GATEWAY AT SAND HOLLOW PUBLIC INTRASTRUCTURE DISTRICT NO. 1

FINANCIAL STATEMENTS

JUNE 30, 2025

Gateway at Sand Hollow Public Infrastructure District No. 1
Balance Sheet - Governmental Funds
June 30, 2025

	General	Debt Service	Capital Projects	Total
Assets				
Checking Account	$ 36,798.42	$ 32.71	$ -	$ 36,831.13
UMB Unrestricted Senior Project Fund - Series 2021	-	-	78.05	78.05
UMB City Performance Fund - Series 2021	-	-	4,016.46	4,016.46
State Bank of Southern Utah - Escrow - Resort Drive	-	-	666,117.18	666,117.18
State Bank of Southern Utah - Escrow - Sand Hollow Road	-	-	3,728.06	3,728.06
State Bank of Southern Utah - Escrow - Bash Park Way	-	-	133,303.90	133,303.90
State Bank of Southern Utah - Escrow - Gateway Blvd	-	-	490,473.68	490,473.68
State Bank of Southern Utah - Escrow - Jellystone Road	-	-	588,369.06	588,369.06
State Bank of Southern Utah - Escrow - Parks	-	-	3,051,888.16	3,051,888.16
UMB Interest Fund	-	218,923.61	-	218,923.61
Receivable from County Treasurer	-	103,724.61	-	103,724.61
Due from Other Funds	82,418.54	-	-	82,418.54
Total Assets	$ 119,216.96	$ 322,680.93	$ 4,937,974.55	$ 5,379,872.44
Liabilities				
Accounts Payable	$ 20,855.13	$ -	$ -	$ 20,855.13
Due to Other Funds	-	82,418.54	-	82,418.54
Total Liabilities	20,855.13	82,418.54	-	103,273.67
Deferred Inflows of Resources				
Deferred Property Tax	-	103,689.00	-	103,689.00
Total Deferred Inflows of Resources	-	103,689.00	-	103,689.00
Fund Balances	98,361.83	136,573.39	4,937,974.55	5,172,909.77
Liabilities and Fund Balances	$ 119,216.96	$ 322,680.93	$ 4,937,974.55	$ 5,379,872.44

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.

Gateway at Sand Hollow Public Infrastructure District No. 1
General Fund Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending June 30, 2025

	Annual Budget	Actual	Variance
Revenues			
Interest Income	$ 1,800.00	$ 943.70	$ 856.30
Total Revenue	1,800.00	943.70	856.30
Expenditures			
Accounting	17,560.00	16,607.02	952.98
Auditing	8,500.00	-	8,500.00
Insurance	4,400.00	-	4,400.00
Legal	22,600.00	15,780.00	6,820.00
Banking fees	-	28.00	(28.00)
Total Expenditures	53,060.00	32,415.02	20,644.98
Other Financing Sources (Uses)			
Transfers to other fund	-	(12,418.00)	12,418.00
Developer advance	-	45,418.34	(45,418.34)
Transfers from other funds	53,060.00	-	53,060.00
Total Other Financing Sources (Uses)	53,060.00	33,000.34	20,059.66
Net Change in Fund Balances	1,800.00	1,529.02	270.98
Fund Balance - Beginning	75,183.00	96,832.81	(21,649.81)
Fund Balance - Ending	$ 76,983.00	$ 98,361.83	$ (21,378.83)

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SUPPLEMENTARY INFORMATION

Gateway at Sand Hollow Public Infrastructure 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

	Annual Budget	Actual	Variance
Revenues			
Property taxes	$ 103,689.00	$ -	$ 103,689.00
Interest Income	6,500.00	3,219.43	3,280.57
Total Revenue	110,189.00	3,219.43	106,969.57
Expenditures			
Paying agent fees	4,000.00	-	4,000.00
Bond interest	255,231.00	-	255,231.00
Total Expenditures	259,231.00	-	259,231.00
Other Financing Sources (Uses)			
Transfers to other fund	(53,060.00)	-	(53,060.00)
Total Other Financing Sources (Uses)	(53,060.00)	-	(53,060.00)
Net Change in Fund Balances	(202,102.00)	3,219.43	(205,321.43)
Fund Balance - Beginning	249,958.00	133,353.96	218,338.04
Fund Balance - Ending	$ 47,856.00	$ 136,573.39	$ 13,016.61

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Gateway at Sand Hollow Public Infrastructure 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

	Annual Budget	Actual	Variance
Revenues			
Interest Income	$ 112,500.00	$ 112,912.44	$ (412.44)
Total Revenue	112,500.00	112,912.44	(412.44)
Expenditures			
Banking fees	-	12,418.00	(12,418.00)
Capital outlay	6,107,500.00	2,683,830.31	3,423,669.69
Total Expenditures	6,107,500.00	2,696,248.31	3,411,251.69
Other Financing Sources (Uses)			
Transfers from other funds	-	12,418.00	(12,418.00)
Total Other Financing Sources (Uses)	-	12,418.00	(12,418.00)
Net Change in Fund Balances	(5,995,000.00)	(2,570,917.87)	(3,424,082.13)
Fund Balance - Beginning	5,995,000.00	7,508,892.42	5,664,734.58
Fund Balance - Ending	$ -	$ 4,937,974.55	$ 2,240,652.45

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.

Services Provided

On April 15, 2021 the City Council in Washington County, Utah (the County), acting in its capacity as the creating authority for the Gateway at Sand Hollow Public Infrastructure District 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 November 4, 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.

Interest Income

Interest earned on the District’s available funds has been estimated based on an average interest rate of approximately 3.75%.

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 anticipated available pledged revenues.

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 2021A on November 1, 2021, in the par amount of $40,000,000 (the Bonds).

Proceeds from the sale of the bonds were used to (a) pay the Project Costs, and (b) pay the costs of issuance of the Bonds.

The Series 2021A Bonds bear interest of 5.50% payable semi-annually to the extent of Senior Pledged Revenue available on March 1, beginning on March 1, 2022, but only to the extent of available pledged revenue. The 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 1, 2051. Accrued unpaid interest on the Bonds compounds annually on March 1 until sufficient pledged revenue is available for payment or until discharged.

GATEWAY AT SAND HOLLOW PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$40,000,000 Limited Tax General Obligation Bonds
Series 2021A
Dated November 10, 2021
Interest Rate - 5.50%
Principal and Interest Payment - March 1

Year Ending December 31,	Principal	Interest	Annual Total
2025	$ -	$ 255,231.00	$ 255,231.00
2026	-	665,012.00	665,012.00
2027	-	1,064,063.00	1,064,063.00
2028	-	1,478,809.00	1,478,809.00
2029	-	1,909,717.00	1,909,717.00
2030	-	2,357,269.00	2,357,269.00
2031	-	2,821,957.00	2,821,957.00
2032	-	3,304,289.00	3,304,289.00
2033	-	3,791,305.00	3,791,305.00
2034	-	4,163,212.00	4,163,212.00
2035	-	4,438,556.00	4,438,556.00
2036	-	4,712,404.00	4,712,404.00
2037	-	4,935,144.00	4,935,144.00
2038	-	5,111,704.00	5,111,704.00
2039	-	5,293,349.00	5,293,349.00
2040	2,862,000.00	2,618,204.00	5,480,204.00
2041	3,625,000.00	2,042,590.00	5,667,590.00
2042	3,988,000.00	1,843,215.00	5,831,215.00
2043	4,344,000.00	1,623,875.00	5,967,875.00
2044	4,702,000.00	1,384,955.00	6,086,955.00
2045	5,082,000.00	1,126,345.00	6,208,345.00
2046	5,486,000.00	846,835.00	6,332,835.00
2047	5,915,000.00	545,105.00	6,460,105.00
2048	3,996,000.00	219,780.00	4,215,780.00
Total	$ 40,000,000.00	$ 58,552,925.00	$ 98,552,925.00