M E M O R A N D U M

To: **Administrative Control Board**

From: **Steve Anderson, CFO**

Date: **August 11, 2026**

Subject: **MRW Semi-Annual Cash Report**

MRW Administrative Policies require me to provide the Administrative Control Board with a semi-annual cash report. This report is for the period ending June 30, 2026. The District's cash position has decreased during 2026 due mainly to the continued expenditure on capital projects. The total cash balance is projected to drop over the next six months due to additional capital expenditure. These capital projects include: The Highway 224 Interconnect, the Canyons Water Tank, the Old Ranch Well and continued work on the Signal Hill Treatment Plant expansion.

Financial Institutions

MRW uses three financial institutions with the following general ledger balances:

Zions Bank	$ 425,888
State Public Treasurers Investment Pool (PTIF)	18,798,055
Zions Bank, Corporate Trust Division (Invested with PTIF)	3,653,583
Total	**$ 22,877,526**

Cash Categories

Total Cash & Operating Reserves

This includes the District's checking account, operating reserves, and capital repair and replacement reserves.

December 2023	$	11,651,177
December 2024		11,794,865
December 2025		15,197,507
June 2026		12,693,546

Unrestricted operating reserves are currently 281 days, compared to the minimum policy level of 180 days reserves; and as compared to 284 days reserves at this time last year.

As of June 2026, the cash operating reserves of $8.30 million, the Regionalization Reserve of $712,662, and the Drought Reserve of $910,153 account for 78.2% of the balance. The remaining balance of $2.77 million is repair and replacement funds for Lost Canyon, the Signal Hill Treatment Plant, and other District operations.

Cash & Operating Reserves decreased from the end of the year due to capital expenditures. Additionally, the higher revenue months of the summer have not occurred yet.

Debt Reserves Held by the District

Debt reserves held by the District decreased during the first six months of 2026 as $572,132 from impact fees were used to help pay for the Old Ranch well project.

December 2023	$ 6,788,104
December 2024	6,752,905
December 2025	6,623,601
June 2026	6,265,413

As of June 2026, impact fees of $4.66 million and the Rate Stabilization fund of $1.10 million accounted for $5.76 million (91.9%) of the reserve balance.

The current balance provides funding to help with upcoming capital projects including the treatment plant expansion and the Highway 224 interconnect. These reserves could also be used to address an emergency, although certain amounts are restricted for use on specific bonds.

Debt Reserves Held by Trustee

This includes debt reserves and the bond fund balances from which debt payments are made and are mandated by bond agreements. If the debt reserves portion of these funds are drawn upon, they must be replaced within 12 months, or the District will be in default on its bonds.

The balance at the end of June 2026 is higher than the end of 2025 because funds are transferred to the reserves monthly in preparation for the large payments that are due in December of each year.

December 2023	$ 753,036
December 2024	967,554
December 2025	711,703
June 2026	2,034,074

These reserves are currently at the level required by bond covenants.

<u>Construction Cash</u>

The District does not currently have any construction cash. The proceeds from the Series 2023 have all been expended for the construction of the new administrative office and maintenance shop.

December 2023	$	17,985,369
December 2024		13,885,299
December 2025		1,584,458
June 2026		-

<u>Other Cash</u>

This includes two accounts: 1) customer deposits for new construction, and 2) performance deposits for developer infrastructure construction. The amount increased during the first six months due to additional cash deposits from developers in lieu of providing insurance bonds. The customer deposits have remained almost the same, increasing slightly from $745,675 at the end of 2025 to $746,617 as of June 30, 2026. The performance deposits for new construction have increased from $1.03 million to $1.14 million over the same time.

December 2023	$ 1,144,648
December 2024	1,397,756
December 2025	1,778,200
June 2026	1,884,493

Mountain Regional Water Cash Report - June 30, 2026

				GL	GL	GL	June 30, 2026						
Financial Institution	**Account Name**	**Purpose**	**Date Available**	**Dec-23 Balance**	**Dec-24 Balance**	**Dec-25 Balance**	**General Ledger Balance**	**Bank Balance**	**Difference**	**Checks Outstanding**	**Outstanding Deposits**	**Transfers Pending**	**Net Difference**
Cash & Operating Reserves				**7,022,036.85**	**7,327,630.96**	**9,489,858.18**	**8,297,149.82**						
Zions Bank	Sweep Account	Checking & Payroll Accounts	Daily	327,752	338,398	420,445	422,194	483,134	*(60,940)*	127,296	(66,356)		-
Zions Bank	Money Market	Construction Retainage	Daily	-	245,113	769,850	3,693	3,693	-	-	-		-
PTIF - 4072	Operating Reserve	To cover revenue shortfalls - (i.e. rainy summer)	As approved by CFO & GM	6,694,284	6,989,233	9,069,413	7,871,262	7,871,262	-				-
PTIF - 4092	Regionalization Reserve	To help pay cost associatead with the Regionalization Fees & Debt Def beginning in 2019	As approved by control board	634,648	669,164	699,161	712,662	712,662	-				-
PTIF - 5316	Drought Reserve	To cover revenue shortfalls or expensive overruns due to dorught		847,460	875,445	892,910	910,153	910,153	-				-
PTIF - 5014	Lost Canyon CRF (MRW & Park City)	To fund repair and replacement of Lost Canyon up to, but excluding, the Treatment Plant	Per the MRW agreement with Park City	746,736	872,348	912,833	621,587	621,587	-				-
PTIF - 1199	Treatment Plant	Stabilization Fund	As approved by control board	456,530	470,845	497,472	529,304	529,304	-				-
Zions Bank	State Bonds CRF	To fund major system repairs or replacement within the district	As approved by control board & DDW	1,940,934	1,331,332	1,932,303	1,619,510	1,619,510	-				-
PTIF - 8710	East Canyon Fund	To help fund costs to deliver water down east canyon creek	As approved by control board	2,833	2,987	3,121	3,181	3,181	-				-
Total Cash & Operating Cash & Reserves			***55%***	**11,651,177**	**11,794,865**	**15,197,507**	**12,693,546**	**12,754,486**	**(60,940)**	**127,296**	**(66,356)**	**-**	**-**

Financial Institution	Account Name	Purpose	Date Available	GL Dec-23 Balance	GL Dec-24 Balance	GL Dec-25 Balance	June 30, 2026 General Ledger Balance	Bank Balance	Difference	Checks Outstanding	Outstanding Deposits	Transfers Pending	Net Difference
Debt Reserves Held by District													
PTIF - 4093	Impact Fee Reserve for Debt Service	To pay a portion of annual debt service on District bonds	Per Impact Fee Resolution	4,940,330	5,249,321	5,100,235	4,659,666	4,659,666	-				-
PTIF - 4839	Rate Stabilization Fund/ Reserves For Revenue Shortfall	To pay a portion of annual debt service on District bonds	As approved by control board	1,246,422	1,031,423	1,077,659	1,098,469	1,098,469	-				-
PTIF - 5257	Stagecoach Assessments	To pay debt on the 2008 Bond	Per Contract & Bond Documents	8,647	13,066	235	239	239	-				-
PTIF - 8194	Promontory 2014 SAA Assessments	To pay debt on 2014 Bond	Per Contract & Bond Documents	325,582	168,595	82,350	141,130	141,130	-				-
PTIF - 8195	Promontory 2014 SAA Stabilization Payments	For 2030 debt payment on 2014 Bond	2030	238,123	267,837	304,196	315,749	315,749	-				-
PTIF - 8798	Community Water Assessments	To pay debt on the 2019B Bond	2039	29,000	22,663	58,927	50,160	50,160	-				-
Total Debt Reserves Held by District			***27%***	**6,788,104**	**6,752,905**	**6,623,601**	**6,265,413**	**6,265,413**	**-**	**-**	**-**	**-**	**-**

				GL	*GL*	*GL*	**June 30, 2026**						
Financial Institution	**Account Name**	**Purpose**	**Date Available**	**Dec-23 Balance**	**Dec-24 Balance**	**Dec-25 Balance**	**General Ledger Balance**	**Bank Balance**	**Difference**	**Checks Outstanding**	**Outstanding Deposits**	**Transfers Pending**	**Net Difference**
Debt Reserves Held by Trustee													
Zions Bank	Series 2014 Bond Fund	Monthly transfer from Sweep Account to pay bond	2034	33,140	52,012	25,244	287,017	287,017	-				-
Zions Bank	Series 2008 Bond DSR	Debt reserve for 2008 Bond	2029	288,673	277,289	278,111	186,554	186,554	-				-
Zions Bank	Series 2011A Bond DSR	Debt reserve for refunded 2002 & 2009A Bond	2031	94,194	90,285	90,257	55,836	55,836	-				-
Zions Bank	Series 2011B Bond DSR	Debt reserve for 2011B Bond	2031	141,585	136,708	135,737	96,860	96,860	-				-
Zions Bank	Series 2019A Bond Fund	Monthly transfer from Sweep Account to pay bond	2034	98,412	162,015	60,575	1,035,424	1,035,424	-				-
Zions Bank	Series 2019B Bond Fund	Monthly transfer from Sweep Account to pay bond	2039	96,977	122,142	100,927	197,851	197,851	-				-
Zions Bank	Series 2023 Bond Fund	Monthly transfer from Sweep Account to pay bond	2044	54	127,103	20,852	174,532	174,532	-				-
Total Debt Reserves Held by Trustee			***9%***	**753,036**	**967,554**	**711,703**	**2,034,074**	**2,034,074**	**-**	**-**	**-**	**-**	**-**

Financial Institution	Account Name	Purpose	Date Available	GL Dec-23 Balance	GL Dec-24 Balance	GL Dec-25 Balance	June 30, 2026 General Ledger Balance	Bank Balance	Difference	Checks Outstanding	Outstanding Deposits	Transfers Pending	Net Difference
Construction Cash													
Zions Bank	Series 2023 Bond Construction	Construction Fund for 2019B Bond	As approved by CFO & GM Per Bond Documents	17,985,369	13,886,299	1,584,458	-	-	-	-	-	-	-
Total Construction Cash			***0%***	**17,985,369**	**13,886,299**	**1,584,458**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Cash													
PTIF - 2179	Customer Deposits	Construction & Fire Hydrant Deposits	Returned to lot owner upon passage of final water inspection	1,079,247	780,750	745,675	746,617	746,617	-				-
PTIF - 8825	Construction Deposits	New Construction Deposit	Returned to developer upon inspectin	65,402	617,006	1,032,526	1,137,876	1,137,876	-				-
Total Other Cash			***8%***	**1,144,648**	**1,397,756**	**1,778,200**	**1,884,493**	**1,884,493**	**-**	**-**	**-**	**-**	**-**
Grand Total			***100%***	**38,322,335**	**34,799,378**	**25,895,470**	**22,877,526**	**22,938,465.97**	**(60,940.03)**	**127,296.05**	**(66,356.02)**	**-**	**-**