THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

11/2/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 9/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ 34,115,101	$ 38,636,601	$ 38,636,601	$ 26,679,490
REVENUES					
Bond issuance proceeds	40,000,000	-	-	-	-
Assessment Revenue	-	-	419,907	956,282	1,015,770
Interest Income	-	60,000	877,544	975,000	235,000
Developer advance	5,735	57,000	5,802	54,500	-
Total revenues	40,005,735	117,000	1,303,253	1,985,782	1,250,770
TRANSFERS IN	7,197,875	7,000	-	7,000	51,000
Total funds available	47,203,610	34,239,101	39,939,854	40,629,383	27,981,260
EXPENDITURES					
General Fund	5,735	50,000	19,278	47,500	51,000
Debt Service Fund	-	2,080,677	969,352	2,080,677	2,215,650
Capital Projects Fund	1,363,399	26,952,226	10,314,716	11,814,716	20,424,010
Total expenditures	1,369,134	29,082,903	11,303,346	13,942,893	22,690,660
TRANSFERS OUT	7,197,875	7,000	-	7,000	51,000
Total expenditures and transfers out requiring appropriation	8,567,009	29,089,903	11,303,346	13,949,893	22,741,660
ENDING FUND BALANCES	$ 38,636,601	$ 5,149,198	$ 28,636,508	$ 26,679,490	$ 5,239,600
CAPITALIZED INTEREST	$ 3,679,195	$ 1,605,518	$ 3,129,750	$ 2,503,800	$ 1,251,900
RESERVE FUND 2024-1	1,913,500	1,913,500	1,913,500	1,913,500	1,913,500
RESERVE FUND 2024-2	1,605,180	1,605,180	1,605,180	1,605,180	1,605,180
TOTAL RESERVE	$ 7,197,875	$ 5,124,198	$ 6,648,430	$ 6,022,480	$ 4,770,580

See summary of significant assumptions.

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

11/2/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 9/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -	$ -	$ -
REVENUES					
Developer advance	5,735	57,000	5,802	54,500	-
Total revenues	5,735	57,000	5,802	54,500	-
TRANSFERS IN					
Transfers from other funds	-	-	-	-	51,000
Total funds available	5,735	57,000	5,802	54,500	51,000
EXPENDITURES					
General and administrative					
Accounting	-	17,500	6,319	15,000	18,000
Auditing	-	9,000	-	9,000	9,000
Insurance	-	4,500	-	4,500	4,500
Legal	5,735	19,000	12,959	19,000	19,500
Total expenditures	5,735	50,000	19,278	47,500	51,000
TRANSFERS OUT					
Transfers to other fund	-	7,000	-	7,000	-
Total expenditures and transfers out requiring appropriation	5,735	57,000	19,278	54,500	51,000
ENDING FUND BALANCES	$ -	$ -	$ (13,476)	$ -	$ -

See summary of significant assumptions.

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

11/2/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 9/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ 7,197,875	$ 7,197,875	$ 7,197,875	$ 6,305,480
REVENUES					
Assessment Revenue	-	-	419,907	956,282	1,015,770
Interest Income	-	25,000	180,156	225,000	185,000
Total revenues	-	25,000	600,063	1,181,282	1,200,770
TRANSFERS IN					
Transfers from other funds	7,197,875	7,000	-	7,000	-
Total funds available	7,197,875	7,229,875	7,797,938	8,386,157	7,506,250
EXPENDITURES					
Debt Service					
Bond interest 2024-1	-	898,282	419,907	898,282	956,750
Bond interest 2024-2	-	1,175,395	549,445	1,175,395	1,251,900
Paying agent fees	-	7,000	-	7,000	7,000
Total expenditures	-	2,080,677	969,352	2,080,677	2,215,650
TRANSFERS OUT					
Transfers to other fund	-	-	-	-	51,000
Total expenditures and transfers out requiring appropriation	-	2,080,677	969,352	2,080,677	2,266,650
ENDING FUND BALANCES	$ 7,197,875	$ 5,149,198	$ 6,828,586	$ 6,305,480	$ 5,239,600
CAPITALIZED INTEREST	$ 3,679,195	$ 1,605,518	$ 3,129,750	$ 2,503,800	$ 1,251,900
RESERVE FUND 2024-1	1,913,500	1,913,500	1,913,500	1,913,500	1,913,500
RESERVE FUND 2024-2	1,605,180	1,605,180	1,605,180	1,605,180	1,605,180
TOTAL RESERVE	$ 7,197,875	$ 5,124,198	$ 6,648,430	$ 6,022,480	$ 4,770,580

See summary of significant assumptions.

PRELIMINARY DRAFT - SUBJECT TO REVISION

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

11/2/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 9/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ 26,917,226	$ 31,438,726	$ 31,438,726	$ 20,374,010
REVENUES					
Bond issuance proceeds	40,000,000	-	-	-	-
Interest Income	-	35,000	697,388	750,000	50,000
Total revenues	40,000,000	35,000	697,388	750,000	50,000
Total funds available	40,000,000	26,952,226	32,136,114	32,188,726	20,424,010
EXPENDITURES					
Capital Projects					
Capital outlay	-	26,952,226	10,314,716	11,814,716	20,424,010
Bond issue costs	1,151,000	-	-	-	-
Bond discount	212,399	-	-	-	-
Total expenditures	1,363,399	26,952,226	10,314,716	11,814,716	20,424,010
TRANSFERS OUT					
Transfers to other fund	7,197,875	-	-	-	-
Total expenditures and transfers out requiring appropriation	8,561,274	26,952,226	10,314,716	11,814,716	20,424,010
ENDING FUND BALANCES	$ 31,438,726	$ -	$ 21,821,398	$ 20,374,010	$ -

See summary of significant assumptions.

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

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) and Nos. 2-4 (District Nos. 2-4 and together with the District, the Districts) 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 April 3, 2024, which was recorded in the real property records of the Utah County Recorder on June 12, 2024. Pursuant to a resolution of the Board of Directors of the District adopted on September 20, 2024, the District's boundaries were expanded. The Office of the Lieutenant Governor of the State of Utah issued a Certificate of Annexation for the District on October 30, 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 3.75%.

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.

Expenditures (continued)

Debt Service

Principal and interest payments in 2026 are provided based on the debt amortization schedule from the 2024-1 and 2024-2 Bonds (discussed under Debt and Leases).

Capital Outlay

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

Debt and Leases

Series 2024-1 and Series 2024-2 Bonds

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.

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$19,135,000 Special Assessment Bonds
Series 2024-1
Dated December 23, 2024
Interest Rate - 5.000%
Interest Payable June 1 and December 1
Principal Payable December 1

Year Ending December 31,	Principal	Interest	Total
2026	$ -	$ 956,750	$ 956,750
2027	-	956,750	956,750
2028	-	956,750	956,750
2029	-	956,750	956,750
2030	-	956,750	956,750
2031	-	956,750	956,750
2032	3,463,000	956,750	4,419,750
2033	3,636,000	783,600	4,419,600
2034	3,818,000	601,800	4,419,800
2035	4,009,000	410,900	4,419,900
2036	4,209,000	210,450	4,419,450
Total	$ 19,135,000	$ 8,704,000	$ 27,839,000

See summary of significant assumptions.

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$20,865,000 Special Assessment Bonds
Series 2024-2
Dated December 23, 2024
Interest Rate - 6.000%
Interest Payable June 1 and December 1
Principal Payable December 1

Year Ending December 31,	Principal	Interest	Total
2026	$ -	$ 1,251,900	$ 1,251,900
2027	-	1,251,900	1,251,900
2028	353,000	1,251,900	1,604,900
2029	374,000	1,230,720	1,604,720
2030	396,000	1,208,280	1,604,280
2031	420,000	1,184,520	1,604,520
2032	445,000	1,159,320	1,604,320
2033	472,000	1,132,620	1,604,620
2034	500,000	1,104,300	1,604,300
2035	530,000	1,074,300	1,604,300
2036	562,000	1,042,500	1,604,500
2037	596,000	1,008,780	1,604,780
2038	632,000	973,020	1,605,020
2039	670,000	935,100	1,605,100
2040	710,000	894,900	1,604,900
2041	752,000	852,300	1,604,300
2042	798,000	807,180	1,605,180
2043	845,000	759,300	1,604,300
2044	896,000	708,600	1,604,600
2045	950,000	654,840	1,604,840
2046	1,007,000	597,840	1,604,840
2047	1,067,000	537,420	1,604,420
2048	1,131,000	473,400	1,604,400
2049	1,199,000	405,540	1,604,540
2050	1,271,000	333,600	1,604,600
2051	1,347,000	257,340	1,604,340
2052	1,428,000	176,520	1,604,520
2053	1,514,000	90,840	1,604,840
Total	$ 20,865,000	$ 23,358,780	$ 44,223,780

See summary of significant assumptions.