Developer advance	43,946	45,000	5,000
Total revenues	<u>45,957</u>	<u>53,471</u>	<u>57,428</u>
Total funds available	<u>42,938</u>	<u>50,128</u>	<u>58,624</u>
EXPENDITURES			
General and administrative			
Accounting	18,188	20,000	22,000
Auditing	5,500	5,700	6,300
County Treasurer's fee	28	122	756
Dues and membership	314	300	500
Election	1,871	3,139	-
Insurance	2,530	2,571	2,700
District management	2,735	-	-
Legal	15,115	17,100	19,000
Contingency	-	-	244
Total expenditures	<u>46,281</u>	<u>48,932</u>	<u>51,500</u>
Total expenditures and transfers out requiring appropriation	<u>46,281</u>	<u>48,932</u>	<u>51,500</u>
ENDING FUND BALANCES	<u>\$ (3,343)</u>	<u>\$ 1,196</u>	<u>\$ 7,124</u>
EMERGENCY RESERVE	<u>\$ 100</u>	<u>\$ 300</u>	<u>\$ 1,600</u>
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 300</u>	<u>\$ 1,600</u>

No assurance provided. See summary of significant assumptions.

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

12/18/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 4,781	\$ 35,309
REVENUES			
Operations and maintenance fee	4,614	45,200	144,600
Late fees / penalties	166	1,100	-
Collection Letter Fee Revenue	-	220	-
Interest income	1	8	-
Total revenues	<u>4,781</u>	<u>46,528</u>	<u>144,600</u>
Total funds available	<u>4,781</u>	<u>51,309</u>	<u>179,909</u>
EXPENDITURES			
Operations and maintenance			
District management	-	15,000	15,000
Landscaping	-	-	35,000
Snow removal	-	-	25,000
Utilities	-	-	5,000
Miscellaneous	-	1,000	5,000
Total expenditures	<u>-</u>	<u>16,000</u>	<u>85,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>16,000</u>	<u>85,000</u>
ENDING FUND BALANCES	<u>\$ 4,781</u>	<u>\$ 35,309</u>	<u>\$ 94,909</u>
SPECIAL REVENUE EMERGENCY RESERVE	\$ -	\$ 1,400	\$ 4,400
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 1,400</u>	<u>\$ 4,400</u>

No assurance provided. See summary of significant assumptions.

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

12/18/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 87	\$ 124	\$ -
REVENUES			
Property taxes	7,595	32,529	201,652
Specific ownership taxes	450	1,348	8,066
Interest income	44	96	-
Other revenue	-	-	1,582
Total revenues	<u>8,089</u>	<u>33,973</u>	<u>211,300</u>
TRANSFERS IN			
Transfers from other funds	<u>1,929</u>	<u>-</u>	<u>-</u>
Total funds available	<u>10,105</u>	<u>34,097</u>	<u>211,300</u>
EXPENDITURES			
Debt Service			
County Treasurer's fee	114	488	3,025
Paying agent fees	4,000	4,000	4,000
Contingency	-	-	1,394
Bond Interest - 2021	5,867	29,609	202,881
Total expenditures	<u>9,981</u>	<u>34,097</u>	<u>211,300</u>
Total expenditures and transfers out requiring appropriation	<u>9,981</u>	<u>34,097</u>	<u>211,300</u>
ENDING FUND BALANCES	<u>\$ 124</u>	<u>\$ -</u>	<u>\$ -</u>

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

12/18/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (9,125)	\$ -	\$ -
REVENUES			
Developer advance	11,054	-	-
Total revenues	<u>11,054</u>	<u>-</u>	<u>-</u>
Total funds available	<u>1,929</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>1,929</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>1,929</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
2024 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 2024 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 page of the budget using the adopted mill levy imposed by the District.

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Property Taxes (continued)**

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>		<b>Category</b>	<b>Rate</b>		<b>Actual Value Reduction</b>	<b>Amount</b>
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 4% of the property taxes collected.

**Operations Fees**

The District imposes an Operations Fee on all residential units within the boundaries of the District to fund operating costs. The Operations Fee is a recurring payment of \$50 per unit per month.

**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 Service**

There is no debt amortization schedule provided for the Series 2021 Bonds (Described under Debt and Leases) as the Bonds are cash flow bonds and the timing of the payments are unknown.



**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

**General Obligation Limited Tax Bonds, Series 2021 (the Bonds)**

Bond Proceeds

The District issued the Bonds on October 13, 2021, in the par amount of \$7,062,000. Proceeds from the sale of the Bonds were used to finance or reimburse the costs of public improvements related to a residential development that is planned to be located within the boundaries of the District and to pay costs of issuance of the Bonds.

Details of the Bonds

The Bonds bear interest at the rate of 5.000% per annum and are payable annually on December 1, beginning on December 1, 2021, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2051 and are subject to mandatory redemption to the extent of available Pledged Revenue.

The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the maturity date. Unpaid interest on the Bonds compounds annually on each December 1. In the event any amounts due and owing on the Bonds remain outstanding on December 2, 2060, such amounts shall be extinguished and no longer due and outstanding.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows: The District has no debt, nor any capital and operating leases.

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2026, to November 30, 2027	3.00%
December 1, 2027, to November 30, 2028	2.00
December 1, 2028, to November 30, 2029	1.00
December 1, 2029, and thereafter	0.00

Pledged Revenue

The Bonds are secured by and payable from moneys derived by the District from the following sources: (a) the Required Mill Levy; (b) the Capital Fees, if any; (c) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and (d) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

The District is required to impose an ad valorem mill levy upon all taxable property of the District each year in the amount of 40.000 mills (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement after September 21, 2020) or such lesser amount which is sufficient to pay all of the principal of and interest on the Bonds in full. The Required Mill levy is net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County.

Capital Fees means all fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges) imposed by the District for services, programs, or facilities furnished by the District, whether now in effect or imposed in the future.

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Emergency Reserve**

TABOR requires local governments to establish emergency reserve. This reserve must be at least 3% of fiscal year spending. The District has provided for this reserve.

**This information is an integral part of the accompanying budget.**

**EXHIBIT B**  
**CERTIFICATE 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 2023, as required under the Service Plan for the Johnstown Farms East Metropolitan District.

*Craig Campbell*

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By: Craig Campbell, President