

MOUNTAIN REGIONAL WATER – April 2024

BOARD SUMMARY

Mountain Regional Water District Change in Net Position YTD through April 2024 - Unaudited							
	2024 Actual	2024 Budget	Variance	%	2023 Actual	Change	%
Revenue	\$ 4,890,342	\$ 4,187,250	\$ 703,092	16.8%	\$ 3,880,629	\$ 1,009,713	26.0%
Expenses & Expenditures	4,024,185	4,255,138	230,953	5.4%	3,502,109	522,076	14.9%
Change in Net Position Before Transfers	866,157	(67,888)	934,045		378,519	487,637	
Net Transfers	-	-	-	n/a	-	-	n/a
Change in Net Position After Transfers	866,157	(67,888)	934,045		378,519	487,637	

Through April 2024, change in net position (net income) is \$866,157 – which is \$934,045 better than budgeted. This positive variance resulted from a combination of higher revenue that exceeds budget by \$703,092 (16.8%), and expenses that are lower than budget by \$230,953 (5.4%). Interest Earnings and Impact Fees account for \$412,489 of the positive variance in revenue.

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

District Revenue YTD through April 2024 - Unaudited							
	2024 Actual	2024 Budget	Variance	%	2023 Actual	Change	%
Water Sales	\$ 2,828,533	\$ 2,682,800	\$ 145,733	5.4%	\$ 2,474,943	\$ 353,590	14.3%
Promontory Raw Water	9,542	1,200	8,342	695.2%	1,000	8,542	854.2%
Park City Wheeling	217,456	200,600	16,856	8.4%	256,516	(39,060)	-15.2%
Weber Basin Regionalization	269,100	269,100	-	0.0%	311,075	(41,975)	-13.5%
Development Related Collections	834,563	551,100	283,463	51.4%	469,620	364,943	77.7%
Other Revenue	731,148	482,450	248,698	51.5%	367,475	363,673	99.0%
Total Revenue	4,890,342	4,187,250	703,092	16.8%	3,880,629	1,009,713	26.0%

Water Sales are over budget through April by \$145,733. This positive variance is coming from both residential customers that have increased faster than originally forecasted, and higher usage by customers we classify as wholesale, such as the Utah Olympic Park. The Promontory Raw Water positive variance comes from the fact Promontory began to water their golf courses in late April; they usually do not begin until May. Park City continues to have significant amounts for water wheeled to them this year (206 million gallons) and is thus, above budget as well.

Development Related Collections are above budget by \$283,463 due to impact fees continuing to be higher than budget as well as the installation of over 76 new meters already this year. Other Revenue is better than budget due mainly to interest earnings being \$238,562 above budget as the PTIF continues to return earnings above 5.4%.

As seen on the next page, total expenses through April are under budget by \$230,953. Operating expenses are under budget by \$228,490 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 April 2024 - Unaudited**

	2024 Actual	2024 Budget	Variance	%	2023 Actual	Change	%
Operating Expenses							
Operations, Maintenance & Repairs	\$ 2,037,905	\$ 2,200,188	\$ 162,283	7.4%	\$ 1,962,425	\$ 75,480	3.8%
Non-OM&R	623,440	660,350	36,910	5.6%	536,158	87,282	16.3%
Depreciation	753,103	782,400	29,297	3.7%	691,304	61,800	8.9%
Subtotal Operating	3,414,448	3,642,938	228,490	6.3%	3,189,887	224,562	7.0%
Non-operating Expenses							
Interest Expense	609,070	611,500	2,430	0.4%	311,556	297,514	95.5%
Bank & Trustee Fees	-	-	-	n/a	-	-	n/a
Bond Issuance	667	700	33	4.8%	667	-	0.0%
Subtotal Non-operating	609,736	612,200	2,464	0.4%	312,222	297,514	95.3%
Total Expenses	4,024,185	4,255,138	230,953	5.4%	3,502,109	522,076	14.9%
Total Cash Expense (Expenditures) <i>(Excludes Depreciation / Amortization)</i>	3,270,415	3,472,038	201,623	5.8%	2,810,139	460,276	16.4%

CASH

**Cash
March 2024 - unaudited**

	Current Month	Previous Month	Change	%	Previous Year	Change	%
Operating Cash & Reserves	\$ 8,737,672	\$ 6,523,111	\$ 2,214,561	33.9%	\$ 7,941,195	\$ 796,477	10.0%
Subtotal	8,737,672	6,523,111	2,214,561	33.9%	7,941,195	796,477	10.0%
<i>Days Reserve</i>	<i>348</i>	<i>260</i>	<i>88</i>		<i>334</i>	<i>14</i>	
Debt Reserves Held by District	6,349,130	6,639,182	(290,052)	-4.4%	7,136,477	(787,348)	-11.0%
Debt Reserves Held by Trustee	2,196,593	1,820,516	376,077	20.7%	1,747,739	448,854	25.7%
Regionalization Reserves	646,220	643,340	2,880	0.4%	2,125,546	(1,479,326)	-69.6%
Drought Reserve	862,912	859,066	3,846	0.4%	825,900	37,013	4.5%
Capital Facility Reserves	2,083,180	3,251,405	(1,168,225)	-35.9%	2,545,547	(462,367)	-18.2%
Other Restricted Cash	19,179,252	19,856,994	(677,743)	-3.4%	1,465,643	17,713,608	1208.6%
Subtotal	31,317,286	33,070,504	(1,753,217)	-5.3%	15,846,852	15,470,434	97.6%
Total	40,054,958	39,593,615	461,344	1.2%	23,788,047	16,266,911	68.4%

As shown above, total cash increased \$461,344 (1.2%) to \$40.05 million during April 2024. **The current Operating Cash & Reserves balance of \$8.74 million represents 348 days reserve, last April the days reserve was at 334 days.** During April there were two large transfers to Operating Cash & Reserves. First, approval was received from the Division of Drinking Water to move funds from the Capital Facility Reserves for the work done in Summit Park last year in the amount of \$1.20. Second, \$755,494 was transferred from the Series 2023 construction cash to cover expenses already paid by the District towards the new Administration building and Maintenance Facility.

CUSTOMER GROWTH

Through April 2024 there are 40 new connection requests generating \$388,927 in impact fees. **The 40 new connections is 43 below the four year average, but 3 more than than 2023.** Impact Fees are almost to half of the budeted amount of \$800,000 for 2024. Promontory has sold 11 lots, which is 12 below the four year average, but 5 more than last year.

Customer Growth Through April 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	33	97	121,788	3,691	1,256	9
2021	152	152	485,358	3,193	3,193	43
2022	108	108	432,886	4,008	4,008	32
2023	37	37	112,287	3,035	3,035	6
Four Year Avg	83	99	288,080	3,482	2,873	23
2024	40	40	388,927	9,723	9,723	11
<i>Change from 4 Year Avg</i>	<i>(43)</i>	<i>(59)</i>	<i>100,847</i>	<i>6,242</i>	<i>6,850</i>	<i>(12)</i>
	-51.5%	-59.4%	35.0%	179.3%	238.4%	-52.2%

WATER USAGE

Water Consumption April of Each Year

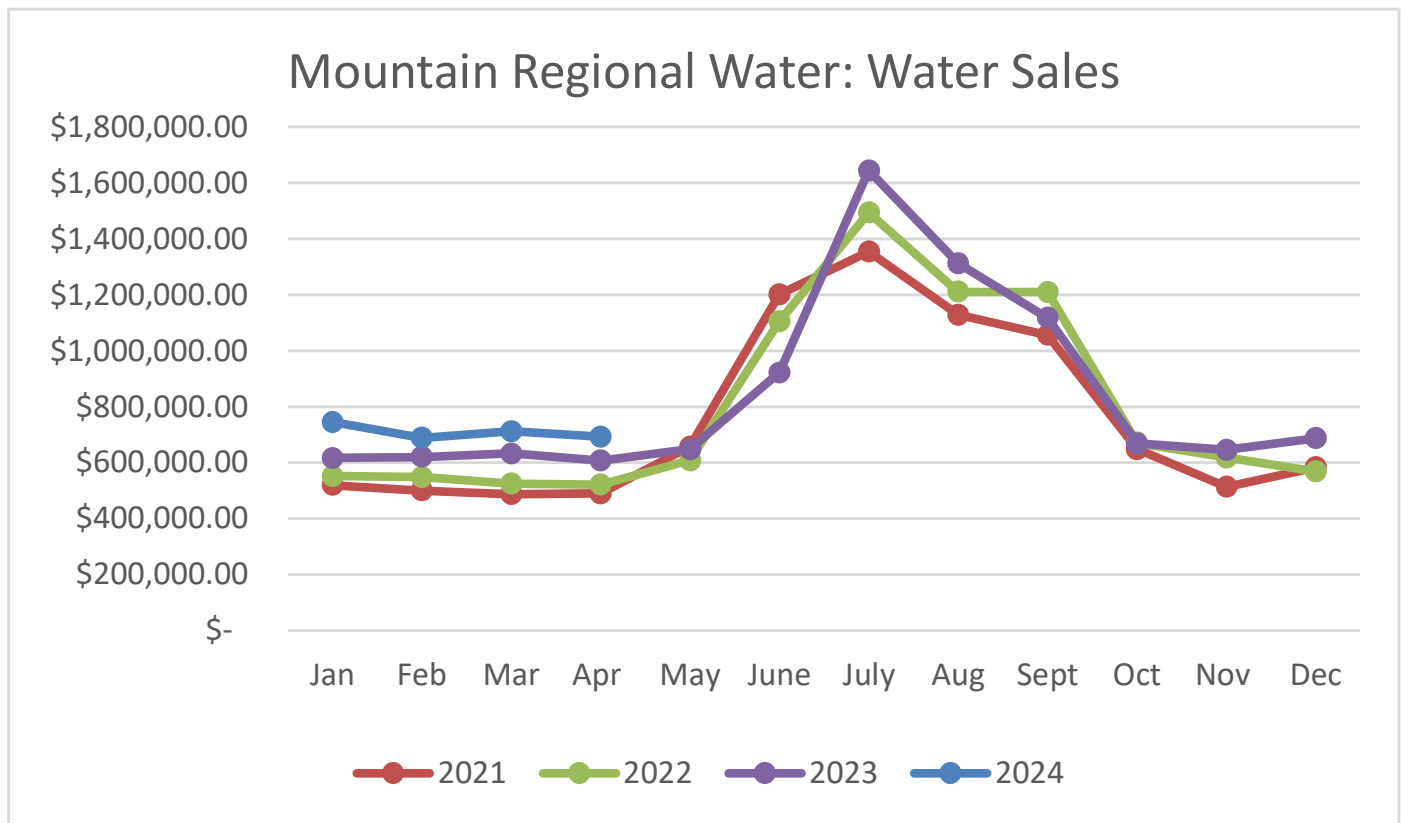
Year	Current Month											
	MRW		Utah Olympic Park		Promontory Golf		Park City		Summit Water		Total	
	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet	Million Gals	Acre Feet
2020	20.0	61	1.3	4	0.2	1	-	-	29.3	90	50.8	156
2021	22.9	70	1.0	3	1.8	6	62.9	193	31.1	95	119.7	367
2022	20.9	64	0.9	3	1.2	4	17.8	55	17.0	52	57.8	177
2023	21.1	65	1.0	3	0.6	2	77.0	236	3.5	11	103.2	317
Four Year Avg	21.2	65	1.0	3	1.0	3	39.4	121	20.2	62	82.9	251
2024	22.2	68	0.8	3	4.8	15	38.0	117	1.2	4	67.0	206
<i>Change from</i>	<i>0.9</i>	<i>3</i>	<i>(0.2)</i>	<i>(1)</i>	<i>3.9</i>	<i>12</i>	<i>(1.4)</i>	<i>(4)</i>	<i>(19.1)</i>	<i>(58.5)</i>	<i>(15.9)</i>	<i>(46)</i>
<i>4 Year Avg</i>	4.3%		-19.1%		0.0%		-3.6%		-94.2%		-19.2%	

Year	Year-to-Date											
	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	95.5	293	11.2	34	4.2	13	90.2	277	145.2	446	346.4	1,063
2021	96.3	295	4.6	14	7.2	22	240.0	737	135.6	416	483.6	1,484
2022	93.7	288	5.9	18	5.5	17	231.0	709	88.6	272	424.7	1,303
2023	95.7	294	7.5	23	6.0	18	332.0	1,019	96.0	295	537.1	1,648
Four Year Avg	95.3	292	7.3	22	5.7	18	223.3	685	116.4	357	448.0	1,375
2024	96.4	296	12.7	39	8.8	27	206.0	632	73.2	225	397.1	1,219
<i>Change from</i>	<i>1.1</i>	<i>3</i>	<i>5.4</i>	<i>17</i>	<i>3.0</i>	<i>9</i>	<i>(17.3)</i>	<i>(53)</i>	<i>(43.2)</i>	<i>(133)</i>	<i>(50.9)</i>	<i>(156)</i>
<i>4 Year Avg</i>	1.1%		74.7%		53.1%		-7.7%		-37.1%		-11.4%	

Water consumption in April 2024 by District customers of 68 acre-feet is 4.3% higher than the four-year average and 3 acre-feet more than last year. The year-to-date usage by MRW customers is 296 acre-feet which is 1.1% higher than the four-year average.

SUPPLEMENTAL SCHEDULES:

Water Sales (last four years): As demonstrated by the blue line in the graph below, Water sales in April were higher than in previous years as was expected due to the rate increase and customer growth.



Water Sales by Category (April 2024 vs Budget): As shown in the table below, water sales were \$40,675 higher than budget for April with residential sales having the highest positive variance.

2024 Actual v Budget				
	Apr (Actual)	Apr (Budget)	Over/(Under)	
<u>WATER SALES</u>				
Water Sales - Residential	\$ 498,024	\$ 479,300	\$	18,724
Water Sales - Commercial	\$ 52,244	\$ 48,400	\$	3,844
Water Sales - Churches	\$ 1,097	\$ 900	\$	197
Water Sales - Schools	\$ 8,040	\$ 7,000	\$	1,040
Water Sales - Governments	\$ 6,491	\$ 6,800	\$	(309)
Water Sales - Industrial	\$ 2,742	\$ 2,000	\$	742
Water Sales - Wholesale	\$ 20,637	\$ 14,500	\$	6,137
Water Sales - Weber Basin Regionalization	\$ -	\$ -	\$	-
Water Sales - Park City Wheeling	\$ 50,179	\$ 43,200	\$	6,979
Water Sales - Irrigation	\$ 14,508	\$ 12,600	\$	1,908
Water Sales - Irrigation Golf	\$ 8,892	\$ 300	\$	8,592
Water Sales - Standby Fees	\$ 79,921	\$ 87,100	\$	(7,179)
TOTAL WATER SALES	\$ 742,775	\$ 702,100	\$	40,675