

VIRIDIAN FARM PUBLIC INFRASTRUCTURE DISTRICT NO. 1

FINANCIAL STATEMENTS

MARCH 31, 2026

Viridian Farm Public Infrastructure District No. 1
Balance Sheet - Governmental Funds
March 31, 2026

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assets				
UMB Bond Fund - 2024A	\$ -	\$ 507,213.73	\$ -	\$ 507,213.73
UMB Reserve Fund - 2024A	-	568,840.39	-	568,840.39
UMB Project Fund - 2024A	-	-	40,661.37	40,661.37
UMB Project Fund - 2024B	-	-	3,188.66	3,188.66
Developer Advance Receivable	4,566.75	-	-	4,566.75
Receivable from County Treasurer	-	148,584.00	-	148,584.00
Total Assets	<u>\$ 4,566.75</u>	<u>\$ 1,224,638.12</u>	<u>\$ 43,850.03</u>	<u>\$ 1,273,054.90</u>
Liabilities				
Accounts Payable	\$ 16,008.75	\$ -	\$ -	\$ 16,008.75
Total Liabilities	<u>16,008.75</u>	<u>-</u>	<u>-</u>	<u>16,008.75</u>
Deferred Inflows of Resources				
Deferred Property Tax	-	148,584.00	-	148,584.00
Total Deferred Inflows of Resources	<u>-</u>	<u>148,584.00</u>	<u>-</u>	<u>148,584.00</u>
Fund Balances	<u>(11,442.00)</u>	<u>1,076,054.12</u>	<u>43,850.03</u>	<u>1,108,462.15</u>
Liabilities and Fund Balances	<u>\$ 4,566.75</u>	<u>\$ 1,224,638.12</u>	<u>\$ 43,850.03</u>	<u>\$ 1,273,054.90</u>

See selected information and summary of significant assumptions.

Viridian Farm Public Infrastructure District No. 1
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending March 31, 2026

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures			
Accounting	17,325.00	4,108.50	13,216.50
Auditing	8,950.00	-	8,950.00
Insurance	4,500.00	-	4,500.00
Legal	21,245.00	7,333.50	13,911.50
Total Expenditures	<u>52,020.00</u>	<u>11,442.00</u>	<u>40,578.00</u>
Other Financing Sources (Uses)			
Transfers from other funds	52,020.00	-	52,020.00
Total Other Financing Sources (Uses)	<u>52,020.00</u>	<u>-</u>	<u>52,020.00</u>
Net Change in Fund Balances	-	(11,442.00)	11,442.00
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ (11,442.00)</u>	<u>\$ 11,442.00</u>

See selected information and summary of significant assumptions.

SUPPLEMENTARY INFORMATION

Viridian Farm Public Infrastructure District No. 1
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending March 31, 2026

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 148,584.00	\$ -	\$ 148,584.00
Interest Income	33,000.00	9,449.17	23,550.83
Total Revenue	<u>181,584.00</u>	<u>9,449.17</u>	<u>172,134.83</u>
Expenditures			
Paying agent fees	7,000.00	-	7,000.00
Bond Interest - Series 2024A	331,644.00	165,821.88	165,822.12
Total Expenditures	<u>338,644.00</u>	<u>165,821.88</u>	<u>172,822.12</u>
Other Financing Sources (Uses)			
Transfers to other fund	(52,020.00)	-	(52,020.00)
Total Other Financing Sources (Uses)	<u>(52,020.00)</u>	<u>-</u>	<u>(52,020.00)</u>
Net Change in Fund Balances	(209,080.00)	(156,372.71)	(52,707.29)
Fund Balance - Beginning	1,234,652.00	1,232,426.83	2,225.17
Fund Balance - Ending	<u>\$ 1,025,572.00</u>	<u>\$ 1,076,054.12</u>	<u>\$ (50,482.12)</u>

See selected information and summary of significant assumptions.

Viridian Farm Public Infrastructure District No. 1
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending March 31, 2026

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest Income	\$ -	\$ 333.58	\$ (333.58)
Total Revenue	<u>-</u>	<u>333.58</u>	<u>(333.58)</u>
Net Change in Fund Balances	-	333.58	(333.58)
Fund Balance - Beginning	-	43,516.45	(43,516.45)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 43,850.03</u>	<u>\$ (43,850.03)</u>

See selected information and summary of significant assumptions.

VIRIDIAN FARM PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SELECTED INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2026

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 reflect its judgment as of December 19, 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.

VIRIDIAN FARM PUBLIC INFRASTRUCTURE DISTRICT NO. 1
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

On September 20, 2023, the City Council of Salem City, Utah (the City), acting in its capacity as the creating authority for the Viridian Farm Public Infrastructure District No. 1 (the District) and Nos. 2-3 (District Nos. 2-3 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 Creation for the Districts on October 17, 2023, which was recorded in the real property records of the Utah County Recorder on November 20, 2023.

The District was established simultaneously with District Nos. 2-3 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

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.

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.

The District anticipates imposing a debt service mill levy in 2026 of 3.000 mills.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 3.25%.

VIRIDIAN FARM PUBLIC INFRASTRUCTURE DISTRICT NO. 1
2026 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

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

Debt and Leases

Series 2024A and Series 2024B Bonds

On September 26, 2024, the District issued Series 2024A Limited Tax General Obligation Bonds (Senior Bonds) in the amount of \$5,645,000 and Series 2024B Subordinate Limited Tax General Obligation Bonds (Subordinate Bonds) in the amount of \$1,000,000 (collectively, the Bonds). The Bonds are secured and payable from pledged revenues, consisting of property tax revenues, pioneering agreement revenues, and any other legally available moneys which the District determines. The Senior Bonds bear interest at 5.875% payable semiannually on March 1 and September 1 and are subject to mandatory sinking fund redemption beginning March 1, 2030. The Senior Bonds mature on December 1, 2054.

The Subordinate Bonds bear interest at 8.375% 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, 2054.

Reserves

Debt Service Reserve

The Bonds are secured by the 2024A Reserve Fund which was funded with proceeds of the 2024 Senior Bonds. The required Reserve Fund held by the District is \$564,500.

**VIRIDIAN FARM PUBLIC INFRASTRUCTURE DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$5,645,000 Limited Tax General Obligation Bonds

Series 2024A

Dated September 26, 2024

Interest Rate - 5.875%

Payable March 1 and September 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ -	\$ 331,644	\$ 331,644
2027	-	331,644	331,644
2028	-	331,644	331,644
2029	-	331,644	331,644
2030	20,000	331,055	351,055
2031	70,000	328,411	398,411
2032	75,000	324,153	399,153
2033	85,000	319,453	404,453
2034	95,000	314,166	409,166
2035	100,000	308,438	408,438
2036	110,000	302,269	412,269
2037	120,000	295,513	415,513
2038	130,000	288,169	418,169
2039	145,000	280,091	425,091
2040	155,000	271,279	426,279
2041	170,000	261,732	431,732
2042	180,000	251,450	431,450
2043	195,000	240,434	435,434
2044	210,000	228,537	438,537
2045	230,000	215,612	445,612
2046	250,000	201,512	451,512
2047	265,000	186,384	451,384
2048	285,000	170,228	455,228
2049	305,000	152,897	457,897
2050	330,000	134,244	464,244
2051	350,000	114,269	464,269
2052	375,000	92,972	467,972
2053	400,000	70,206	470,206
2054	995,000	29,228	1,024,228
Total	5,645,000	7,039,278	12,684,278

See selected information and summary of significant assumptions.