

MOUNTAIN REGIONAL WATER – May 2026

BOARD SUMMARY

NET POSITION

Mountain Regional Water District Change in Net Position YTD through May 2026 - Unaudited							
	2026 Actual	2026 Budget	Variance	%	2025 Actual	Change	%
Revenue	\$ 5,695,541	\$ 5,212,200	\$ 483,341	9.3%	\$ 5,883,668	\$ (188,128)	-3.2%
Expenses & Expenditures	6,006,314	6,302,783	296,470	4.7%	5,502,613	503,701	9.2%
Change in Net Position Before Transfers	(310,773)	(1,090,583)	779,811		381,055	(691,828)	
Net Transfers	-	-	-	n/a	-	-	n/a
Change in Net Position After Transfers	(310,773)	(1,090,583)	779,811		381,055	(691,828)	

Through May 2026 the change in net position (net income) is \$(310,773) – which is \$779,811 better than budget. This positive variance resulted from a combination of revenue that exceeds budget by \$483,341 (9.3%), and expenses that are lower than budget by \$296,470 (4.7%).

REVENUE

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

District Revenue YTD through May 2026 - Unaudited							
	2026 Actual	2026 Budget	Variance	%	2025 Actual	Change	%
Water Sales	\$ 4,176,399	\$ 4,078,700	\$ 97,699	2.4%	\$ 4,190,698	\$ (14,298)	-0.3%
Park City Wheeling	247,095	244,600	2,495	1.0%	233,225	13,870	5.9%
Development Related Collections	605,676	413,600	192,076	46.4%	583,970	21,706	3.7%
Other Revenue	666,370	475,300	191,070	40.2%	875,776	(209,406)	-23.9%
Total Revenue	5,695,541	5,212,200	483,341	9.3%	5,883,668	(188,128)	-3.2%

Water Sales are over budget through May by \$97,699 (2.4%). Usage in May by MRW direct customers was up 15.23% from last year.

Park City wheeling charges are \$2,495 (1.0%) above budget on 485 acre-feet having been wheeled.

Development Related Collections are over budget by \$192,076. The positive variance is due to Impact Fees being \$208,290 over budget through May. However, meter installations are under budget by \$16,214.

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

EXPENSES

As seen below, total expenses through May are under budget by \$296,470 (4.7%). Operating expenses are under budget by \$358,579 with Operations, Maintenance & Repairs, and Non-OM&R all adding to the savings. Depreciation expense is over budget by \$48,125 (4.0%). In preparing the 2026 budget, estimates were made concerning the total dollar amount of assets which would be added to the District in 2025, as well as their expected useful life. These estimates have proven to be low. Depreciation is not a cash expense since the assets have already been paid for or contributed by developers; it is methodology used to expense assets over time.

When comparing expenses to last year, Operating Expenses are up 5.7%. However, if Depreciation is excluded, Operating Expenses are only up 0.63%. Non-operating Expenses have increased from last year due to Bond Issuance expenses (WIFIA loan).

Bond issuance expense is over budget by \$60,215. Some of the expenses I thought would be in last year carried over to 2026 causing this negative variance. 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 May 2026 - Unaudited							
	2026 Actual	2026 Budget	Variance	%	2025 Actual	Change	%
Operating Expenses							
Operations, Maintenance & Repairs	\$ 2,750,700	\$ 3,008,450	\$ 257,750	8.6%	\$ 2,782,013	\$ (31,313)	-1.1%
Non-OM&R	1,010,179	1,159,133	148,954	12.9%	955,207	54,972	5.8%
Depreciation	1,257,325	1,209,200	(48,125)	-4.0%	1,010,866	246,459	24.4%
Subtotal Operating	5,018,204	5,376,783	358,579	6.7%	4,748,087	270,118	5.7%
Non-operating Expenses							
Interest Expense	695,441	697,600	2,159	0.3%	728,693	(33,252)	-4.6%
Bank & Trustee Fees/Amortization	22,453	18,400	(4,053)	-22.0%	833	21,620	2594.5%
Bond Issuance	270,215	210,000	(60,215)	-28.7%	-	270,215	n/a
Subtotal Non-operating	988,109	926,000	(62,109)	-6.7%	729,526	258,583	35.4%
Total Expenses	6,006,314	6,302,783	296,470	4.7%	5,477,613	528,701	9.7%
Total Cash Expense (Expenditures) <i>(Excludes Depreciation / Amortization)</i>	4,456,320	4,865,183	408,863	8.4%	4,466,747	(10,427)	-0.2%

CASH

As shown below, total cash decreased \$338,769 (1.4%) to \$23.97 million during May 2026. Large expenditures for the month included Lamb Drilling for \$359,037 (Old Ranch Well), Carollo Engineering for \$229,926 (Treatment Plant design), and the EPA (WIFIA loan) \$184,620. **The current Operating Cash & Reserves balance of \$8.39 million represents 284 days reserve, last May the days reserve was at 241 days.**

Cash May 2026 - unaudited							
	Current Month	Previous Month	Change	%	Previous Year	Change	%
Operating Cash & Reserves	\$ 8,385,281	\$ 8,690,450	\$ (305,169)	-3.5%	\$ 6,868,199	\$ 1,517,082	22.1%
Subtotal	8,385,281	8,690,450	(305,169)	-3.5%	6,868,199	1,517,082	22.1%
<i>Days Reserve</i>	284	294	(10)		241	43	
Debt Reserves Held by District	6,758,081	6,832,159	(74,078)	-1.1%	6,612,890	145,191	2.2%
Debt Reserves Held by Trustee	2,601,104	2,227,006	374,098	16.8%	2,625,169	(24,065)	-0.9%
Regionalization Reserves	710,390	708,070	2,320	0.3%	681,722	28,668	4.2%
Drought Reserve	907,251	904,288	2,963	0.3%	891,874	15,377	1.7%
Capital Facility Reserves	2,221,264	2,566,297	(345,033)	-13.4%	2,746,473	(525,209)	-19.1%
Other Restricted Cash	2,389,177	2,383,048	6,129	0.3%	12,627,367	(10,238,190)	-81.1%
Subtotal	15,587,268	15,620,868	(33,600)	-0.2%	26,185,495	(10,598,227)	-40.5%
Total	23,972,549	24,311,318	(338,769)	-1.4%	33,053,694	(9,081,145)	-27.5%

CUSTOMER GROWTH

In May there were 6 new connection requests bringing the total for the year to 34. The 6 new connection requests generated \$32,971 in impact fees bringing the total for the year to \$433,290 which is \$208,290 above budget through May.

Customer Growth Through May 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	124	124	585,901	4,725	4,725	33
2023	45	45	215,990	4,800	4,800	10
2024	50	50	478,219	9,564	9,564	14
2025	57	57	365,787	6,417	6,417	15
Four Year Avg	69	69	411,474	6,377	6,377	18
2026	34	34	433,290	12,744	12,744	12
<i>Change from 4 Year Avg</i>	<i>(35)</i>	<i>(35)</i>	<i>21,816</i>	<i>6,367</i>	<i>6,367</i>	<i>(6)</i>
	-50.7%	-50.7%	5.3%	99.9%	99.9%	-33.3%

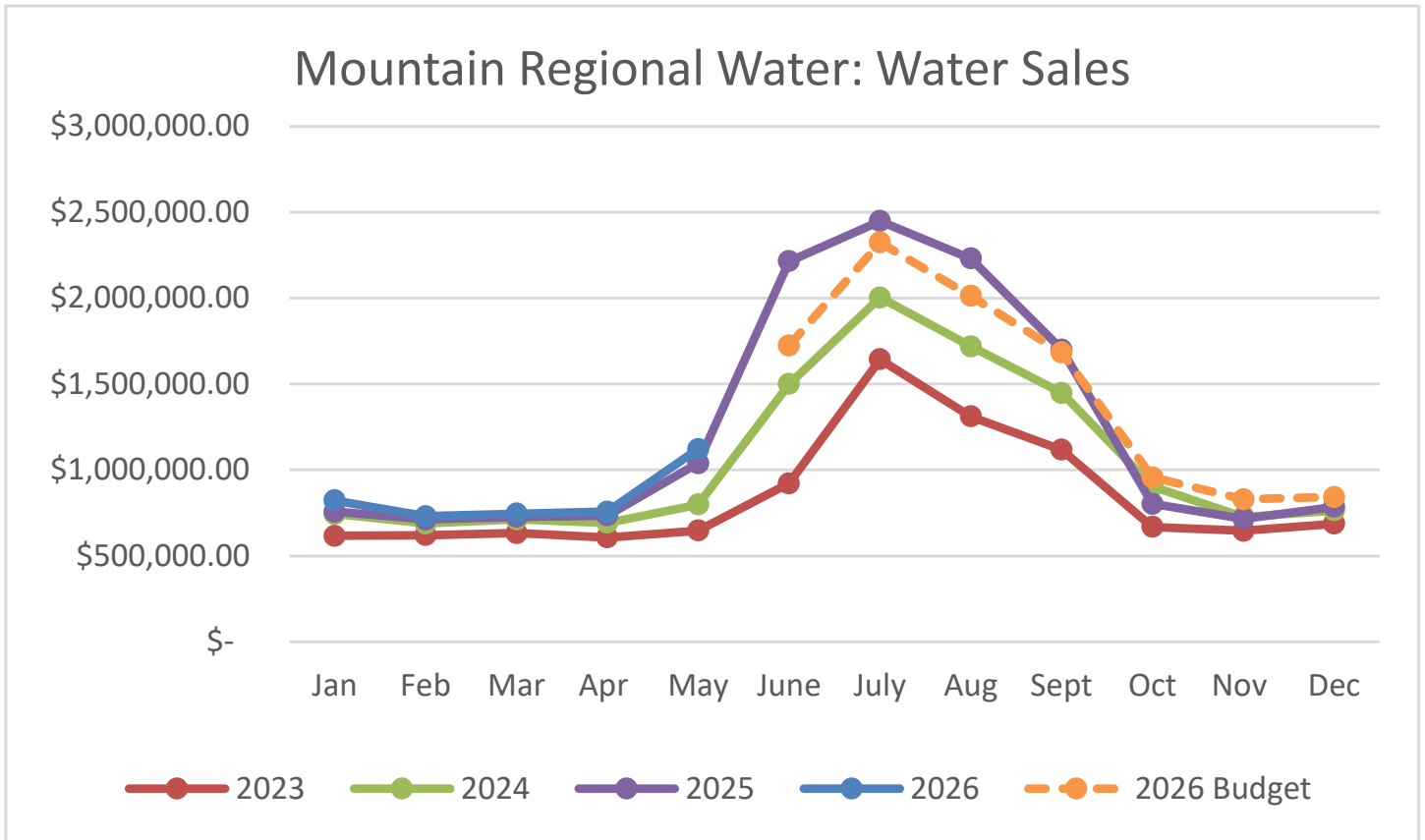
WATER USAGE

Water Consumption May 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	30.9	95	2.4	7	13.1	40	17.3	53	11.7	36	75.3	231
2023	28.4	87	1.2	4	6.2	19	87.0	267	-	-	122.8	377
2024	36.2	111	1.6	5	17.2	53	19.0	58	-	-	74.0	227
2025	51.7	159	0.9	3	30.7	94	18.0	55	-	-	101.3	311
Four Year Avg	36.8	113	1.5	5	16.8	51	35.3	108	2.9	9	93.3	282
2026	59.5	183	0.5	1	35.7	110	17.0	52	-	-	112.7	346
<i>Change from</i>	<i>22.8</i>	<i>70</i>	<i>(1.1)</i>	<i>(3)</i>	<i>19.0</i>	<i>58</i>	<i>(18.3)</i>	<i>(56)</i>	<i>(2.9)</i>	<i>(9.0)</i>	<i>19.4</i>	<i>64</i>
<i>4 Year Avg</i>	61.9%		-70.3%		113.1%		-51.9%		-100.0%		20.8%	
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	124.6	382	8.3	25	18.6	57	248.3	762	100.4	308	500.1	1,535
2023	124.1	381	8.7	27	12.2	37	419.0	1,286	96.0	295	660.0	2,025
2024	132.6	407	14.3	44	26.0	80	225.0	691	73.2	225	471.1	1,446
2025	150.3	461	8.3	26	46.1	141	133.0	408	50.6	155	388.3	1,192
Four Year Avg	132.9	408	9.9	30	25.7	79	256.3	787	80.1	246	504.9	1,549
2026	156.7	481	16.8	52	57.7	177	158.0	485	-	-	389.2	1,194
<i>Change from</i>	<i>23.9</i>	<i>73</i>	<i>6.9</i>	<i>21</i>	<i>32.0</i>	<i>98</i>	<i>(98.3)</i>	<i>(302)</i>	<i>(80.1)</i>	<i>(246)</i>	<i>(115.6)</i>	<i>(355)</i>
<i>4 Year Avg</i>	18.0%		69.7%		124.3%		-38.4%		-100.0%		-22.9%	

Water consumption in May 2026 by direct District customers of 183 acre-feet is 61.9% higher than four-year average. Year-to-Date through May usage by direct District customers is 18.0% higher than the four-year average.

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 above budget during May.



Water Sales by Category (May 2026 vs Budget): As shown in the table below, water sales were \$200,198 above budget for May. Water Sales – Residential had the largest positive variance (\$108,696) followed by Water Sales – Irrigation Golf at \$42,182.

2026 Actual v Budget			
	May (Actual)	May (Budget)	Over/((Under)
<u>WATER SALES</u>			
Water Sales - Residential	\$ 773,896	\$ 665,200	\$ 108,696
Water Sales - Commercial	\$ 72,055	\$ 68,700	\$ 3,355
Water Sales - Churches	\$ 1,642	\$ 1,600	\$ 42
Water Sales - Schools	\$ 15,921	\$ 11,900	\$ 4,021
Water Sales - Governments	\$ 11,353	\$ 7,900	\$ 3,453
Water Sales - Industrial	\$ 19,623	\$ 6,900	\$ 12,723
Water Sales - Wholesale	\$ 27,822	\$ 30,700	\$ (2,878)
Water Sales - Park City Wheeling	\$ 49,789	\$ 44,000	\$ 5,789
Water Sales - Irrigation	\$ 51,888	\$ 25,400	\$ 26,488
Water Sales - Irrigation Golf	\$ 78,482	\$ 36,300	\$ 42,182
Water Sales - Standby Fees	\$ 68,728	\$ 72,400	\$ (3,672)
TOTAL WATER SALES	1,171,198	\$ 971,000	\$ 200,198

Capital Budget Update: As shown in the table below, the District has spent \$5.74 million on current capital projects. The total existing capital budget is \$52.31 million which includes \$42.65 million for the treatment plant of which \$3.58 million has been spent.

	Budget Rolling over from 2025	New 2026 Budget Approved	TOTAL 2026 Budget	Spent as of May 31, 2026	AMOUNT LEFT TO SPEND
WIP - Capitalized Labor		\$ 392,800.00	\$ 392,800.00	\$ 163,666.70	\$ 229,133.30
WIP - Glenwild Loop	\$ 61,700.00		\$ 61,700.00	\$ 39,692.50	\$ 22,007.50
WIP - Upper Evergreen Line	\$ 65,265.00		\$ 65,265.00	\$ 36,251.00	\$ 29,014.00
WIP - Canyons Water Tank		\$ 1,700,000.00	\$ 1,700,000.00	\$ 107,279.15	\$ 1,592,720.85
WIP - Old Ranch Well		\$ 1,291,500.00	\$ 1,291,500.00	\$ 633,198.94	\$ 658,301.06
WIP - SHWTP Tank Mixer		\$ 11,320.00	\$ 11,320.00	\$ 11,320.00	\$ -
WIP - Old Ranch Bypass	\$ 23,939.00		\$ 23,939.00	\$ 23,939.00	\$ -
WIP - Lake Well Rehabilitation		\$ 109,000.00	\$ 109,000.00	\$ -	\$ 109,000.00
WIP - Blackhawk Well 2R Refurbishment	\$ 75,000.00	\$ 75,000.00	\$ 150,000.00	\$ 9,575.00	\$ 140,425.00
WIP - Innsbruck Electrical Upgrade	\$ 180,000.00		\$ 180,000.00	\$ 99,434.26	\$ 80,565.74
WIP - Treatment Plant SCADA Panel		\$ 200,000.00	\$ 200,000.00	\$ -	\$ 200,000.00
WIP - Highway 224 Interconnect		\$ 2,319,600.00	\$ 2,319,600.00	\$ -	\$ 2,319,600.00
WIP - Well 2 Atkinson Refurbishment/ASR Pilot	\$ 33,969.34	\$ 150,000.00	\$ 183,969.34	\$ 202,609.62	\$ (18,640.28)
WIP - LC Substation Transformers		\$ 200,000.00	\$ 200,000.00	\$ 136,927.00	\$ 63,073.00
WIP - Silver Creek BPS Turbine		\$ 24,800.00	\$ 24,800.00	\$ 9,312.50	\$ 15,487.50
WIP - Lost Canyon Shallow Wells		\$ 40,000.00	\$ 40,000.00		\$ 40,000.00
WIP - LC Garage		\$ 200,000.00	\$ 200,000.00	\$ 112,243.18	\$ 87,756.82
WIP - LC Transformer Pads/Retaining Walls		\$ 55,000.00	\$ 55,000.00	\$ 39,210.82	\$ 15,789.18
WIP - Nugget Well Improvements		\$ 62,772.00	\$ 62,772.00	\$ 62,772.00	\$ -
WIP - Treatment Plant Expansion	\$ 40,908,800.00	\$ 1,740,000.00	\$ 42,648,800.00	\$ 3,584,016.01	\$ 39,064,783.99
WIP - Lost Canyon Pump 1 Upgrade	\$ 250,000.00		\$ 250,000.00	\$ 77,869.67	\$ 172,130.33
General System Improvements		\$ 1,241,908.00	\$ 1,241,908.00	\$ -	\$ 1,241,908.00
TOTAL	\$ 41,598,673.34	\$ 9,813,700.00	\$ 51,412,373.34	\$ 5,349,317.35	\$ 46,063,055.99
CAP EQ - O&M Non-Vehilce			\$ -	\$ 57,583.97	\$ (57,583.97)
CAP EQ - O&M Vehilces	\$ 463,008.00	\$ 433,000.00	\$ 896,008.00	\$ 337,550.86	\$ 558,457.14
TOTAL	\$ 463,008.00	\$ 433,000.00	\$ 896,008.00	\$ 395,134.83	\$ 500,873.17
GRAND TOTAL	\$ 42,061,681.34	\$ 10,246,700.00	\$ 52,308,381.34	\$ 5,744,452.18	\$ 46,563,929.16