THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Three Bridges Public Infrastructure District No. 1
Balance Sheet - Governmental Funds
September 30, 2025

	General	Debt Service	Capital Projects	Total
Assets				
UMB Reserve Fund 2024-1	$ -	$ 1,962,921.65	$ -	$ 1,962,921.65
UMB Reserve Fund 2024-2	-	1,646,638.40	-	1,646,638.40
UMB Capitalized Interest Fund 2024-2	-	3,219,025.85	-	3,219,025.85
UMB Construction Fund 2024-1	-	-	16,890,076.93	16,890,076.93
UMB Construction Fund 2024-2	-	-	4,909,266.18	4,909,266.18
UMB COI Fund 2024	-	-	22,055.38	22,055.38
Total Assets	$ -	$ 6,828,585.90	$ 21,821,398.49	$ 28,649,984.39
Liabilities				
Accounts Payable	$ 13,476.26	$ -	$ -	$ 13,476.26
Total Liabilities	13,476.26	-	-	13,476.26
Fund Balances	(13,476.26)	6,828,585.90	21,821,398.49	28,636,508.13
Liabilities and Fund Balances	$ -	$ 6,828,585.90	$ 21,821,398.49	$ 28,649,984.39

See selected information and the summary of significant assumptions.

Three Bridges Public Infrastructure District No. 1
General Fund Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending September 30, 2025

	Annual Budget	Actual	Variance
Expenditures			
Accounting	17,500.00	6,319.08	11,180.92
Auditing	9,000.00	-	9,000.00
Insurance	4,500.00	-	4,500.00
Legal	19,000.00	12,959.00	6,041.00
Total Expenditures	50,000.00	19,278.08	30,721.92
Other Financing Sources (Uses)			
Transfers to other fund	(7,000.00)	-	(7,000.00)
Developer advance	57,000.00	5,801.82	51,198.18
Total Other Financing Sources (Uses)	50,000.00	5,801.82	44,198.18
Net Change in Fund Balances	-	(13,476.26)	13,476.26
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ (13,476.26)	$ 13,476.26

See selected information and the summary of significant assumptions.

SUPPLEMENTARY INFORMATION

Three Bridges Public Infrastructure District No. 1
Debt Service Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending September 30, 2025

	Annual Budget	Actual	Variance
Revenues			
Interest Income	$ 25,000.00	$ 180,155.90	$ (155,155.90)
Assessment Revenue	-	419,906.94	(419,906.94)
Total Revenue	25,000.00	600,062.84	(575,062.84)
Expenditures			
Paying agent fees	7,000.00	-	7,000.00
Bond Interest 2024-1	898,282.00	419,906.94	478,375.06
Bond Interest 2024-2	1,175,395.00	549,445.00	625,950.00
Total Expenditures	2,080,677.00	969,351.94	1,111,325.06
Other Financing Sources (Uses)			
Transfers from other funds	7,000.00	-	7,000.00
Total Other Financing Sources (Uses)	7,000.00	-	7,000.00
Net Change in Fund Balances	(2,048,677.00)	(369,289.10)	(1,679,387.90)
Fund Balance - Beginning	7,197,875.00	7,197,875.00	-
Fund Balance - Ending	$ 5,149,198.00	$ 6,828,585.90	$ (1,679,387.90)

Three Bridges Public Infrastructure District No. 1
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending September 30, 2025

	Annual Budget	Actual	Variance
Revenues			
Interest Income	$ 35,000.00	$ 697,387.72	$ (662,387.72)
Total Revenue	35,000.00	697,387.72	(662,387.72)
Expenditures			
Capital outlay	26,952,226.00	10,314,715.73	16,637,510.27
Total Expenditures	26,952,226.00	10,314,715.73	16,637,510.27
Net Change in Fund Balances	(26,917,226.00)	(9,617,328.01)	(17,299,897.99)
Fund Balance - Beginning	26,917,226.00	31,438,726.50	(4,521,500.50)
Fund Balance - Ending	$ -	$ 21,821,398.49	$ (21,821,398.49)

See selected information and the summary of significant assumptions.

Notes to the Reader:

The financial statements of the District have been prepared in accordance with the criteria established by the Governmental Accounting Standards Board ("GASB"), which is the source of authoritative accounting principles generally accepted in the United States of America ("GAAP"), as applied to governmental entities. The District's financial statements are prepared using the modified accrual basis of accounting. The financial statements include the following departures from GAAP:

- Management's discussion and analysis and substantially all disclosures required are omitted.
- The statement of revenues, expenditures and changes in fund balances – governmental funds has been omitted.

The financial forecasts present, to the best of management's knowledge and belief, the District's expected results of operations and cash flows for the forecast periods. Accordingly, the forecasts reflects its judgment as of February 10, 2025 the date these forecasts were prepared, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecasts. There will usually be differences between the forecast and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The financial statements are developed by the District to comply with GAAP, although there may be departures from GAAP not identified. These statements are primarily intended for use in managing the District's operations and may not be suitable for other purposes. Users should be aware of these limitations when utilizing the financial statements.

THREE BRIDGES PUBLIC INFRASTRUCTURE DISTRICT NO. 1
2024 AND 2025 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) 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 February 21, 2024, which was recorded in the real property records of the Utah County Recorder on February 21, 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 2024-1 Special Assessment Bonds and Series 2024-2 Special Assessment Bonds on December 20, 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.

Debt and Leases

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.

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
2025	$ -	$ 898,282	$ 898,282
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	9,602,282	28,737,282

See selected information and the 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
2025	$ -	$ 1,175,395	$ 1,175,395
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	24,534,175	45,399,175