

CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT NO. 1

FINANCIAL STATEMENTS

JUNE 30, 2025

Coral Canyon Infrastructure Financing District No. 1
Balance Sheet - Governmental Funds
June 30, 2025

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assets				
UMB Reserve Fund 2024	\$ -	\$ 759,926.56	\$ -	\$ 759,926.56
UMB Capitalized Interest Fund 2024	-	1,146,867.37	-	1,146,867.37
UMB Construction Fund 2024	-	-	76,015.94	76,015.94
UMB Assessment Fund 2024	-	406,451.92	-	406,451.92
UMB COI Fund 2024	-	-	11,389.39	11,389.39
UMB Working Capital 2024	55,105.38	-	-	55,105.38
Total Assets	<u><u>\$ 55,105.38</u></u>	<u><u>\$ 2,313,245.85</u></u>	<u><u>\$ 87,405.33</u></u>	<u><u>\$ 2,455,756.56</u></u>
Liabilities				
Accounts Payable	\$ 2,797.20	\$ -	\$ -	\$ 2,797.20
Total Liabilities	<u>2,797.20</u>	<u>-</u>	<u>-</u>	<u>2,797.20</u>
Fund Balances	<u>52,308.18</u>	<u>2,313,245.85</u>	<u>87,405.33</u>	<u>2,452,959.36</u>
Liabilities and Fund Balances	<u><u>\$ 55,105.38</u></u>	<u><u>\$ 2,313,245.85</u></u>	<u><u>\$ 87,405.33</u></u>	<u><u>\$ 2,455,756.56</u></u>

Coral Canyon Infrastructure Financing District No. 1
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2025

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest Income	\$ -	\$ 1,139.01	\$ (1,139.01)
Total Revenue	<u>-</u>	<u>1,139.01</u>	<u>(1,139.01)</u>
Expenditures			
Accounting	15,000.00	2,797.20	12,202.80
Auditing	9,000.00	-	9,000.00
Insurance	4,500.00	4,533.63	(33.63)
Legal	15,000.00	-	15,000.00
Contingency	2,000.00	-	2,000.00
Total Expenditures	<u>45,500.00</u>	<u>7,330.83</u>	<u>38,169.17</u>
Other Financing Sources (Uses)			
Transfers to other fund	(4,000.00)	-	(4,000.00)
Total Other Financing Sources (Uses)	<u>(4,000.00)</u>	<u>-</u>	<u>(4,000.00)</u>
Net Change in Fund Balances	(49,500.00)	(6,191.82)	(43,308.18)
Fund Balance - Beginning	53,500.00	58,500.00	(5,000.00)
Fund Balance - Ending	<u>\$ 4,000.00</u>	<u>\$ 52,308.18</u>	<u>\$ (48,308.18)</u>

SUPPLEMENTARY INFORMATION

Coral Canyon Infrastructure Financing District No. 1
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2025

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest Income	\$ 10,000.00	\$ 45,168.93	\$ (35,168.93)
Assessment Fee Revenue	-	405,639.42	(405,639.42)
Total Revenue	<u>10,000.00</u>	<u>450,808.35</u>	<u>(440,808.35)</u>
Expenditures			
Paying agent fees	4,000.00	-	4,000.00
Bond interest	720,143.00	347,655.00	372,488.00
Total Expenditures	<u>724,143.00</u>	<u>347,655.00</u>	<u>376,488.00</u>
Other Financing Sources (Uses)			
Transfers from other funds	4,000.00	-	4,000.00
Total Other Financing Sources (Uses)	<u>4,000.00</u>	<u>-</u>	<u>4,000.00</u>
Net Change in Fund Balances	(710,143.00)	103,153.35	(813,296.35)
Fund Balance - Beginning	2,210,093.00	2,210,092.50	0.50
Fund Balance - Ending	<u>\$ 1,499,950.00</u>	<u>\$ 2,313,245.85</u>	<u>\$ (813,295.85)</u>

Coral Canyon Infrastructure Financing District No. 1
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2025

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest Income	\$ 10,000.00	\$ 46,583.66	\$ (36,583.66)
Total Revenue	<u>10,000.00</u>	<u>46,583.66</u>	<u>(36,583.66)</u>
Expenditures			
Engineering	-	12,395.00	(12,395.00)
Capital outlay	4,541,617.00	4,489,374.90	52,242.10
Total Expenditures	<u>4,541,617.00</u>	<u>4,501,769.90</u>	<u>39,847.10</u>
Net Change in Fund Balances	(4,531,617.00)	(4,455,186.24)	(76,430.76)
Fund Balance - Beginning	4,531,617.00	4,542,591.57	(10,974.57)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 87,405.33</u>	<u>\$ (87,405.33)</u>

**CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT
2024 AND 2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

On April 24, 2024, the County Clerk of Washington County, Utah (the County), acting in its capacity as the creating authority for the Coral Canyon Infrastructure District (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 September 5, 2024, which was recorded in the real property records of the Washington County Recorder on September 5, 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 Special Assessment Bonds on December 13, 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.

**CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On December 13, 2024, the District issued Series 2024 Special Assessment Bonds in the amount of \$13,545,000. The Bonds are secured and payable from pledged revenues, consisting of assessment revenues and any other legally available moneys which the District determines. The Bonds bear interest at 5.50% payable annually on December 1 and are subject to mandatory sinking fund redemption beginning December 1, 2030. The Bonds mature on December 1, 2053.

Reserves

Debt Service Reserve

The Bonds are secured by the 2024 Reserve Fund which was funded with proceeds of the 2024 Bonds. The required Reserve Fund held by the District is \$744,975.

**CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$13,545,000 Special Assessment Bonds

Series 2024

Dated December 13, 2024

Interest Rate - 5.50%

Payable December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ 720,143	\$ 720,143
2026	-	744,975	744,975
2027	-	744,975	744,975
2028	-	744,975	744,975
2029	-	744,975	744,975
2030	270,000	744,975	1,014,975
2031	285,000	730,125	1,015,125
2032	300,000	714,450	1,014,450
2033	315,000	697,950	1,012,950
2034	335,000	680,625	1,015,625
2035	350,000	662,200	1,012,200
2036	370,000	642,950	1,012,950
2037	390,000	622,600	1,012,600
2038	415,000	601,150	1,016,150
2039	435,000	578,325	1,013,325
2040	460,000	554,400	1,014,400
2041	485,000	529,100	1,014,100
2042	510,000	502,425	1,012,425
2043	540,000	474,375	1,014,375
2044	570,000	444,675	1,014,675
2045	600,000	413,325	1,013,325
2046	635,000	380,325	1,015,325
2047	670,000	345,400	1,015,400
2048	705,000	308,550	1,013,550
2049	745,000	269,775	1,014,775
2050	785,000	228,800	1,013,800
2051	830,000	185,625	1,015,625
2052	875,000	139,975	1,014,975
2053	1,670,000	91,850	1,761,850
Total	13,545,000	15,243,993	28,788,993

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.