JORDANELLE RIDGE PUBLIC INFRASTRUCTURE DISTRICT NO. 2

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

JORDANELLE RIDGE PUBLIC INFRASTRUCTURE DISTRICT NO. 2
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

10/27/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 35,360,327	$ 20,571,410	$ 20,656,997	$ 20,656,997	$ 15,661,405
REVENUES					
Property taxes	-	314,210	-	1,271,008	-
Propery taxes to be collected next year	-	-	-	(956,798)	956,798
Bond issuance proceeds	-	11,104,000	11,988,000	11,988,000	-
Interest Income	1,516,588	550,000	395,870	695,000	475,000
Developer advance	30,069	-	9,178	9,178	-
Total revenues	1,546,657	11,968,210	12,393,048	13,006,388	1,431,798
TRANSFERS IN	-	52,020	-	52,020	53,060
Total funds available	36,906,984	32,591,640	33,050,045	33,715,405	17,146,263
EXPENDITURES					
General Fund	30,069	52,020	11,870	52,500	53,250
Debt Service Fund	662,212	2,842,050	2,838,050	2,842,050	2,845,050
Capital Projects Fund	15,557,706	19,780,472	3,726,681	15,107,430	5,947,513
Total expenditures	16,249,987	22,674,542	6,576,601	18,001,980	8,845,813
TRANSFERS OUT	-	52,020	-	52,020	53,060
Total expenditures and transfers out requiring appropriation	16,249,987	22,726,562	6,576,601	18,054,000	8,898,873
ENDING FUND BALANCES	$ 20,656,997	$ 9,865,078	$ 26,473,444	$ 15,661,405	$ 8,247,390
AVAILABLE FOR OPERATIONS	-	-	(2,692)	8,698	8,508
SURPLUS FUND	$ 3,835,357	$ 4,322,210	$ 3,918,141	$ 4,000,925	$ 4,083,710
CAPITALIZED INTEREST FUND	7,851,938	5,013,888	5,013,888	5,013,888	2,175,838
TOTAL RESERVE	$ 11,687,295	$ 9,336,098	$ 8,929,337	$ 9,023,511	$ 6,268,057

See summary of significant assumptions.

JORDANELLE RIDGE PUBLIC INFRASTRUCTURE DISTRICT NO. 2
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

10/27/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -	$ -	$ 8,698
REVENUES					
Developer advance	30,069	-	9,178	9,178	-
Total revenues	30,069	-	9,178	9,178	-
TRANSFERS IN					
Transfers from other funds	-	52,020	-	52,020	53,060
Total funds available	30,069	52,020	9,178	61,198	61,758
EXPENDITURES					
General and administrative					
Accounting	18,569	20,500	11,870	20,500	20,750
Auditing	8,000	7,020	-	8,500	8,750
Insurance	3,500	4,000	-	3,500	3,750
Legal	-	20,500	-	20,000	20,000
Total expenditures	30,069	52,020	11,870	52,500	53,250
TRANSFERS OUT					
Total expenditures and transfers out requiring appropriation	30,069	52,020	11,870	52,500	53,250
ENDING FUND BALANCES	$ -	$ -	$ (2,692)	$ 8,698	$ 8,508
AVAILABLE FOR OPERATIONS	-	-	(2,692)	8,698	8,508
TOTAL RESERVE	$ -	$ -	$ (2,692)	$ 8,698	$ 8,508

See summary of significant assumptions.

JORDANELLE RIDGE PUBLIC INFRASTRUCTURE DISTRICT NO. 2
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

10/27/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 12,176,150	$ 11,994,938	$ 12,035,054	$ 12,035,054	$ 9,830,194
REVENUES					
Property taxes	-	314,210	-	1,271,008	-
Propery taxes to be collected next year	-	-	-	(956,798)	956,798
Interest Income	521,116	450,000	209,961	375,000	350,000
Total revenues	521,116	764,210	209,961	689,210	1,306,798
TRANSFERS IN					
Total funds available	12,697,266	12,759,148	12,245,015	12,724,264	11,136,992
EXPENDITURES					
Debt Service					
Bond interest	662,212	2,838,050	2,838,050	2,838,050	2,838,050
Paying agent fees	-	4,000	-	4,000	7,000
Total expenditures	662,212	2,842,050	2,838,050	2,842,050	2,845,050
TRANSFERS OUT					
Transfers to other fund	-	52,020	-	52,020	53,060
Total expenditures and transfers out requiring appropriation	662,212	2,894,070	2,838,050	2,894,070	2,898,110
ENDING FUND BALANCES	$ 12,035,054	$ 9,865,078	$ 9,406,965	$ 9,830,194	$ 8,238,882
SURPLUS FUND	$ 3,835,357	$ 4,322,210	$ 3,918,141	$ 4,000,925	$ 4,083,710
CAPITALIZED INTEREST FUND	7,851,938	5,013,888	5,013,888	5,013,888	2,175,838
TOTAL RESERVE	$ 11,687,295	$ 9,336,098	$ 8,932,029	$ 9,014,813	$ 6,259,549

See summary of significant assumptions.

JORDANELLE RIDGE PUBLIC INFRASTRUCTURE DISTRICT NO. 2
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

10/27/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 23,184,177	$ 8,576,472	$ 8,621,943	$ 8,621,943	$ 5,822,513
REVENUES					
6507 Bond issuance proceeds	-	11,104,000	11,988,000	11,988,000	-
6360 Interest Income	995,472	100,000	185,909	320,000	125,000
Total revenues	995,472	11,204,000	12,173,909	12,308,000	125,000
TRANSFERS IN					
Total funds available	24,179,649	19,780,472	20,795,852	20,929,943	5,947,513
EXPENDITURES					
General and Administrative					
Capital Projects					
7000 CP Accounting	-	-	3,958	7,500	7,500
7857 CP Engineering	-	-	14,919	30,000	15,000
7861 CP Capital outlay	15,557,706	19,147,352	3,044,441	14,406,567	5,925,013
7835 CP Bond issue costs	-	633,120	663,363	663,363	-
Total expenditures	15,557,706	19,780,472	3,726,681	15,107,430	5,947,513
TRANSFERS OUT					
Total expenditures and transfers out requiring appropriation	15,557,706	19,780,472	3,726,681	15,107,430	5,947,513
ENDING FUND BALANCES	$ 8,621,943	$ -	$ 17,069,171	$ 5,822,513	$ -

See summary of significant assumptions.

JORDANELLE RIDGE PUBLIC INFRASTRUCTURE DISTRICT NO. 2
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

On March 1, 2022 the City Council of Heber City, Utah (the City), acting in its capacity as the creating authority for the Jordanelle Ridge Public Infrastructure District No. 2 (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 on May 23, 2022, which was recorded in the real property records of the Wasatch County Recorder on June 28, 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, and parks and recreation.

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 4%.

Property Taxes

The County assess, 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 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 become 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 value no later than September 15. Tax notices are mailed to property owners on or before November 1. Payments are due November 30.

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

Interest payments are provided based on the attached debt to maturity schedule for the Series 2023 Bonds.

Capital Outlay

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

Debt and Leases

The District issued Limited Tax General Obligation Bonds, Series 2023A on December 7, 2023 in the par amount of $36,620,000. The proceeds from the sale of the Bonds were used to (a) pay the Project Costs, (b) pay the costs of issuance of the Bonds, (c) fund the initial deposit to the Surplus Fund, and (d) fund the capitalized interest and reserve funds and the capitalized expense fund.

The Series 2023A Bonds bear interest of 7.750% payable semi-annually to the extent of pledged revenue available March 1, beginning on March 1, 2024. Annual mandatory sinking fund principal payments are due on March 1, beginning on March 1, 2032. The Bonds mature on March 1, 2054. To the extent principal is not paid when due, such principal shall remain outstanding until paid, subject to discharge on March 1, 2064. To the extent interest on any Bond is not paid when due, such interest shall compound annually on each March 1 at the rate then borne by the Bond. The District shall not be obligated to pay more than the amount permitted by law in repayment of the Bonds. If any principal or of interest on the Bonds remains unpaid after the application of all pledged revenues available therefor on March 1, 2064, the Bonds will be deemed discharged.

The District issued Subordinate Limited Tax General Obligation Bonds, Series 2025B on June 23, 2025 in the par amount of $11,988,000. Proceeds from the sale of the Bonds will be used by the District to (a) finance or reimburse a portion of the costs of acquiring, constructing, and/or installing certain public infrastructure to serve the Development, and (b) pay the costs of issuing the Bonds.

The Series 2025B Subordinate Bonds bear interest at 7.875% payable annually on March 15 to the extent of available pledged revenues. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the maturity date which is March 15, 2055.

This information is an integral part of the accompanying budget.

JORDANELLE RIDGE PUBLIC INFRASTRUCTURE DISTRICT 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

Bonds/Loans and Interest Maturing in the Year Ending December 31,	$36,620,000 Limited Tax General Obligation Bonds Series 2023A Dated December 7, 2023 Interest Rate Fixed 7.750% Principal and Principal Payable March 1		
	Principal	Interest	Total
2026	$ -	$ 2,838,050	$ 2,838,050
2027	-	2,838,050	2,838,050
2028	-	2,838,050	2,838,050
2029	-	2,838,050	2,838,050
2030	-	2,838,050	2,838,050
2031	-	2,838,050	2,838,050
2032	200,000	2,838,050	3,038,050
2033	355,000	2,822,550	3,177,550
2034	415,000	2,795,038	3,210,038
2035	480,000	2,762,875	3,242,875
2036	550,000	2,725,675	3,275,675
2037	625,000	2,683,050	3,308,050
2038	705,000	2,634,613	3,339,613
2039	790,000	2,579,975	3,369,975
2040	885,000	2,518,750	3,403,750
2041	990,000	2,450,163	3,440,163
2042	1,100,000	2,373,438	3,473,438
2043	1,220,000	2,288,188	3,508,188
2044	1,345,000	2,193,638	3,538,638
2045	1,485,000	2,089,400	3,574,400
2046	1,635,000	1,974,313	3,609,313
2047	1,800,000	1,847,600	3,647,600
2048	1,975,000	1,708,100	3,683,100
2049	2,165,000	1,555,038	3,720,038
2050	2,370,000	1,387,250	3,757,250
2051	2,590,000	1,203,575	3,793,575
2052	2,830,000	1,002,850	3,832,850
2053	3,085,000	783,525	3,868,525
2054	7,025,000	544,438	7,569,438
Total	$ 36,620,000	$ 64,790,388	$ 101,410,388

See summary of significant assumptions.