

TECH RIDGE PUBLIC INFRASTRUCTURE DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2026

DRAFT

Tech Ridge Public Infrastructure District
Balance Sheet - Governmental Funds
June 30, 2026

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assets				
UMB Reserve Fund 2025	\$ -	\$ 4,069,977.96	\$ -	\$ 4,069,977.96
UMB Capitalized Interest Fund 2025	-	4,846,578.27	-	4,846,578.27
UMB Construction Fund 2025	-	-	7,822,153.80	7,822,153.80
UMB Assessment Fund	51,000.00	139,560.69	-	190,560.69
Assessment Receivable	-	48,990,000.00	-	48,990,000.00
Total Assets	<u>\$ 51,000.00</u>	<u>\$ 58,046,116.92</u>	<u>\$ 7,822,153.80</u>	<u>\$ 65,919,270.72</u>
Liabilities				
Accounts Payable	\$ 13,006.25	\$ -	\$ -	\$ 13,006.25
Total Liabilities	<u>13,006.25</u>	<u>-</u>	<u>-</u>	<u>13,006.25</u>
Deferred Inflows of Resources				
Deferred Assessment Revenue	-	48,990,000.00	-	48,990,000.00
Total Deferred Inflows of Resources	<u>-</u>	<u>48,990,000.00</u>	<u>-</u>	<u>48,990,000.00</u>
Fund Balances	<u>37,993.75</u>	<u>9,056,116.92</u>	<u>7,822,153.80</u>	<u>16,916,264.47</u>
Liabilities and Fund Balances	<u>\$ 51,000.00</u>	<u>\$ 58,046,116.92</u>	<u>\$ 7,822,153.80</u>	<u>\$ 65,919,270.72</u>

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

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures			
Accounting	18,500.00	9,187.50	9,312.50
Auditing	8,500.00	2,800.00	5,700.00
Insurance	5,500.00	427.04	5,072.96
Legal	18,500.00	8,241.00	10,259.00
Total Expenditures	<u>51,000.00</u>	<u>20,655.54</u>	<u>30,344.46</u>
Other Financing Sources (Uses)			
Developer advance	-	7,649.29	(7,649.29)
Transfers from other funds	51,000.00	51,000.00	-
Total Other Financing Sources (Uses)	<u>51,000.00</u>	<u>58,649.29</u>	<u>(7,649.29)</u>
Net Change in Fund Balances	-	37,993.75	(37,993.75)
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 37,993.75</u>	<u>\$ (37,993.75)</u>

SUPPLEMENTARY INFORMATION

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

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Tax Increment Revenues	\$ 211,787.00	\$ 190,560.69	\$ 21,226.31
Interest Income	280,000.00	185,054.85	94,945.15
Total Revenue	<u>491,787.00</u>	<u>375,615.54</u>	<u>116,171.46</u>
Expenditures			
Excess Tax Increment Revenues	156,787.00	-	156,787.00
Paying agent fees	4,000.00	-	4,000.00
Bond interest	3,061,875.00	1,530,937.50	1,530,937.50
Total Expenditures	<u>3,222,662.00</u>	<u>1,530,937.50</u>	<u>1,691,724.50</u>
Other Financing Sources (Uses)			
Transfers to other fund	(51,000.00)	(51,000.00)	-
Total Other Financing Sources (Uses)	<u>(51,000.00)</u>	<u>(51,000.00)</u>	<u>-</u>
Net Change in Fund Balances	(2,781,875.00)	(1,206,321.96)	(1,575,553.04)
Fund Balance - Beginning	10,198,062.00	10,262,438.88	(64,376.88)
Fund Balance - Ending	<u>\$ 7,416,187.00</u>	<u>\$ 9,056,116.92</u>	<u>\$ (1,639,929.92)</u>

See selected information and the summary of significant assumptions.

Tech Ridge 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

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest Income	\$ 135,000.00	\$ 163,661.24	\$ (28,661.24)
Total Revenue	<u>135,000.00</u>	<u>163,661.24</u>	<u>(28,661.24)</u>
Expenditures			
Engineering	10,000.00	7,622.50	2,377.50
Capital outlay	8,410,088.00	1,538,501.69	6,871,586.31
Total Expenditures	<u>8,420,088.00</u>	<u>1,546,124.19</u>	<u>6,873,963.81</u>
Net Change in Fund Balances	(8,285,088.00)	(1,382,462.95)	(6,902,625.05)
Fund Balance - Beginning	8,285,088.00	9,204,616.75	(919,528.75)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 7,822,153.80</u>	<u>\$ (7,822,153.80)</u>

See selected information and the summary of significant assumptions.

**TECH RIDGE 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 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 May 17, 2026, 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 17, 2026. Any adjustments resulting from the audit are not included in these financial statements. Adjustments may be material.

**TECH RIDGE PUBLIC INFRASTRUCTURE DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

On October 17, 2024, the City Council of the City of St. George, Utah (the City), acting in its capacity as the creating authority for Tech Ridge 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 on December 9, 2024, which was recorded in the real property records of the Utah County Recorder on February 7, 2025.

The District was established to provide financing for infrastructure improvements to facilitate development within the boundaries of the District. 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

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 3.5%.

Tax Increment Revenues

The Bonds are partially secured by tax increment revenues pursuant to the Participation Agreement between the District and the St. George Neighborhood Redevelopment Agency. The tax increment revenues is the difference between the amount of property tax revenues generated by the taxing entities within the Tech Ridge Community Development Project Area using the current taxable value and the amount of property taxes that would be generated from the same are using the bas taxable value.

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.

**TECH RIDGE PUBLIC INFRASTRUCTURE DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

Capital Outlay

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

Debt Service

Interest payments are provided based on the schedule of debt service requirements to maturity for the anticipated Series 2025 Bonds (discussed under debt and leases).

Debt and Leases

Series 2025 Special Assessment Revenue Bonds

The District issued Special Assessment and Tax Increment Bonds, Series 2025 on June 18, 2025 in the par amount of \$48,990,000. The proceeds from the sale of the Bonds will be used by the District to (a) finance or reimburse a portion of the costs of acquiring, constructing, and/or installing certain Public Improvements to benefit the Assessment Area, (b) fund Debt Service Reserve Fund requirement, (c) fund a portion of the interest to accrue on the Series 2025 Bonds, and (d) to pay costs of issuance associated with the Series 2025 Bonds.

The Series 2025 Bonds bear interest of 6.250% payable semi-annually to the extent of pledged revenue available December 1, beginning on December 1, 2030. The bonds mature on December 1, 2054. The Bonds are subject to redemption prior to maturity on June 1, 2030.

Reserves

Debt Service Reserves

The District holds a Reserve Fund for its Series 2025 Bonds.

TECH RIDGE PUBLIC INFRASTRUCTURE DISTRICT

SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

\$48,990,000

Special Assessment and Tax Increment Bonds,
Series 2025

Dated June 18, 2025

Interest Rate - 6.25%

Interest Payable June 1 and December 1

Principal Payable December 1

Year Ending December 31,	Principal	Interest	Annual Debt Service
2026	\$ -	\$ 3,061,875	\$ 3,061,875
2027	-	3,061,875	3,061,875
2028	-	3,061,875	3,061,875
2029	-	3,061,875	3,061,875
2030	862,000	3,061,875	3,923,875
2031	916,000	3,008,000	3,924,000
2032	973,000	2,950,750	3,923,750
2033	1,034,000	2,889,938	3,923,938
2034	1,099,000	2,825,313	3,924,313
2035	1,167,000	2,756,625	3,923,625
2036	1,240,000	2,683,688	3,923,688
2037	1,318,000	2,606,188	3,924,188
2038	1,400,000	2,523,813	3,923,813
2039	1,487,000	2,436,313	3,923,313
2040	1,580,000	2,343,375	3,923,375
2041	1,679,000	2,244,625	3,923,625
2042	1,784,000	2,139,688	3,923,688
2043	1,896,000	2,028,188	3,924,188
2044	2,014,000	1,909,688	3,923,688
2045	2,140,000	1,783,813	3,923,813
2046	2,274,000	1,650,063	3,924,063
2047	2,416,000	1,507,938	3,923,938
2048	2,567,000	1,356,938	3,923,938
2049	2,727,000	1,196,500	3,923,500
2050	2,898,000	1,026,063	3,924,063
2051	3,079,000	844,938	3,923,938
2052	3,271,000	652,500	3,923,500
2053	3,476,000	448,063	3,924,063
2054	3,693,000	230,813	3,923,813
Total	<u>\$ 48,990,000</u>	<u>\$ 61,353,188</u>	<u>\$ 110,343,188</u>

See selected information and the summary of significant assumptions.