

BUDGET REPORT

MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT (In Provo City) Utah County, Utah

**\$38,845,000
Limited Tax General Obligation Bonds Series 2020A**

**\$3,909,000
Subordinate Limited Tax General Obligation Bonds Series 2020B**

Date of Report: Revised June 15, 2024

All capitalized terms used and not otherwise defined in this report shall have the respective meanings assigned in the Continuing Disclosure Agreement (“Agreement”) entered into as of August 25, 2020, by and among Medical School Campus Public Infrastructure District, in Provo City, Utah County, Utah (the “District”); GT Medical Holdings, LLC, a Utah limited liability company (“GTM”); TG Development, LLC, a Utah limited liability company (“TGD” and together with GTM, collectively, the “Developer”) and UMB Bank, n.a., Phoenix, Arizona, as trustee (the “Trustee”) for the above-captioned bonds (the “Bonds”). Unless otherwise stated, all information contained herein is the most current information available as of the Date of Report specified above.

Section 1. Adopted Budget. Attached hereto is the annual budget for the District for the fiscal year ending December 31, 2024, adopted by the Board of Trustees of the District on December 8, 2024. Included in, or attached to, such budget is evidence of the certification by the District of the tax rate specified in Section 4 below.

Section 2. Assessed Valuation of Taxable Property. The current assessed valuation of taxable property within the District (i.e. the taxable value), as calculated and recorded by the county assessor of Utah County, Utah (the “Assessor”), is \$34,451,987.30, as certified on or before November 1, 2024.

Section 3. Tax Rate.

- (a) **Tax Rate.** The District adopted and reported a tax rate of 0.015 per dollar of taxable value on June 22, 2023, to the county auditor of Utah County, Utah (the “Auditor”) comprised of the following:
 - (i) 0.015 per dollar of taxable value, comprised of the Senior Required Mill Levy (0.015 per dollar of taxable value) and the Subordinate Required Mill Levy (Zero 0.000 per dollar of taxable value).
- (b) **Calculations under Indentures.** In determining the tax rate required to be imposed with respect to the Bonds, the District took into account:

- (i) the amount on deposit in the Surplus Amount (check one): _____ is
____X____ is not equal to at least the maximum Surplus Amount;
- (ii) the amount of \$209,221.44 on deposit in the Senior Bond Fund;
- (iii) the amount of the Trustee Fees \$7,000.00 and the District's determination that, pursuant to the Indentures, the Administrative Expenses are \$53,000.00; and
- (iv) the occurrence of any events that would permit an adjustment to the rate as permitted by Section 17B-2a-1207(8), Utah Code Annotated 1953, as amended.

[Signature/Certification on Following Page]

The information contained in this Budget Report has been obtained from sources that are deemed to be reliable but is not guaranteed as to accuracy or completeness. The information contained in this Budget Report is neither intended nor shall be construed as a document updating the Limited Offering Memorandum for the Bonds, and is neither intended to, nor shall it be, used by the Owners or Beneficial Owners of the Bonds for the purpose of making a subsequent investment decision with respect to the Bonds.

Receipt of this Budget Report by any person or entity shall create no obligation or liability of the District.

The undersigned hereby certifies that he/she is an authorized representative of the District and, further certifies that the information contained in the foregoing Budget Report is, to the best of his/her knowledge, true, accurate and complete.

**MEDICAL SCHOOL CAMPUS PUBLIC
INFRASTRUCTURE DISTRICT, in Provo City,
Utah County, Utah, as District**



By: _____
Authorized Representative

EXHIBIT A

MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT

2024 FINAL BUDGET AND BUDGET RESOLUTION

MEDICAL SCHOOL CAMPUS PUBLIC IMPROVEMENT DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 9/30/2023	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 11,551,246	\$ 5,990,983	\$ 6,776,874	\$ 6,776,874	\$ 5,010,772
REVENUES					
Property taxes	-	332,601	-	332,601	516,780
Interest income	67,719	-	173,949	231,932	182,430
Developer advance	-	-	-	46,500	-
Total revenues	<u>67,719</u>	<u>332,601</u>	<u>173,949</u>	<u>611,033</u>	<u>699,210</u>
TRANSFERS IN					
	-	37,362	-	-	-
Total funds available	<u>11,618,965</u>	<u>6,360,946</u>	<u>6,950,823</u>	<u>7,387,907</u>	<u>5,709,982</u>
EXPENDITURES					
General Fund	-	51,500	-	46,500	53,000
Debt Service Fund	2,109,150	2,116,150	2,109,150	2,116,150	2,116,150
Capital Projects Fund	2,732,941	-	214,485	214,485	526,419
Total expenditures	<u>4,842,091</u>	<u>2,167,650</u>	<u>2,323,635</u>	<u>2,377,135</u>	<u>2,695,569</u>
TRANSFERS OUT					
	-	37,362	-	-	-
Total expenditures and transfers out requiring appropriation	<u>4,842,091</u>	<u>2,205,012</u>	<u>2,323,635</u>	<u>2,377,135</u>	<u>2,695,569</u>
ENDING FUND BALANCES	<u><u>\$ 6,776,874</u></u>	<u><u>\$ 4,155,934</u></u>	<u><u>\$ 4,627,188</u></u>	<u><u>\$ 5,010,772</u></u>	<u><u>\$ 3,014,413</u></u>

No assurance provided. See summary of significant assumptions.

**MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 9/30/2023	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 55,638	\$ 15,138	\$ 55,638	\$ 55,638	\$ 55,638
REVENUES					
Developer advance	-	-	-	46,500	-
Total revenues	-	-	-	46,500	-
TRANSFERS IN					
Transfers from other funds	-	37,362	-	-	-
Total funds available	55,638	52,500	55,638	102,138	55,638
EXPENDITURES					
General and administrative					
Accounting	-	17,500	-	17,500	19,000
Auditing	-	9,000	-	9,000	9,000
Insurance	-	4,000	-	4,000	4,000
Legal	-	16,000	-	16,000	16,000
Contingency	-	5,000	-	-	5,000
Total expenditures	-	51,500	-	46,500	53,000
Total expenditures and transfers out requiring appropriation	-	51,500	-	46,500	53,000
ENDING FUND BALANCES	\$ 55,638	\$ 1,000	\$ 55,638	\$ 55,638	\$ 2,638

No assurance provided. See summary of significant assumptions.

MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/6/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 9/30/2023	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 8,059,995	\$ 5,975,845	\$ 6,005,220	\$ 6,005,220	\$ 4,430,715
REVENUES					
Property taxes	-	332,601	-	332,601	516,780
Interest income	54,375	-	156,783	209,044	180,430
Total revenues	<u>54,375</u>	<u>332,601</u>	<u>156,783</u>	<u>541,645</u>	<u>697,210</u>
	<u>8,114,370</u>	<u>6,308,446</u>	<u>6,162,003</u>	<u>6,546,865</u>	<u>5,127,925</u>
EXPENDITURES					
Debt Service					
Bond interest	2,109,150	2,109,150	2,109,150	2,109,150	2,109,150
Paying agent fees	-	7,000	-	7,000	7,000
Total expenditures	<u>2,109,150</u>	<u>2,116,150</u>	<u>2,109,150</u>	<u>2,116,150</u>	<u>2,116,150</u>
TRANSFERS OUT					
Transfers to other fund	-	37,362	-	-	-
	<u>2,109,150</u>	<u>2,153,512</u>	<u>2,109,150</u>	<u>2,116,150</u>	<u>2,116,150</u>
ENDING FUND BALANCES	<u>\$ 6,005,220</u>	<u>\$ 4,154,934</u>	<u>\$ 4,052,853</u>	<u>\$ 4,430,715</u>	<u>\$ 3,011,775</u>

No assurance provided. See summary of significant assumptions.

**MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 9/30/2023	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 3,435,613	\$ -	\$ 716,016	\$ 716,016	\$ 524,419
REVENUES					
Interest income	13,344	-	17,166	22,888	2,000
Total revenues	<u>13,344</u>	<u>-</u>	<u>17,166</u>	<u>22,888</u>	<u>2,000</u>
Total funds available	<u>3,448,957</u>	<u>-</u>	<u>733,182</u>	<u>738,904</u>	<u>526,419</u>
EXPENDITURES					
Capital Projects					
Capital outlay	2,727,441	-	214,485	214,485	526,419
Banking fees	5,500	-	-	-	-
Total expenditures	<u>2,732,941</u>	<u>-</u>	<u>214,485</u>	<u>214,485</u>	<u>526,419</u>
Total expenditures and transfers out requiring appropriation	<u>2,732,941</u>	<u>-</u>	<u>214,485</u>	<u>214,485</u>	<u>526,419</u>
ENDING FUND BALANCES	<u>\$ 716,016</u>	<u>\$ -</u>	<u>\$ 518,697</u>	<u>\$ 524,419</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEDICAL SCHOOL CAMPUS PID
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

On June 2, 2020, the Municipal Council of the City of Provo, Utah (the City), acting in its capacity as the creating authority for the Medical School Campus Public Infrastructure District (the District), adopted a resolution creating the District.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

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 considered 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.

Property taxes due in November that are uncollected by the following April are reported as a property tax receivable on the financial statements. Because these taxes are not considered available to liquidate liabilities of the current period, they are considered to be a deferred inflow of resources. The County Treasurer, acting as a tax collector, must settle and disburse all tax collections to all taxing entities on a monthly basis. Tax collections are recorded as funds held in trust until disbursement.

**MEDICAL SCHOOL CAMPUS PID
2024 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

The principal and interest payments are provided based on the debt amortization schedules from the General Obligation Bonds, Series 2020A (discussed under Debt and Leases). 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.

Capital Outlay

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

Debt and Leases

The District issued the 2020 Bonds on August 18, 2020, in par amounts of \$38,845,000 for the 2020A Senior Bonds and \$3,909,000 for the 2020B Subordinate Bonds. Proceeds from the sale of the 2020A will be used to: (a) fund capitalized interest on Series 2020A Senior Bonds, (b) fund a portion of the Surplus Fund, and (c) pay other costs in connection with the issuance of the Series 2020A Senior and 2020B Subordinate Bonds.

The 2020A Senior Bonds were issued as two term bonds that bear interest at 5.500% per annum (5.6867 yield) and are payable semi-annually on February 1 and August 15 beginning on February 1, 2021. Annual mandatory sinking fund principal payments are due August 15, beginning August 15, 2026. The 2020A Senior Bonds mature on August 15, 2050. To the extent principal of any 2020A Senior Bond is not paid when due, such principal shall remain outstanding, subject to discharge of the 2020A Senior Bonds on August 15, 2060, and shall continue to bear interest at the rate then borne by the 2020A Senior Bond.

The 2020B Subordinate Bonds were issued as a term bond that bears interest at 7.875% per annum and is payable annually on August 15, beginning August 15, 2021 from, and to the extent of, Subordinate Pledged Revenue available, if any, and matures on August 15, 2050

The 2020B 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 2020B Subordinate Bonds compounds annually on each August 15. All of the 2020B Subordinate Bonds and interest thereon are to be deemed to be paid and discharged after the application of all available Subordinate Pledged Revenue available on August 15, 2060, regardless of the amount of principal and interest paid prior to that date. The District shall not be obligated to pay more than the amount permitted by law and its election in repayment of the 2020B Subordinate Bonds.

This information is an integral part of the accompanying budget.

MEDICAL SCHOOL CAMPUS PID
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

\$38,845,000
General Obligation Limited Tax Bonds
Series 2020A

Dated August 24, 2020

Interest Rate 5.250%

Interest Payable

February 1, August 1

Principal Due August 1

Bonds and Interest Maturing in the Year <u>Ending December 31</u>	Principal	Interest	Total
2024	\$ -	\$ 2,109,150	\$ 2,109,150
2025	-	2,109,150	2,109,150
2026	180,000	2,104,425	2,284,425
2027	240,000	2,093,400	2,333,400
2028	300,000	2,079,225	2,379,225
2029	365,000	2,061,769	2,426,769
2030	435,000	2,040,769	2,475,769
2031	510,000	2,015,963	2,525,963
2032	590,000	1,987,088	2,577,088
2033	675,000	1,953,881	2,628,881
2034	765,000	1,916,081	2,681,081
2035	865,000	1,873,294	2,738,294
2036	965,000	1,825,257	2,790,257
2037	1,075,000	1,771,707	2,846,707
2038	1,195,000	1,712,119	2,907,119
2039	1,320,000	1,646,100	2,966,100
2040	1,450,000	1,573,388	3,023,388
2041	1,595,000	1,491,463	3,086,463
2042	1,745,000	1,399,613	3,144,613
2043	1,910,000	1,299,100	3,209,100
2044	2,085,000	1,189,238	3,274,238
2045	2,270,000	1,069,475	3,339,475
2046	2,470,000	939,125	3,409,125
2047	2,680,000	797,500	3,477,500
2048	2,905,000	643,913	3,548,913
2049	3,140,000	477,676	3,617,676
2050	7,115,000	195,663	7,310,663
	\$ 38,845,000	\$ 42,375,532	\$ 81,220,532

No assurance provided. See summary of significant assumptions.

RESOLUTION 2023-04

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE
MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT APPROVING
A FINAL BUDGET FOR CALENDAR YEAR 2024**

WHEREAS, the Board of Trustees of the Medical School Campus Public Infrastructure District (the “District”) had previously adopted a tentative 2024 Calendar Year Budget pursuant to the provisions of Section 17B-1-607 of the Utah Code Annotated; and

WHEREAS, the Board of Trustees has conducted a public hearing on the proposed budget as required by law; and

WHEREAS, the proposed budget maintains unchanged the previously adopted ad valorem tax rate for all taxable property in the District.

NOW, THEREFORE, be it resolved by the Board of Trustees of the District:

1. The Board of Trustees of the District hereby approves a final budget for calendar year 2024, attached hereto, and retains unchanged the previously approved ad valorem tax rate for 2024.

ADOPTED and EFFECTIVE this 8th day of December, 2023.

**MEDICAL SCHOOL CAMPUS PUBLIC
INFRASTRUCTURE DISTRICT**



District Chair

ATTEST:



District Clerk/Secretary

SIGNATURE CERTIFICATE



REFERENCE NUMBER

9B6ABC46-A795-449E-887B-E0F80E40BB3C

TRANSACTION DETAILS

Reference Number
9B6ABC46-A795-449E-887B-E0F80E40BB3C

Transaction Type

Signature Request

Sent At

12/08/2023 16:17 MST

Executed At

12/11/2023 10:01 MST

Identity Method

email

Distribution Method

email

Signed Checksum

31a93bfed3d0f30b97658be80b8bb43fb53d8f3da60bd8d4c7502d6902f2e6a3

DOCUMENT DETAILS

Document Name
Medical School Campus 24 Budget Resolution mhj

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SIGNERS

SIGNER	E-SIGNATURE	EVENTS
Name Greg Stuart	Status signed	Viewed At 12/11/2023 10:00 MST
Email greg@gstuart.net	Multi-factor Digital Fingerprint Checksum f9714a7d40de09d2428980a44aee7513bf9588a6033780a416c32858e6258d46	Identity Authenticated At 12/11/2023 10:01 MST
Components 1	IP Address 174.52.24.143	Signed At 12/11/2023 10:01 MST
	Device Microsoft Edge via Windows	
	Drawn Signature 	
	Signature Reference ID EA788457	
	Signature Biometric Count 3	
Name Lishelle Sumbot	Status signed	Viewed At 12/08/2023 17:05 MST
Email lishellestuart@gmail.com	Multi-factor Digital Fingerprint Checksum c4046c819b9ffc62a61a6bb8710684d04bc6788337ae18e9498afe22e6f96e20	Identity Authenticated At 12/08/2023 17:05 MST
Components 1	IP Address 67.177.52.26	Signed At 12/08/2023 17:05 MST
	Device Chrome via Mac	
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	Signature Reference ID CD309FEF	

AUDITS

TIMESTAMP	AUDIT
12/08/2023 16:17 MST	Jennifer Gowans (jgowans@snowjensen.com) created document 'Medical_School_Campus_24_Budget_Resolution_mhj.docx' on Chrome via Windows from 208.117.120.90.
12/08/2023 16:17 MST	Greg Stuart (greg@gstuart.net) was emailed a link to sign.
12/08/2023 16:17 MST	Lishelle Sumbot (lishellestuart@gmail.com) was emailed a link to sign.
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12/08/2023 17:05 MST	Lishelle Sumbot (lishellestuart@gmail.com) authenticated via email on Chrome via Mac from 67.177.52.26.
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