

MOUNTAIN REGIONAL WATER – August 2026

BOARD SUMMARY

NET POSITION

Mountain Regional Water District Change in Net Position YTD through August 2026 - Unaudited							
	2026 Actual	2026 Budget	Variance	%	2025 Actual	Change	%
Revenue	\$ 12,686,773	\$ 12,161,700	\$ 525,073	4.3%	\$ 14,509,285	\$ (1,822,511)	-12.6%
Expenses & Expenditures	9,827,036	10,255,083	428,048	4.2%	8,881,505	945,531	10.6%
Change in Net Position Before Transfers	2,859,738	1,906,617	953,121		5,627,780	(2,768,042)	
Net Transfers	-	-	-	n/a	-	-	n/a
Change in Net Position After Transfers	2,859,738	1,906,617	953,121		5,627,780	(2,768,042)	

Through Augsut 2026 the change in net position (net income) is \$2.86 million – which is \$953,121 better than budget. This positive variance resulted from a combination of revenue that exceeds budget by \$525,073 (4.3%), and expenses that are lower than budget by \$428,048 (4.2%).

REVENUE

Below is a table providing a more detailed breakdown of how revenue compares to budget.

District Revenue YTD through August 2026 - Unaudited							
	2026 Actual	2026 Budget	Variance	%	2025 Actual	Change	%
Water Sales	\$ 10,142,908	\$ 10,138,700	\$ 4,208	0.0%	\$ 11,306,094	\$ (1,163,187)	-10.3%
Park City Wheeling	441,082	410,400	30,682	7.5%	410,112	30,970	7.6%
Development Related Collections	1,084,704	877,900	206,804	23.6%	849,422	235,282	27.7%
Other Revenue	1,018,080	734,700	283,380	38.6%	1,943,657	(925,577)	-47.6%
Total Revenue	12,686,773	12,161,700	525,073	4.3%	14,509,285	(1,822,511)	-12.6%

Water Sales are almost exactly on budget through August with a variance of just \$4,208 (0.0%). Usage through August by MRW direct customers is down 8.74% when compared to last year.

Park City wheeling charges are \$30,682 (7.5%) above budget on 1,433 acre-feet having been wheeled.

Development Related Collections are over budget by \$206,804. The positive variance is due to Impact Fees being over budget \$212,614 but meter installations being under budget.

Other Revenue is better than budget mainly due to interest earnings, sale of assets, and development inspection fees being higher than budgeted.

EXPENSES

As seen below, total expenses through August are under budget by \$428,048 (4.2%). Operating expenses are under budget by \$437,421 with Operations, Maintenance & Repairs, and Non-OM&R all adding to the savings. Depreciation expense is over budget by \$88,431 (4.6%) as has been explained in previous monthly reports.

When comparing expenses to last year, Operating Expenses are up 9.5%. However, if Depreciation is excluded, Operating Expenses are only up 5.42%. Non-operating Expenses have increased from last year due to Bond Issuance expenses (WIFIA loan).

Bond issuance expense is over budget by \$5,215. The bond issuance expense of \$270,215 is comprised of \$184,620 to the EPA for legal and setup fees; \$20,215 to Zions Public Finance for their advise and expertise; and \$85,000 to Gilmore & Bell PC for our legal fees.

District Expenses From Operations YTD through August 2026 - Unaudited							
	2026 Actual	2026 Budget	Variance	%	2025 Actual	Change	%
Operating Expenses							
Operations, Maintenance & Repairs	\$ 4,692,462	\$ 5,122,400	\$ 429,938	8.4%	\$ 4,564,935	\$ 127,527	2.8%
Non-OM&R	1,702,469	1,798,383	95,914	5.3%	1,501,077	201,392	13.4%
Depreciation	2,023,231	1,934,800	(88,431)	-4.6%	1,621,251	401,981	24.8%
Subtotal Operating	8,418,162	8,855,583	437,421	4.9%	7,687,262	730,899	9.5%
Non-operating Expenses							
Interest Expense	1,112,705	1,115,600	2,895	0.3%	1,165,909	(53,204)	-4.6%
Bank & Trustee Fees/Amortization	25,953	18,900	(7,053)	-37.3%	1,333	24,620	1846.6%
Bond Issuance	270,215	265,000	(5,215)	-2.0%	-	270,215	n/a
Subtotal Non-operating	1,408,874	1,399,500	(9,374)	-0.7%	1,167,242	241,631	20.7%
Total Expenses	9,827,036	10,255,083	428,048	4.2%	8,855,505	971,531	11.0%
Total Cash Expense (Expenditures)	7,507,636	8,036,383	528,747	6.6%	7,234,254	273,382	3.8%
<i>(Excludes Depreciation / Amortization)</i>							

CASH

As shown below, total cash increased \$1.74 million (7.3%) to \$25.53 million during August 2026 from the collection of July water sales and lower than recent month expenditures. **The current Operating Cash & Reserves balance of \$10.73 million represents 363 days reserve, last August the days reserve was at 342 days.**

Cash July 2026 - unaudited							
	Current Month	Previous Month	Change	%	Previous Year	Change	%
Operating Cash & Reserves	\$ 10,729,715	\$ 8,681,608	\$ 2,048,108	23.6%	\$ 9,759,493	\$ 970,223	9.9%
Subtotal	10,729,715	8,681,608	2,048,108	23.6%	9,759,493	970,223	9.9%
<i>Days Reserve</i>	363	294	69		342	21	
Debt Reserves Held by District	5,478,809	6,362,490	(883,681)	-13.9%	6,985,988	(1,507,178)	-21.6%
Debt Reserves Held by Trustee	2,784,467	2,409,415	375,053	15.6%	2,675,704	108,763	4.1%
Regionalization Reserves	717,427	715,036	2,391	0.3%	689,434	27,992	4.1%
Drought Reserve	916,238	913,184	3,053	0.3%	901,964	14,274	1.6%
Capital Facility Reserves	2,279,646	2,259,384	20,262	0.9%	2,782,910	(503,263)	-18.1%
Other Restricted Cash	2,626,335	2,446,703	179,632	7.3%	8,527,536	(5,901,202)	-69.2%
Subtotal	14,802,922	15,106,212	(303,290)	-2.0%	22,563,536	(7,760,614)	-34.4%
Total	25,532,637	23,787,819	1,744,818	7.3%	32,323,028	(6,790,391)	-21.0%

CUSTOMER GROWTH

In Auust there were 12 new connection requests bringing the total for the year to 63. The 12 new connection requests generated \$137,292 in impact fees bringing the total for the year to \$722,614 which is \$212,614 above budget through August. The year-to-date new connection requests of 63 is lower than any of the previous four years.

Customer Growth Through August of Each Year						
Year	Commitment to Serve Letters		Impact Fees			Promontory Lot Assessments
	New Connections	New Units	Total Collections	Average Per Connection	Average Per Unit	
2022	221	221	1,145,236	5,182	5,182	53
2023	94	94	551,874	5,871	5,871	21
2024	66	66	722,355	10,945	10,945	16
2025	80	115	544,773	6,810	4,737	28
Four Year Avg	115	124	741,060	7,202	6,684	30
2026	63	63	722,614	11,470	11,470	28
<i>Change from 4 Year Avg</i>	(52)	(61)	(18,446)	4,268	4,786	(2)
	-45.3%	-49.2%	-2.5%	59.3%	71.6%	-6.7%

WATER USAGE

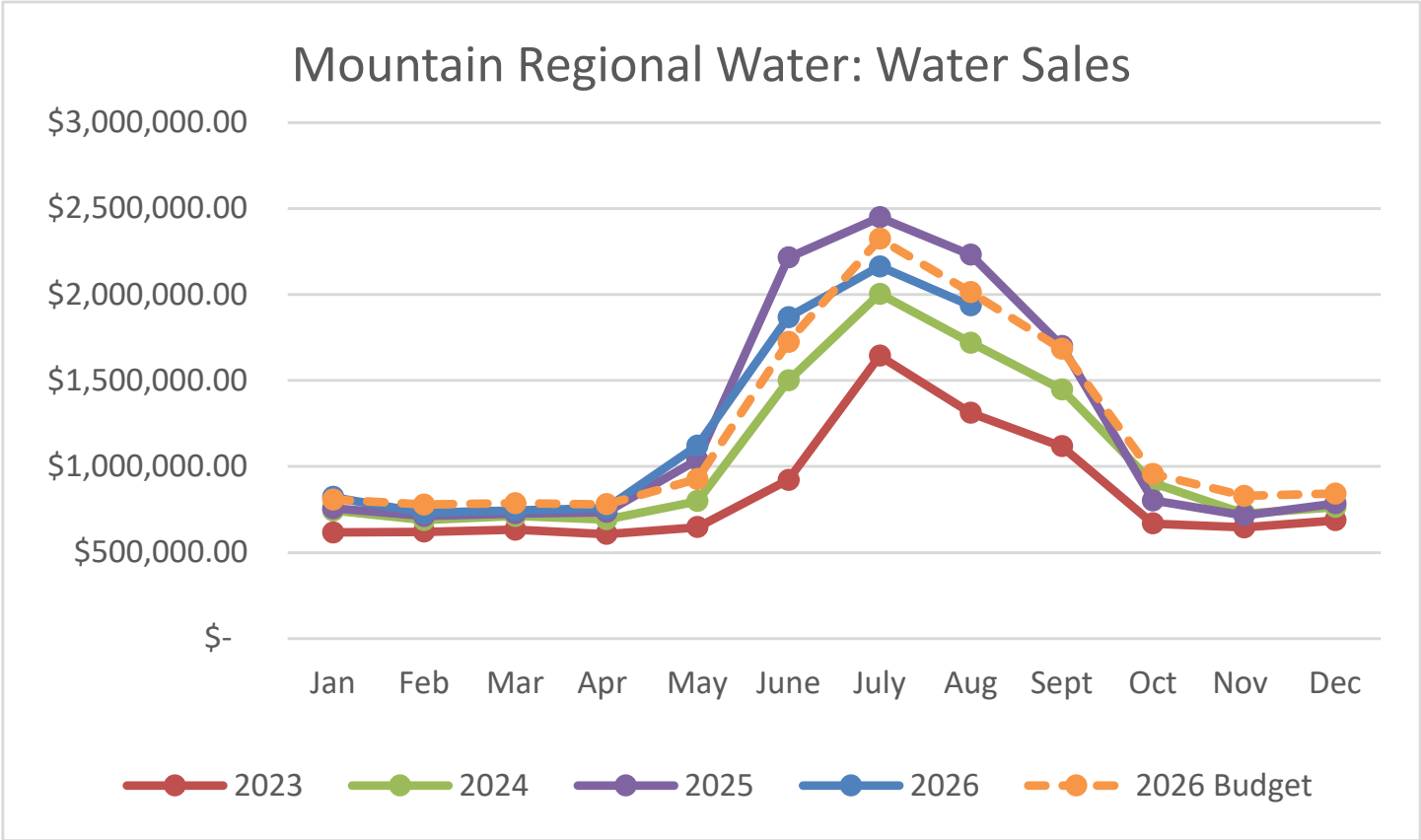
Water Consumption August of Each Year												
Current Month												
Year	MRW		Utah Olympic Park		Promontory Golf		Park City		Summit Water		Total	
	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet
2022	83.3	256	2.1	6	35.7	109	89.8	276	27.5	84	238.4	732
2023	102.3	314	2.0	6	39.1	120	34.0	104	21.0	64	198.5	609
2024	122.8	377	2.3	7	40.8	125	47.0	144	20.5	63	233.3	716
2025	143.7	441	2.2	7	49.8	153	83.0	255	18.9	58	297.5	913
Four Year Avg	113.0	347	2.1	7	41.3	127	63.4	195	22.0	67	241.9	736
2026	123.6	379	0.6	2	45.4	139	95.0	292	-	-	264.5	812
Change from	10.5	32	(1.5)	(5)	4.0	12	31.6	97	(22.0)	(67.4)	22.6	76
4 Year Avg	9.3%		-72.3%		9.8%		49.7%		-100.0%		9.3%	

Year-to-Date												
Year	MRW		Utah Olympic Park		Promontory Golf		Park City		Summit Water		Total	
	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet
2022	379.7	1,165	17.3	53	120.1	369	489.2	1,501	157.7	484	1,164.0	3,572
2023	403.1	1,237	16.0	49	139.6	428	683.0	2,096	152.2	467	1,393.9	4,278
2024	497.8	1,528	21.4	66	182.4	560	365.0	1,120	120.7	370	1,187.3	3,644
2025	578.2	1,774	13.0	40	226.5	695	332.0	1,019	100.0	307	1,249.7	3,835
Four Year Avg	464.7	1,426	16.9	52	167.1	513	467.3	1,434	132.7	407	1,248.7	3,832
2026	527.6	1,619	18.8	58	216.5	664	467.0	1,433	-	-	1,229.9	3,774
Change from	62.9	193	1.9	6	49.3	151	(0.3)	(1)	(132.7)	(407)	(18.9)	(58)
4 Year Avg	13.5%		10.9%		29.5%		-0.1%		-100.0%		-1.5%	

Water consumption in August 2026 by direct District customers of 379 acre-feet is 9.3% higher than four-year average, however, it is 14.0% lower than last year. Year-to-Date usage by direct District customers is 13.5% higher than the four-year average, but 8.7% lower than last year.

SUPPLEMENTAL SCHEDULES:

Water Sales (last four years): The new dotted orange line in the graph below is the 2026 budget. As indicated by the blue line, water sales were below budget during August.



Water Sales by Category (August 2026 vs Budget): As shown in the table below, water sales were \$61,792 below budget for August. Water Sales – Irrigation had the largest negative variance (\$53,906) followed by Water Sales – Wholesale \$17,739. Water Sales – Residential were over budget by \$9,935.

2026 Actual v Budget				
	Aug (Actual)	Aug (Budget)	Over/(Under)	
<u>WATER SALES</u>				
Water Sales - Residential	\$ 1,445,435	\$ 1,435,500	\$	9,935
Water Sales - Commercial	\$ 108,099	\$ 113,100	\$	(5,001)
Water Sales - Churches	\$ 4,255	\$ 8,000	\$	(3,745)
Water Sales - Schools	\$ 21,887	\$ 30,300	\$	(8,413)
Water Sales - Governments	\$ 12,949	\$ 8,100	\$	4,849
Water Sales - Industrial	\$ 26,141	\$ 32,800	\$	(6,660)
Water Sales - Wholesale	\$ 34,261	\$ 52,000	\$	(17,739)
Water Sales - Park City Wheeling	\$ 67,729	\$ 53,100	\$	14,629
Water Sales - Irrigation	\$ 114,894	\$ 168,800	\$	(53,906)
Water Sales - Irrigation Golf	\$ 99,579	\$ 91,300	\$	8,279
Water Sales - Standby Fees	\$ 68,379	\$ 72,400	\$	(4,021)
TOTAL WATER SALES	2,003,608	\$ 2,065,400	\$	(61,792)