BLACK DESERT PUBLIC INFRASTRUCTURE DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2026

Black Desert Public Infrastructure District
Balance Sheet - Governmental Funds
June 30, 2026

	General	Debt Service - Series 2021 & 2024C	Debt Service - Series 2024	Capital Projects	Total
Assets					
Checking Account	$ 7,267.70	$ 3,123,951.50	$ -	$ -	$ 3,131,219.20
Savings Account	1.00	-	-	-	1.00
UMB Jr Interest Fund 2024C	-	1,352.81	-	-	1,352.81
UMB Reserve Fund - Series 2024	-	-	17,659,703.11	-	17,659,703.11
UMB Surplus Fund	-	4,125,492.39	-	-	4,125,492.39
UMB Senior Pledged Revenue Fund 2021A	-	1,150,318.51	-	-	1,150,318.51
UMB Capitalized Interest Fund - Series 2024	-	-	1,289.67	-	1,289.67
UMB Unrestricted Senior Project Fund 2021A	-	-	-	37,189.33	37,189.33
UMB Unrestricted Subordinate Project Fund 2021B	-	-	-	3,395.92	3,395.92
UMB Construction Fund - Series 2024	-	-	-	14,635.51	14,635.51
UMB Assessment Fund	-	-	552,193.64	-	552,193.64
Assessment Receivable	-	-	175,133,333.40	-	175,133,333.40
Receivable from County Treasurer	-	1,199,070.32	-	-	1,199,070.32
Due from Other Funds	43,355.92	-	-	-	43,355.92
Total Assets	$ 50,624.62	$ 9,600,185.53	$ 193,346,519.82	$ 55,220.76	$ 203,052,550.73
Liabilities					
Accounts Payable	$ 25,654.00	$ 14,000.00	$ -	$ -	$ 39,654.00
Due to Other Funds	-	43,355.92	-	-	43,355.92
Total Liabilities	25,654.00	57,355.92	-	-	83,009.92
Deferred Inflows of Resources					
Deferred Property Tax	-	1,199,070.32	-	-	1,199,070.32
Deferred Assessment Revenue	-	-	175,133,333.40	-	175,133,333.40
Total Deferred Inflows of Resources	-	1,199,070.32	175,133,333.40	-	176,332,403.72
Fund Balances	24,970.62	8,343,759.29	18,213,186.42	55,220.76	26,637,137.09
Liabilities and Fund Balances	$ 50,624.62	$ 9,600,185.53	$ 193,346,519.82	$ 55,220.76	$ 203,052,550.73

See selected information and the summary of significant assumptions.

Black Desert Public Infrastructure District
General Fund Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending June 30, 2026

	Annual Budget	Actual	Variance
Expenditures			
Accounting	22,000.00	10,500.00	11,500.00
Auditing	9,250.00	970.00	8,280.00
Insurance	5,500.00	-	5,500.00
Legal	19,000.00	17,689.91	1,310.09
Total Expenditures	55,750.00	29,159.91	26,590.09
Other Financing Sources (Uses)			
Transfers from other funds	55,204.00	13,487.70	41,716.30
Repay developer advance	(30,335.00)	-	(30,335.00)
Total Other Financing Sources (Uses)	24,869.00	13,487.70	11,381.30
Net Change in Fund Balances	(30,881.00)	(15,672.21)	(15,208.79)
Fund Balance - Beginning	94,655.00	40,642.83	54,012.17
Fund Balance - Ending	$ 63,774.00	$ 24,970.62	$ 38,803.38

SUPPLEMENTARY INFORMATION

Black Desert Public Infrastructure District
Debt Service Fund - Series 2021 & 2024C Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending June 30, 2026

	Annual Budget	Actual	Variance
Revenues			
Property taxes	$ 4,020,325.00	$ 3,131,184.18	$ 889,140.82
Interest Income	1,200,000.00	87,707.52	1,112,292.48
Other Revenue	-	50.00	(50.00)
Assessment Revenues	10,135,060.00	-	10,135,060.00
Total Revenue	15,355,385.00	3,218,941.70	12,136,443.30
Expenditures			
Paying agent fees	14,000.00	-	14,000.00
Bond interest - Series 2021	3,240,325.00	1,620,162.50	1,620,162.50
Bond interest - Series 2024	10,125,000.00	-	10,125,000.00
Bond principal - Series 2024	2,920,000.00	-	2,920,000.00
Total Expenditures	16,299,325.00	1,620,162.50	14,679,162.50
Other Financing Sources (Uses)			
Transfers to other fund	(55,204.00)	(25,009,607.16)	24,954,403.16
Transfers from other funds	-	1,336.34	(1,336.34)
Total Other Financing Sources (Uses)	(55,204.00)	(25,008,270.82)	24,953,066.82
Net Change in Fund Balances	(999,144.00)	(23,409,491.62)	22,410,347.62
Fund Balance - Beginning	32,672,066.00	31,753,250.91	918,815.09
Fund Balance - Ending	$ 31,672,922.00	$ 8,343,759.29	$ 23,329,162.71

Black Desert Public Infrastructure District
Debt Service Fund - Series 2024 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending June 30, 2026

	Annual Budget	Actual	Variance
Revenues			
Interest Income	$ -	$ 469,569.65	$ (469,569.65)
Assessment Revenues	-	2,433,333.30	(2,433,333.30)
Total Revenue	-	2,902,902.95	(2,902,902.95)
Expenditures			
Bond interest - Series 2024	-	5,062,500.00	(5,062,500.00)
Bond principal - Series 2024	-	4,623,336.00	(4,623,336.00)
Total Expenditures	-	9,685,836.00	(9,685,836.00)
Other Financing Sources (Uses)			
Transfers from other funds	-	24,996,119.47	(24,996,119.47)
Total Other Financing Sources (Uses)	-	24,996,119.47	(24,996,119.47)
Net Change in Fund Balances	-	18,213,186.42	(18,213,186.42)
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ 18,213,186.42	$ (18,213,186.42)

See selected information and the summary of significant assumptions.

Black Desert Public Infrastructure District
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Period Ending June 30, 2026

	Annual Budget	Actual	Variance
Revenues			
Interest Income	$ 250,000.00	$ 236,469.73	$ 13,530.27
Total Revenue	250,000.00	236,469.73	13,530.27
Expenditures			
Capital outlay	14,229,398.00	19,180,308.26	(4,950,910.26)
Total Expenditures	14,229,398.00	19,180,308.26	(4,950,910.26)
Other Financing Sources (Uses)			
Transfers to other fund	-	(1,336.35)	1,336.35
Total Other Financing Sources (Uses)	-	(1,336.35)	1,336.35
Net Change in Fund Balances	(13,979,398.00)	(18,945,174.88)	4,965,776.88
Fund Balance - Beginning	13,979,398.00	19,000,395.64	(5,020,997.64)
Fund Balance - Ending	$ -	$ 55,220.76	$ (55,220.76)

BLACK DESERT PUBLIC INFRASTRUCTURE DISTRICT
SELECTED INFORMATION
FOR THE PERIOD ENDED JUNE 30, 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 reflects its judgment as of December 29, 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.

The December 31, 2025 financial statements are subject to an audit which is in progress as of July 14, 2026. Any adjustments resulting from the audit are not included in these financial statements. Adjustments may be material.

BLACK DESERT PUBLIC INFRASTRUCTURE DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

On July 15, 2021 the City Council of Ivins City (the City) in Washington County, Utah (the County), acting in its capacity as the creating authority for the Black Desert Public Infrastructure District (the District), adopted a resolution creating the District. On August 13, 2021 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 September 10, 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.

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 10.000 mills.

Revenues (continued)

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 3.75%.

Assessment Revenues

Pursuant to the District's 2024 Bonds, as described below, the District anticipates billing for assessment revenues in 2026 to be applied to the District's debt service requirements on its 2024 Bonds.

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 2021A Bonds and 2024 Bonds (discussed under Debt and Leases).

Capital Outlay

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

Debt and Leases

Series 2021A and Series 2021B Bonds

The District issued Limited Tax General Obligations Bonds, Series 2021A and Series 2021B on September 30, 2021, in the par amount of $106,000,000 (the Bonds).

Proceeds from the sale of the bonds were used to (a) pay the Project Costs (which includes reimbursement of expenditures by the Develop pursuant to the Infrastructure Acquisition and Reimbursement Agreement; (b) fund capitalized interest on the Series 2021A Bonds; (c) fund an initial deposit to the Surplus Fund; and (d) pay the costs of issuance of the Bonds.

Debt and Leases (continued)

The Series 2021A Bonds bear interest of 3.25% to 4.00%, payable semi-annually to the extent of Senior Pledged Revenue available on March 1 and September 1, beginning on March 1, 2022. Annual mandatory sinking fund principal payments are due on March 1, beginning on March 1, 2028. The Bonds mature on March 1, 2051.

The Series 2021B Bonds bear interest at the rate of 7.375% per annum and are payable annually on September 15, beginning September 15, 2022, but only to the extent of available Subordinate Pledged Revenue. The Series 2021B 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 September 15, 2051.

Series 2024 Bonds
The District issued Special Assessment Bonds, Series 2024 on May 15, 2024, in the par amount of $180,000,000 (the Bonds).

Proceeds from the bonds were used for the purposes of financing or reimbursing a portion of the costs of acquiring, constructing, and/or installing certain public improvements to benefit the assessment area and for funding the Series 2024 Reserve Fund, to fund capitalized interest on the Series 2024 Bonds, and funding the costs of issuance of the bonds.

The Series 2024 Bonds bear interest at the rate 5.625% per annum and are payable semi-annually on June 1 and December 1, beginning on December 1, 2024. The Bonds mature on June 1, 2053. The Bonds are secured by and payable from monies collected from the levy of assessments against the properties benefitting from the public improvements pursuant to the assessment ordinance.

BLACK DESERT PUBLIC INFRASTRUCTURE DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$84,000,000 Limited Tax General Obligation Bonds
Series 2021A
Dated September 30, 2021
Interest Rate - 3.25% - 4.00%
Interest due March 1 and September 1
Principal due September 1

Year Ending December 31,	Principal	Interest	Total
2026	$ -	$ 3,240,325	$ 3,240,325
2027	-	3,240,325	3,240,325
2028	885,000	3,225,944	4,110,944
2029	1,190,000	3,192,225	4,382,225
2030	1,315,000	3,151,518	4,466,518
2031	1,450,000	3,106,588	4,556,588
2032	1,595,000	3,055,112	4,650,112
2033	1,745,000	2,996,663	4,741,663
2034	1,905,000	2,932,787	4,837,787
2035	2,070,000	2,863,225	4,933,225
2036	2,245,000	2,787,713	5,032,713
2037	2,430,000	2,702,863	5,132,863
2038	2,630,000	2,607,987	5,237,987
2039	2,835,000	2,505,519	5,340,519
2040	3,055,000	2,395,081	5,450,081
2041	3,280,000	2,276,300	5,556,300
2042	3,525,000	2,144,300	5,669,300
2043	3,785,000	1,998,100	5,783,100
2044	4,055,000	1,841,300	5,896,300
2045	4,340,000	1,673,400	6,013,400
2046	4,640,000	1,493,800	6,133,800
2047	4,955,000	1,301,900	6,256,900
2048	5,285,000	1,097,100	6,382,100
2049	5,635,000	878,700	6,513,700
2050	5,995,000	646,100	6,641,100
2051	13,155,000	263,100	13,418,100
Total	$ 84,000,000	$ 59,617,975	$ 143,617,975

BLACK DESERT PUBLIC INFRASTRUCTURE DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$180,000,000 Special Assessment Bonds
Series 2024
Dated May 13, 2024
Interest Rate - 5.625%
Payable June 1 and December 1
Principal due December 1

Year Ending December 31,	Principal	Interest	Total
2026	$ 4,623,336	$ 9,994,969	$ 14,618,305
2027	-	9,864,937	9,864,937
2028	2,844,999	9,864,937	12,709,937
2029	3,004,787	9,704,906	12,709,693
2030	3,173,343	9,535,887	12,709,230
2031	3,352,617	9,357,386	12,710,004
2032	3,540,660	9,168,802	12,709,462
2033	3,739,420	8,969,639	12,709,060
2034	3,949,872	8,759,297	12,709,169
2035	4,172,016	8,537,117	12,709,133
2036	4,406,826	8,302,441	12,709,267
2037	4,655,276	8,054,557	12,709,833
2038	4,916,392	7,792,698	12,709,090
2039	5,193,098	7,516,151	12,709,248
2040	5,485,392	7,224,039	12,709,431
2041	5,793,276	6,915,485	12,708,761
2042	6,119,671	6,589,614	12,709,285
2043	6,463,604	6,245,382	12,708,987
2044	6,827,024	5,881,804	12,708,828
2045	7,211,878	5,497,784	12,709,663
2046	7,617,193	5,092,116	12,709,309
2047	8,045,892	4,663,649	12,709,541
2048	8,497,974	4,211,068	12,709,041
2049	8,976,362	3,733,057	12,709,419
2050	9,481,057	3,228,136	12,709,194
2051	10,014,982	2,694,827	12,709,809
2052	10,577,161	2,131,484	12,708,646
2053	27,315,890	1,536,519	28,852,409
Total	$ 180,000,000	$ 191,068,689	$ 371,068,689