

**RESOLUTION**  
**ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES**  
**FOR THE CALENDAR YEAR 2024**

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The Board of Directors of Villages at Johnstown Metropolitan District No. 3 (the “**Board**”), Town of Johnstown, Larimer County, Colorado (the “**District**”), held a regular meeting, via teleconference on October 25, 2023, at the hour of 11:30 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.

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## NOTICE AS TO PROPOSED 2024 BUDGET

Account #: FTC-WB0073

# FORT COLLINS COLORADOAN

Invoice Text

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2024 BUDG

STATE OF COLORADO  
COUNTY OF LARIMER  
AFFIDAVIT OF PUBLICATION

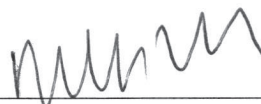
WHITE, BEAR & ANKELE  
2154 E COMMONS AVE STE 2000

CENTENNIAL CO 80122

I, being duly sworn, deposes and says that said is the legal clerk of the Fort Collins Coloradoan; that the same is a daily newspaper of general circulation and printed and published in the City of Fort Collins, in said county and state; that the notice or advertisement, of which the annexed is a true copy, has been published in said daily newspaper and that the notice was published in the regular and entire issue of every number of said newspaper during the period and time of publication of said notice, and in the newspaper proper and not in a supplement thereof; that the publication of said notice was contained in the issues of said newspaper dated on

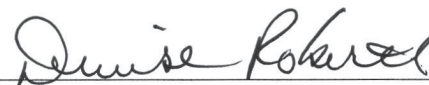
10/20/23

that said Fort Collins Coloradoan has been published continuously and uninterruptedly during the period of at least six months next prior to the first publication of said notice or advertisement above referred to; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof; and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.



Legal Clerk

Subscribed and sworn to before me, within the County of Brown, State of Wisconsin this 20th of October 2023.



Notary Public

4-6-27

Notary Expires

DENISE ROBERTS  
Notary Public  
State of Wisconsin

Legal No. 0005846079

Affidavit Prepared  
Friday, October 20, 2023 8:55 am

Ad#: 0005846079

P O :

This is not an invoice

# of Affidavits: 1

# of Affidavits:

NOTICE OF PUBLIC HEARING ON  
THE PROPOSED 2024 BUDGETS  
AND

NOTICE OF PUBLIC HEARING ON  
THE AMENDED 2023 BUDGETS

The Boards of Directors (collectively the "Boards") of the VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NOS. 1-8 (collectively the "Districts"), will hold a public hearing via teleconference on October 25, 2023, at 11:30 a.m., to consider adoption of the Districts' proposed 2024 budgets (the "Proposed Budgets"), and, if necessary, adoption of an amendment to the 2023 budgets (the "Amended Budgets"). This public hearing may be joined using the following teleconference information:

<https://us06web.zoom.us/j/9055929591>

Meeting ID: 905 592 9591

To Join by phone:

Call In: +1 719 359 4580

Participant Code: press #

The Proposed Budgets and Amended Budgets are available for inspection by the public at the offices of CliftonLarsonAllen, LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111.

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to the final adoption of the Proposed Budgets or the Amended Budgets by the Boards.

The agenda for any meeting may be obtained at <https://villagesatjohnstownmd.org> or by calling (303) 858-1800.

BY ORDER OF THE BOARDS OF DIRECTORS:

VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NOS. 1-8, quasi-municipal corporations and political subdivisions of the State of Colorado

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

0005846079

Coloradoan

Oct 20, 2023

WHEREAS, the Board has designated 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 and interested electors were given the opportunity to register their protest to the proposed budget prior to the 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 2024. 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 2024 budget year, there is hereby levied a tax of 11.003 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 2024 budget year, there is hereby levied a tax of 44.013 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 2024 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 2024 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. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Larimer 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 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. 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 10. 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 OCTOBER 25, 2023.

**DISTRICT:**

**VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3**, a quasi-municipal corporation and political subdivision of the State of Colorado

By: \_\_\_\_\_  
DocuSigned by:  
*Mark Hunter*  
851165D16328431...  
 Officer of the District

Attest:

By: \_\_\_\_\_  
DocuSigned by:  
*Ryan Schaefer*  
FD3C2D9E43EE4D0...

**APPROVED AS TO FORM:**

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_ DocuSigned by:  
*Robert Rogers*  
E484E8AD57C24AB...  
 General Counsel to the District

STATE OF COLORADO  
COUNTY OF LARIMER  
VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3

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 via teleconference on October 25, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 25<sup>th</sup> day of October, 2023.

\_\_\_\_\_ DocuSigned by:  
*Mark Hunter*  
851165D16328431...  
 Signature

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**



**VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3**

**ANNUAL BUDGET**

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

**VILLAGES AT JOHNSTOWN METRO DIST NO. 3**  
**SUMMARY**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,117,113	\$ 590,728	\$ 593,058
REVENUES			
Property taxes	12,839	12,839	390,900
Specific ownership taxes	918	944	27,363
Interest income	3,548	24,000	37,000
Facilities fees	325,000	215,000	180,000
Other revenue	-	-	6,348
Total revenues	<u>342,305</u>	<u>252,783</u>	<u>641,611</u>
Total funds available	<u>1,459,418</u>	<u>843,511</u>	<u>1,234,669</u>
EXPENDITURES			
General Fund	2,751	2,748	90,000
Debt Service Fund	247,706	247,705	260,000
Capital Projects Fund	618,233	-	26
Total expenditures	<u>868,690</u>	<u>250,453</u>	<u>350,026</u>
Total expenditures and transfers out requiring appropriation	<u>868,690</u>	<u>250,453</u>	<u>350,026</u>
ENDING FUND BALANCES	<u>\$ 590,728</u>	<u>\$ 593,058</u>	<u>\$ 884,643</u>
DEBT SERVICE RESERVE	\$ 378,250	\$ 378,250	378,250
DEBT SERVICE SURPLUS	212,452	214,782	481,000
TOTAL RESERVE	<u>\$ 590,702</u>	<u>\$ 593,032</u>	<u>\$ 859,250</u>

**VILLAGES AT JOHNSTOWN METRO DIST NO. 3  
PROPERTY TAX SUMMARY INFORMATION  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
<b>ASSESSED VALUATION</b>			
Residential	\$ -	\$ -	\$ 1,157,665
State assessed	-	-	1,310
Vacant land	256,777	256,777	5,946,227
Certified Assessed Value	\$ 256,777	\$ 256,777	\$ 7,105,202
 <b>MILL LEVY</b>			
General	10.000	10.000	11.003
Debt Service	40.000	40.000	44.013
Total mill levy	50.000	50.000	55.016
 <b>PROPERTY TAXES</b>			
General	\$ 2,568	\$ 2,568	\$ 78,179
Debt Service	10,271	10,271	312,721
Budgeted property taxes	\$ 12,839	\$ 12,839	\$ 390,900
 <b>BUDGETED PROPERTY TAXES</b>			
General	\$ 2,568	\$ 2,568	\$ 78,179
Debt Service	10,271	10,271	312,721
	\$ 12,839	\$ 12,839	\$ 390,900

**VILLAGES AT JOHNSTOWN METRO DIST NO. 3**  
**GENERAL FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	2,568	2,568	78,179
Specific ownership taxes	183	180	5,473
Other revenue	-	-	6,348
Total revenues	2,751	2,748	90,000
TRANSFERS IN			
Total funds available	2,751	2,748	90,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	51	51	1,564
Transfer to District No. 1	2,700	2,697	82,088
Contingency	-	-	6,348
Total expenditures	2,751	2,748	90,000
Total expenditures and transfers out requiring appropriation	2,751	2,748	90,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

**VILLAGES AT JOHNSTOWN METRO DIST NO. 3**  
**DEBT SERVICE FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 498,919	\$ 590,702	\$ 593,032
REVENUES			
Property taxes	10,271	10,271	312,721
Specific ownership taxes	735	764	21,890
Interest income	3,483	24,000	37,000
Facilities fees	325,000	215,000	180,000
Total revenues	<u>339,489</u>	<u>250,035</u>	<u>551,611</u>
TRANSFERS IN			
Total funds available	<u>838,408</u>	<u>840,737</u>	<u>1,144,643</u>
EXPENDITURES			
Debt Service			
County Treasurer's fee	206	205	6,254
Paying agent fees	7,000	7,000	7,000
Contingency	-	-	6,246
Bond interest	240,500	240,500	240,500
Total expenditures	<u>247,706</u>	<u>247,705</u>	<u>260,000</u>
Total expenditures and transfers out requiring appropriation	<u>247,706</u>	<u>247,705</u>	<u>260,000</u>
ENDING FUND BALANCES	<u>\$ 590,702</u>	<u>\$ 593,032</u>	<u>\$ 884,643</u>
DEBT SERVICE RESERVE	\$ 378,250	\$ 378,250	\$ 378,250
DEBT SERVICE SURPLUS	212,452	214,782	481,000
TOTAL RESERVE	<u>\$ 590,702</u>	<u>\$ 593,032</u>	<u>\$ 859,250</u>

**VILLAGES AT JOHNSTOWN METRO DIST NO. 3  
CAPITAL PROJECTS FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 618,194	\$ 26	\$ 26
REVENUES			
Interest income	65	-	-
Total revenues	65	-	-
Total funds available	618,259	26	26
EXPENDITURES			
Intergovernmental expenditures District 1	618,233	-	26
Total expenditures	618,233	-	26
Total expenditures and transfers out requiring appropriation	618,233	-	26
ENDING FUND BALANCES	\$ 26	\$ 26	\$ -

**VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The Villages at Johnstown Metropolitan District No. 3 (District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized concurrently with Villages of Johnstown District Nos. 1-2 and 4-8 (collectively, the Districts) by order and decree of the District Court for Larimer County on May 30, 2018, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within Johnstown, Larimer County, Colorado.

Pursuant to the Consolidated Service Plan, District No. 1 will serve as the service district and will be responsible for managing the construction and operation of the facilities and improvements for the Districts. Districts Nos. 2-8 will serve as the financing districts and are responsible for providing the funding and tax base needed to support the capital improvements.

During the election held on May 8, 2018, a majority of the District's electors authorized general obligation indebtedness of \$1,190,000,000, for the above listed facilities, intergovernmental agreements and debt refunding. Additionally, on May 8, 2018, the Districts' voters authorized the District to collect, retain and spend all revenues in excess of TABOR spending, revenue raising or other limitations.

The Consolidated Service Plan limits the aggregate amount of debt that may be issued by the Districts to \$72,500,000.

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

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 information page of the budget.

**VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3  
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 7% of the property taxes collected.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5.00%.

**Facility Fee**

The District imposes a Capital Facility Fee in the amount of \$2,500 per unit, which is due and payable on or before a building permit is issued by the County. For the calendar year 2024, the District anticipates to collect fees on 72 units.

**Expenditures**

**County Treasurer's Fees**

County Treasurer's fees have been computed at 2.0% of property tax collections.

**Debt Service**

Principal and interest payments in 2024 are provided based on the debt amortization schedule from the Series 2020A Bonds (discussed under Debts and Leases). There is no debt amortization schedule provided for the Series 2020B Subordinate Bonds as the Bond is a cash flow bond and the timing of the payments are unknown.



**VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Capital Outlay**

The District anticipates capital outlay as outlined in the Capital Project Fund.

**Transfers to Villages at Johnstown Metropolitan District No. 1**

Pursuant to the District Coordinating Services Agreement, Villages at Johnston Metropolitan District No. 1 will provide certain operation, maintenance and administrative services benefitting the Districts. The Districts will pay all costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to Villages at Johnston Metropolitan District No. 1.

Pursuant to the Infrastructure Acquisition and Reimbursement Agreement, and the Addendum to that agreement, between the District, Villages at Johnstown Metropolitan District No. 1, and the Developers, Villages at Johnstown Metropolitan District No. 1 will acquire public infrastructure constructed or caused to be constructed by the Developers, and the District will be responsible for reimbursing the Developers.

**Debt and Leases**

**Series 2020 Bonds**

The District issued Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2020A on December 22, 2020, in the par amount of \$4,810,000 (the Senior Bonds). The District also issued Subordinate Limited Tax General Obligation Bonds, Series 2020B on December 22, 2020, in the par amount of \$843,000 (the Subordinate Bonds). Proceeds from the sale of the Senior Bonds were/will be used to (i) finance or reimburse the costs of public improvements related to a residential development in the Town; (ii) pay capitalized interest on the Senior Bonds; (iii) fund the Reserve Fund to the Reserve Requirement; and (iv) pay other costs in connection with the issuance of the Bonds. Proceeds of the Subordinate Bonds will be used to finance or reimburse the costs of public improvements related to the development.

Senior Bonds Details

The Senior Bonds bear interest at the rate of 5.000%, payable semi-annually on June 1 and December 1 (each an "Interest Payment Date"), beginning on June 1, 2021. The Senior Bonds were issued as a term bond that has annual mandatory sinking fund principal payments due annually on December 1, beginning on December 1, 2025. The Senior Bonds mature on December 1, 2050. To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge of the Senior Bonds on December 1, 2059 (the "Senior Bonds Discharge Date"). To the extent interest on any Senior Bond is not paid when due, such interest shall compound semiannually on each Interest Payment Date, at the rate then borne by the Senior Bond. In the event any amounts due on the Senior Bonds remain unpaid after the application of all Senior Pledged Revenue available on the Senior Bonds Discharge Date, such amounts shall be deemed discharged and shall no longer be due and outstanding.

**VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

Senior Pledged Revenue

The Senior Bonds are secured by and payable from the Senior Pledged Revenue, which means the moneys derived by the District from the following sources, net of any costs of collection and any property tax refunds or abatements authorized by or on behalf of the County: (a) the Senior Required Mill Levy; (b) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy; and (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

Subordinate Bonds Details

The Subordinate Bonds bear interest at the rate of 7.500% per annum and are payable annually on December 15, beginning December 15, 2021 from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2050. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity

date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. Principal on the Subordinate Bonds is to be paid on the Mandatory Redemption Date (each December 15) only to the extent Subordinate Pledged Revenue is available therefor. All of the Subordinate Bonds and interest thereon are to be deemed to be discharged after the application of all available Subordinate Pledged Revenue on December 15, 2059 (the "Subordinate Bonds Discharge Date"), regardless of the amount of principal and interest paid prior to the Subordinate Bonds Discharge Date.

Subordinate Pledged Revenue

The Subordinate Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue, net of any costs of collection and any property tax refunds or abatements authorized by or on behalf of the County, which includes: (a) the Subordinate Required Mill Levy; (b) the portion of the Specific Ownership Tax resulting from the Subordinate Required Mill Levy; (c) the Subordinate Capital Fee Revenue; (d) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity, and in whole or partial maturities (and if in part in such order of maturities as the District shall determine and by lot within maturities), on December 1, 2025, 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:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2025, to November 30, 2026	3.00%
December 1, 2026, to November 30, 2027	2.00
December 1, 2027, to November 30, 2028	1.00
December 1, 2028, and thereafter	0.00

**VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

Senior Required Mill Levy

Pursuant to the Senior Indenture, the District has covenanted to impose a Senior Required Mill Levy upon all taxable property of the District each year in an amount necessary to generate Senior Property Tax Revenues sufficient to pay the Senior Bonds when due and to replenish the Reserve Fund to the Reserve Requirement, but not in excess of 40 mills (subject to adjustment for changes in the method of calculating assessed valuation after January 1, 2018). For so long as the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount, the Senior Required Mill Levy is to be equal to 40 mills (subject to adjustment), or such lesser amount that will generate Senior Property Tax Revenues (A) sufficient to pay the Senior Bonds when due, to replenish the Reserve Fund to the Reserve Requirement, and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (B) which, when combined with moneys then on deposit in the Senior Bond Fund, the Surplus Fund and the Reserve Fund, will pay the Senior Bonds in full in the year such levy is collected.

Subordinate Required Mill Levy

Pursuant to the Subordinate Indenture, the District has covenanted to impose a Subordinate Required Mill Levy upon all taxable property in the District each year in an amount equal to (i) 40 mills (subject to adjustment for changes in the method of calculating assessed valuation after January 1, 2018) less the Senior Obligation Mill levy, or (ii) such lesser amount that will generate Subordinate Property Tax Revenues which, when combined with moneys then on deposit in the Subordinate Bond Fund, will pay the Subordinate Bonds in full in the year such levy is collected. Senior Obligation Mill Levy means the sum of the Senior Required Mill Levy and any other ad valorem property tax levy required to be imposed by the District for the payment of Senior Obligations.

	Balance -			Balance -	
	December 31, 2022	Additions	Reductions	December 31, 2023	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Limited Tax General Obligation Bonds:					
Series 2020A	\$ 4,810,000	\$ -	\$ -	\$ 4,810,000	\$ -
Series 2020A - Premium	98,335	-	4,894	93,441	-
Series 2020B	843,000	-	-	843,000	-
<b>Total Bonds Payable</b>	<b>\$ 5,751,335</b>	<b>\$ -</b>	<b>\$ 4,894</b>	<b>\$ 5,746,441</b>	<b>\$ -</b>
	Balance -			Balance -	Due Within
	December 31, 2023	Additions	Reductions	December 31, 2024	One Year
Governmental Activities:					
Bonds Payable:					
Limited Tax General Obligation Bonds:					
Series 2020A	\$ 4,810,000	\$ -	\$ -	\$ 4,810,000	\$ 5,000
Series 2020A - Premium	93,441	-	4,894	88,547	-
Series 2020B	843,000	-	-	843,000	-
<b>Total Bonds Payable</b>	<b>\$ 5,746,441</b>	<b>\$ -</b>	<b>\$ 4,894</b>	<b>\$ 5,741,547</b>	<b>\$ 5,000</b>

The District has no operating or capital leases.

**VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Emergency Reserve**

The District has not provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2024, as defined under TABOR, because net tax revenue is transferred to District No. 1, the service district, which provides for the required reserve amount.

**Debt Service Reserve**

The District is required to maintain a debt service reserve of \$378,250 under the terms of the Bonds. This reserve was initially established from the proceeds of the Senior Bonds.

**Debt Service Reserve (Surplus Fund)**

The District is required to maintain a Surplus Fund from funds that exceed the current year debt service requirements as outlined in the terms of the Bonds. The Surplus Fund is not to exceed \$481,000 and shall be drawn in the event Pledged Revenues are insufficient to cover current year debt service requirements.

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

**VILLAGES AT JOHNSTOWN METROPOLITAN DISTRICT NO. 3**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
**December 31, 2022**

<u>Year Ended</u> <u>December 31,</u>	<b>Series 2020A Senior Bonds</b> <b>\$4,810,000</b> <b>Interest Rate 5.00%</b> <b>Dated December 22, 2020</b>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ -	\$ 240,500	\$ 240,500
2025	5,000	240,500	245,500
2026	65,000	240,250	305,250
2027	65,000	237,000	302,000
2028	75,000	233,750	308,750
2029	80,000	230,000	310,000
2030	90,000	226,000	316,000
2031	95,000	221,500	316,500
2032	105,000	216,750	321,750
2033	110,000	211,500	321,500
2034	120,000	206,000	326,000
2035	130,000	200,000	330,000
2036	140,000	193,500	333,500
2037	150,000	186,500	336,500
2038	165,000	179,000	344,000
2039	170,000	170,750	340,750
2040	185,000	162,250	347,250
2041	195,000	153,000	348,000
2042	215,000	143,250	358,250
2043	225,000	132,500	357,500
2044	240,000	121,250	361,250
2045	255,000	109,250	364,250
2046	275,000	96,500	371,500
2047	290,000	82,750	372,750
2048	310,000	68,250	378,250
2049	325,000	52,750	377,750
2050	730,000	36,500	766,500
	\$ 4,810,000	\$ 4,591,750	\$ 9,401,750

No assurance provided. See summary of significant assumptions.