RESOLUTION

OF THE BOARD OF TRUSTEES OF THE

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 1

ADOPTING THE 2025 BUDGET

WHEREAS, the NS Public Infrastructure District No. 1 (the "**District**") is an independent political subdivision of the State of Utah, duly organized and existing pursuant to the Special District Act, Title 17B, Chapter 1, Utah Code Annotated 1953 and the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated 1953; and

WHEREAS, pursuant to Utah Code Section 17B-1-607, the Board directed the District's accountant to provide a tentative budget to the Board of Trustees (the "**Board**") for review on or before the first regularly scheduled meeting in November; and

WHEREAS, at a meeting held on October 31, 2024, the Board adopted the tentative budget provided by the District's accountant (the "**Tentative Budget**") and established the time and place of a public hearing to take public comment on the same, and ordered notice of said hearing to be provided in accordance with the requirements of Utah Code Section 17B-1-609; and

WHEREAS, following adoption of the Tentative Budget, and no less than seven days prior to the public hearing on the adoption of a final budget, the Board made available a copy of the Tentative Budget pursuant to Utah Code Section 17B-1-608(2)(b); and

WHEREAS, pursuant to Utah Code Section 63G-30-102 the Board published the Tentative Budget as a Class A notice; and

WHEREAS, the Board desires to adopt this resolution setting forth the District's final 2025 budget.

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

1. **Incorporation of Recitals.** The Recitals set forth in this Resolution are hereby incorporated.

2. **Adoption of Final Budget.** The Board hereby adopts the 2025 budget attached hereto as **Exhibit A** as the District's final budget (the "**Final Budget**").

3. **Direction Regarding Filing.** The Board directs the District's accountant to file the Final Budget with the State Auditor within 30 days of adoption and post a copy of the Final Budget as required by Utah Code Section 17B-1-614(2).

ADOPTED THIS 19TH DAY OF NOVEMBER, 2024.

DISTRICT:

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 1, a body politic and corporate created and validly existing under the laws of the State of Utah

By:____

Officer of the District

ATTEST:

By:______________________________

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

____
General Counsel to the District

EXHIBIT A

Final Budget

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2025

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SUMMARY
2025 BUDGET
WITH 2022 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/4/24

	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ -	$ -	$ 6,514,900
REVENUES				
Bond issuance proceeds	-	-	7,280,000	-
Interest income	-	-	3,000	75,000
Acceptance of reimbursable costs	-	-	300,000	4,790,800
Developer advance	5,000	-	5,000	-
Total revenues	5,000	-	7,588,000	4,865,800
TRANSFERS IN	-	-	1,751,600	-
Total funds available	5,000	-	9,339,600	11,380,700
EXPENDITURES				
General Fund	5,000	-	20,000	51,000
Debt Service Fund	-	-	-	437,160
Capital Projects Fund	-	-	1,053,100	9,593,600
Total expenditures	5,000	-	1,073,100	10,081,760
TRANSFERS OUT	-	-	1,751,600	-
Total expenditures and transfers out requiring appropriation	5,000	-	2,824,700	10,081,760
ENDING FUND BALANCES	$ -	$ -	$ 6,514,900	$ 1,298,940
CAPITALIZED INTEREST	$ -	$ -	$ 873,600	$ 440,440
RESERVE FUND	-	-	728,000	728,000
TOTAL RESERVE	$ -	$ -	$ 1,601,600	$ 1,168,440

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 1
GENERAL FUND
2025 BUDGET
WITH 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/4/24

	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ -	$ -	$ 135,000
REVENUES				
Developer advance	5,000	-	5,000	-
Total revenues	5,000	-	5,000	-
TRANSFERS IN				
Transfers from other funds	-	-	150,000	-
Total funds available	5,000	-	155,000	135,000
EXPENDITURES				
General and administrative				
Accounting	2,500	-	7,500	20,000
Auditing	-	-	-	7,000
Insurance	-	-	-	4,000
Legal	2,500	-	12,500	20,000
Total expenditures	5,000	-	20,000	51,000
Total expenditures and transfers out requiring appropriation	5,000	-	20,000	51,000
ENDING FUND BALANCES	$ -	$ -	$ 135,000	$ 84,000

No assurance provided. See summary of significant assumptions.

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 1
DEBT SERVICE FUND
2025 BUDGET
WITH 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/4/24

	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ -	$ -	$ 1,602,100
REVENUES				
Interest income	-	-	500	50,000
Total revenues	-	-	500	50,000
TRANSFERS IN				
Transfers from other funds	-	-	1,601,600	-
Total funds available	-	-	1,602,100	1,652,100
EXPENDITURES				
Debt Service				
Bond interest	-	-	-	433,160
Paying agent fees	-	-	-	4,000
Total expenditures	-	-	-	437,160
Total expenditures and transfers out requiring appropriation	-	-	-	437,160
ENDING FUND BALANCES	$ -	$ -	$ 1,602,100	$ 1,214,940
CAPITALIZED INTEREST	$ -	$ -	$ 873,600	$ 440,440
RESERVE FUND	-	-	728,000	728,000
TOTAL RESERVE	$ -	$ -	$ 1,601,600	$ 1,168,440

No assurance provided. See summary of significant assumptions.

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 1
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2022 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/4/24

	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ -	$ -	$ 4,777,800
REVENUES				
Bond issuance proceeds	-	-	7,280,000	-
Acceptance of reimbursable costs	-	-	300,000	4,790,800
Interest income	-	-	2,500	25,000
Total revenues	-	-	7,582,500	4,815,800
Total funds available	-	-	7,582,500	9,593,600
EXPENDITURES				
Capital Projects				
Recognition of costs	-	-	300,000	4,790,800
Repayment of reimbursable costs	-	-	300,000	4,790,800
Engineering	-	-	7,500	12,000
Bond issue costs	-	-	445,600	-
Total expenditures	-	-	1,053,100	9,593,600
TRANSFERS OUT				
Transfers to other fund	-	-	1,751,600	-
Total expenditures and transfers out requiring appropriation	-	-	2,804,700	9,593,600
ENDING FUND BALANCES	$ -	$ -	$ 4,777,800	$ -

No assurance provided. See summary of significant assumptions.

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

On April 3, 2024, the City Council of Salem City, Utah (the City), acting in its capacity as the creating authority for the NS Public Infrastructure District No. 1 (the District) and Nos. 2-5 (together with the District, the Districts), adopted a resolution creating the Districts. The Office of the Lieutenant Governor of the State of Utah issued a Certificate of Creation for the Districts on May 2, 2024, which was recorded in the real property records of the Utah County Recorder on June 12, 2024.

The District was established to provide financing for infrastructure improvements to facilitate development within the boundaries of the Districts. The District has the power to issue bonds for the purpose of paying all or part of the costs of acquiring, acquiring an interest in, improving, or extending certain public improvements, facilities, or property.

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

The District prepares its budget on the modified accrual basis of accounting 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

Interest Income

Interest earned on the District’s available funds has been estimated based on an average interest rate of approximately 4%.

Expenditures

Administrative Expenditures

Administrative and operations expenditures include the estimated services necessary to maintain the District’s administrative viability such as legal, accounting, district management, insurance, and other administrative expenses.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt Service

Interest payments are provided based on the preliminary amortization schedule for the anticipated Series 2024 Special Assessment Revenue Bonds.

Debt and Leases

The District anticipated issuing Series 2024 Special Assessment Revenue Bonds in 2024. Details of the Bonds will be determined at a later date.

This information is an integral part of the accompanying budget.