

# MOUNTAIN REGIONAL WATER – Preliminary December 2024

## BOARD SUMMARY

Mountain Regional Water District Change in Net Position YTD through December 2024 - Unaudited							
	2024 Actual	2024 Budget	Variance	%	2023 Actual	Change	%
Revenue	\$ 19,345,676	\$ 16,585,700	\$ 2,759,976	16.6%	\$ 15,665,551	\$ 3,680,125	23.5%
Expenses & Expenditures	13,035,421	14,155,700	1,120,279	7.9%	11,739,363	1,296,058	11.0%
<b>Change in Net Position Before Transfers</b>	<b>6,310,255</b>	<b>2,430,000</b>	<b>3,880,255</b>		<b>3,926,188</b>	<b>2,384,067</b>	
Net Transfers	-	-	-	n/a	-	-	n/a
<b>Change in Net Position After Transfers</b>	<b>6,310,255</b>	<b>2,430,000</b>	<b>3,880,255</b>		<b>3,926,188</b>	<b>2,384,067</b>	

Through the preliminary December 2024 close, change in net position (net income) is \$6.31 million – which is \$3.88 million better than budget. This positive variance resulted from a combination of higher revenue that exceeds budget by \$2.76 million (16.6%), and expenses that are lower than budget by \$1.12 million (7.9%). Water Sales and Interest Earnings are the highest positive variances at \$1.01 million and \$851,979 respectively. However, Other Revenue was boosted significantly in December due to the \$400,000 grant from Rocky Mountain Power.

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

District Revenue YTD through December 2024 - Unaudited							
	2024 Actual	2024 Budget	Variance	%	2023 Actual	Change	%
Water Sales	\$ 12,244,993	\$ 11,236,100	\$ 1,008,893	9.0%	\$ 9,954,903	\$ 2,290,091	23.0%
Promontory Raw Water	460,538	345,000	115,538	33.5%	301,152	159,386	52.9%
Park City Wheeling	618,578	600,000	18,578	3.1%	726,148	(107,570)	-14.8%
Weber Basin Regionalization	1,076,400	1,076,400	-	0.0%	1,244,300	(167,900)	-13.5%
Development Related Collections	2,215,081	2,024,000	191,081	9.4%	2,107,191	107,890	5.1%
Other Revenue	2,730,086	1,304,200	1,425,886	109.3%	1,331,857	1,398,229	105.0%
<b>Total Revenue</b>	<b>19,345,676</b>	<b>16,585,700</b>	<b>2,759,976</b>	<b>16.6%</b>	<b>15,665,551</b>	<b>3,680,125</b>	<b>23.5%</b>

Water Sales are over budget through November by \$1.01 million. 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 24.4% higher than last year.

Development Related Collections passed above budget during December due to two large impact fees being collected for the additional Canyons Workforce Housing projects totaling \$327,185. Impact Fees for the year finished at \$1.16 million compared to a budget of \$800,000.

Interest Earnings finished the year at \$2.10 million, well above the budgeted \$1.25 million due to higher than anticipated interest rates and cash balances higher than projected.

As seen below, total expenses through December are under budget by \$1.12 million. Operating expenses are under budget by 9.1% with Operations, Maintenance & Repairs, Non-OM&R, and Depreciation all adding to the savings. Non-Operating Expenses are just 0.3% off from budget. There will likely be some additional expenses accrued back to 2024, however, these will should be minimal.

District Expenses From Operations YTD through December 2024 - Unaudited							
	2024 Actual	2024 Budget	Variance	%	2023 Actual	Change	%
<b>Operating Expenses</b>							
Operations, Maintenance & Repairs	\$ 6,762,301	\$ 7,630,100	\$ 867,799	11.4%	\$ 6,497,949	\$ 264,352	4.1%
Non-OM&R	2,168,556	2,330,600	162,044	7.0%	2,015,530	153,026	7.6%
Depreciation	2,261,605	2,347,300	85,695	3.7%	2,096,713	164,891	7.9%
<b>Subtotal Operating</b>	<b>11,192,462</b>	<b>12,308,000</b>	<b>1,115,538</b>	<b>9.1%</b>	<b>10,610,192</b>	<b>582,270</b>	<b>5.5%</b>
<b>Non-operating Expenses</b>							
Interest Expense	1,827,209	1,833,700	6,491	0.4%	1,115,421	711,788	63.8%
Bank & Trustee Fees	13,750	12,000	(1,750)	-14.6%	11,750	2,000	17.0%
Bond Issuance	2,000	2,000	0	0.0%	2,000	-	0.0%
<b>Subtotal Non-operating</b>	<b>1,842,959</b>	<b>1,847,700</b>	<b>4,741</b>	<b>0.3%</b>	<b>1,129,171</b>	<b>713,788</b>	<b>63.2%</b>
<b>Total Expenses</b>	<b>13,035,421</b>	<b>14,155,700</b>	<b>1,120,279</b>	<b>7.9%</b>	<b>11,739,363</b>	<b>1,296,058</b>	<b>11.0%</b>
<b>Total Cash Expense (Expenditures)</b> <i>(Excludes Depreciation / Amortization)</i>	<b>10,771,817</b>	<b>11,806,400</b>	<b>1,034,583</b>	<b>8.8%</b>	<b>9,640,650</b>	<b>1,131,167</b>	<b>11.7%</b>

## CASH

Cash December 2024 - unaudited							
	Current Month	Previous Month	Change	%	Previous Year	Change	%
Operating Cash & Reserves	\$ 7,953,920	\$ 9,074,558	\$ (1,120,638)	-12.3%	\$ 7,022,037	\$ 931,883	13.3%
<b>Subtotal</b>	<b>7,953,920</b>	<b>9,074,558</b>	<b>(1,120,638)</b>	<b>-12.3%</b>	<b>7,022,037</b>	<b>931,883</b>	<b>13.3%</b>
<i>Days Reserve</i>	<i>291</i>	<i>333</i>	<i>(42)</i>		<i>280</i>	<i>11</i>	
Debt Reserves Held by District	6,367,755	6,638,812	(271,057)	-4.1%	6,788,104	(420,349)	-6.2%
Debt Reserves Held by Trustee	967,554	3,884,241	(2,916,687)	-75.1%	753,036	214,518	28.5%
Regionalization Reserves	669,164	666,483	2,681	0.4%	634,648	34,516	5.4%
Drought Reserve	875,445	871,937	3,507	0.4%	847,460	27,985	3.3%
Capital Facility Reserves	2,193,135	2,171,693	21,442	1.0%	2,687,670	(494,535)	-18.4%
Other Restricted Cash	15,772,406	16,689,300	(916,894)	-5.5%	19,559,380	(3,786,974)	-19.4%
<b>Subtotal</b>	<b>26,845,459</b>	<b>30,922,467</b>	<b>(4,077,009)</b>	<b>-13.2%</b>	<b>31,270,298</b>	<b>(4,424,839)</b>	<b>-14.2%</b>
<b>Total</b>	<b>34,799,378</b>	<b>39,997,025</b>	<b>(5,197,647)</b>	<b>-13.0%</b>	<b>38,292,335</b>	<b>(3,492,956)</b>	<b>-9.1%</b>

As shown above, total cash decreased \$5.20 million (13.0%) to \$34.80 million during December 2024. **The current Operating Cash & Reserves balance of \$7.95 million represents 291 days reserve, last December the days reserve was at 280 days.** The decrease in cash was expected and planned and is made up of three main components, they are:

- Year-end bond payments totaling \$3.34 million
- Weber Basin lease fees and loan payment totaling \$1.91 million
- Oakland Construction payment of \$887,811

## CUSTOMER GROWTH

For 2024 there are 90 new connection requests generating \$1.16 million in impact fees. **The 90 new connections is 166 below the four year average, and 60 less than 2023.** The Impact Fee budget for 2024 was \$800,000, so impact fees are over budget for the year. Promontory sold 12 lots in December bringing the total for the year to 35.

Customer Growth Through December 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	152	247	732,399	4,818	2,965	58
2021	434	721	3,397,951	7,829	4,713	121
2022	288	311	1,499,752	5,207	4,822	79
2023	150	150	851,870	5,679	5,679	35
<b>Four Year Avg</b>	<b>256</b>	<b>357</b>	<b>1,620,493</b>	<b>5,884</b>	<b>4,545</b>	<b>73</b>
<b>2024</b>	<b>90</b>	<b>237</b>	<b>1,156,954</b>	<b>12,855</b>	<b>4,882</b>	<b>35</b>
<i>Change from 4 Year Avg</i>	<i>(166)</i>	<i>(120)</i>	<i>(463,539)</i>	<i>6,971</i>	<i>337</i>	<i>(38)</i>
	<b>-64.8%</b>	<b>-33.7%</b>	<b>-28.6%</b>	<b>118.5%</b>	<b>7.4%</b>	<b>-52.1%</b>

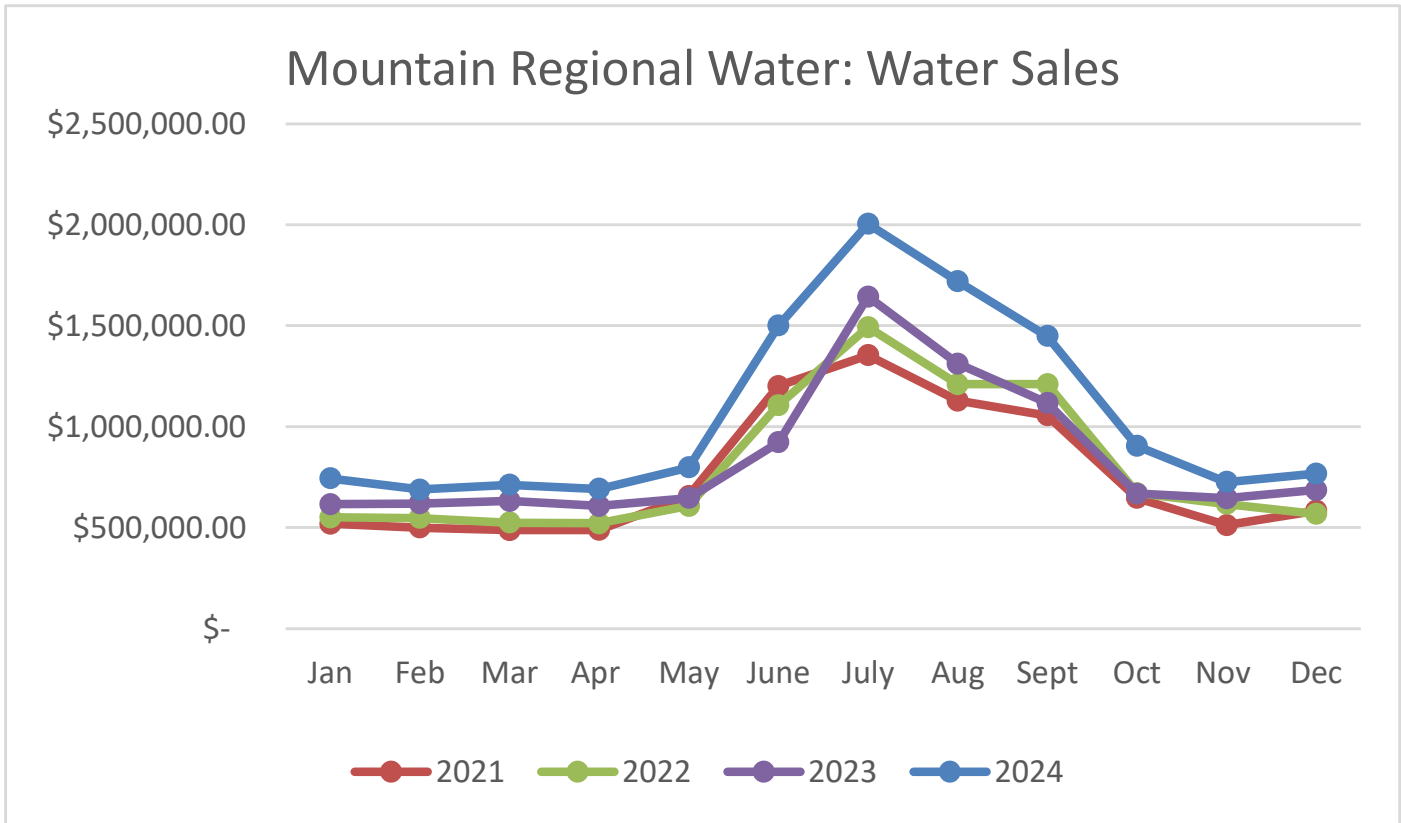
# WATER USAGE

Water Consumption December 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	23.0	71	7.4	23	1.3	4	95.0	292	35.0	107	161.8	496
2021	21.5	66	8.0	24	0.6	2	58.3	179	36.2	111	124.6	382
2022	25.5	78	4.1	13	1.5	5	80.0	246	32.7	100	143.8	441
2023	25.0	77	9.6	29	1.4	4	90.0	276	38.5	118	164.4	505
<b>Four Year Avg</b>	<b>23.7</b>	<b>73</b>	<b>7.3</b>	<b>22</b>	<b>1.2</b>	<b>4</b>	<b>80.8</b>	<b>248</b>	<b>35.6</b>	<b>109</b>	<b>148.6</b>	<b>434</b>
<b>2024</b>	<b>25.7</b>	<b>79</b>	<b>12.5</b>	<b>38</b>	<b>2.4</b>	<b>7</b>	<b>59.0</b>	<b>181</b>	<b>35.4</b>	<b>108</b>	<b>134.9</b>	<b>414</b>
<i>Change from</i>	<i>2.0</i>	<i>6</i>	<i>5.2</i>	<i>16</i>	<i>1.2</i>	<i>4</i>	<i>(21.8)</i>	<i>(67)</i>	<i>(0.2)</i>	<i>(0.8)</i>	<i>(13.7)</i>	<i>(20)</i>
<i>4 Year Avg</i>	<i>8.3%</i>		<i>71.9%</i>		<i>102.7%</i>		<i>-27.0%</i>		<i>-0.7%</i>		<i>-9.2%</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	725.8	2,227	38.9	119	251.6	772	736.6	2,261	366.0	1,123	2,118.9	6,503
2021	636.9	1,954	23.3	72	215.1	660	696.2	2,137	354.0	1,086	1,925.5	5,909
2022	543.5	1,668	36.5	112	180.6	554	787.2	2,416	238.0	730	1,785.8	5,480
2023	557.3	1,710	32.3	99	172.7	530	856.0	2,627	226.4	695	1,844.7	5,661
<b>Four Year Avg</b>	<b>615.9</b>	<b>1,890</b>	<b>32.7</b>	<b>100</b>	<b>205.0</b>	<b>629</b>	<b>769.0</b>	<b>2,360</b>	<b>296.1</b>	<b>909</b>	<b>1,918.7</b>	<b>5,888</b>
<b>2024</b>	<b>693.3</b>	<b>2,128</b>	<b>44.5</b>	<b>136</b>	<b>263.0</b>	<b>807</b>	<b>509.0</b>	<b>1,562</b>	<b>195.5</b>	<b>600</b>	<b>1,705.2</b>	<b>5,233</b>
<i>Change from</i>	<i>77.4</i>	<i>238</i>	<i>11.7</i>	<i>36</i>	<i>58.0</i>	<i>178</i>	<i>(260.0)</i>	<i>(798)</i>	<i>(100.6)</i>	<i>(309)</i>	<i>(213.5)</i>	<i>(655)</i>
<i>4 Year Avg</i>	<i>12.6%</i>		<i>35.8%</i>		<i>28.3%</i>		<i>-33.8%</i>		<i>-34.0%</i>		<i>-11.1%</i>	

Water consumption in December 2024 by District customers of 79 acre-feet is 8.3% higher than the four-year average and 2 acre-feet more than last year. Usage for all of 2024 by MRW customers is 2,125 acre-feet, 12.6% higher than the four-year average and 24.4% higher than last year.

**SUPPLEMENTAL SCHEDULES:**

**Water Sales (last four years):** As demonstrated by the blue line in the graph below, Water sales in December 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 (December 2024 vs Budget):** As shown in the table below, water sales were \$35,202 higher than budget for December. Wholesale had the largest positive variance due to the Utah Olympic Park taking just under three million gallons more this year than in 2023.

<b>2024 Actual v Budget</b>			
	December (Actual)	December (Budget)	Over/(Under)
<b><u>WATER SALES</u></b>			
Water Sales - Residential	\$ 531,741	\$ 521,500	\$ 10,241
Water Sales - Commercial	\$ 48,303	\$ 42,500	\$ 5,803
Water Sales - Churches	\$ 1,163	\$ 900	\$ 263
Water Sales - Schools	\$ 7,960	\$ 6,600	\$ 1,360
Water Sales - Governments	\$ 6,520	\$ 7,200	\$ (680)
Water Sales - Industrial	\$ 6,032	\$ 1,800	\$ 4,232
Water Sales - Wholesale	\$ 83,249	\$ 54,700	\$ 28,549
Water Sales - Weber Basin Regionalization	\$ 269,100	\$ 269,100	\$ -
Water Sales - Park City Wheeling	\$ 56,689	\$ 54,100	\$ 2,589
Water Sales - Irrigation	\$ 13,378	\$ 12,800	\$ 578
Water Sales - Irrigation Golf	\$ 200	\$ 100	\$ 100
Water Sales - Standby Fees	\$ 69,166	\$ 87,000	\$ (17,834)
<b>TOTAL WATER SALES</b>	<b>\$ 1,093,502</b>	<b>\$ 1,058,300</b>	<b>\$ 35,202</b>