

JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

June 30, 2026

Johnstown Farms East Metropolitan District
Balance Sheet - Governmental Funds
June 30, 2026

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
Assets				
Checking Account	\$ 51,160.55	\$ 120,953.75	\$ 78,362.30	\$ 250,476.60
Checking - CIT	-	10,476.23	-	10,476.23
UMB Bond Fund - 2021	-	-	150,033.45	150,033.45
Accounts Receivable	-	10,040.03	-	10,040.03
Receivable from County Treasurer	32,368.85	-	135,728.99	168,097.84
Total Assets	<u>\$ 83,529.40</u>	<u>\$ 141,470.01</u>	<u>\$ 364,124.74</u>	<u>\$ 589,124.15</u>
Liabilities				
Accounts Payable	\$ 1,653.83	\$ 5,836.77	\$ -	\$ 7,490.60
Prepaid Assessments	-	7,870.14	-	7,870.14
Total Liabilities	<u>1,653.83</u>	<u>13,706.91</u>	<u>-</u>	<u>15,360.74</u>
Fund Balances	<u>81,875.57</u>	<u>127,763.10</u>	<u>364,124.74</u>	<u>573,763.41</u>
Liabilities and Fund Balances	<u>\$ 83,529.40</u>	<u>\$ 141,470.01</u>	<u>\$ 364,124.74</u>	<u>\$ 589,124.15</u>

Johnstown Farms East Metropolitan District
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2026

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 86,257.00	\$ 85,853.11	\$ 403.89
Specific ownership taxes	3,450.00	1,727.61	1,722.39
Interest Income	10.00	2.78	7.22
Total Revenue	<u>89,717.00</u>	<u>87,583.50</u>	<u>2,133.50</u>
Expenditures			
Accounting	24,000.00	12,000.00	12,000.00
Auditing	6,900.00	-	6,900.00
County Treasurer's Fee	1,294.00	1,287.84	6.16
Dues and Membership	400.00	309.38	90.62
Insurance	2,000.00	2,557.00	(557.00)
Legal	16,000.00	8,111.61	7,888.39
Election	250.00	23.58	226.42
Website	1,600.00	800.00	800.00
Contingency	7,556.00	-	7,556.00
Total Expenditures	<u>60,000.00</u>	<u>25,089.41</u>	<u>34,910.59</u>
Net Change in Fund Balances	29,717.00	62,494.09	(32,777.09)
Fund Balance - Beginning	22,303.00	19,381.48	2,921.52
Fund Balance - Ending	<u>\$ 52,020.00</u>	<u>\$ 81,875.57</u>	<u>\$ (29,855.57)</u>

Johnstown Farms East Metropolitan District
Special Revenue Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2026

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Operations and maintenance fee	\$ 105,000.00	\$ 65,116.99	\$ 39,883.01
Interest Income	10.00	5.62	4.38
Other Revenue	50.00	264.05	(214.05)
Late fees/penalties	5,000.00	3,416.67	1,583.33
Collection Letter Fee Revenue	1,000.00	860.00	140.00
Total Revenue	<u>111,060.00</u>	<u>69,663.33</u>	<u>41,396.67</u>
Expenditures			
District management	22,000.00	10,299.39	11,700.61
Miscellaneous	1,500.00	-	1,500.00
Landscaping	55,000.00	21,913.66	33,086.34
Snow removal	7,500.00	350.00	7,150.00
Utilities	18,500.00	6,450.38	12,049.62
Total Expenditures	<u>104,500.00</u>	<u>39,013.43</u>	<u>65,486.57</u>
Net Change in Fund Balances	6,560.00	30,649.90	(24,089.90)
Fund Balance - Beginning	87,947.00	97,113.20	(9,166.20)
Fund Balance - Ending	<u>\$ 94,507.00</u>	<u>\$ 127,763.10</u>	<u>\$ (33,256.10)</u>

See selected information and the summary of significant assumptions.

SUPPLEMENTARY INFORMATION

Johnstown Farms East Metropolitan District
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2026

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 361,694.00	\$ 360,000.39	\$ 1,693.61
Specific ownership taxes	14,468.00	7,244.22	7,223.78
Interest Income	3,000.00	1,151.21	1,848.79
Total Revenue	<u>379,162.00</u>	<u>368,395.82</u>	<u>10,766.18</u>
Expenditures			
County Treasurer's Fee	5,425.00	5,400.17	24.83
Paying agent fees	4,000.00	-	4,000.00
Bond interest	369,737.00	-	369,737.00
Total Expenditures	<u>379,162.00</u>	<u>5,400.17</u>	<u>373,761.83</u>
Net Change in Fund Balances	-	362,995.65	(362,995.65)
Fund Balance - Beginning	-	1,129.09	(1,129.09)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 364,124.74</u>	<u>\$ (364,124.74)</u>

See selected information and the summary of significant assumptions.

Johnstown Farms East Metropolitan District
Schedule of Cash Position
June 30, 2026
Updated as of August 4, 2026

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Funds</u>
<u>PNC - Checking Account</u>				
Balance as of 6/30/2026	\$ 51,160.55	\$ 120,953.75	\$ 78,362.30	\$ 250,476.60
Subsequent activities:				
07/10/26 Property Taxes	32,368.75	-	135,729.09	168,097.84
07/10/26 Xcel Energy ACH	-	(15.77)	-	(15.77)
07/15/26 Xcel Energy ACH	-	(16.16)	-	(16.16)
07/15/26 Town of Johnstown ACH	-	(4,127.48)	-	(4,127.48)
Anticipated activities:				
Anticipated Bill.com Payments	(7,278.83)	(10,097.15)	-	(17,375.98)
Anticipated Pledged Revenue Transfer	-	-	(214,091.39)	(214,091.39)
Anticipated Balance	<u>\$ 76,250.47</u>	<u>\$ 106,697.19</u>	<u>\$ -</u>	<u>\$ 182,947.66</u>
<u>CIT - Checking Account</u>				
Balance as of 6/30/2026	\$ -	\$ 10,476.23	\$ -	\$ 10,476.23
Subsequent activities:				
Anticipated activities:				
Anticipated Balance	<u>\$ -</u>	<u>\$ 10,476.23</u>	<u>\$ -</u>	<u>\$ 10,476.23</u>
<u>UMB 2021 Bond Fund</u>				
Balance as of 6/30/2026	\$ -	\$ -	\$ 150,033.45	\$ 150,033.45
Subsequent activities:				
07/31/26 Interest Income	-	-	462.60	\$ 462.60
Anticipated activities:				
Anticipated Pledged Revenue Transfer	-	-	214,091.39	214,091.39
Anticipated Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 364,587.44</u>	<u>\$ 364,587.44</u>
Anticipated Balances	<u>\$ 76,250.47</u>	<u>\$ 117,173.42</u>	<u>\$ 364,587.44</u>	<u>\$ 558,011.33</u>
<u>Yield as of 07/31/2026</u>				
UMB invested in CSAFE - 3.75%				

JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT
Property Taxes Reconciliation
2026

	Current Year										Prior Year		
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Revenue Backfill	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received		
								Monthly	Y-T-D		Monthly	Y-T-D	
January	\$ 2,591.68	\$ -	\$ -	\$ 1,264.30	\$ -	\$ (38.87)	\$ 3,817.11	0.58%	0.58%	\$ 1,640.21	0.10%	0.10%	
February	180,298.28	-	-	1,592.29	-	(2,704.47)	179,186.10	40.25%	40.83%	150,463.03	42.77%	42.87%	
March	16,607.56	-	-	1,443.29	-	(249.10)	17,801.75	3.71%	44.54%	9,978.62	2.50%	45.37%	
April	65,343.04	-	-	1,553.68	-	(980.15)	65,916.57	14.59%	59.12%	25,484.20	6.94%	52.31%	
May	12,009.26	-	-	1,502.77	-	(180.16)	13,331.87	2.68%	61.80%	30,484.96	8.36%	60.67%	
June	169,003.68	-	-	1,615.50	13.92	(2,535.26)	168,097.84	37.73%	99.53%	138,582.64	39.33%	100.00%	
July	-	-	-	-	-	-	-	0.00%	99.53%	1,367.36	0.00%	100.00%	
August	-	-	-	-	-	-	-	0.00%	99.53%	1,423.65	0.00%	100.00%	
September	-	-	-	-	-	-	-	0.00%	99.53%	1,418.20	0.00%	100.00%	
October	-	-	-	-	-	-	-	0.00%	99.53%	1,470.49	0.00%	100.00%	
November	-	-	-	-	-	-	-	0.00%	99.53%	1,088.21	0.00%	100.00%	
December	-	-	-	-	-	-	-	0.00%	99.53%	-	0.00%	100.00%	
	\$ 445,853.50	\$ -	\$ -	\$ 8,971.83	\$ 13.92	\$ (6,688.01)	\$ 448,151.24	99.53%	99.53%	\$ 363,401.57	100.00%	100.00%	

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
\$ 86,257	19.26%	\$ 85,853.11	99.53%
361,694	80.74%	360,000.39	99.53%
\$ 447,951	100.00%	\$ 445,853.50	99.53%

Property Tax

General Fund
Debt Service Fund

Specific Ownership Tax

General Fund
Debt Service Fund

\$ 3,450	19.26%	\$ 1,727.61	50.08%
14,468	80.74%	7,244.22	50.07%
\$ 17,918	100.00%	\$ 8,971.83	50.07%

Treasurer's Fees

General Fund
Debt Service Fund

\$ 1,294	19.26%	\$ 1,287.84	99.52%
5,425	80.74%	5,400.17	99.54%
\$ 6,719	100.00%	\$ 6,688.01	99.54%

See selected information and the summary of significant assumptions.

JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT
SELECTED INFORMATION
FOR THE PERIOD ENDED JUNE 30, 2026

Notes to the Reader:

The financial statements of the District have been prepared in accordance with the criteria established by the Governmental Accounting Standards Board ("GASB"), which is the source of authoritative accounting principles generally accepted in the United States of America ("GAAP"), as applied to governmental entities. The District's financial statements are prepared using the modified accrual basis of accounting. The financial statements include the following departures from GAAP:

- Management's discussion and analysis and substantially all disclosures required are omitted.
- The statement of revenues, expenditures and changes in fund balances – governmental funds has been omitted.

The financial forecasts present, to the best of management's knowledge and belief, the District's expected results of operations and cash flows for the forecast periods. Accordingly, the forecasts reflects its judgment as of November 21, 2025, the date these forecasts were prepared, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecasts. There will usually be differences between the forecast and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The financial statements are developed by the District to comply with GAAP, although there may be departures from GAAP not identified. These statements are primarily intended for use in managing the District's operations and may not be suitable for other purposes. Users should be aware of these limitations when utilizing the financial statements.

The December 31, 2025 financial statements are subject to an audit which is in progress as of June 12, 2026. Any adjustments resulting from the audit are not included in these financial statements. Adjustments may be material.

**JOHNSTOWN FARMS EAST METROPOLITAN DISTRICT
2026 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

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
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

Category	Rate	Category	Rate
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		Oil & Gas Production	87.50%

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 4.00% 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
2026 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 5.00% 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
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

TABOR requires local governments to establish emergency reserve. This reserve must be at least 3.00% of fiscal year spending. The District has provided for this reserve.