



**MEMORANDUM**

**To:** Administrative Control Board  
**From:** Steve Anderson, CFO  
**Date:** July 30, 2024  
**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, 2024. The District’s cash position has increased during the first six months of 2024 due to interest income and operating revenue. Additionally, expenses have been lower than budgeted. The total cash balance is projected to drop over the next six months as the construction of the new administrative office and maintenance shop continues.

**Financial Institutions**

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

Zions Bank	\$ 470,592
State Public Treasurers Investment Pool (PTIF)	18,005,327
Zions Bank, Corporate Trust Division (Invested with PTIF)	<u>20,902,612</u>
<b>Total</b>	<b>\$ 39,378,531</b>

**Cash Categories**

Total Cash & Operating Reserves

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

December 2021	12,831,876
December 2022	13,898,851
December 2023	11,651,177
June 2024	12,608,991

Unrestricted operating reserves are currently 342 days, compared to the minimum policy level of 120 days reserves; and as compared to 338 days reserves at this time last year.

As of June 2024, cash operating reserves of \$8.60 million, the Regionalization Reserve of \$652,103, and the Drought Reserve of \$870,768 accounted for 80.3% of the balance. The remaining balance of \$2.49 million is repair and replacement funds for Lost Canyon, the Signal Hill Treatment Plant, and other District operations.

The increase of \$957,814 (8.22%) from December 2023 to June 2024, is due to the better than budgeted change in Net Position (Net Income) and the ability to transfer funds from restricted cash (i.e. Impact Fees and Rate Stabilization) as capital projects were completed and stabilization reserves were above required levels.

Debt Reserves Held by the District

Debt reserves decreased during the last six months due to the ability of the District to transfer funds out of impact fees and stabilization reserves. Impact Fees which are restricted to use on capital projects that are needed by growth, or on debt payments for previous capital projects that supported growth, have decreased by \$981,916 since December of 2022.

December 2021	\$ 7,125,484
December 2022	7,364,050
December 2023	6,788,104
June 2024	6,151,876

As of June 2024, impact fees of \$4.45 million and the Rate Stabilization fund of \$1.01 million accounted for 88.7% or \$5.45 million 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, 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 is higher in the middle of the year in preparation for the larger payments that go out on December 15th each year.

December 2021	\$ 569,422
December 2022	646,046
December 2023	753,036
June 2024	1,882,937

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

Construction Cash

This includes bond and grant proceeds dedicated to capital projects. The balance varies depending upon bonds issued, grants received, and the progress of the related capital projects.

December 2021	\$ 293,779
December 2022	-
December 2023	17,985,369
June 2024	17,722,868

In November of 2023, the District issued \$18.0 million in revenue bonds sold directly to the Bank of Utah to fund the construction of the new office and maintenance facility. As of June 2024, payments totaling \$845,494 have been made from this fund, and interest earned on the deposited funds has been \$568,362, leaving the remaining balance of \$17.7 million.

Other Cash

This includes two accounts: 1) customer deposits for new construction, and 2) performance deposits for new construction. The amount has decreased during the first six months of 2024 due to the completion of numerous housing units which passed their final inspection and were thus entitled to a refund of their deposit. The total balance in this account as of June 2024 is \$975,483. The performance deposit for new construction is comprised of just one such deposit. The developer of the Ascent Hotel placed a cash deposit with the District instead of obtaining a performance bond. The balance of this account is \$36,376.

December 2021	\$ 1,069,404
December 2022	1,104,278
December 2023	1,144,648
June 2024	1,011,859

Mountain Regional Water Cash Report - June 30, 2024

Financial Institution	Account Name	Purpose	Date Available	GL			June 30, 2024							
				Dec-21 Balance	Dec-22 Balance	Dec-23 Balance	General Ledger Balance	Bank Balance	Difference	Checks Outstanding	Outstanding Deposits	Transfers Pending	Net Difference	
<b>Cash &amp; Operating Reserves</b>				<b>7,760,738.14</b>	<b>8,669,557.95</b>	<b>7,022,036.85</b>	<b>8,599,865.70</b>							
Wells Fargo Bank	Sweep Account	Checking & Payroll Accounts	Daily	566,538	-	-	-	-	-	-	-	-	-	-
Zions Bank	Sweep Account	Checking & Payroll Accounts	Daily		561,178	327,752	470,592	548,686	(78,094)	110,855	(32,760)			-
PTIF - 4072	Operating Reserve	To cover revenue shortfalls - (i.e. rainy summer)	As approved by CFO & GM	7,194,200	8,108,380	6,694,284	8,129,274	8,129,274	-					-
PTIF - 4092	Regionalization Reserve	To help pay cost associatead with the Regionalization Fees & Debt Def beginning in 2019	As approved by control board	2,857,350	2,093,120	634,648	652,103	652,103	-					-
PTIF - 5316	Drought Reserve	To cover revenue shortfalls or expensive overruns due to dorught		-	813,300	847,460	870,768	870,768	-					-
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	668,715	626,221	746,736	805,260	805,260	-					-
PTIF - 1199	Treatment Plant	Stabilization Fund	As approved by control board	275,471	302,639	456,530	381,277	381,277	-					-
Zions Bank	State Bonds CRF	To fund major system repairs or replacement within the district	As approved by control board & DDW	1,266,955	1,391,321	1,940,934	1,296,807	1,296,807	-					-
PTIF - 8710	East Canyon Fund	To help fund costs to deliver water down east canyon creek	As approved by control board	2,647	2,692	2,833	2,911	2,911	-					-
<b>Total Cash &amp; Operating Cash &amp; Reserves</b>				<b>32%</b>	<b>12,831,876</b>	<b>13,898,851</b>	<b>11,651,177</b>	<b>12,608,991</b>	<b>12,687,086</b>	<b>(78,094)</b>	<b>110,855</b>	<b>(32,760)</b>	<b>-</b>	<b>-</b>

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<b>Debt Reserves Held by District</b>												
PTIF - 4093	Impact Fee Reserve for Debt Service	To pay a portion of annual debt service on District bonds	Per Impact Fee Resolution	5,272,361	5,430,969	4,940,330	4,449,053	4,449,053	-			
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	1,164,468	1,184,466	1,246,422	1,005,126	1,005,126	-			
PTIF - 5257	Stagecoach Assessments	To pay debt on the 2008 Bond	Per Contract & Bond Documents	55,473	31,988	8,647	15,327	15,327	-			
PTIF - 8194	Promontory 2014 SAA Assessments	To pay debt on 2014 Bond	Per Contract & Bond Documents	417,311	470,034	325,582	390,183	390,183	-			
PTIF - 8195	Promontory 2014 SAA Stabilization Payments	For 2030 debt payment on 2014 Bond	2030	169,812	210,328	238,123	251,335	251,335	-			
PTIF - 8798	Community Water Assessments	To pay debt on the 2019B Bond	2039	46,059	36,266	29,000	40,853	40,853	-			
<b>Total Debt Reserves Held by District</b>			<b>16%</b>	<b>7,125,484</b>	<b>7,364,050</b>	<b>6,788,104</b>	<b>6,151,876</b>	<b>6,151,876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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<b>Debt Reserves Held by Trustee</b>												
Zions Bank	Series 2012 Bond Fund	Monthly transfers from Sweep Account to pay bond	2033	387	-	-	-	-	-	-	-	-
Zions Bank	Series 2014 Bond Fund	Monthly transfer from Sweep Account to pay bond	2034	13,111	20,849	33,140	299,734	299,734	-	-	-	-
Zions Bank	Series 2008 Bond DSR	Debt reserve for 2008 Bond	2029	274,773	285,255	288,673	200,885	200,885	-	-	-	-
Zions Bank	Series 2011A Bond DSR	Debt reserve for refunded 2002 & 2009A Bond	2031	84,832	89,777	94,194	64,338	64,338	-	-	-	-
Zions Bank	Series 2011B Bond DSR	Debt reserve for 2011B Bond	2031	127,044	135,640	141,585	97,755	97,755	-	-	-	-
Zions Bank	Series 2019A Bond Fund	Monthly transfer from Sweep Account to pay bond	2034	14,888	41,195	98,412	1,040,081	1,040,081	-	-	-	-
Zions Bank	Series 2019B Bond Fund	Monthly transfer from Sweep Account to pay bond	2039	54,387	73,330	96,977	170,739	170,739	-	-	-	-
Zions Bank	Series 2023 Bond Fund	Monthly transfer from Sweep Account to pay bond	2044	-	-	54	9,406	9,406	-	-	-	-
<b>Total Debt Reserves Held by Trustee</b>			<b>5%</b>	<b>569,422</b>	<b>646,046</b>	<b>753,036</b>	<b>1,882,937</b>	<b>1,882,937</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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<b>Construction Cash</b>														
Zions Bank	Series 20149B Bond Construction	Construction Fund for 2019B Bond	As approved by CFO & GM Per Bond Documents	293,779	-	-	-	-	-	-	-	-		
Zions Bank	Series 2023 Bond Construction	Construction Fund for 2019B Bond	As approved by CFO & GM Per Bond Documents		-	17,985,369	17,722,868	17,722,868	-	-	-	-		
<b>Total Construction Cash</b>				<b>45%</b>	<b>293,779</b>	<b>-</b>	<b>17,985,369</b>	<b>17,722,868</b>	<b>17,722,868</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Other Cash</b>														
PTIF - 2179	Customer Deposits	Construction & Fire Hydrant Deposits	Returned to lot owner upon passage of final water inspection	936,230	1,070,636	1,079,247	975,483	975,483	-	-	-	-		
PTIF - 8825	Construction Deposits	New Construction Deposit	Returned to developer upon inspectin	133,173	33,642	65,402	36,375	36,375	-	-	-	-		
<b>Total Other Cash</b>				<b>3%</b>	<b>1,069,404</b>	<b>1,104,278</b>	<b>1,011,859</b>	<b>1,011,859</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Grand Total</b>				<b>100%</b>	<b>21,889,965</b>	<b>23,013,225</b>	<b>38,322,335</b>	<b>39,378,530.78</b>	<b>39,456,625.07</b>	<b>(78,094.29)</b>	<b>110,854.76</b>	<b>(32,760.47)</b>	<b>-</b>	<b>-</b>