GATEWAY AT SAND HOLLOW PUBLIC INFRASTRUCTURE DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

GATEWAY AT SAND HOLLOW PUBLIC INFRASTRUCTURE DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/17/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 9/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 17,352,249	$ 6,320,141	$ 7,739,079	$ 7,739,079	$ 2,987,426
REVENUES					
Property taxes	14,271	103,689	100,792	262,737	-
Property taxes applied to following year	-	-	-	(159,048)	159,048
Interest Income	472,564	120,800	161,837	182,700	47,900
Developer advance	6,291,816	-	45,418	45,418	-
Total revenues	6,778,651	224,489	308,047	331,807	206,948
TRANSFERS IN	102,736	53,060	12,418	65,478	54,122
Total funds available	24,233,636	6,597,690	8,059,544	8,136,364	3,248,496
EXPENDITURES					
General Fund	68,114	53,060	43,147	64,460	122,250
Debt Service Fund	4,000	259,231	-	4,000	294,410
Capital Projects Fund	16,319,707	6,107,500	3,910,280	5,015,000	2,725,309
Total expenditures	16,391,821	6,419,791	3,953,427	5,083,460	3,141,969
TRANSFERS OUT	102,736	53,060	12,418	65,478	54,122
Total expenditures and transfers out requiring appropriation	16,494,557	6,472,851	3,965,845	5,148,938	3,196,091
ENDING FUND BALANCES	$ 7,739,079	$ 124,839	$ 4,093,699	$ 2,987,426	$ 52,405

See summary of significant assumptions.

GATEWAY AT SAND HOLLOW PUBLIC INFRASTRUCTURE DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/17/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 9/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 45,660	$ 75,183	$ 96,833	$ 96,833	$ 119,633
REVENUES					
Interest Income	3,009	1,800	1,168	1,200	900
Developer advance	17,542	-	45,418	45,418	-
Total revenues	20,551	1,800	46,586	46,618	900
TRANSFERS IN					
Transfers from other funds	98,736	53,060	-	53,060	54,122
Total funds available	164,947	130,043	143,419	196,511	174,655
EXPENDITURES					
General and administrative					
Accounting	27,020	17,560	20,597	24,000	19,500
Auditing	8,200	8,500	-	9,025	9,250
Insurance	-	4,400	-	4,400	5,500
Legal	32,885	22,600	22,522	27,000	20,000
Banking fees	9	-	28	35	-
Repay developer advance	-	-	-	-	68,000
Total expenditures	68,114	53,060	43,147	64,460	122,250
TRANSFERS OUT					
Transfers to other fund	-	-	12,418	12,418	-
Total expenditures and transfers out requiring appropriation	68,114	53,060	55,565	76,878	122,250
ENDING FUND BALANCES	$ 96,833	$ 76,983	$ 87,854	$ 119,633	$ 52,405

See summary of significant assumptions.

GATEWAY AT SAND HOLLOW PUBLIC INFRASTRUCTURE DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/17/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 9/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 191,481	$ 249,958	$ 133,355	$ 133,355	$ 186,484
REVENUES					
Property taxes	14,271	103,689	100,792	262,737	-
Property taxes applied to following year	-	-	-	(159,048)	159,048
Interest Income	6,138	6,500	5,842	6,500	3,000
Total revenues	20,409	110,189	106,634	110,189	162,048
TRANSFERS IN					
Transfers from other funds	4,000	-	-	-	-
Total funds available	215,890	360,147	239,989	243,544	348,532
EXPENDITURES					
Debt Service					
Bond interest	-	255,231	-	-	290,410
Paying agent fees	4,000	4,000	-	4,000	4,000
Total expenditures	4,000	259,231	-	4,000	294,410
TRANSFERS OUT					
Transfers to other fund	78,535	53,060	-	53,060	54,122
Total expenditures and transfers out requiring appropriation	82,535	312,291	-	57,060	348,532
ENDING FUND BALANCES	$ 133,355	$ 47,856	$ 239,989	$ 186,484	$ -

See summary of significant assumptions.

GATEWAY AT SAND HOLLOW PUBLIC INFRASTRUCTURE DISTRICT
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/17/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 9/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 17,115,108	$ 5,995,000	$ 7,508,891	$ 7,508,891	$ 2,681,309
REVENUES					
Developer advance	6,274,274	-	-	-	-
Interest Income	463,417	112,500	154,827	175,000	44,000
Total revenues	6,737,691	112,500	154,827	175,000	44,000
TRANSFERS IN					
Transfers from other funds	-	-	12,418	12,418	-
Total funds available	23,852,799	6,107,500	7,676,136	7,696,309	2,725,309
EXPENDITURES					
Capital Projects					
Capital outlay	16,312,038	6,107,500	3,897,862	5,000,000	2,725,309
Banking fees	7,669	-	12,418	15,000	-
Total expenditures	16,319,707	6,107,500	3,910,280	5,015,000	2,725,309
TRANSFERS OUT					
Transfers to other fund	24,201	-	-	-	-
Total expenditures and transfers out requiring appropriation	16,343,908	6,107,500	3,910,280	5,015,000	2,725,309
ENDING FUND BALANCES	$ 7,508,891	$ -	$ 3,765,856	$ 2,681,309	$ -

See summary of significant assumptions.

GATEWAY AT SAND HOLLOW PUBLIC INFRASTRUCTURE DISTRICT NO. 1
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

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 3.25%.

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 in 2026 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.

This information is an integral part of the accompanying budget.