

Tab 4

Consider acceptance of financial reports



METROPOLITAN WATER DISTRICT
Balance Sheet - Summary
As of January 31, 2026
58.33% of Budget Completed

ASSETS	<u>01/31/26</u>	<u>12/31/25</u>	<u>01/31/25</u>
Current Assets:			
1 Accounts Receivable	\$ 10,556,479	\$ 7,330,853	\$ 10,164,491
2 Leases Receivable - Current	64,269	64,269	63,243
3 Bonds Receivable	12,743,000	12,743,000	17,493,000
4 Inventories	382,092	372,191	375,305
5 Prepaid Expenses	598,232	575,555	546,994
Reserve Funds:			
6 Operations & Maintenance Fund	33,109,670	34,449,780	24,135,619
7 Renewal and Replacement Reserve	650,000	650,000	650,000
8 Capital Projects Reserve	10,000,000	10,000,000	10,000,000
9 ASR Reserve	(914,078)	(914,078)	89,488
10 Insurance/Contingency Reserve	2,000,000	2,000,000	2,000,000
11 Jordan Aqueduct Reserve	50,738	50,738	48,437
12 JWWTQ O&M Agreement	20,000	20,000	20,000
13 150th South Pipeline Agreement	41,623	41,623	39,735
14 TOTAL CURRENT ASSETS	69,302,025	67,383,931	65,626,312
Restricted Assets:			
2015 Series Bond			
15 Bond Fund Account 2015A	195,576	224,400	190,857
2016 Series Bond			
16 Bond Fund Account 2016A	5,042,777	4,893,225	4,844,873
2020 Series Bond			
17 Bond Fund Account 2020A	2,237,264	2,238,138	2,211,701
2021 Series Bond			
18 Bond Fund Account 2021A	172,627	1,017,425	173,045
19 Bond Fund Account 2021B	1,331,193	1,200,453	1,315,662
2024 Series Bond			
20 Bond Fund Account 2024A	322,152	275,398	313,490
21 Project Fund Account 2024A	1,294,686	2,026,510	2,787,100
22 Bond Fund Account 2024B	816,072	1,270,513	622,922
23 Project Fund Account 2024B	18,473,120	19,941,663	29,080,624
24 TOTAL RESTRICTED ASSETS	29,885,467	33,087,725	41,540,274
Fixed Assets:			
25 Land & Right-of-Way	22,783,968	22,783,968	22,023,773
26 Buildings & Improvements	292,631,515	292,631,515	292,511,675
27 Machinery & Equipment	21,510,509	21,510,509	20,940,316
28 Furniture & Fixtures	60,173	60,173	60,173
29 Transportation Equipment	1,597,179	1,597,179	1,426,476
30 Aqueduct & Appurtenances	112,190,997	112,190,997	112,074,873
31 Water Rights - PRWUA	18,188,008	18,188,008	18,188,008
32 Investment in Surface Water	135,189,064	135,189,064	135,189,064
Construction in Progress:			
33 CIP - Jordan Aqueduct System	1,960,328	1,960,328	1,151,848
34 CIP - Central Utah Project	-	-	3,815,423
35 CIP - Aquifer Storage & Recovery	10,017,513	10,017,513	8,410,058
36 CIP - Other	30,499,427	27,993,571	16,355,885
37 TOTAL FIXED ASSETS	646,628,681	644,122,825	632,147,572
38 Less: Accumulated Depreciation	(219,484,174)	(218,529,250)	(208,236,667)
39 NET FIXED ASSETS	427,144,507	425,593,575	423,910,905
Other Assets:			
40 Investments	35,043,620	34,965,946	33,346,689
41 Leases Receivable - Long-Term	340,566	340,566	404,835
42 TOTAL OTHER ASSETS	35,384,186	35,306,512	33,751,524
43 TOTAL ASSETS	\$ 561,716,185	\$ 561,371,743	\$ 564,829,015

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary
As of January 31, 2026
58.33% of Budget Completed

	01/31/26	12/31/25	01/31/25
Deferred Outflow of Resources:			
44 Refinance Term Costs - 2021A	\$ 387,119	\$ 390,191	\$ 423,988
45 Refinance Term Costs - 2021B	6,013,467	6,124,827	7,349,793
46 Deferred Amount on Refunding - 2009A	2,263,918	2,298,219	2,675,539
47 Deferred Bond Refunding - 2021A	1,455,496	1,467,047	1,594,114
48 Deferred Bond Refunding - 2021B	292,535	297,953	357,543
49 Deferred Outflows Relating to Pensions	1,955,311	1,955,311	1,978,898
50 TOTAL DEFERRED OUTFLOW OF RESOURCES	12,367,846	12,533,548	14,379,875
51 TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	<u>\$ 574,084,031</u>	<u>\$ 573,905,291</u>	<u>\$ 579,208,890</u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
52 Accounts Payable	\$ 3,018,560	\$ 7,150,020	\$ 6,753,630
53 Interest Payable - Bonds	528,573	2,929,052	591,226
54 Vacation Payable	583,129	548,648	523,518
55 Sick Leave Payable	310,273	310,273	59,791
56 Deferred Revenue	1,000,287	1,000,287	999,261
57 Bonds Payable, Current	15,549,000	15,549,000	11,865,000
58 CUP Water Supply Payable-CP	2,971,200	2,971,200	2,971,200
59 TOTAL CURRENT LIABILITIES	23,961,022	30,458,480	23,763,626
Long-Term Liabilities:			
60 Bonds Payable - Series 2015A	3,345,000	3,345,000	3,650,000
61 Bonds Payable - Series 2016A	47,250,000	47,250,000	55,275,000
62 Bonds Payable - Series 2020A	43,210,000	43,210,000	46,875,000
63 Bonds Payable - Series 2021A	43,340,000	43,340,000	43,340,000
64 Bonds Payable - Series 2021B	10,015,000	10,015,000	12,240,000
65 Bonds Payable - Series 2024A	21,535,000	21,535,000	22,000,000
66 Bonds Payable - Series 2024B	32,136,000	32,136,000	33,000,000
67 Reoffering Premium - 2015A	341,909	345,261	382,134
68 Reoffering Premium - 2016A	2,115,788	2,147,846	2,500,477
69 Reoffering Premium - 2021A	11,385,693	11,476,056	12,470,045
70 Net Pension Liability	1,482,013	1,482,013	1,094,592
71 CUP Water Supply Payable	59,424,000	59,424,000	62,395,200
72 Less Bonds Payable, Current	(15,549,000)	(15,549,000)	(11,865,000)
73 TOTAL LONG-TERM LIABILITIES	260,031,403	260,157,176	283,357,448
74 TOTAL LIABILITIES	<u>283,992,425</u>	<u>290,615,656</u>	<u>307,121,074</u>
Deferred Inflow of Resources:			
75 Deferred Revenue - Long-Term	340,566	340,566	404,835
76 Deferred Bond Refunding - 2012A (2019)	-	-	376,817
77 Deferred Bond Refunding - 2012A (2020)	-	-	368,000
78 Deferred Inflows Relating to Pensions	3,960	3,960	5,033
79 TOTAL DEFERRED INFLOW OF RESOURCES	344,526	344,526	1,154,685
80 TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES	<u>284,336,951</u>	<u>290,960,182</u>	<u>308,275,759</u>
Net Assets:			
81 Invested in Capital Assets, Net of Related Debt	222,882,652	221,371,650	200,018,986
Restricted Assets:			
82 Future Debt Service	29,885,467	33,087,725	41,540,274
83 Operations & Maintenance Restriction	7,903,654	7,903,654	7,123,302
84 Renewal and Replacement	650,000	650,000	650,000
85 150th South Pipeline Agreement	41,623	41,623	39,735
86 JVVTP O&M Agreement	20,000	20,000	20,000
87 Jordan Aqueduct Reserve	50,738	50,738	48,437
88 Unrestricted	28,312,946	19,819,719	21,492,397
89 TOTAL NET ASSETS	289,747,080	282,945,109	270,933,131
90 TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET ASSETS	<u>\$ 574,084,031</u>	<u>\$ 573,905,291</u>	<u>\$ 579,208,890</u>

METROPOLITAN WATER DISTRICT
Capital Report
For the Month Ending January 31, 2026
58.33% of Budget Complete

	Account Name	Account Number	Current Month	Year to Date	Total Budget	Amount Remaining	% of Budget Used
CAPACITY IMPROVEMENT PROJECTS							
1	Managed Aquifer Recharge	1865	\$ -	\$ 174,045.37	\$ 180,000.00	\$ 5,954.63	96.69 %
2	Capacity Improvement Projects		0.00	174,045.37	180,000.00	5,954.63	96.69%
NON-CAPACITY IMPROVEMENT PROJECTS							
3	Salt Lake Aqueduct Replacement Reach 1 - Cottonwood Conduits		1,862,496.84	10,128,208.65	23,300,000.00	13,171,791.35	43.47%
4	Salt Lake Aqueduct Replacement Reaches 2 and 3	1802D	30,300.00	184,020.00	500,000.00	315,980.00	36.80%
5	Salt Lake Aqueduct Hardening	1802A	214,249.40	585,360.19	1,000,000.00	414,639.81	58.54%
6	Little Cottonwood Water Treatment Plant Rebuild	1845R	290,927.24	970,429.72	1,650,000.00	679,570.28	58.81%
7	Little Cottonwood Conduit Replacement and Intake Modifications		29,091.50	106,603.75	1,100,000.00	993,396.25	9.69%
8	LCWTP Administration Campus Improvements		69,419.00	69,419.00	1,050,000.00	980,581.00	6.61%
9	Fleet Replacement Program	1848	-	41,090.00	50,000.00	8,910.00	82.18%
10	Little Dell Dam Improvements	1840	-	148,797.64	150,000.00	1,202.36	99.20%
11	Repair and Replace		9,283.33	161,926.02	921,000.00	759,073.98	17.58 %
12	Non-Capacity Improvement Projects		2,505,767.31	12,395,854.97	29,721,000.00	17,325,145.03	41.71%
OTHER CAPITAL IMPROVEMENT PROJECTS							
13	Jordan Aqueduct System and 150th South Pipeline	1599	-	-	2,851,809.00	2,851,809.00	0.00 %
14	Other Capital Improvement Projects		0.00	0.00	2,851,809.00	2,851,809.00	0.00 %
INVESTMENTS IN WATER SOURCES							
15	Central Utah Project (CUP) Capital	1853	-	-	3,815,423.00	3,815,423.00	0.00 %
16	Investments in Water Sources		0.00	0.00	3,815,423.00	3,815,423.00	0.00 %
17	GRAND TOTAL		\$ 2,505,767.31	\$ 12,569,900.34	\$ 36,568,232.00	\$ 23,998,331.66	34.37 %

METROPOLITAN WATER DISTRICT

Revenue Statement

For the Month Ending January 31, 2026

58.33% of Budget Complete

	Current Month	Year to Date	Total Budget	% of Budget Used	Prior YTD Actual	Prior Year Total	% Prior Year Use	Average 3 Years	Average 3 YTD (Actual Dollars)	
OPERATING REVENUE										
Water Sales:										
1	Salt Lake City	\$ 1,543,081.50	\$ 10,801,570.50	\$ 18,516,978.00	58.33%	\$ 10,287,209.94	\$ 17,635,217.04	58.33%	58.33%	\$ 9,990,491.40
2	Sandy City	600,087.25	4,200,610.75	7,201,047.00	58.33%	4,000,581.69	6,858,140.04	58.33%	58.33%	3,885,191.15
3	Water Sales for Others	19,376.85	873,273.26	1,070,912.00	81.54 %	714,155.94	1,060,743.97	67.33 %	71.43 %	748,113.50
4	TOTAL OPERATING REVENUE	2,162,545.60	15,875,454.51	26,788,937.00	59.26%	15,001,947.57	25,554,101.05	58.71%	58.89%	14,623,796.04
OPERATING EXPENSES										
5	Administrative	203,769.08	1,436,662.71	2,973,359.00	48.32%	1,246,893.45	2,295,969.06	54.31%	51.12%	1,122,316.44
6	General	210,816.34	7,440,988.96	11,560,406.00	64.37%	8,956,735.73	21,569,371.19	41.53%	60.78%	8,061,612.73
7	Operations	249,556.32	2,550,561.93	4,311,947.00	59.15%	3,015,342.30	4,763,218.41	63.30%	59.70%	2,546,720.79
8	Maintenance	306,166.99	1,751,258.57	3,611,186.00	48.50%	1,613,931.40	2,794,878.21	57.75%	56.66%	1,652,293.95
9	Information Technology	152,498.32	1,384,573.30	2,694,616.00	51.38%	1,173,945.98	2,209,255.59	53.14%	51.29%	1,059,447.17
10	Engineering	141,018.99	766,265.82	1,596,697.00	47.99%	736,486.66	1,367,888.94	53.84%	52.85%	697,666.21
11	Instrumentation & Electrical	197,968.27	1,098,511.34	2,171,188.00	50.59%	942,637.33	1,855,625.58	50.80%	51.32%	849,881.49
12	Lab	93,655.77	560,027.05	974,617.00	57.46%	525,061.27	911,023.89	57.63%	55.66%	524,317.95
13	Non-Routine O&M	90,042.25	696,918.31	2,087,600.00	33.38 %	40,511.70	877,641.26	4.62 %	35.99 %	300,203.21
14	TOTAL OPERATING EXPENSES	1,645,492.33	17,685,767.99	31,981,616.00	55.30%	18,251,545.82	38,644,872.13	47.23%	57.08%	16,814,459.94
15	Revenue from Operations before Depreciation	517,053.27	(1,810,313.48)	(5,192,679.00)	34.86%	(3,249,598.25)	(13,090,771.08)	24.82%	47.37%	(2,190,663.90)
16	Depreciation Expense	954,924.11	6,623,144.90	11,722,841.00	56.50 %	6,615,693.34	11,240,055.80	58.86 %	58.78 %	6,557,987.92
17	Total Expenses	954,924.11	6,623,144.90	11,722,841.00	56.50%	6,615,693.34	11,240,055.80	58.86%	58.78%	6,557,987.92
18	REVENUE (LOSS) FROM OPERATIONS	(437,870.84)	(8,433,458.38)	(16,915,520.00)	49.86%	(9,865,291.59)	(24,330,826.88)	40.55%	55.43%	(8,748,651.82)
NON-OPERATING REVENUE										
19	General Property Taxes	4,836,142.75	20,258,184.73	22,029,174.00	91.96%	21,212,207.58	23,953,481.40	88.56%	89.76%	14,191,836.01
20	Fees in Lieu of Taxes	81,977.67	472,025.30	432,008.00	109.26%	382,637.44	735,288.08	52.04%	55.54%	298,628.00
21	Interest Revenue	340,508.19	2,577,056.02	3,963,199.00	65.02%	3,201,516.13	5,334,064.39	60.02%	54.40%	2,103,071.73
22	Prior Year Tax Collections	14,657.85	(194,086.81)	225,066.00	-86.24%	(109,473.29)	440,780.65	-24.84%	-31.71%	(93,754.94)
23	Special Assessment Revenue	1,011,880.58	6,965,958.98	12,871,069.00	54.12%	6,942,526.50	11,990,374.00	57.90%	58.28%	6,939,851.02
24	Encroachment Applications	0.00	231,792.53	0.00	0.00%	8,893.02	20,153.86	44.13%	66.73%	21,130.44
25	Miscellaneous	34,140.99	47,093.70	4,236,200.00	1.11%	196,904.37	274,122.75	71.83%	57.56%	101,644.92
26	Gain/(Loss) on Disposal of Fixed Assets	0.00	0.00	0.00	0.00%	30,165.00	154,680.00	19.50%	26.92%	23,721.50
27	Grant Funding	76,777.50	362,811.07	1,111,468.00	32.64%	0.00	866,384.99	0.00%	0.01%	110.68
28	SLAR-CC Construction	2,062,546.41	5,243,750.94	9,356,897.00	56.04%	5,863,840.76	10,983,587.14	53.39%	53.39%	1,954,613.59
29	Net Change of Investments	6,531.62	1,437.08	0.00	0.00 %	(2,560.93)	147,881.02	(1.73)%	6.12 %	7,356.49
30	TOTAL NON-OPERATING REVENUE	8,465,163.56	35,966,023.54	54,225,081.00	66.33%	37,726,656.58	54,900,798.28	68.72%	67.67%	25,548,209.44
NON-OPERATING EXPENSE										
31	Interest Expense	528,106.70	3,572,610.96	8,017,425.00	44.56%	3,398,137.55	5,574,444.93	60.96%	57.75%	3,067,125.92
32	SLAR-CC Construction	697,217.06	5,268,373.77	9,356,897.00	56.30%	0.00	10,983,587.15	0.00%	0.00%	0.00
33	Benefit Expense	0.00	0.00	0.00	0.00%	0.00	(999,375.00)	0.00%	0.00%	0.00
34	Actuarial Calculated Pension Expense	0.00	0.00	0.00	0.00 %	0.00	1,409,310.00	0.00 %	0.00 %	0.00
35	TOTAL NON-OPERATING EXPENSE	1,225,323.76	8,840,984.73	17,374,322.00	50.89 %	3,398,137.55	16,967,967.08	20.03 %	34.58 %	3,067,125.92
36	NET NON-OPERATING REVENUE (LOSS)	7,239,839.80	27,125,038.81	46,207,656.00	58.70 %	34,328,519.03	37,932,831.20	90.50 %	77.84 %	22,481,083.52
37	TOTAL DISTRICT NET REVENUE (LOSS)	\$ 6,801,968.96	\$ 18,691,580.43	\$ 29,292,136.00	63.81 %	\$ 24,463,227.44	\$ 13,602,004.32	179.85 %	104.83 %	\$ 13,732,431.70

MWDSL Non-Capital Purchases Over \$10,000

January 2026

Vendor	Invoice #	Check #	Amount	Description
Provo River Water Users Assoc.	1322	83171	91,762.04	Deer Creek PP & Chlorination Station O&M - Oct 2024-Mar 2025
Volusol	1500279	83181	10,362.18	Chemicals
Hartman Management Group	1810	83186	30,000.00	January 2026 Services
CompuNet, Inc.	313234	83198	19,574.86	Cybersecurity - Palo Alto Firewalls for SCADA Network
Enbridge Gas	various	83202	10,036.83	Natural Gas
Utah Lake Water Users Assoc Inc	various	83223	85,675.04	Turner & Joint Dam Rehabilitation; Monthly Maintenance Share
BP Energy Company	various	83227	17,111.37	Natural Gas
CompuNet, Inc.	various	83231	23,807.42	Lenovo ThinkSystem Server; HPE Nimble Data Storage Renewal
Provo River Water Users Assoc.	various	83245	4,761,434.27	Annual Assessments - O&M; Capital Improvements; PRA Construction
Volusol	1500280	83254	10,949.78	Chemicals
Health Equity		ACH	53,999.76	H.S.A. Contributions - January 2026
Paylocity		ACH	77,655.53	Payroll Taxes 1/15/26
Paylocity		ACH	81,656.44	Payroll Taxes 1/29/26
Utah Retirement Systems		ACH	68,308.06	Retirement Contributions 12/31/25 Payroll
Utah Retirement Systems		ACH	72,815.41	Retirement Contributions 1/15/26 Payroll
Paylocity		ACH	188,768.09	Net Payroll 1/15/26
Paylocity		ACH	192,538.14	Net Payroll 1/29/26
Rocky Mountain Power		ACH	14,299.12	Electrical Services - December 2025
Select Health		ACH	115,723.10	Medical Insurance Premiums - January 2026
Select Health		ACH	109,086.90	Medical Insurance Premiums - February 2026
Zions Bank		ACH	105,397.75	Zions Visa Commercial Card Payment - statement closing date 12/31/25
Zions Bank		ACH	1,853,258.54	January Bond Payment Transfers

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary Comparisons
As of January 31, 2026

	1/31/26	12/31/25	Difference
1 Accounts Receivable	10,556,479	7,330,853	3,225,626

Explanation: As of January 31st, Salt Lake City had two water bills from prior months that were still outstanding, whereas Salt Lake City only had one outstanding water bill as of December 31st. Additionally, there was a large bill issued to Salt Lake City in January for SLAR construction cost reimbursement.

	1/31/26	1/31/25	Difference
3 Bonds Receivable	12,743,000	17,493,000	(4,750,000)

Explanation: A large installment payment of 2024A bond proceeds was received in August.

	1/31/26	1/31/25	Difference
6 Operations & Maintenance Fund	33,109,670	24,135,619	8,974,051

Explanation: At this time last year, construction costs for the SLAR had been high for several months, ahead of much of the funding and reimbursements. That resulted in a temporarily reduced cash fund balance. This included \$6 million owed to Metro Water from Salt Lake City Public Utilities as of 1/31/2025. Funding and reimbursement processes are better established currently, and there was significant catch-up that took place over the last year.

	1/31/26	1/31/25	Difference
9 ASR Reserve	(914,078)	89,488	(1,003,566)

Explanation: Total expenditures for the Managed Aquifer Recharge (MAR) project have exceeded the reserved funds for the project. The ASR Reserve will no longer be necessary beyond the current fiscal year as a result of the MAR project being completed, and this account will be zeroed out against the Operations & Maintenance Fund at year-end.

	1/31/26	1/31/25	Difference
23 Project Fund Account 2024B	18,473,120	29,080,624	(10,607,504)

Explanation: This fund is drawn upon regularly to fund SLAR construction.

	1/31/26	1/31/25	Difference
34 CIP - Central Utah Project	-	3,815,423	(3,815,423)

Explanation: This difference is simply due to the timing of our annual payment to Central Utah.

	1/31/26	1/31/25	Difference
36 CIP - Other	30,499,427	16,355,885	14,143,542

Explanation: CIP - Other includes SLAR construction costs that will be capitalized upon completion of the project. This significant increase over the prior year balance reflects the major amount of work that has been completed.

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary Comparisons
As of January 31, 2026

	1/31/26	12/31/25	Difference
52 Accounts Payable	3,018,560	7,150,020	(4,131,460)

Explanation: Our annual invoices from the Provo River Water Users Association were dated and posted in December 2025, but the invoices were not received and paid until January. This accounts for approximately \$4.8 million of the December balance. The January balance reflects a more typical AP balance.

	1/31/26	12/31/25	Difference
53 Interest Payable - Bonds	528,573	2,929,052	(2,400,479)

Explanation: Our semi-annual bond interest payments were made in January, which decreased our liability.

METROPOLITAN WATER DISTRICT
Revenue Statement Comparisons
For the Month Ending January 31, 2026

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
5 Administrative (Operating Expenses)	1,436,662.71	1,122,316.44	314,346.27

Explanation: Most of this difference (\$202k) is in Contract Services expenses, most of which is the result of a change in the monthly payments to Hartman Management Group for increased lobbying efforts.

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
9 Information Technology (Operating Expenses)	1,384,573.30	1,059,447.17	325,126.13

Explanation: A large piece of this difference (\$131k) is in Contract Services expenses, most of which is the result of an increase in the cost of the VMware renewal. This renewal increased by \$129k over the prior year. An additional \$167k difference over the 3-year average comes in the form of Salary & Wage Expenses and related taxes and benefits costs. The IT department has added two FTEs in the last couple years.

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
11 Instrumentation & Electrical (Operating Expenses)	1,098,511.34	849,881.49	248,629.85

Explanation: This difference comes from the combined Salaries & Wages Expenses and related taxes and benefits costs, which is the result of adding two FTEs in the last couple years. The increase in staff supports the department's SCADA efforts.

	Year to Date	Total Budget	Difference
22 Prior Year Tax Collections (Non-Operating Revenue)	(194,086.81)	225,066.00	(419,152.81)

Explanation: In connection with the FY 2022 audit, it was determined that Metro Water should include an accrual at year end to represent delinquent taxes still owed to us. The Year to Date negative balance is the resulting effect of the reversal of that accrual, and it will be offset as prior year taxes are received. This account will always reflect a positive balance by the year's end.