AUTO MALL AND RETAIL PUBLIC INFRASTRUCTURE DISTRICT
FINANCIAL STATEMENTS
MARCH 31, 2025

Auto Mall and Retail PID
Balance Sheet - Governmental Funds
March 31, 2025

	General	Debt Service	Capital Projects	Total
Assets				
UMB Bond Fund	$ -	$ 98,310.92	$ -	$ 98,310.92
UMB Reserve Fund	-	1,423,496.89	-	1,423,496.89
UMB Project Fund	-	-	131,587.00	131,587.00
UMB Restricted Project Fund	-	-	2,789,654.81	2,789,654.81
UMB Subordinate Project Fund	-	-	56,372.82	56,372.82
UMB Restricted Subordinate Project Fund	-	-	551,250.79	551,250.79
UMB Mand Red Fund	-	90.77	-	90.77
UMB COI Fund	-	-	9,057.99	9,057.99
Developer Advance Receivable	14,172.13	-	-	14,172.13
Receivable from County Treasurer	-	462,476.00	-	462,476.00
Total Assets	$ 14,172.13	$ 1,984,374.58	$ 3,537,923.41	$ 5,536,470.12
Liabilities				
Accounts Payable	$ 18,949.98	$ -	$ -	$ 18,949.98
Total Liabilities	18,949.98	-	-	18,949.98
Fund Balances	(4,777.85)	1,984,374.58	3,537,923.41	5,517,520.14
Liabilities and Fund Balances	$ 14,172.13	$ 1,984,374.58	$ 3,537,923.41	$ 5,536,470.12

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

Auto Mall and Retail PID
General Fund Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending March 31, 2025

	Annual Budget	Actual	Variance
Expenditures			
Accounting	20,000.00	2,456.48	17,543.52
Auditing	9,000.00	-	9,000.00
Insurance	4,275.00	-	4,275.00
Legal	20,000.00	1,855.00	18,145.00
Total Expenditures	53,275.00	4,311.48	48,963.52
Other Financing Sources (Uses)			
Developer advance	2,275.00	-	2,275.00
Transfers from other funds	51,000.00	-	51,000.00
Total Other Financing Sources (Uses)	53,275.00	-	53,275.00
Net Change in Fund Balances	-	(4,311.48)	4,311.48
Fund Balance - Beginning	-	(466.37)	466.37
Fund Balance - Ending	$ -	$ (4,777.85)	$ 4,777.85

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SUPPLEMENTARY INFORMATION

Auto Mall and Retail PID
Debt Service Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending March 31, 2025

	Annual Budget	Actual	Variance
Revenues			
Property taxes	$ 462,476.00	$ -	$ 462,476.00
Interest Income	70,000.00	14,373.04	55,626.96
Total Revenue	532,476.00	14,373.04	518,102.96
Expenditures			
Paying agent fees	7,000.00	-	7,000.00
Total Expenditures	7,000.00	-	7,000.00
Other Financing Sources (Uses)			
Transfers to other fund	(51,000.00)	-	(51,000.00)
Total Other Financing Sources (Uses)	(51,000.00)	-	(51,000.00)
Net Change in Fund Balances	474,476.00	14,373.04	460,102.96
Fund Balance - Beginning	1,504,173.00	1,970,001.54	(465,828.54)
Fund Balance - Ending	$ 1,978,649.00	$ 1,984,374.58	$ (5,725.58)

Auto Mall and Retail PID
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending March 31, 2025

	Annual Budget	Actual	Variance
Revenues			
Interest Income	$ 50,000.00	$ 35,797.59	$ 14,202.41
Total Revenue	50,000.00	35,797.59	14,202.41
Expenditures			
Capital outlay	2,962,412.00	397,881.19	2,564,530.81
Total Expenditures	2,962,412.00	397,881.19	2,564,530.81
Net Change in Fund Balances	(2,912,412.00)	(362,083.60)	(2,550,328.40)
Fund Balance - Beginning	2,912,412.00	3,900,007.01	(987,595.01)
Fund Balance - Ending	$ -	$ 3,537,923.41	$ (3,537,923.41)

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AUTO MALL AND RETAIL PUBLIC INFRASTRUCTURE DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

On October 12, 2022 the City Council of Herriman City, Utah (the City), acting in its capacity as the creating authority for the Auto Mall and Retail Public Infrastructure District (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 November 9, 2022.

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.

The District anticipates imposing a debt service mill levy in 2025 of 10.000 mills.

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.

Expenditures - continued

Capital Outlay

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

Debt and Leases

The District issued its Series 2023A$_{(2)}$ Bonds (the Senior Bonds) and Series 2023B$_{(2)}$ Bonds (the Subordinate Bonds on May 2, 2023. The Bonds were issued for the purposes of (a) financing a portion of public improvements of the development, (b) funding the Reserve Fund to the Reserve Requirement, and (c) paying other costs in connection with the issuance of the Bonds.

The Senior Bonds were issued in the amount of $14,001,946.70 (value at issuance) and $18,700,000 (value at maturity). The 2023B$_{(2)}$ Subordinate Bonds were issued in the amount of $2,100,000.

The Senior Bonds were issued as appreciation bonds that automatically convert to current interest bonds on March 1, 2027. Prior to conversion to current interest bonds, the Senior Bonds do not pay current interest; instead they accrete in value at an annual yield equal to 8.250%. The accreted amount compounds annually on March 1, beginning on March 1, 2024, to and including March 1, 2027. Such accreted amount, together with the original principal amount of the Bonds, bears additional interest at the interest rate borne by the Bonds upon conversion to current interest bonds. The accreted Bond principal balance at conversion on March 1, 2027 will be $18,700,000. The Senior Bonds were subject to Extraordinary Mandatory Redemption as soon as practicable after the closing date in the amount of $199,289.70 of original principal amount.

The Subordinate Bonds were issued at a rate of 9.75% per annum and are payable annually on March 15, beginning March 15, 2024, but only to the extent of available pledged revenue. The Bonds mature on March 15, 2053 and are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to their maturity date. The Subordinate Bonds were subject to Extraordinary Mandatory Redemption as soon as practicable after the closing date in the amount of $35,000 of original principal amount.

Reserves

Debt Service Reserve Fund

The District maintains a reserve fund as required by its Series 2023A$_{(2)}$ Bonds.

Debt Service Surplus Fund

The Senior Bonds are further secured by the Senior Surplus Fund. The Surplus Fund has a maximum amount of $1,870,000 and is anticipated to have balance of $578,454 at the end of 2025.

AUTO MALL AND RETAIL PUBLIC INFRASTRUCTURE DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$14,001,947 (Value at Issuance)
$18,899,419 (Value at CB Conversion Date)
Senior Convertible Capital Appreciation Bonds
Series 2023A(2)
Dated May 2, 2023
Interest Rates - 8.250%
Interest and Principal Payable March 1

Year Ending December 31,	Principal	Interest	Total
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	1,542,750	1,542,750
2029	-	1,542,750	1,542,750
2030	-	1,542,750	1,542,750
2031	-	1,542,750	1,542,750
2032	30,000	1,542,750	1,572,750
2033	70,000	1,540,275	1,610,275
2034	105,000	1,534,500	1,639,500
2035	150,000	1,525,838	1,675,838
2036	195,000	1,513,463	1,708,463
2037	250,000	1,497,375	1,747,375
2038	300,000	1,476,750	1,776,750
2039	360,000	1,452,000	1,812,000
2040	430,000	1,422,300	1,852,300
2041	500,000	1,386,825	1,886,825
2042	585,000	1,345,575	1,930,575
2043	665,000	1,297,313	1,962,313
2044	765,000	1,242,450	2,007,450
2045	870,000	1,179,338	2,049,338
2046	985,000	1,107,563	2,092,563
2047	1,105,000	1,026,300	2,131,300
2048	1,245,000	935,138	2,180,138
2049	1,390,000	832,425	2,222,425
2050	1,550,000	717,750	2,267,750
2051	1,725,000	589,875	2,314,875
2052	1,920,000	447,563	2,367,563
2053	3,505,000	289,163	3,794,163
Total	18,700,000	32,073,525	50,773,525