VENTANA RESORT VILLAGE PUBLIC INFRASTRUCTURE DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2026

Ventana Resort Village Public Infrastructure District
Balance Sheet - Governmental Funds
June 30, 2026

	General	Debt Service	Capital Projects	Total
Assets				
UMB Bond Fund 2024	$ -	$ 1,198,179.19	$ -	$ 1,198,179.19
UMB Surplus Fund 2024	-	1,087,827.35	-	1,087,827.35
UMB Project Fund 2024	-	-	8,567.23	8,567.23
Developer Advance Receivable	11,918.97	-	-	11,918.97
Total Assets	$ 11,918.97	$ 2,286,006.54	$ 8,567.23	$ 2,306,492.74
Liabilities				
Accounts Payable	$ 27,538.32	$ -	$ -	$ 27,538.32
Total Liabilities	27,538.32	-	-	27,538.32
Fund Balances	(15,619.35)	2,286,006.54	8,567.23	2,278,954.42
Liabilities and Fund Balances	$ 11,918.97	$ 2,286,006.54	$ 8,567.23	$ 2,306,492.74

See selected information and the summary of significant assumptions.

Ventana Resort Village 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	18,200.00	5,360.84	12,839.16
Auditing	9,500.00	-	9,500.00
Insurance	5,500.00	-	5,500.00
Legal	18,800.00	10,258.51	8,541.49
Total Expenditures	52,000.00	15,619.35	36,380.65
Other Financing Sources (Uses)			
Developer advance	45,904.00	-	45,904.00
Transfers from other funds	6,096.00	-	6,096.00
Total Other Financing Sources (Uses)	52,000.00	-	52,000.00
Net Change in Fund Balances	-	(15,619.35)	15,619.35
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ (15,619.35)	$ 15,619.35

SUPPLEMENTARY INFORMATION

Ventana Resort Village 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

	Annual Budget	Actual	Variance
Revenues			
Property taxes	$ 10,096.00	$ 10,124.50	$ (28.50)
Interest Income	95,000.00	46,266.86	48,733.14
Total Revenue	105,096.00	56,391.36	48,704.64
Expenditures			
Paying agent fees	4,000.00	-	4,000.00
Bond interest	660,000.00	660,000.00	-
Total Expenditures	664,000.00	660,000.00	4,000.00
Other Financing Sources (Uses)			
Transfers to other fund	(6,096.00)	-	(6,096.00)
Total Other Financing Sources (Uses)	(6,096.00)	-	(6,096.00)
Net Change in Fund Balances	(565,000.00)	(603,608.64)	38,608.64
Fund Balance - Beginning	2,883,400.00	2,889,615.18	(6,215.18)
Fund Balance - Ending	$ 2,318,400.00	$ 2,286,006.54	$ 32,393.46

Ventana Resort Village 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	$ -	$ 386.08	$ (386.08)
Total Revenue	-	386.08	(386.08)
Expenditures			
Capital outlay	-	29,263.54	(29,263.54)
Total Expenditures	-	29,263.54	(29,263.54)
Net Change in Fund Balances	-	(28,877.46)	28,877.46
Fund Balance - Beginning	-	37,444.69	(37,444.69)
Fund Balance - Ending	$ -	$ 8,567.23	$ (8,567.23)

See selected information and the 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 December 12, 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 22, 2026. Any adjustments resulting from the audit are not included in these financial statements. Adjustments may be material.

VENTANA RESORT VILLAGE PUBLIC INFRASTRUCTURE DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

On September 26, 2023, the City Council of Kanab City, Utah (the City), acting in its capacity as the creating authority for the Ventana Resort Village 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 Districts on October 27, 2023, which was recorded in the real property records of the Kane County Recorder on November 15, 2023.

The District was established 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

Interest Income

Interest earned on the District’s available funds has been estimated based on an average interest rate of approximately 3.50%.

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.

Revenues - continued

Developer Advance

The District is in the development stage. As such, administrative expenditures may be funded by the Developer prior to the date in which revenues become available. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

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 2024 Bonds (discussed under Debt and Leases).

Debt and Leases

On October 16, 2024, the District issued Series 2024 Limited Tax General Obligation Bonds in the amount of $12,000,000. 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 Bonds bear interest at 5.500% payable annually on March 1 and are subject to mandatory sinking fund redemption beginning March 1, 2032. The Bonds mature on March 1, 2054.

VENTANA RESORT PUBLIC INFRASTRUCTURE DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$12,000,000
Limited Tax General Obligation Bonds
Series 2024A, Dated October 16, 2024
Interest Rate 5.5%
Interest Payable March 1
Principal Payable March 1

Year Ending December 31,	Principal	Interest	Total
2026	$ -	$ 660,000	$ 660,000
2027	-	660,000	660,000
2028	-	660,000	660,000
2029	-	660,000	660,000
2030	-	660,000	660,000
2031	-	660,000	660,000
2032	160,000	660,000	820,000
2033	195,000	651,200	846,200
2034	210,000	640,475	850,475
2035	230,000	628,925	858,925
2036	255,000	616,275	871,275
2037	275,000	602,250	877,250
2038	300,000	587,125	887,125
2039	325,000	570,625	895,625
2040	350,000	552,750	902,750
2041	380,000	533,500	913,500
2042	405,000	512,600	917,600
2043	440,000	490,325	930,325
2044	470,000	466,125	936,125
2045	505,000	440,275	945,275
2046	545,000	412,500	957,500
2047	580,000	382,525	962,525
2048	625,000	350,625	975,625
2049	665,000	316,250	981,250
2050	710,000	279,675	989,675
2051	760,000	240,625	1,000,625
2052	810,000	198,825	1,008,825
2053	865,000	154,275	1,019,275
2054	1,940,000	106,700	2,046,700
Total	$ 12,000,000	$ 14,354,450	$ 26,354,450