

MEDICAL SCHOOL CAMPUS PID

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Medical School Campus Public Infrastructure District
Balance Sheet - Governmental Funds
September 30, 2025

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assets				
Checking Account	\$ 14,302.65	\$ -	\$ -	\$ 14,302.65
UMB Surplus Fund	-	1,602,546.25	-	1,602,546.25
UMB Unrestricted Project Fund 2020A	-	-	32.29	32.29
UMB Restricted Subordinate Project Fund 2020B	-	-	5.94	5.94
UMB Unrestricted Subordinate Project Fund 2020B	-	-	68.97	68.97
UMB City Performance Fund 2020B	-	-	68,566.30	68,566.30
Receivable from County Treasurer	-	125,901.67	-	125,901.67
Due from Other Funds	138,867.05	-	-	138,867.05
Total Assets	<u>\$ 153,169.70</u>	<u>\$ 1,728,447.92</u>	<u>\$ 68,673.50</u>	<u>\$ 1,950,291.12</u>
Liabilities				
Accounts Payable	\$ 15,824.67	\$ -	\$ -	\$ 15,824.67
Due to Other Funds	-	138,867.05	-	138,867.05
Total Liabilities	<u>15,824.67</u>	<u>138,867.05</u>	<u>-</u>	<u>154,691.72</u>
Deferred Inflows of Resources				
Deferred Property Tax	-	125,901.99	-	125,901.99
Total Deferred Inflows of Resources	<u>-</u>	<u>125,901.99</u>	<u>-</u>	<u>125,901.99</u>
Fund Balances	<u>137,345.03</u>	<u>1,463,678.88</u>	<u>68,673.50</u>	<u>1,669,697.41</u>
Liabilities and Fund Balances	<u>\$ 153,169.70</u>	<u>\$ 1,728,447.92</u>	<u>\$ 68,673.50</u>	<u>\$ 1,950,291.12</u>

Medical School Campus Public Infrastructure District
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2025

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures			
Accounting	19,200.00	13,793.34	5,406.66
Auditing	9,100.00	-	9,100.00
Insurance	4,275.00	1,350.00	2,925.00
Legal	16,200.00	4,045.00	12,155.00
Miscellaneous	3,675.00	-	3,675.00
Banking fees	100.00	20.00	80.00
Total Expenditures	<u>52,550.00</u>	<u>19,208.34</u>	<u>33,341.66</u>
Other Financing Sources (Uses)			
Transfers to other fund	-	(5,500.00)	5,500.00
Transfers from other funds	52,550.00	53,000.00	(450.00)
Total Other Financing Sources (Uses)	<u>52,550.00</u>	<u>47,500.00</u>	<u>5,050.00</u>
Net Change in Fund Balances	-	28,291.66	(28,291.66)
Fund Balance - Beginning	116,749.00	109,053.37	22,833.63
Fund Balance - Ending	<u>\$ 116,749.00</u>	<u>\$ 137,345.03</u>	<u>\$ (5,458.03)</u>

See selected information and the summary of significant assumptions.

SUPPLEMENTARY INFORMATION

Medical School Campus Public Infrastructure District
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2025

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 751,143.00	\$ -	\$ 751,143.00
Interest Income	86,000.00	74,859.08	11,140.92
Total Revenue	<u>837,143.00</u>	<u>74,859.08</u>	<u>762,283.92</u>
Expenditures			
Paying agent fees	7,000.00	2,500.00	4,500.00
Bond interest	2,109,150.00	2,109,150.00	-
Total Expenditures	<u>2,116,150.00</u>	<u>2,111,650.00</u>	<u>4,500.00</u>
Other Financing Sources (Uses)			
Transfers to other fund	(52,550.00)	(53,000.00)	450.00
Transfers from other funds	-	2,500.00	(2,500.00)
Total Other Financing Sources (Uses)	<u>(52,550.00)</u>	<u>(50,500.00)</u>	<u>(2,050.00)</u>
Net Change in Fund Balances	(1,331,557.00)	(2,087,290.92)	755,733.92
Fund Balance - Beginning	2,960,353.00	3,550,969.80	5,385,228.20
Fund Balance - Ending	<u>\$ 1,628,796.00</u>	<u>\$ 1,463,678.88</u>	<u>\$ 6,140,962.12</u>

See selected information and the summary of significant assumptions.

Medical School Campus Public Infrastructure District
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2025

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest Income	\$ -	\$ 2,220.39	\$ (2,220.39)
Total Revenue	<u>-</u>	<u>2,220.39</u>	<u>(2,220.39)</u>
Expenditures			
Capital outlay	-	102,816.55	(102,816.55)
Total Expenditures	<u>-</u>	<u>102,816.55</u>	<u>(102,816.55)</u>
Other Financing Sources (Uses)			
Developer advance	-	53,737.55	(53,737.55)
Transfers from other funds	-	3,000.00	(3,000.00)
Total Other Financing Sources (Uses)	<u>-</u>	<u>56,737.55</u>	<u>(56,737.55)</u>
Net Change in Fund Balances	-	(43,858.61)	43,858.61
Fund Balance - Beginning	-	112,532.11	603,483.89
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 68,673.50</u>	<u>\$ 647,342.50</u>

See selected information and the summary of significant assumptions.

**MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT
SELECTED INFORMATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2025**

Notes to the Reader:

The financial statements of the District have been prepared in accordance with the criteria established by the Governmental Accounting Standards Boards ("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 December 10, 2024, 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.

**MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

On June 2, 2020, the Municipal Council of the City of Provo, Utah (the City), acting in its capacity as the creating authority for the Medical School Campus Public Infrastructure District (the District), adopted a resolution creating the District.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District has no employees, and all administrative functions are contracted.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

Revenues

Developer Advance

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 considered 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.

Property owners can appeal the assessed valuation no later than September 15. Tax notices are mailed to property owners on or before November 1. Payments are due November 30.

Property taxes due in November that are uncollected by the following April are reported as a property tax receivable on the financial statements. Because these taxes are not considered available to liquidate liabilities of the current period, they are considered to be a deferred inflow of resources. The County Treasurer, acting as a tax collector, must settle and disburse all tax collections to all taxing entities on a monthly basis. Tax collections are recorded as funds held in trust until disbursement.

**MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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

The principal and interest payments are provided based on the debt amortization schedules from the General Obligation Bonds, Series 2020A (discussed under Debt and Leases). The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.

Capital Outlay

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

Debt and Leases

The District issued the 2020 Bonds on August 18, 2020, in par amounts of \$38,845,000 for the 2020A Senior Bonds and \$3,909,000 for the 2020B Subordinate Bonds. Proceeds from the sale of the 2020A will be used to: (a) fund capitalized interest on Series 2020A Senior Bonds, (b) fund a portion of the Surplus Fund, and (c) pay other costs in connection with the issuance of the Series 2020A Senior and 2020B Subordinate Bonds.

The 2020A Senior Bonds were issued as two term bonds that bear interest at 5.500% per annum (5.6867 yield) and are payable semi-annually on February 1 and August 15 beginning on February 1, 2021. Annual mandatory sinking fund principal payments are due August 15, beginning August 15, 2026. The 2020A Senior Bonds mature on August 15, 2050. To the extent principal of any 2020A Senior Bond is not paid when due, such principal shall remain outstanding, subject to discharge of the 2020A Senior Bonds on August 15, 2060, and shall continue to bear interest at the rate then borne by the 2020A Senior Bond.

The 2020B Subordinate Bonds were issued as a term bond that bears interest at 7.875% per annum and is payable annually on August 15, beginning August 15, 2021 from, and to the extent of, Subordinate Pledged Revenue available, if any, and matures on August 15, 2050.

The 2020B Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the 2020B Subordinate Bonds compounds annually on each August 15. All of the 2020B Subordinate Bonds and interest thereon are to be deemed to be paid and discharged after the application of all available Subordinate Pledged Revenue available on August 15, 2060, regardless of the amount of principal and interest paid prior to that date. The District shall not be obligated to pay more than the amount permitted by law and its election in repayment of the 2020B Subordinate Bonds.

**MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$38,845,000 Limited Tax General Obligation Bonds

Series 2020A

Dated August, 2020

Interest Rate - 5.250%

Interest Payable February 1 and August 1

Principal Due August 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ 2,109,150	\$ 2,109,150
2026	180,000	2,104,425	2,284,425
2027	240,000	2,093,400	2,333,400
2028	300,000	2,079,225	2,379,225
2029	365,000	2,061,769	2,426,769
2030	435,000	2,040,769	2,475,769
2031	510,000	2,015,963	2,525,963
2032	590,000	1,987,088	2,577,088
2033	675,000	1,953,881	2,628,881
2034	765,000	1,916,081	2,681,081
2035	865,000	1,873,294	2,738,294
2036	965,000	1,825,257	2,790,257
2037	1,075,000	1,771,707	2,846,707
2038	1,195,000	1,712,199	2,907,199
2039	1,320,000	1,646,100	2,966,100
2040	1,450,000	1,573,388	3,023,388
2041	1,595,000	1,491,463	3,086,463
2042	1,745,000	1,399,613	3,144,613
2043	1,910,000	1,299,100	3,209,100
2044	2,085,000	1,189,238	3,274,238
2045	2,270,000	1,069,475	3,339,475
2046	2,470,000	939,125	3,409,125
2047	2,680,000	797,500	3,477,500
2048	2,905,000	643,913	3,548,913
2049	3,140,000	477,676	3,617,676
2050	7,115,000	195,663	7,310,663
Total	<u>\$ 38,845,000</u>	<u>\$ 40,266,462</u>	<u>\$ 79,111,462</u>

See selected information and the summary of significant assumptions.