THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEARS ENDING DECEMBER 31, 2024 AND 2025

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SUMMARY
2024 AND 2025 BUDGET
For the Years Ended and Ending December 31,

1/22/25

	BUDGET 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ 34,115,101
REVENUES		
Bond issuance proceeds	40,000,000	-
Interest income	-	60,000
Total revenues	39,787,601	117,000
TRANSFERS IN	7,197,875	7,000
Total funds available	46,985,476	34,239,101
EXPENDITURES		
General Fund	-	50,000
Debt Service Fund	-	2,080,677
Capital Projects Fund	5,672,500	26,952,226
Total expenditures	5,672,500	29,082,903
TRANSFERS OUT	7,197,875	7,000
Total expenditures and transfers out requiring appropriation	12,870,375	29,089,903
ENDING FUND BALANCES	$ 34,115,101	$ 5,149,198
CAPITALIZED INTEREST	3,679,195	1,605,518
RESERVE FUND - 2024-1	1,913,500	1,913,500
RESERVE FUND - 2024-2	1,605,180	1,605,180
TOTAL RESERVE	$ 7,197,875	$ 5,124,198

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
GENERAL FUND
2024 AND 2025 BUDGET
For the Years Ended and Ending December 31,

1/22/25

	BUDGET 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ -
REVENUES		
Developer advance	-	57,000
Total revenues	-	57,000
Total funds available	-	57,000
EXPENDITURES		
General and administrative		
Accounting	-	17,500
Auditing	-	9,000
Insurance	-	4,500
Legal	-	19,000
Total expenditures	-	50,000
TRANSFERS OUT		
Transfers to other fund	-	7,000
Total expenditures and transfers out requiring appropriation	-	57,000
ENDING FUND BALANCES	$ -	$ -

No assurance provided. See summary of significant assumptions.

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
DEBT SERVICE FUND - SERIES 2024-1
2024 AND 2025 BUDGET
For the Years Ended and Ending December 31,

1/22/25

	BUDGET 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ 7,197,875
REVENUES		
Interest income	-	25,000
Total revenues	-	25,000
TRANSFERS IN		
Transfers from other funds	7,197,875	7,000
Total funds available	7,197,875	7,229,875
EXPENDITURES		
Debt Service		
Bond interest	-	2,073,677
Paying agent fees	-	7,000
Total expenditures	-	2,080,677
Total expenditures and transfers out requiring appropriation	-	2,080,677
ENDING FUND BALANCES	$ 7,197,875	$ 5,149,198
CAPITALIZED INTEREST	$ 3,679,195	$ 1,605,518
RESERVE FUND - 2024-1	1,913,500	1,913,500
RESERVE FUND - 2024-2	1,605,180	1,605,180
TOTAL RESERVE	$ 7,197,875	$ 5,124,198

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
CAPITAL PROJECTS FUND
2024 AND 2025 BUDGET
For the Years Ended and Ending December 31,

1/22/25

	BUDGET 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ 26,917,226
REVENUES		
Bond issuance proceeds	40,000,000	-
Bond discount	(212,399)	-
Interest income	-	35,000
Total revenues	39,787,601	35,000
Total funds available	39,787,601	26,952,226
EXPENDITURES		
Capital Projects		
Capital outlay	4,500,000	26,952,226
Bond issue costs	1,172,500	-
Total expenditures	5,672,500	26,952,226
TRANSFERS OUT		
Transfers to other fund	7,197,875	-
Total expenditures and transfers out requiring appropriation	12,870,375	26,952,226
ENDING FUND BALANCES	$ 26,917,226	$ -

No assurance provided. See summary of significant assumptions.

PRELIMINARY DRAFT - SUBJECT TO REVISION

Services Provided

On February 21, 2024, the City Council of Salem City, Utah (the City), acting in its capacity as the creating authority for the Three Bridges Public Infrastructure District No. 1 (the District) adopted a resolution creating the Districts. The Office of the Lieutenant Governor of the State of Utah issued a Certificate of Incorporation for the District on February 21, 2024, which was recorded in the real property records of the Utah County Recorder on February 21, 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 3.5%.

Bond proceeds

The District issued Series 2024-1 Special Assessment Bonds and Series 2024-2 Special Assessment Bonds on December 20, 2024.

Developer Advance

The District is in the development stage. As such, administrative expenditures may be funded by the Developer prior to the date in which revenues become available. 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.

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 and Leases

On December 20, 2024, the District issued Series 2024-1 and Series 2024-2 Special Assessment Bonds in the amount of $19,135,000 and $20,865,000, respectively. The Bonds are secured and payable from pledged revenues, consisting of assessment revenues and any other legally available moneys which the District determines. The 2024-1 Bonds bear interest at 5.00% and the 2024-2 Bonds bear interest at 6.00% payable semiannually on June 1 and December 1 and are subject to mandatory sinking fund redemption beginning December 1, 2028. The Bonds mature on December 1, 2053.

Reserves

Debt Service Reserve

The Bonds are secured by the 2024-1 and 2024-2 Reserve Funds which was funded with proceeds of the 2024 Bonds. The required Reserve Fund held by the District is $1,913,500 for the Series 2024-1 Bonds and $1,605,180 for the Series 2024-2 Bonds.

This information is an integral part of the accompanying budget.