

MOUNTAIN REGIONAL WATER – November 2024

BOARD SUMMARY

Mountain Regional Water District Change in Net Position YTD through November 2024 - Unaudited							
	2024		Variance	%	2023		
	Actual	Budget			Actual	Change	%
Revenue	\$ 17,209,298	\$ 15,367,650	\$ 1,841,648	12.0%	\$ 14,307,680	\$ 2,901,618	20.3%
Expenses & Expenditures	11,852,085	12,837,975	985,890	7.7%	10,330,805	1,521,280	14.7%
Change in Net Position Before Transfers	5,357,213	2,529,675	2,827,538		3,976,874	1,380,338	
Net Transfers	-	-	-	n/a	-	-	n/a
Change in Net Position After Transfers	5,357,213	2,529,675	2,827,538		3,976,874	1,380,338	

Through November 2024, change in net position (net income) is \$5.36 million – which is \$2.83 million better than budget. This positive variance resulted from a combination of higher revenue that exceeds budget by \$1.84 million (12.0%), and expenses that are lower than budget by \$985,890 (7.7%). Water Sales and Interest Earnings are the highest positive variances at \$976,380 and \$788,904 respectively.

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

District Revenue YTD through November 2024 - Unaudited							
	2024		Variance	%	2023		
	Actual	Budget			Actual	Change	%
Water Sales	\$ 11,477,480	\$ 10,501,100	\$ 976,380	9.3%	\$ 9,267,644	\$ 2,209,836	23.8%
Promontory Raw Water	460,338	344,900	115,438	33.5%	300,902	159,436	53.0%
Park City Wheeling	561,889	545,900	15,989	2.9%	659,849	(97,960)	-14.8%
Weber Basin Regionalization	807,300	807,300	-	0.0%	933,225	(125,925)	-13.5%
Development Related Collections	1,884,488	1,961,600	(77,112)	-3.9%	2,004,994	(120,506)	-6.0%
Other Revenue	2,017,803	1,206,850	810,953	67.2%	1,141,065	876,738	76.8%
Total Revenue	17,209,298	15,367,650	1,841,648	12.0%	14,307,680	2,901,618	20.3%

Water Sales are over budget through November by \$976,380. This positive variance is due mainly to higher usage than budgeted due to the long and hot irrigation season. Culinary usage by District customers is 25.1% higher than last year.

Development Related Collections are below budget by \$77,112. The number of new connections requests and impact fees have slowed during the year, during November there were five new connections and \$13,811 in impact fees, both below budgeted amounts.

Other Revenue is better than budget due mainly to interest earnings being \$788,904 above budget. The interest rate being paid by the Public Treasurers' Investment Fund (PTIF) has dropped below 5% for the first time this year; it was 4.87% for November.

As seen below, total expenses through November are under budget by \$985,890. Operating expenses are under budget by \$981,665 with Operations, Maintenance & Repairs, Non-OM&R, and Depreciation all adding to the savings. The savings are coming from several areas with salaries and benefits, and repair expenses contributing significantly.

District Expenses From Operations YTD through November 2024 - Unaudited							
	2024 Actual	2024 Budget	Variance	%	2023 Actual	Change	%
Operating Expenses							
Operations, Maintenance & Repairs	\$ 6,115,779	\$ 6,920,075	\$ 804,296	11.6%	\$ 5,838,245	\$ 277,534	4.8%
Non-OM&R	1,978,661	2,077,300	98,639	4.7%	1,677,535	301,126	18.0%
Depreciation	2,072,871	2,151,600	78,729	3.7%	1,920,632	152,239	7.9%
Subtotal Operating	10,167,310	11,148,975	981,665	8.8%	9,436,411	730,899	7.7%
Non-operating Expenses							
Interest Expense	1,674,942	1,681,100	6,158	0.4%	888,561	786,381	88.5%
Bank & Trustee Fees	8,000	6,000	(2,000)	-33.3%	4,000	4,000	100.0%
Bond Issuance	1,833	1,900	67	3.5%	1,833	-	0.0%
Subtotal Non-operating	1,684,775	1,689,000	4,225	0.3%	894,394	790,381	88.4%
Total Expenses	11,852,085	12,837,975	985,890	7.7%	10,330,805	1,521,280	14.7%
Total Cash Expense (Expenditures) <i>(Excludes Depreciation / Amortization)</i>	9,777,381	10,684,475	907,094	8.5%	8,408,340	1,369,041	16.3%

CASH

Cash November 2024 - unaudited							
	Current Month	Previous Month	Change	%	Previous Year	Change	%
Operating Cash & Reserves	\$ 9,074,558	\$ 10,270,977	\$(1,196,419)	-11.6%	\$ 8,317,786	\$ 756,772	9.1%
Subtotal	9,074,558	10,270,977	(1,196,419)	-11.6%	8,317,786	756,772	9.1%
<i>Days Reserve</i>	<i>333</i>	<i>376</i>	<i>(43)</i>		<i>331</i>	<i>2</i>	
Debt Reserves Held by District	6,638,812	6,567,623	71,189	1.1%	7,042,597	(403,785)	-5.7%
Debt Reserves Held by Trustee	3,884,241	3,478,466	405,775	11.7%	3,283,137	601,104	18.3%
Regionalization Reserves	666,483	663,827	2,656	0.4%	631,709	34,773	5.5%
Drought Reserve	871,937	886,423	(14,486)	-1.6%	851,880	20,058	2.4%
Capital Facility Reserves	2,171,693	2,158,668	13,025	0.6%	2,650,795	(479,102)	-18.1%
Other Restricted Cash	16,689,300	16,565,173	124,127	0.7%	19,490,290	(2,800,990)	-14.4%
Subtotal	30,922,467	30,320,180	602,287	2.0%	33,950,408	(3,027,940)	-8.9%
Total	39,997,025	40,591,156	(594,131)	-1.5%	42,268,194	(2,271,169)	-5.4%

As shown above, total cash decreased \$594,131 (1.5%) to \$40.00 million during November 2024. **The current Operating Cash & Reserves balance of \$9.07 million represents 333 days reserve, last November the days reserve was at 331 days.** There was a drop of \$1.20 million in Operating Cash due to payments to Ameresco (final payment on floating solar

array) and Okland for the office construction. In December the amount in Debt Reserves Held by Trustee will drop by \$3.34 million as the year-end debt payments are made.

CUSTOMER GROWTH

Through November 2024 there are 86 new connection requests generating \$814,966 in impact fees. **The 86 new connections is 148 below the four year average, and 50 less than 2023.** The Impact Fee budget for 2024 is \$800,000, so impact fees are over budget for the year. Promontory has sold 23 lots, which is 41 below the four year average.

Customer Growth Through November 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	
2020	121	216	621,650	5,138	2,878	38
2021	410	697	3,308,043	8,068	4,746	114
2022	270	293	1,409,083	5,219	4,809	70
2023	136	136	813,386	5,981	5,981	32
Four Year Avg	234	336	1,538,041	6,101	4,604	64
2024	86	86	814,966	9,476	9,476	23
<i>Change from 4 Year Avg</i>	<i>(148)</i>	<i>(250)</i>	<i>(723,074)</i>	<i>3,375</i>	<i>4,873</i>	<i>(41)</i>
	-63.3%	-74.4%	-47.0%	55.3%	105.9%	-64.1%

WATER USAGE

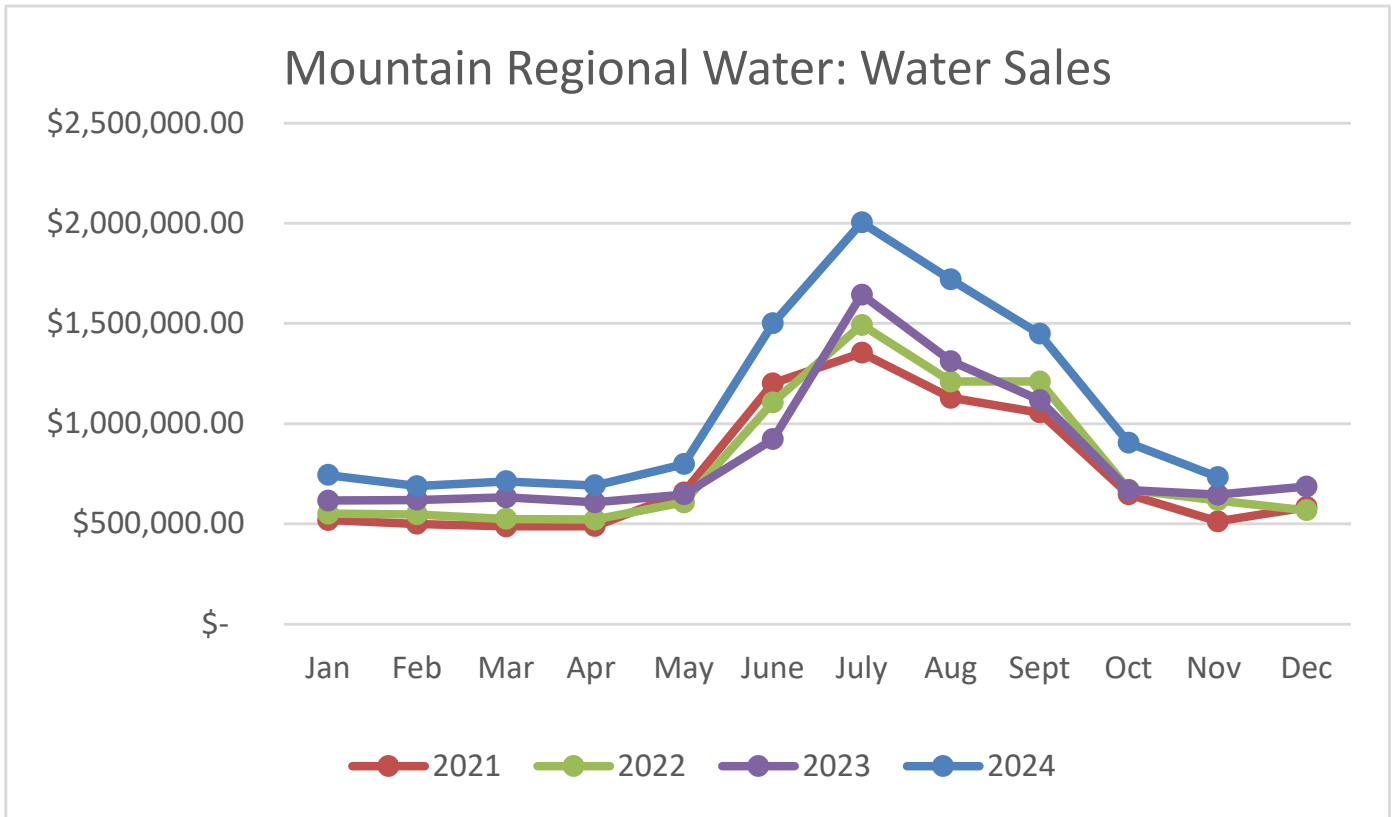
Water Consumption November of Each Year												
Current Month												
Year	MRW		Utah Olympic Park		Promontory Golf		Park City		Summit Water		Total	
	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet
2020	22.3	69	6.3	19	0.6	2	44.0	135	14.2	44	87.5	268
2021	20.6	63	2.0	6	0.8	2	30.2	93	21.9	67	75.4	231
2022	19.9	61	11.5	35	4.5	14	69.0	212	22.9	70	127.8	392
2023	20.0	61	4.6	14	1.4	4	59.0	181	9.6	29	94.6	290
Four Year Avg	20.7	64	6.1	19	1.8	6	50.6	155	17.2	53	96.3	277
2024	21.5	66	7.3	22	3.2	10	35.0	107	19.7	61	86.8	266
<i>Change from</i>	<i>0.8</i>	<i>2</i>	<i>1.2</i>	<i>4</i>	<i>1.4</i>	<i>4</i>	<i>(15.6)</i>	<i>(48)</i>	<i>2.6</i>	<i>7.9</i>	<i>(9.5)</i>	<i>(10)</i>
<i>4 Year Avg</i>	<i>3.9%</i>		<i>19.6%</i>		<i>79.6%</i>		<i>-30.8%</i>		<i>15.0%</i>		<i>-9.9%</i>	

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
2020	702.8	2,157	31.4	96	250.3	768	641.6	1,969	330.9	1,015	1,957.0	6,006
2021	615.3	1,888	15.4	47	214.6	658	637.9	1,958	317.8	975	1,801.0	5,527
2022	518.1	1,590	32.4	99	179.1	550	707.2	2,170	205.3	630	1,642.0	5,039
2023	533.6	1,638	21.4	66	171.4	526	766.0	2,351	187.9	577	1,680.3	5,157
Four Year Avg	592.5	1,818	25.1	77	203.8	626	688.2	2,112	260.5	799	1,770.1	5,432
2024	667.5	2,049	32.0	98	260.6	800	450.0	1,381	163.4	502	1,573.6	4,829
<i>Change from</i>	<i>75.1</i>	<i>230</i>	<i>6.8</i>	<i>21</i>	<i>56.8</i>	<i>174</i>	<i>(238.2)</i>	<i>(731)</i>	<i>(97.0)</i>	<i>(298)</i>	<i>(196.5)</i>	<i>(603)</i>
<i>4 Year Avg</i>	<i>12.7%</i>		<i>27.2%</i>		<i>27.9%</i>		<i>-34.6%</i>		<i>-37.3%</i>		<i>-11.1%</i>	

Water consumption in November 2024 by District customers of 66 acre-feet is 3.9% higher than the four-year average and 5 acre-feet more than last year. The year-to-date usage by MRW customers is 2,049 acre-feet, which is 12.7% higher than the four-year average and 25.1% higher than last year.

SUPPLEMENTAL SCHEDULES:

Water Sales (last four years): As demonstrated by the blue line in the graph below, Water sales in November were higher than in previous years due to the rate increase and customer growth. However, with usage returning to more expected levels the variance is not as high as seen in previous months.



Water Sales by Category (November 2024 vs Budget): As shown in the table below, water sales were \$6,807 lower than budget for November with wholesale and standby fees having the largest negative balance.

2024 Actual v Budget			
	November (Actual)	November (Budget)	Over/(Under)
<u>WATER SALES</u>			
Water Sales - Residential	\$ 516,345	\$ 500,100	\$ 16,245
Water Sales - Commercial	\$ 48,008	\$ 46,900	\$ 1,108
Water Sales - Churches	\$ 1,163	\$ 900	\$ 263
Water Sales - Schools	\$ 7,974	\$ 7,000	\$ 974
Water Sales - Governments	\$ 6,336	\$ 7,000	\$ (664)
Water Sales - Industrial	\$ 6,233	\$ 1,900	\$ 4,333
Water Sales - Wholesale	\$ 53,028	\$ 66,100	\$ (13,072)
Water Sales - Weber Basin Regionalization	\$ -	\$ -	\$ -
Water Sales - Park City Wheeling	\$ 49,249	\$ 48,800	\$ 449
Water Sales - Irrigation	\$ 14,600	\$ 13,000	\$ 1,600
Water Sales - Irrigation Golf	\$ 2,113	\$ 3,500	\$ (1,387)
Water Sales - Standby Fees	\$ 70,344	\$ 87,000	\$ (16,656)
TOTAL WATER SALES	\$ 775,393	\$ 782,200	\$ (6,807)