

JEPSON CANYON PUBLIC INFRASTRUCTURE DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2025

JEPSON CANYON PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/20/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 2,907,625	\$ 1,313,079	\$ 1,478,965	\$ 1,478,965	\$ 1,030,550
REVENUES					
Property taxes	-	9,934	-	8,643	-
Property taxes applied to following year	-	-	-	(8,643)	8,643
Interest Income	88,017	50,000	43,194	56,800	32,500
Developer advance	-	42,086	-	14,518	55,157
Total revenues	88,017	102,020	43,194	71,318	96,300
TRANSFERS IN	47,059	9,934	53,332	53,332	15,643
Total funds available	3,042,701	1,425,033	1,575,491	1,603,615	1,142,493
EXPENDITURES					
General Fund	35,741	52,020	49,783	60,850	56,800
Debt Service Fund	342,944	345,000	342,944	342,944	342,944
Capital Projects Fund	1,137,992	-	45,966	115,939	-
Total expenditures	1,516,677	397,020	438,693	519,733	399,744
TRANSFERS OUT	47,059	9,934	53,332	53,332	15,643
Total expenditures and transfers out requiring appropriation	1,563,736	406,954	492,025	573,065	415,387
ENDING FUND BALANCES	\$ 1,478,965	\$ 1,018,079	\$ 1,083,466	\$ 1,030,550	\$ 727,106
SURPLUS FUND	\$ 637,302	\$ 679,838	\$ 660,061	\$ 667,647	\$ 692,684
CAPITALIZED INTEREST FUND	638,293	333,316	302,349	302,349	-
TOTAL RESERVE	\$ 1,275,595	\$ 1,013,154	\$ 962,410	\$ 969,996	\$ 692,684

No assurance provided. See summary of significant assumptions.

JEPSON CANYON PUBLIC INFRASTRUCTURE DISTRICT NO. 1
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/20/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ (4,318)	\$ -	\$ -	\$ -	\$ -
REVENUES					
Developer advance	-	42,086	-	14,518	55,157
Total revenues	-	42,086	-	14,518	55,157
TRANSFERS IN					
Transfers from other funds	40,059	9,934	46,332	46,332	8,643
Total funds available	35,741	52,020	46,332	60,850	63,800
EXPENDITURES					
General and administrative					
Accounting	13,128	20,000	13,736	20,000	20,400
Auditing	1,450	7,000	8,850	8,850	9,000
Insurance	-	3,000	7,000	7,000	7,000
Legal	21,163	20,000	20,197	25,000	20,400
Contingency	-	2,020	-	-	-
Total expenditures	35,741	52,020	49,783	60,850	56,800
TRANSFERS OUT					
Transfers to other fund	-	-	-	-	7,000
Total expenditures and transfers out requiring appropriation	35,741	52,020	49,783	60,850	63,800
ENDING FUND BALANCES	\$ -	\$ -	\$ (3,451)	\$ -	\$ -

JEPSON CANYON PUBLIC INFRASTRUCTURE DISTRICT NO. 1
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/20/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 1,593,099	\$ 1,313,079	\$ 1,314,494	\$ 1,314,494	\$ 1,030,550
REVENUES					
Property taxes	-	9,934	-	8,643	-
Property taxes applied to following year	-	-	-	(8,643)	8,643
Interest Income	57,339	50,000	38,982	52,000	32,500
Total revenues	57,339	59,934	38,982	52,000	41,143
TRANSFERS IN					
Transfers from other funds	7,000	-	7,000	7,000	7,000
Total funds available	1,657,438	1,373,013	1,360,476	1,373,494	1,078,693
EXPENDITURES					
Debt Service					
Bond interest	335,944	335,944	335,944	335,944	335,944
Paying agent fees	7,000	7,000	7,000	7,000	7,000
Contingency	-	2,056	-	-	-
Total expenditures	342,944	345,000	342,944	342,944	342,944
TRANSFERS OUT					
Transfers to other fund	-	9,934	-	-	8,643
Total expenditures and transfers out requiring appropriation	342,944	354,934	342,944	342,944	351,587
ENDING FUND BALANCES	\$ 1,314,494	\$ 1,018,079	\$ 1,017,532	\$ 1,030,550	\$ 727,106
SURPLUS FUND	\$ 637,302	\$ 679,838	\$ 660,061	\$ 667,647	\$ 692,684
CAPITALIZED INTEREST FUND	638,293	333,316	302,349	302,349	-
TOTAL RESERVE	\$ 1,275,595	\$ 1,013,154	\$ 962,410	\$ 969,996	\$ 692,684

No assurance provided. See summary of significant assumptions.

JEPSON CANYON PUBLIC INFRASTRUCTURE DISTRICT NO. 1
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

11/20/24

	ACTUAL 2023	BUDGET 2024	ACTUAL 9/30/2024	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 1,318,844	\$ -	\$ 164,471	\$ 164,471	\$ -
REVENUES					
Interest Income	30,678	-	4,212	4,800	-
Total revenues	30,678	-	4,212	4,800	-
Total funds available	1,349,522	-	168,683	169,271	-
EXPENDITURES					
Capital Projects					
Capital outlay	1,137,992	-	45,966	115,939	-
Total expenditures	1,137,992	-	45,966	115,939	-
TRANSFERS OUT					
Transfers to other fund	47,059	-	53,332	53,332	-
Total expenditures and transfers out requiring appropriation	1,185,051	-	99,298	169,271	-
ENDING FUND BALANCES	\$ 164,471	\$ -	\$ 69,385	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**JEPSON CANYON PID NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

On February 17, 2021 the City Council of Apple Valley (the City) in Washington County, Utah (the County), acting in its capacity as the creating authority for the Jepson Canyon PID No. 1 (the District), adopted a resolution creating the District. The Office of the Lieutenant Governor of the State of Utah issued a Certificate of Creation for the District, which was recorded in the real property records of the County on July 1, 2021.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

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

Property Taxes

The County assesses, bills, collects, and distributes property taxes for all taxing jurisdictions within its boundaries, including cities, school districts, and special districts, in accordance with state law. Property taxes are collected on two types of assets: 1) personal property, which represents business assets other than real estate, and 2) real estate and improvements. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through a tax sale process that is conducted when property taxes have been delinquent for five years. Accordingly, no allowance for doubtful tax accounts is necessary. Property taxes becomes a lien against the property as of January 1 in the year in which taxes are due. Property valuation notices are mailed to property owners in July.

Property owners can appeal the assessed valuation no later than September 15. Tax notices are mailed to property owners on or before November 1. Payments are due November 30.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 3.25%.

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly 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 bond proceeds and other legally available revenue.

**JEPSON CANYON PID NO. 1
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

Debt Service

Principal and interest payments in 2025 are provided based on the debt amortization schedule from the 2022A Bonds (discussed under Debt and Leases).

Capital Outlay

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

Debt and Leases

The District issued Limited Tax General Obligations Bonds, Series 2022A and Series 2022B on January 1, 2022, in the par amount of \$7,134,000 (the Bonds).

Proceeds from the sale of the bonds were used to (a) pay the Project Costs; (b) fund capitalized interest on the Series 2022A Bonds; (c) fund an initial deposit to the Surplus Fund; and (d) pay the costs of issuance of the Bonds.

The Series 2022A Bonds bear interest of 5.125%, payable semi-annually to the extent of Senior Pledged Revenue available on March, beginning on March 1, 2023. Annual mandatory sinking fund principal payments are due on March 1, beginning on March 1, 2029. The Bonds mature on March 1, 2051.

The Series 2022B Bonds bear interest at the rate of 8.000% per annum and are payable annually on March 15, beginning March 15, 2022, but only to the extent of available Subordinate Pledged Revenue. The Series 2022B Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date of March 15, 2051.

This information is an integral part of the accompanying budget.

**JEPSON CANYON PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$6,555,000 Limited Tax General Obligation Bonds

Series 2021A

Dated January 1, 2022

Interest Rate - 5.125%

Principal and Interest due March 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ 335,944	\$ 335,944
2026	-	335,944	335,944
2027	-	335,944	335,944
2028	-	335,944	335,944
2029	45,000	335,944	380,944
2030	70,000	333,638	403,638
2031	85,000	330,050	415,050
2032	95,000	325,694	420,694
2033	110,000	320,825	430,825
2034	125,000	315,188	440,188
2035	140,000	308,781	448,781
2036	155,000	301,606	456,606
2037	175,000	293,663	468,663
2038	190,000	284,694	474,694
2039	210,000	274,956	484,956
2040	230,000	264,194	494,194
2041	255,000	252,406	507,406
2042	275,000	239,338	514,338
2043	300,000	225,244	525,244
2044	325,000	209,869	534,869
2045	355,000	193,213	548,213
2046	385,000	175,019	560,019
2047	415,000	155,288	570,288
2048	450,000	134,019	584,019
2049	480,000	110,956	590,956
2050	520,000	86,356	606,356
2051	1,165,000	59,706	1,224,706
Total	\$ 6,555,000	\$ 6,874,423	\$ 13,429,423

No assurance provided. See summary of significant assumptions.