CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2027

CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT NO. 1
SUMMARY
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

10/28/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
BEGINNING FUND BALANCES	$ 6,811,184	$ 4,837,505	$ 4,941,539	$ 4,941,539	$ 1,453,612
REVENUES					
Interest Income	154,515	40,790	98,142	151,310	38,000
Developer advance	-	-	-	23,797	49,300
Interest and fees	-	-	-	-	361,423
Assessment revenue - prepayments	3,241,758	4,264,529	2,672,371	4,128,197	3,263,952
Total revenues	3,396,273	4,305,319	2,770,513	4,303,304	3,712,675
TRANSFERS IN	9,000	39,810	5,510	17,651	-
Total funds available	10,216,457	9,182,634	7,717,562	9,262,494	5,166,287
EXPENDITURES					
General Fund	44,005	46,500	15,924	47,343	49,300
Debt Service Fund	720,143	5,013,000	5,142,891	7,664,302	4,361,423
Capital Projects Fund	4,501,770	37,179	79,586	79,586	-
Total expenditures	5,265,918	5,096,679	5,238,401	7,791,231	4,410,723
TRANSFERS OUT	9,000	39,810	5,510	17,651	-
Total expenditures and transfers out requiring appropriation	5,274,918	5,136,489	5,243,911	7,808,882	4,410,723
ENDING FUND BALANCES	$ 4,941,539	$ 4,046,145	$ 2,473,651	$ 1,453,612	$ 755,564
CAPITALIZED INTEREST	$ 744,975	$ -	$ 372,487	$ -	$ -
RESERVE FUND 2024	744,975	744,975	744,975	268,335	-
TOTAL RESERVE	$ 1,489,950	$ 744,975	$ 1,117,462	$ 268,335	$ -

See summary of significant assumptions.

PRELIMINARY DRAFT - SUBJECT TO REVISION

CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT NO. 1
GENERAL FUND
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

10/28/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
BEGINNING FUND BALANCES	$ 49,500	$ 8,466	$ 16,605	$ 16,605	$ -
REVENUES					
Interest Income	2,110	190	261	310	-
Developer advance	-	-	-	23,797	49,300
Total revenues	2,110	190	261	24,107	49,300
TRANSFERS IN					
Transfers from other funds	9,000	39,810	-	12,141	-
Total funds available	60,610	48,466	16,866	52,853	49,300
EXPENDITURES					
General and administrative					
Accounting	13,846	16,000	7,659	17,000	17,500
Auditing	8,500	9,500	-	8,800	9,000
Insurance	8,034	4,543	-	4,543	4,800
Legal	13,625	15,800	8,265	17,000	18,000
Contingency	-	657	-	-	-
Total expenditures	44,005	46,500	15,924	47,343	49,300
TRANSFERS OUT					
Transfers to other fund	-	-	5,510	5,510	-
Total expenditures and transfers out requiring appropriation	44,005	46,500	21,434	52,853	49,300
ENDING FUND BALANCES	$ 16,605	$ 1,966	$ (4,568)	$ -	$ -

See summary of significant assumptions.

PRELIMINARY DRAFT - SUBJECT TO REVISION

CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT NO. 1
DEBT SERVICE FUND
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

10/28/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
BEGINNING FUND BALANCES	$ 2,210,093	$ 4,792,460	$ 4,835,717	$ 4,835,717	$ 1,453,612
REVENUES					
Interest Income	104,009	40,000	97,064	150,000	38,000
Interest and fees	-	-	-	-	361,423
Assessment revenue - prepayments	3,241,758	4,264,529	2,672,371	4,128,197	3,263,952
Total revenues	3,345,767	4,304,529	2,769,435	4,278,197	3,663,375
TRANSFERS IN					
Transfers from other funds	-	-	4,000	4,000	-
Total funds available	5,555,860	9,096,989	7,609,152	9,117,914	5,116,987
EXPENDITURES					
Debt Service					
Bond interest	720,143	482,000	372,488	613,899	357,423
Bond principal	-	4,527,000	4,766,403	7,046,403	4,000,000
Paying agent fees	-	4,000	4,000	4,000	4,000
Total expenditures	720,143	5,013,000	5,142,891	7,664,302	4,361,423
TRANSFERS OUT					
Transfers to other fund	-	39,810	-	-	-
Total expenditures and transfers out requiring appropriation	720,143	5,052,810	5,142,891	7,664,302	4,361,423
ENDING FUND BALANCES	$ 4,835,717	$ 4,044,179	$ 2,466,261	$ 1,453,612	$ 755,564
CAPITALIZED INTEREST	$ 744,975	$ -	$ 372,487	$ -	$ -
RESERVE FUND 2024	744,975	744,975	744,975	268,335	-
TOTAL RESERVE	$ 1,489,950	$ 744,975	$ 1,117,462	$ 268,335	$ -

See summary of significant assumptions.

PRELIMINARY DRAFT - SUBJECT TO REVISION

CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT NO. 1
CAPITAL PROJECTS FUND
2027 BUDGET
WITH 2025 ACTUAL AND 2026 ESTIMATED
For the Years Ended and Ending December 31,

10/28/26

	ACTUAL 2025	BUDGET 2026	ACTUAL 6/30/2026	ESTIMATED 2026	BUDGET 2027
BEGINNING FUND BALANCES	$ 4,551,591	$ 36,579	$ 89,217	$ 89,217	$ -
REVENUES					
Interest Income	48,396	600	817	1,000	-
Total revenues	48,396	600	817	1,000	-
TRANSFERS IN					
Transfers from other funds	-	-	1,510	1,510	-
Total funds available	4,599,987	37,179	91,544	91,727	-
EXPENDITURES					
Capital Projects					
Engineering	12,395	-	1,510	1,510	-
Capital outlay	4,489,375	37,179	78,076	78,076	-
Total expenditures	4,501,770	37,179	79,586	79,586	-
TRANSFERS OUT					
Transfers to other fund	9,000	-	-	12,141	-
Total expenditures and transfers out requiring appropriation	4,510,770	37,179	79,586	91,727	-
ENDING FUND BALANCES	$ 89,217	$ -	$ 11,958	$ -	$ -

See summary of significant assumptions.

PRELIMINARY DRAFT - SUBJECT TO REVISION

CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT NO. 1
2027 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

On April 24, 2024, the County Clerk of Washington County, Utah (the County), acting in its capacity as the creating authority for the Coral Canyon Infrastructure District No. 1(the District) adopted a resolution creating the Districts. The Office of the Lieutenant Governor of the State of Utah issued a Certificate of Incorporation for the District on September 5, 2024, which was recorded in the real property records of the Washington County Recorder on September 5, 2024.

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%.

Assessment Revenues

Assessment Revenues consist of (i) moneys collected from the levy of Assessments against the properties benefited by the Improvements pursuant to the Assessment Ordinance, (ii) moneys collected by the District from the foreclosure of Assessed Properties, and (iii) other funds created under the Indenture as described in the Indenture.

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.

Expenditures (continued)

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2024 Bonds (discussed under Debt and Leases) Additional principal payments on the Bonds are provided based upon estimated lot sales generating assessment prepayments.

Debt and Leases

On December 13, 2024, the District issued Series 2024 Special Assessment Bonds in the amount of $13,545,000 The Bonds are secured and payable from pledged revenues, consisting of assessment revenues and any other legally available moneys which the District determines. The Bonds bear interest at 5.50% payable annually on December 1 and are subject to mandatory sinking fund redemption beginning December 1, 2030. The Bonds mature on December 1, 2053.

Reserves

Debt Service Reserve

The Bonds are secured by the 2024 Reserve Fund which was funded with proceeds of the 2024 Bonds. The required Reserve Fund held by the District is $744,975. The Debt Service Reserve Requirement will be reduced as Reserve Transfers are made. Reserve Transfers represent the amount of principal being redeemed, whether for mandatory sinking fund installments or prepayments, divided by the lesser of the Reserve Requirement or the balance in the Debt Service Reserve Fund.

This information is an integral part of the accompanying budget.

CORAL CANYON INFRASTRUCTURE FINANCING DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

$13,545,000
Special Assessment Bonds,
Series 2024-1
Dated December 13, 2024
Interest Rate - 5.50%
Interest Payable June 1 and December 1
Principal Payable December 1

Year Ending December 31,	Principal	Interest	Annual Debt Service
2027	$ -	$ 482,823	$ 482,823
2028	-	482,823	482,823
2029	-	482,823	482,823
2030	174,989	482,823	657,811
2031	184,710	473,198	657,909
2032	194,432	463,039	657,471
2033	204,153	452,346	656,499
2034	217,116	441,117	658,233
2035	226,837	429,176	656,013
2036	239,799	416,700	656,499
2037	252,761	403,511	656,272
2038	268,964	389,609	658,573
2039	281,926	374,816	656,742
2040	298,129	359,310	657,439
2041	314,331	342,913	657,244
2042	330,534	325,625	656,159
2043	349,977	307,445	657,423
2044	369,420	288,197	657,617
2045	388,864	267,878	656,742
2046	411,547	246,491	658,038
2047	434,231	223,856	658,087
2048	456,915	199,973	656,888
2049	482,839	174,843	657,682
2050	508,763	148,287	657,050
2051	537,928	120,305	658,233
2052	567,093	90,719	657,811
2053	1,082,337	59,529	1,141,866
Total	$ 8,778,597	$ 8,930,173	$ 17,708,770

This amortization schedule does not reflect any prepayments and the actual annual principal and interest payments will likely differ from this schedule.

See summary of significant assumptions.

PRELIMINARY DRAFT - SUBJECT TO REVISION