DOWNTOWN EAST STREETCAR SEWER PUBLIC INFRASTRUCTURE DISTRICT NO. 1

FINANCIAL STATEMENTS

MARCH 31, 2026

Downtown East Streetcar Sewer Public Infrastructure District No. 1
Balance Sheet - Governmental Funds
March 31, 2026

	General	Debt Service	Capital Projects	Total
Assets				
UMB Surplus Fund	$ -	$ 3,036,831.20	$ -	$ 3,036,831.20
UMB Project Fund	-	-	561.52	561.52
UMB Subordinate Project Fund	-	-	2,112,951.60	2,112,951.60
UMB Admin Exp Fund	256,377.74	7,000.00	-	263,377.74
UMB Pledge Revenue Fund	-	312,163.60	-	312,163.60
Due from Other Funds	-	-	82,219.48	82,219.48
Total Assets	$ 256,377.74	$ 3,355,994.80	$ 2,195,732.60	$ 5,808,105.14
Liabilities				
Accounts Payable	$ 27,711.50	$ 7,000.00	$ -	$ 34,711.50
Due to Other Funds	82,219.48	-	-	82,219.48
Total Liabilities	109,930.98	7,000.00	-	116,930.98
Fund Balances	146,446.76	3,348,994.80	2,195,732.60	5,691,174.16
Liabilities and Fund Balances	$ 256,377.74	$ 3,355,994.80	$ 2,195,732.60	$ 5,808,105.14

Downtown East Streetcar Sewer 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

	Annual Budget	Actual	Variance
Revenues			
Interest Income	$ 9,500.00	$ 2,351.86	$ 7,148.14
Total Revenue	9,500.00	2,351.86	7,148.14
Expenditures			
Accounting	19,500.00	4,918.41	14,581.59
Auditing	9,500.00	-	9,500.00
Insurance	5,000.00	-	5,000.00
Legal	20,800.00	6,469.50	14,330.50
Total Expenditures	54,800.00	11,387.91	43,412.09
Other Financing Sources (Uses)			
Transfers from other funds	54,122.00	-	54,122.00
Total Other Financing Sources (Uses)	54,122.00	-	54,122.00
Net Change in Fund Balances	8,822.00	(9,036.05)	17,858.05
Fund Balance - Beginning	283,247.00	155,482.81	127,764.19
Fund Balance - Ending	$ 292,069.00	$ 146,446.76	$ 145,622.24

See selected information and summary of significant assumptions.

SUPPLEMENTARY INFORMATION

Downtown East Streetcar Sewer 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

	Annual Budget	Actual	Variance
Revenues			
Property taxes	$ 270,230.00	$ 41,933.60	$ 228,296.40
Interest Income	225,000.00	42,580.29	182,419.71
Total Revenue	495,230.00	84,513.89	410,716.11
Expenditures			
Paying agent fees	7,000.00	-	7,000.00
Bond Interest - Series 2022A	1,733,588.00	1,733,587.50	0.50
Total Expenditures	1,740,588.00	1,733,587.50	7,000.50
Other Financing Sources (Uses)			
Transfers to other fund	(54,122.00)	-	(54,122.00)
Total Other Financing Sources (Uses)	(54,122.00)	-	(54,122.00)
Net Change in Fund Balances	(1,299,480.00)	(1,649,073.61)	349,593.61
Fund Balance - Beginning	4,689,799.00	4,998,068.41	(308,269.41)
Fund Balance - Ending	$ 3,390,319.00	$ 3,348,994.80	$ 41,324.20

Downtown East Streetcar Sewer 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

	Annual Budget	Actual	Variance
Revenues			
Interest Income	$ 7,500.00	$ 34,472.96	$ (26,972.96)
Total Revenue	7,500.00	34,472.96	(26,972.96)
Expenditures			
Capital outlay	190,317.00	2,300,844.25	(2,110,527.25)
Total Expenditures	190,317.00	2,300,844.25	(2,110,527.25)
Net Change in Fund Balances	(182,817.00)	(2,266,371.29)	2,083,554.29
Fund Balance - Beginning	182,817.00	4,462,103.89	(4,279,286.89)
Fund Balance - Ending	$ -	$ 2,195,732.60	$ (2,195,732.60)

See selected information and 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 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 November 24, 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.

Services Provided

On April 12, 2022 the City Council of South Salt Lake City (the City) in Salt Lake County, Utah (the County), acting in its capacity as the creating authority for the Downtown East Streetcar Sewer Public Infrastructure District (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 August 8, 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, 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.

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.

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 are provided based on the debt amortization schedule from the 2022A Bonds (discussed under Debt and Leases).

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 2022A and Series 2022B on September 1, 2022, in the par amount of $31,648,000 (the Bonds).

Proceeds from the sale of the bonds will be used for the purposes of financing or reimburseing a portion of the costs of financing improvements to the City’s Main Wastewater Lift Station and upsizing existing City sewer line to serve the Development. A portion of the proceeds of the Senior Bonds will be used to fund (a) a portion of the interest to accrued on the Senior Bonds, (b) the Initial Deposit to the Surplus Fund, (c) the costs of issuing the Bonds, and (d) Administrative Expenses of the District.

The Series 2022A Bonds bear interest of 5.75%-6.00% payable annually to the extent of Senior Pledged Revenue available on March 1, beginning on March 1, 2023. Annual mandatory sinking fund principal payments are due on March 1, beginning on March 1, 2030. The Bonds mature on March 1, 2053.

The Series 2022B Bonds bear interest at the rate of 9.00% per annum and are payable annually on March 15, beginning March 15, 2023, but only to the extent of available Subordinate Pledged Revenue. The Series 2022B 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 15, 2053.

DOWNTOWN EAST STREETCAR SEWER PUBLIC INFRASTRUCTURE DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023

$29,170,000 Limited Tax General Obligation Bonds
Series 2022A
Dated August 30, 2022
Interest Rate - 5.75% - 6.00%
Principal and Interest Payment - March 1st

Year Ending December 31,	Principal	Interest	Total
2026	-	1,733,588	1,733,588
2027	-	1,733,587	1,733,587
2028	-	1,733,588	1,733,588
2029	-	1,733,587	1,733,587
2030	145,000	1,733,588	1,878,588
2031	190,000	1,725,250	1,915,250
2032	240,000	1,714,325	1,954,325
2033	295,000	1,700,525	1,995,525
2034	350,000	1,683,562	2,033,562
2035	415,000	1,663,438	2,078,438
2036	480,000	1,639,575	2,119,575
2037	550,000	1,611,975	2,161,975
2038	625,000	1,580,350	2,205,350
2039	705,000	1,544,412	2,249,412
2040	790,000	1,503,875	2,293,875
2041	880,000	1,458,450	2,338,450
2042	980,000	1,407,850	2,387,850
2043	1,080,000	1,351,500	2,431,500
2044	1,195,000	1,286,700	2,481,700
2045	1,320,000	1,215,000	2,535,000
2046	1,445,000	1,135,800	2,580,800
2047	1,585,000	1,049,100	2,634,100
2048	1,735,000	954,000	2,689,000
2049	1,890,000	849,900	2,739,900
2050	2,060,000	736,500	2,796,500
2051	2,240,000	612,900	2,852,900
2052	2,430,000	478,500	2,908,500
2053	5,545,000	332,700	5,877,700
Total	$ 29,170,000	$ 37,904,125	$ 67,074,125