

2027 Preliminary Budget

Nov 2026

Budget Highlights

Expenditures

- Continue to budget for 2 new FTEs if needed
  - Makes budget to last year actual look like a large increase
- Most other expenses increase 3%
- Add $1m annually to contribute to County-wide water projects

Budget Highlights

Capital Expenditures

- Total Projects
  - $14.7m
    - $13.8m Bothwell (Based upon sell of water to Tremonton)
- Grants
  - $2m
- Proposed Bonds
  - $8.5m
- Cash
  - $4.0m – Tremonton Impact Fees
  - $0.2m – Cash on Hand

Budget Highlights

Revenue

- Rate Adjustments
  - Retail
    - 3%
    - Base Rate: $41.20/month to $43.71/month
    - Increase Tiers
    - Average Monthly Rate - $85.17/month
    - Rate increase at 3% per year already approved through 2029
  - Wholesale
    - 3%
    - $478.95/AF – Current
    - $508.12/AF – Proposed
    - Rate increase at 3% per year already approved through 2029

Bear River Water Conservancy District

2027 Budget

	Actual	Est Act	Budget
	2025	2026	2027
Operating Revenue			
Water Sales			
Retail			
5141 Beaver Dam Dry Taps	600	540	600
5142 Beaver Dam Retail	23,336	20,390	21,001
5152 Bothwell M&I Retail	78,495	76,543	78,839
5161 Collinston Dry Taps	9,660	8,544	12,277
5162 Collinston Retail	74,479	72,239	74,406
5172 Harper Ward Retail	110,850	101,585	104,633
5173 Harper Ward Dry Taps	-		-
5182 South Willard Retail	2,717	3,720	3,832
5190 Water Testing Reimbursed	140	216	263
Wholesale			
5153 Bothwell M&I Wholesale	369,410	443,037	346,537
5163 Collinston Wholesale	89,541	124,368	142,273
Harper Ward Wholesale		-	203,247
5183 South Willard Wholesale	28,738	35,333	35,336
Rental Income			
5217 Farm Water Sales		275,000	283,250
5218 Farm Land Lease		23,500	24,205
5219 Well Maintenance Fees	-	7,500	7,500
Office Lease			
Total Operating Revenue	933,385	1,207,119	1,338,199

Bear River Water Conservancy District

2027 Budget

	Actual	Est Act	Budget
	2025	2026	2027
Operating Costs			
Wages			
6110 Gross Wages	399,341	441,157	604,019
6111 Gross Wages: Bonuses	4,250		10,000
6112 Trustees Payroll Expense	9,630	6,858	12,000
6144 Payroll Expense - Other	-		-
Benefits			
6131 FICA Expense	31,336	33,877	35,232
6132 SUTA Expense	508	322	571
6133 Employee Health Insurance	176,213	134,580	198,126
6134 Dental Insurance Expense	8,502	6,635	9,559
6135 Employee Life Insurance	1,229	950	1,382
6136 Employee LT Disability	1,939	(366)	2,180
6138 Vision Insurance Expense	1,349	1,019	1,517
6139 HSA Contribution-Employer Paid	20,128	13,731	22,631
6140 Retirement & Benefits	74,787	76,139	84,087
6141 Workers Compensation	2,082	2,056	2,341
6143 General Gov Pension Expense	26,851	-	30,190
Operations			
6191 Uniforms-Office Personnel	202	120	124
6192 Uniforms-Systems Operators	820	739	761
6210 Memberships & Registrations	22,919	19,554	20,141
6231 Conference Training	375	-	-
6232 Mileage Reimbursement	3,712	5,050	5,202
6233 Travel Expenses & Meals	10,863	13,702	14,113
6241 Office Supplies & Postage	8,744	5,955	6,134
6261 Automotive Repairs	10,566	7,507	7,732
6262 Office Building Repairs & Maintenance	31,487	16,314	25,000
6263 Computer/Networking	13,720	8,896	9,163
6281 Office Utilities	11,466	9,191	9,467
6282 Telephone & Internet	8,207	8,955	9,224
6310 Lobbying	45,000	43,200	44,496
6311 Legal	34,880	27,209	28,026
6312 Accounting	42,510	51,576	53,123
6313 Engineering	120,187	118,460	122,014
6314 Exploration & Studies	212,525	4,007	150,000
6448 Equipment and Tools	54,711	2,980	3,069
6449 Operating Supplies	25,873	8,091	8,333
6450 Beaver Dam O&M Expenses	13,072	27,454	28,278
6451 Bothwell System O&M Expenses	141,910	211,733	218,085
6452 Collinston System O&M Expenses	47,032	82,629	85,108
6453 Harper Ward System O&M Expenses	17,688	126,671	130,471
6454 So Willard System O&M Expenses	25,144	17,264	17,782
6456 SCADA	25,109	15,174	50,000
6457 System O&M Expenses Fuel	14,794	19,043	19,615
6461 Water Service Connection Costs	9,831	12,137	12,501
6480 Weather Modification Expense	49,366	36,145	60,000
6490 Advertising & Media	46	-	-
6491 Printing and Reproduction	2,845	3,302	3,402
6510 Auto Insurance	4,961	4,436	4,569
6512 Liability Insurance	9,618	25,497	26,000
6611 Bank Service Charges	1,120	854	879
6612 Merchant Card Services	4,090	4,473	4,607
6613 Bad Debt	-	-	150

Bear River Water Conservancy District

2027 Budget

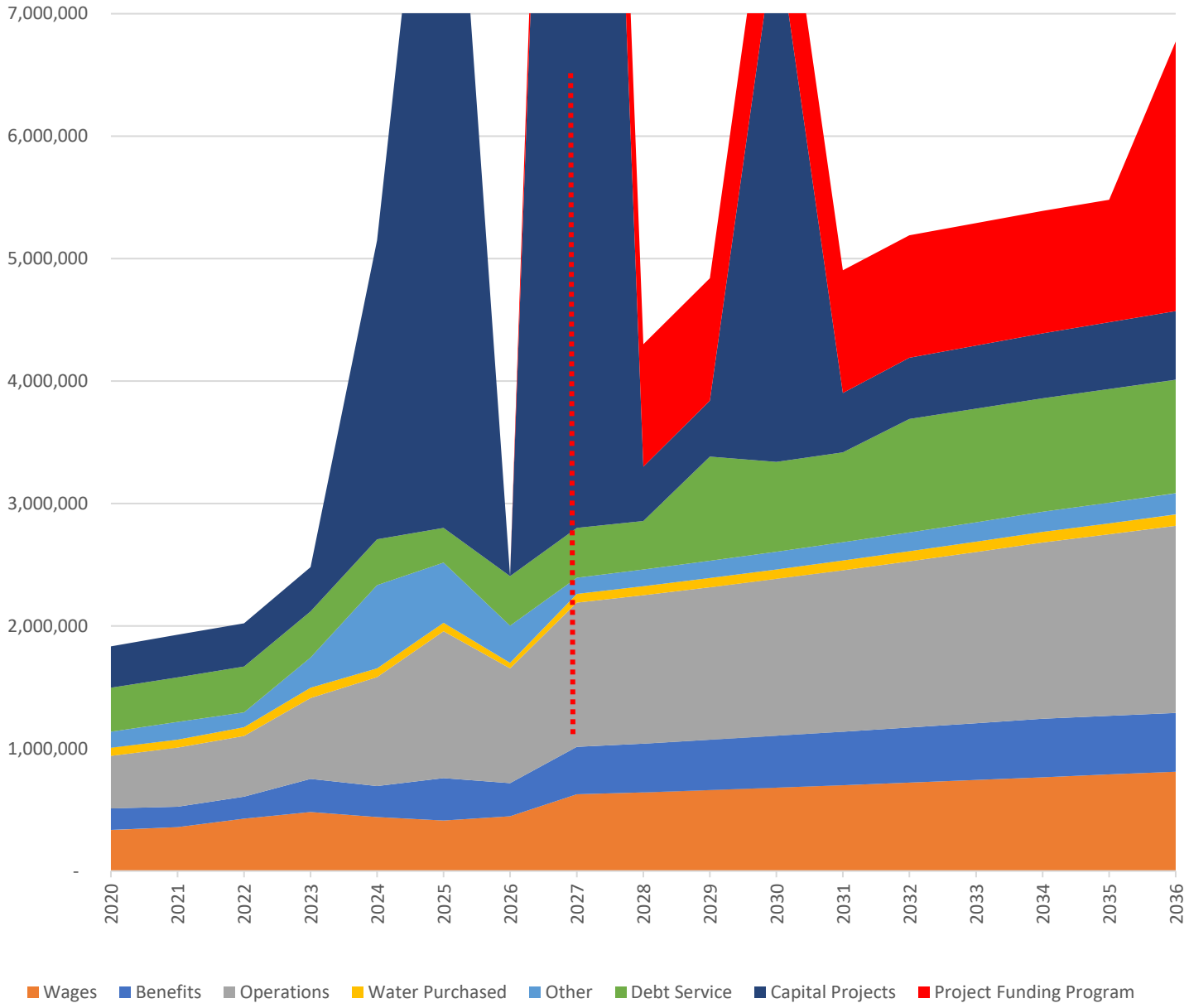
		Actual	Est Act	Budget
		2025	2026	2027
Water purchased				
6672 Water Purchased-BC		48,878	24,439	-
6673 Water Purchased-Deweyville		20,844	20,000	71,000
Depreciation				
6690 Depreciation		406,180	418,502	431,057
6691 Amortization Expense				
Add Back Depreciation		(406,180)	(418,502)	(431,057)
Total Operating Costs		2,027,069	1,699,718	2,262,404
Net Operating Income		(1,093,684)	(492,599)	(924,205)
Non-Operating				
Non-Operating Income				
Property taxes				
5501 Property Taxes		2,009,389	1,822,919	1,919,389
5502 Property Tax RDA		-		132,697
Grants				
5511 Weather Modification Grant		30,000	30,000	30,000
Impact fees				
5521 Beaver Dam Impact Fees	-	-		-
5522 Bothwell Impact Fees	13,058	80,296	-	4,189,069
5523 Collinston Impact Fees	12,868	-	-	64,339
5524 Harper Ward Impact Fees	11,521	-	-	2,327,242
5525 South Willard Impact Fees	3,886	-	19,430	-
Other non-operating income				
5310 Connection Fees Collected	3,000	20,302	19,600	63,000
5320 Miscellaneous Income		-	700	-
5410 Finance Charge Income		6,219	4,017	-
5610 Interest Income		190,184	117,719	82,363
5630 Gain on Disposal of Asset		6,200		-
5631 Contributed Capital		-		-
5640 Contribution from Fund Balance		-		-
Non-Operating Expenses				
Contributions to other governments				
6910 Contr. to other Gov'ts-RDA Encr		-		(132,697)
6911 Contr. to Other Governments		(78,215)	(75,000)	-
Total Non-Operating Revenues (Expenses)		2,405,491	1,969,467	8,675,402
Net Revenue Before Debt Service		1,311,807	1,476,868	7,751,197
Debt Service Coverage Ratio		5.23	3.65	19.09
Debt Service				
2008 South Willard Bond		115,892	115,614	116,293
2013 Beaver Dam Bond		8,000	8,000	8,000
2014 Collinston Bond		104,796	104,238	104,680
2018 Master Plan Bond		10,000	10,000	10,000
2020 Flat Canyon Well Bond		3,000	2,000	3,000
2021 Harper Ward Test Well		7,000	7,000	7,000
2024 SRF Loan		35,500	157,400	157,110
Proposed 2027 Bonds				
Total Debt Service		284,188	404,252	406,083

Bear River Water Conservancy District

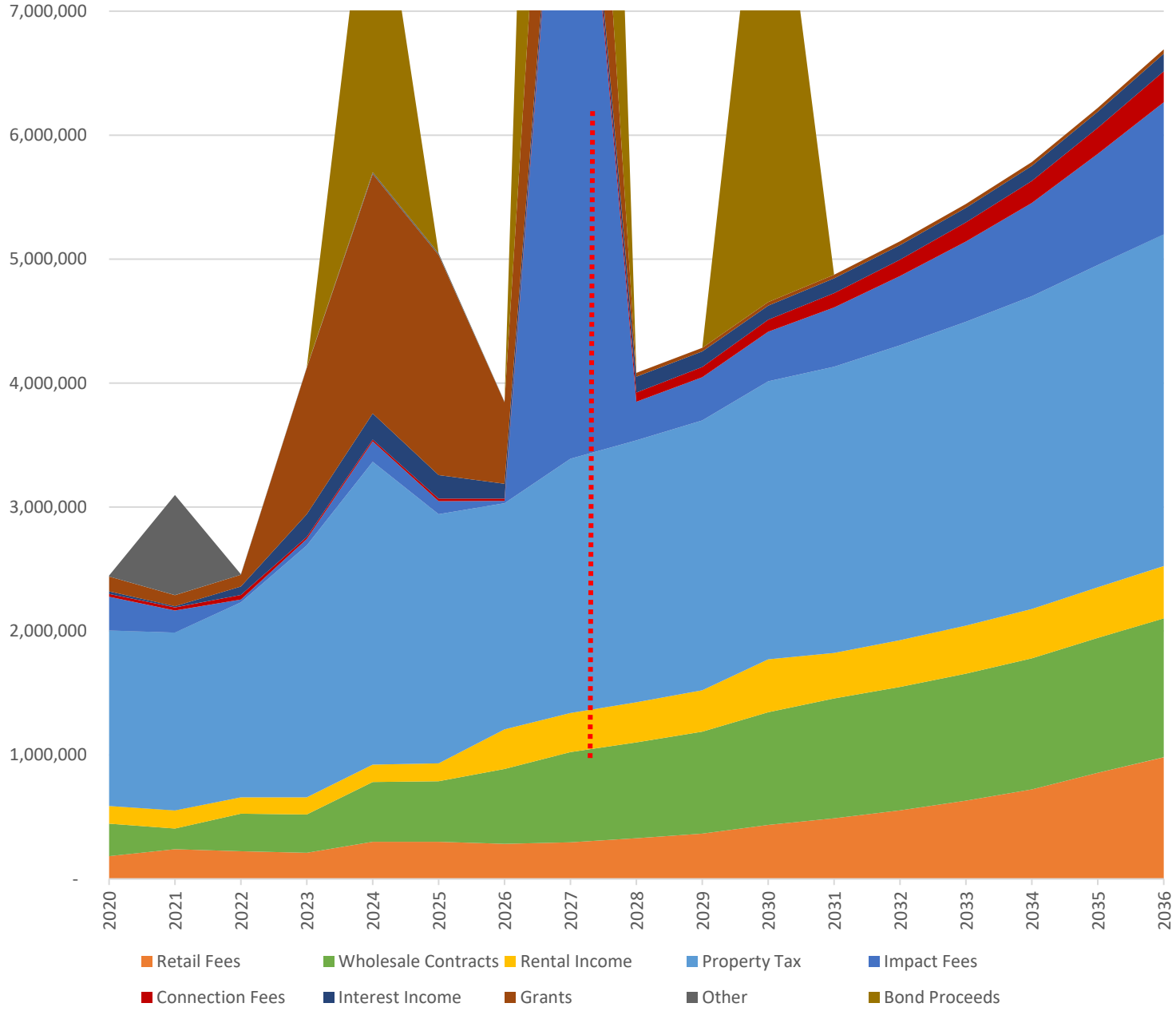
2027 Budget

		Actual	Est Act	Budget
		2025	2026	2027
Net After Debt Service		1,027,619	1,072,616	7,345,115
Other Sources				
2024 Bond Proceeds	SRF			
Proposed 2027 Bonds				8,500,000
Proposed 2030 Bonds				
Grants				
5510 State Grants	GOEO	214,984		100,000
5510 State Grants	CIB/County Wa	-	14,354	
5515 Federal Grants	EPA (2027)	646,613	356,529	2,000,000
Sale of Capital Assets -7 Acres				-
Total Other Sources		1,215,891	370,883	10,600,000
Capital Projects				
Pipe Segment A (10800 West & 12800 North to I-84)	Tremonton			3,259,500
Pipe Segment B (Tank & 10800 West to 13600 North	Tremonton			3,751,340
Pipe Segment C (Along I-84 from 12800 North to 10(	Tremonton			4,346,000
2.5m Gallon Storage Tank with Segment B	Tremonton			3,286,000
Collinston Project	Collinston	-		-
Additional Source - Future Well East Side	Collinston	-		-
Harper Well	Harper Ward	2,814,560		-
500,000 Gallon Storage Tank	Harper Ward	1,800,000		-
Transmission Line	Harper Ward	390,000		-
South Willard Well #2 - Drilling	South Willard	2,000,000		-
South Willard Pump House	South Willard			
Transmission Line	South Willard	300,000		-
Transmission Line	Beaver Dam	-		-
Depreciation or Asset Replacement		-		-
Total Capital Projects		7,304,560	-	15,642,840
Change in Cash		(5,061,050)	1,443,499	2,302,275

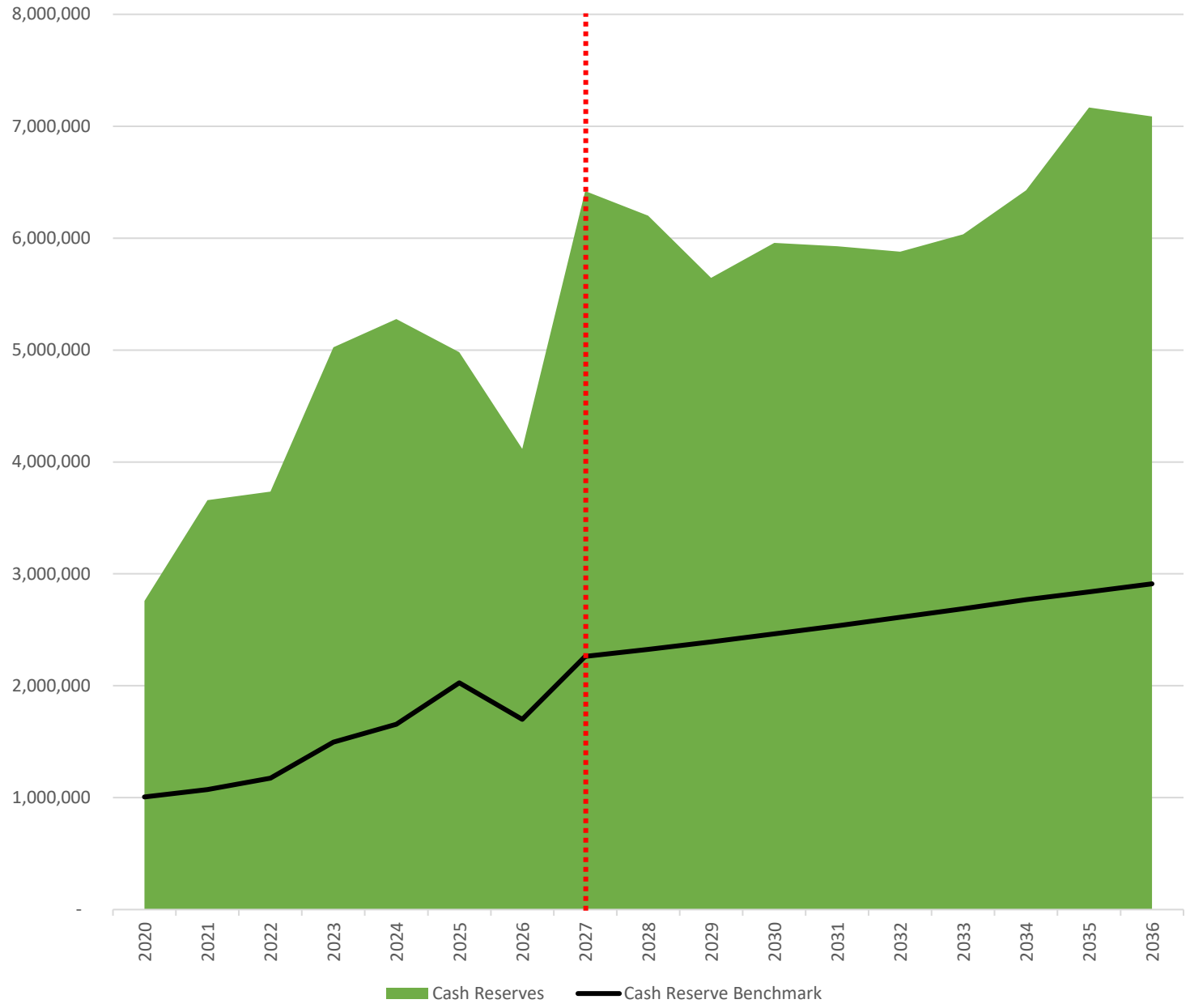
Expenditures



Revenues and Contributions



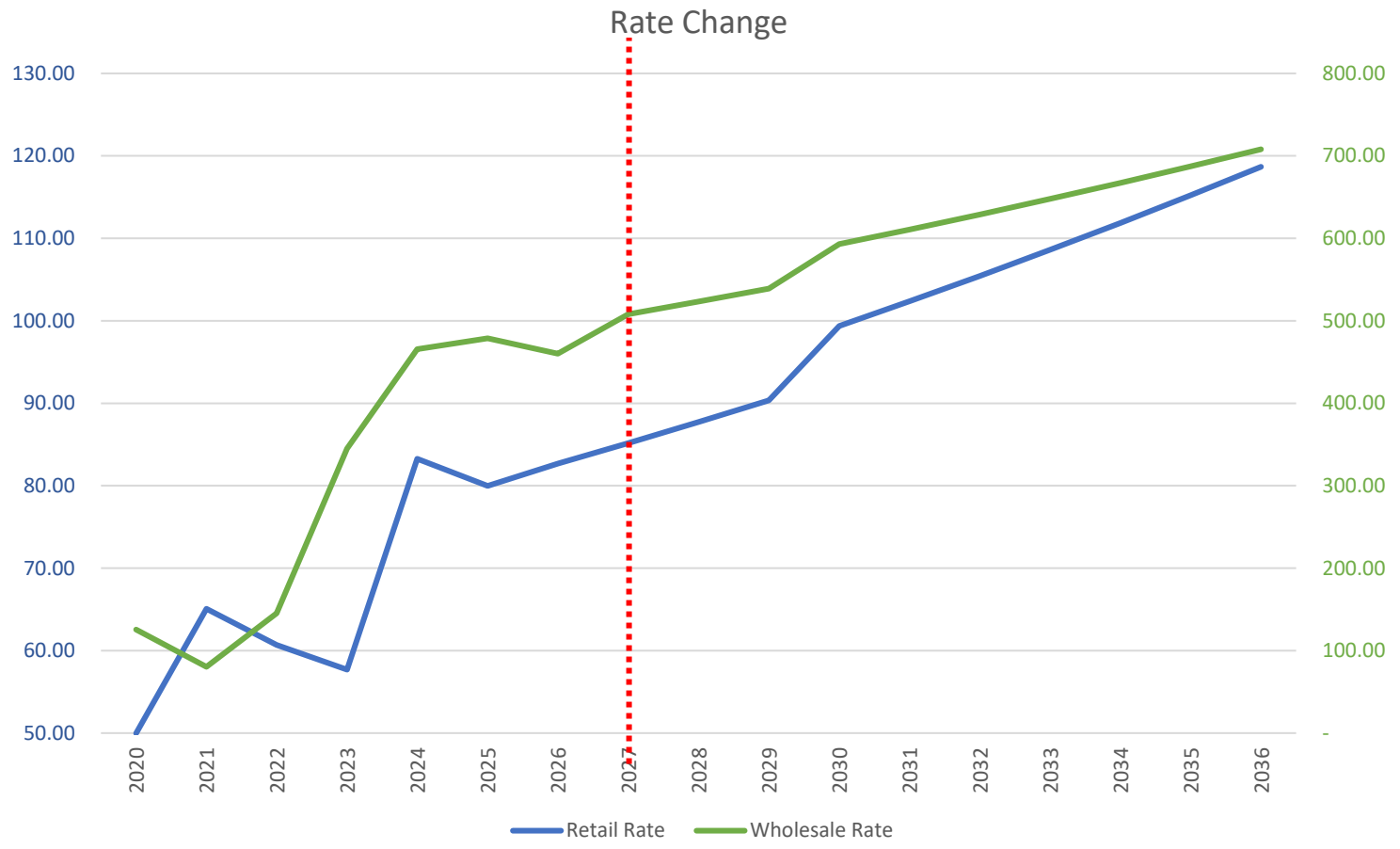
Cash Reserves



Debt Service Coverage



Rate



Rate Summary	2027	2028	2029	2030
Retail Rate Increase	**3.00%**	**3.00%**	**3.00%**	**10.00%**
Average Ratail Rate	$ 85.17	$ 87.72	$ 90.36	$ 99.39

Wholesale Rate Increase	**3.00%**	**3.00%**	**3.00%**	**10.00%**
Wholesale Rate	$ 508.12	$ 523.36	$ 539.06	$ 592.97
Chanshare Rate	$ 257.50	$ 265.23	$ 273.18	$ 300.50

Annual Board Meeting Minutes

Wednesday October 28, 2026 @ 6:00 PM
102 West Forest Street
Brigham City, UT 84302

In Attendance:	Jay Capener, Chairman	Lesley Kendrick, Vice-Chairman
	Lyle Holmgren, Financial Chairman	Mike Braegger
	Brian Shaffer	Kelly Lemmon
	Ryan Smith	Joseph Summers
	Boyd Bingham	Tim Munns
	Riggin Holmgren	
Staff:	Chance Baxter, General Manager	
	Jamie Williams, Office Manager	
Presenters:	Cody Deeter; EFG Consulting	
	Jacob Strombeck, Rex Carpenter; AE2S	
	Jaren Smith; Rainmaker Technology	
	Jonathan Jennings; Utah Division of Water Resources	
	Carl Mackley; Tremonton City	
	Dylan Oyler; Dylan Oyler Subdivision	
	Vernon Mortensen; Serenity Vista Development	

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1- WELCOME

Vice Chairman Lesley Kendrick called the meeting to order and welcomed everyone. She informed the board that Chairman Jay Capener would be arriving a little late and that she had been asked to begin the meeting in his absence.

2- INVOCATION & PLEDGE OF ALLEGIANCE

Trustee Joseph Summers

3- DECLARATION OF CONFLICTS OF INTEREST

No conflicts declared

4- CONSENT AGENDA

A- Adoption of Agenda
B- Approval of Minutes – September 23, 2026

Financial Chairman Lyle Holmgren made a motion to approve items A-B on the consent agenda, motion was seconded by Trustee Brian Shaffer; all members vote aye, motion passed.

5- APPROVAL OF FINANCIAL STATEMENTS – SEPTEMBER 2026

Financial Chairman Lyle Holmgren began his report by expressing appreciation to staff for preparing and distributing the financial statements, noting that as the year draws to a close, it was a good time to review the District's financial position compared to the previous year. He reported that the District currently holds about $4.2 million in cash and investments, which is somewhat lower than the approximately $5 million held at this time last year. However, total assets have increased slightly, now standing at just over $25 million compared to $24.5 million the previous year. Water sales revenue is between $500,000 and $600,000, representing about 81% of the budgeted amount for the year. Farm and rental income is at $318,000, reflecting an increase due to adjustments in farm rental charges. Property tax collections are

currently at about 38% of the expected annual amount, with the majority of property tax revenue anticipated to be received after November.

Lyle also addressed questions regarding the Bothwell impact fees, noting that the District had budgeted for $7.6 million in impact fees, with $4 million of that being discussed at the current meeting. He invited General Manager Chance Baxter to elaborate on the impact fee situation. Chance explained that when preparing the budget, the District made projections, including the expectation of securing $5 million in impact fees from Tremonton City. In reality, only $4 million was received. Additionally, the budget had accounted for three large potential developments, but those projects did not come to fruition, resulting in an overestimation of impact fee revenue by $3.6 million for the year. Chance emphasized that such discrepancies are a result of the inherent uncertainty in budgeting, as not all anticipated developments materialize.

In closing, Lyle stated that he has been asked to ensure that the monthly statements are in order, He concluded that, overall, the District's finances are well-organized and progressing smoothly.
Trustee Tim Munns made a motion to approve the financial statements as presented, motion was seconded by Trustee Boyd Bingham; all members vote aye, motion passed.

6- PRESENTATIONS

A- Rate Study Report – Cody Deeter, EFG Consulting

Cody Deeter presented the District's rate study report, outlining a scenario in which water rates would be set to fully cover all operational, debt service, and capital costs, while property tax revenue would be redirected to other purposes such as projects or community support. Cody explained that under this model, the base rate for every retail system would be raised to $60 per month in 2027—a roughly 40% increase—followed by 5% annual increases through 2034. He noted that this would result in an average annual rate increase of nearly 8% over the period due to the initial large jump. Cody also discussed assumptions regarding new connections and growth, and how these would impact revenues and required rate increases. He emphasized that the analysis did not assume any reduction in water usage in response to higher rates, which could affect the projections if customers did choose to conserve.

Trustee Kelly Lemmon questioned why the analysis assumed property taxes would be redirected rather than eliminated, suggesting that reducing taxes could be an incentive for the public. Cody responded that the model simply showed one option, and that reducing property taxes entirely was also possible. Kelly also asked about the rationale for keeping property taxes within the District, to which Cody and Chance Baxter explained that the funds could be used for infrastructure projects throughout the county, with an application process for communities to access those funds.

Chairman Jay Capener asked about the fixed versus variable costs in the District's operations, particularly if customers reduced water use in response to higher rates. Cody replied that, based on his experience with other water utilities, 80-90% of costs are fixed, with only a small portion being variable (such as electricity for pumping). Jay clarified that this means customers could not significantly reduce their bills by using less water, and Cody agreed, noting that a deep sensitivity analysis would be needed to ensure the District did not end up in a cycle of raising rates as usage declined.

Lyle asked about how the property tax revenue would be used if not for water system costs, and Chance explained that the idea was to sponsor infrastructure projects for various communities, with policies and criteria to ensure fairness. Lyle also inquired about whether the analysis accounted for future needs and resource replacement, and Cody pointed out that capital projects were included in the projections, though actual needs may fluctuate over time.

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Throughout the discussion, board members expressed concern about the potential for customer pushback if rates were increased sharply in a single year, and several advocated for a gradual, phased approach. Cody and Chance agreed that the scenario presented was an "extreme end" and that a more moderate transition could be considered. The board ultimately directed staff to explore the concept further and return with additional options and analysis.



Assumptions

- Water rates cover all costs
- Property tax subsidy eliminated
- Bring base rate up to $60/month
  - +-40% increase in 2027
- 5% annual rate increase 2028-2034
- Harper Ward
  - Added 200 AF contract for West Corinne
  - Added 1,300 AF contract for Brigham City for the next 5 years
- All Capital Projects
- Bonds and Impact Fees for Bothwell / Tremonton Project

Results

	Retail/Month (average)				
System	2026 Rates	2027 Rates	2034 Rates	Ave Annual Rate Increase	New Connections %
Beaver Dam	47.36	66.78	93.97	7.91%	0.00%
Bothwell	103.14	145.43	204.64	7.91%	20.89%
Collinston	71.57	100.91	141.99	7.91%	3.01%
Harper Ward	93.46	131.78	185.43	7.91%	1.51%
South Willard	62.77	88.51	124.54	7.91%	47.88%

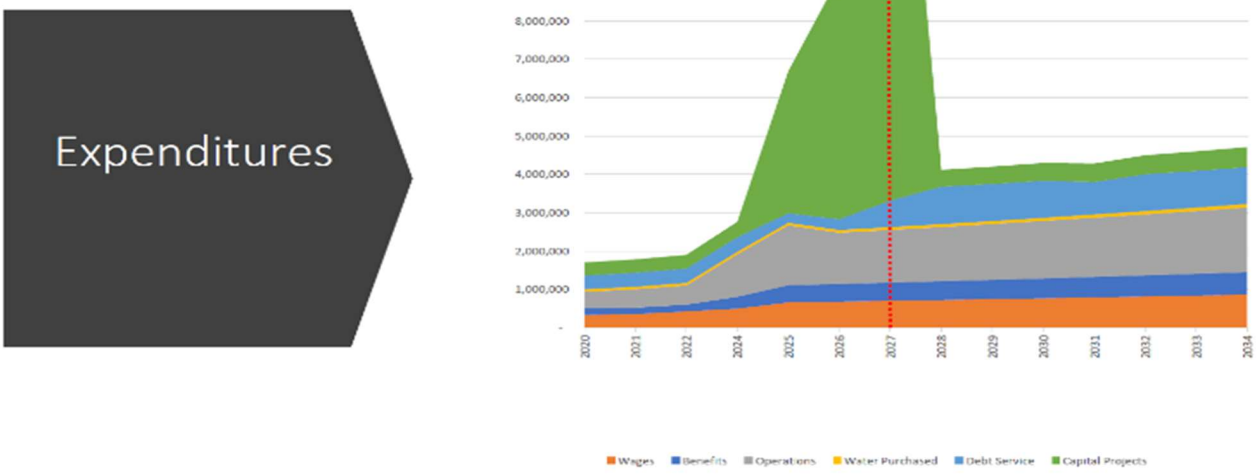
Results

	Wholesale			
System	2026 Rates Per AF	2027 Rates per AF	2034 Rates per AF	Ave Annual Rate Increase
Beaver Dam	0	0	0	0.00%
Bothwell	$ 479.72	$ 493.32	$ 978.75	8.25%
Collinston	$ 479.72	$ 493.32	$ 978.75	8.25%
Harper Ward	$ 479.72	$ 493.32	$ 978.75	8.25%
South Willard	$ 479.72	$ 493.32	$ 978.75	8.25%

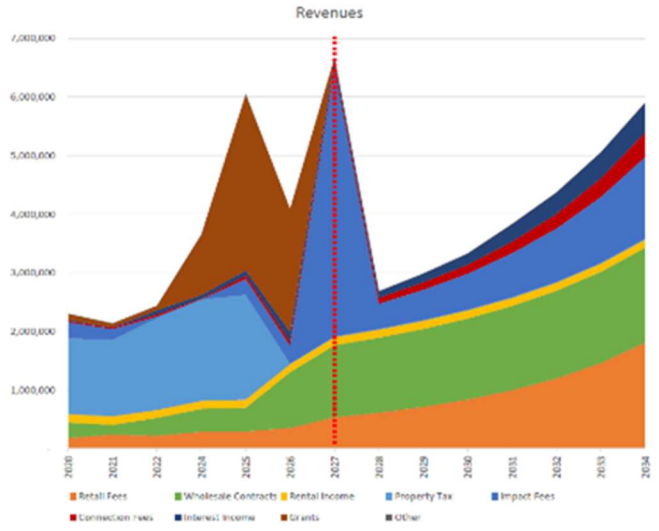
Results

System	Property Tax	2027
Beaver Dam	0.77%	$ 14,112
Bothwell	0.00%	-
Collinston	0.00%	-
Harper Ward	0.00%	-
South Willard	0.00%	-
Total	0.77%	14,112
Remainder	99.23%	**1,808,807**
Total		1,822,919

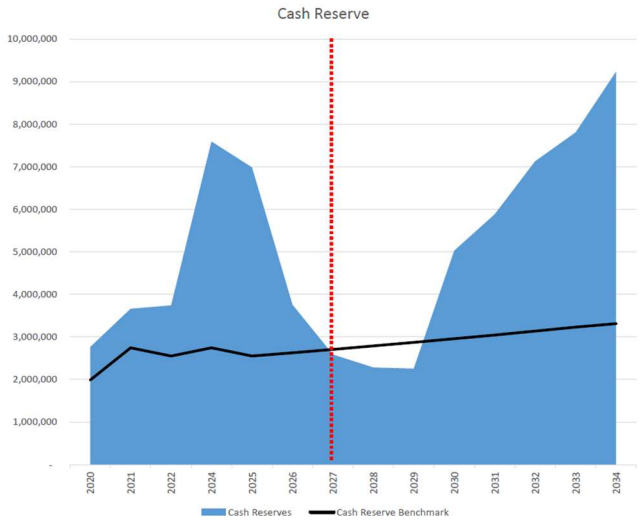
Expenditures



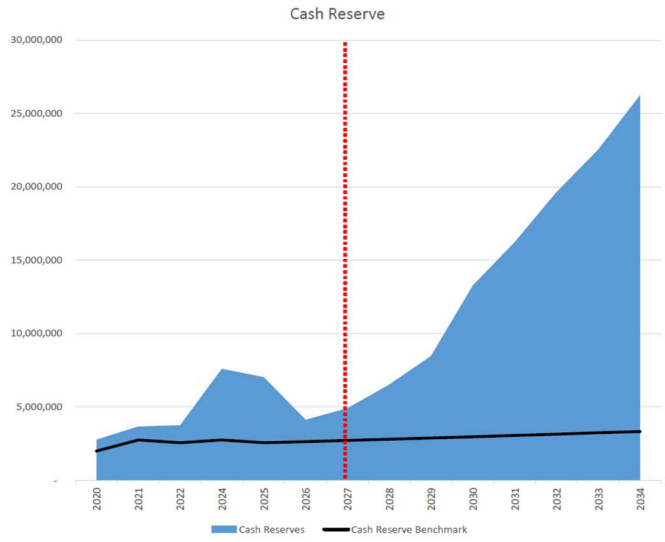
Revenues

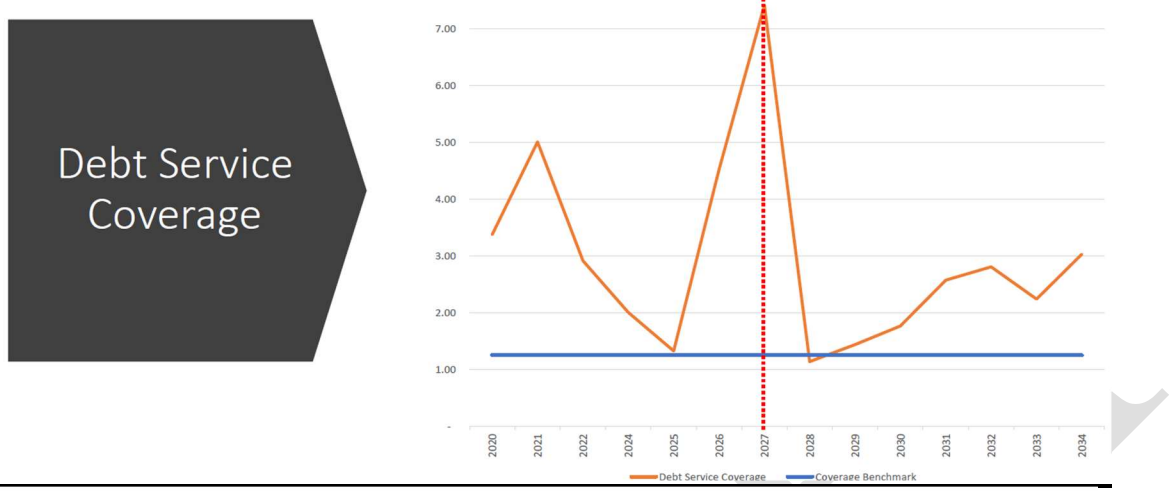


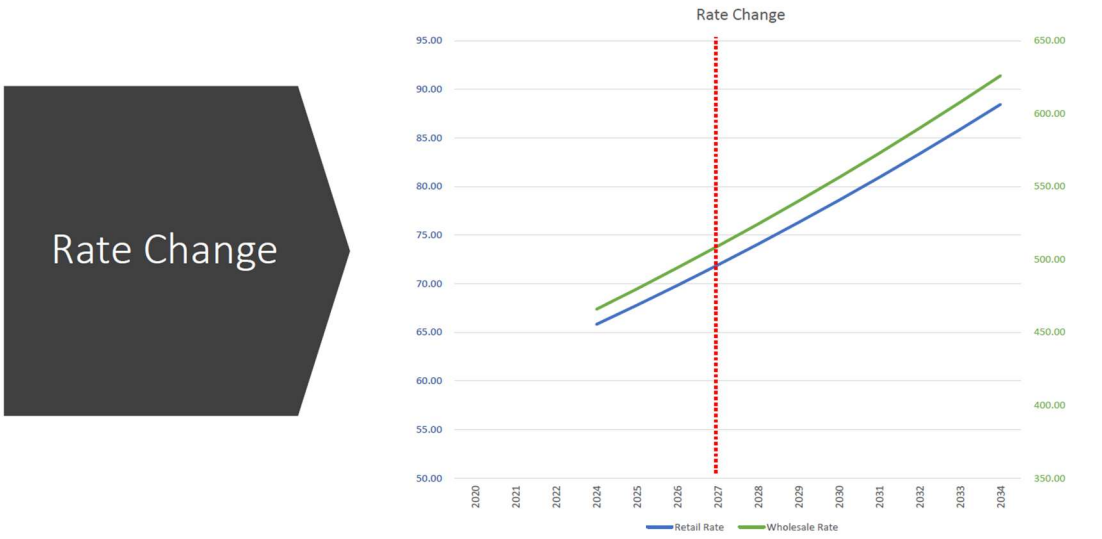
Cash Reserves w/o PTax



Cash Reserves with PTax







B- District Financial and Policy Analysis – Jacob Stombeck, Rex Carpenter; AE2S
Rex Carpenter and his team from AE2S presented the District Financial and Policy Analysis, which aimed to identify opportunities for internal funding and to evaluate the District's capacity to support future projects through its own resources. The analysis began with a review of current water usage, meter counts across retail, wholesale, and agricultural sectors, and recent revenue streams. The team noted that while retail and agricultural sales are expected to remain relatively stable, significant growth is projected in wholesale water use, which will drive much of the District's future revenue increases. The analysis assumed the continuation of 3% annual rate increases and ongoing efforts to secure grants and bonds for capital projects.

The AE2S team modeled several growth scenarios, including a baseline with minimal growth, a moderate scenario with a 25% increase in wholesale water sales and a 10% increase in property tax revenue due to population growth, and a high-growth scenario with up to 100% increase in wholesale water sales and

30% population growth over the next decade. Their findings indicated that, even under the baseline scenario, the District would have a stable annual surplus of approximately $750,000 available for additional projects. Under the moderate growth scenario, this surplus could rise to nearly $1.5 million annually, and under the high-growth scenario, it could reach as much as $3 million per year.

The presenters suggested that these surpluses could be used to establish a grant and loan program to support projects throughout the District, particularly for smaller or underserved communities. They recommended starting with smaller grants of up to $50,000 per project for preliminary studies or minor improvements, with the potential to increase funding as surplus revenues grow. The team also discussed the importance of developing clear policies and criteria for project eligibility and prioritization, possibly based on the District's seven planning regions and the needs identified in the master plan.

Chance Baxter asked whether there were examples of similar programs in Utah, and the AE2S team responded that while such programs are rare in Utah, they have seen successful models in other states such as Minnesota and South Dakota, where regional Districts use surplus funds to help member communities with local projects. Board members discussed the alignment of this approach with the District's mission and the need to balance supporting community projects with maintaining resources for future water development. The consensus was that the District is in a strong financial position to consider such a program, and further work will be done to refine policies and ensure compliance with relevant budgeting rules before moving forward.



Introduction

- Completed an analysis of BRWCD's ability to support a grant/loan program to fund projects for its members
- Included review of:
  - Budgets
  - Water usage
  - Usage and tax revenues
  - Policy information

Outcome . . . Delivered a projection of BRWCD's revenue tied to future usage and population growth

System Information

- **Accounts:**
  - **Retail:** 316 meters from Bothwell, Beaver Dam, Collinston, Harper, and South Willard
  - **Wholesale:** 31 meters
  - **Agriculture:** 1 meter at farm owned by BRWCD

- **Water usage:**
  - 2025 total retail volume ~60.5M gallons
  - 2025 Wholesale and Agriculture volume 2,071 acre-ft
  - Significant growth is not expected from Retail or Agriculture users
  - Growth of Wholesale water volume is expected

BRWCD User Class Flows

User Class	2025	2026	2027
Retail			
Base Rate (0-15,000)	12,697,000	12,697,000	12,697,000
Tier 1 (15,001-30,000)	7,163,000	7,163,000	7,163,000
Tier 2 (30,001-60,000)	15,139,000	15,139,000	15,139,000
Tier 3 (60,001-100,000)	13,830,000	13,830,000	13,830,000
Tier 4 (100,001-250,000)	11,380,000	11,380,000	11,380,000
Tier 5 (250,000-1,000,000)	328,000	328,000	328,000
Total Retail Flow (gal)	**60,537,000**	**60,537,000**	**60,537,000**
Wholesale			
Wholesale (acre-ft)	971	982	2,752
Agriculture			
Agriculture (acre-ft)	1,100	1,100	1,100
Total Wholesale + Ag Flow (acre-ft)	**2,071**	**2,082**	**3,852**

BRWCD Expenses

BRWCD Operating Budget

Total by Revenue Requirement Category	2026	2027	2028	2029	2030
O&M	$2,991,718	$3,074,140	$2,914,704	$3,002,145	$3,092,209
Debt Service	$150	$155	$159	$164	$169
Capital	$180,000	$-	$-	$-	$-
Depreciation	$-	$-	$-	$-	$-
Total	**$3,171,868**	**$3,254,294**	**$3,094,863**	**$3,182,309**	**$3,272,378**

Capital projects are paid with combination of grants/bonds

Capital Improvement Plan

Project/Improvement	Funding Source	2025	2026	2027
Harper Well, Harper Ward	Debt	$2,814,560	$-	$-
500,000 Gallon Storage Tank, Harper Ward	Debt	$1,800,000	$-	$-
Transmission Line, Harper Ward	Debt	$390,000	$-	$-
South Willard Well #2 – Drilling, South Willard	Debt	$2,000,000	$-	$-
Pipe Segment A (10800 W & 12800 North to I84) Tremonton	Debt	$-	$-	$3,075,000
Pipe Segment B (Tank & 10800 W to 13600 N) Tremonton	Debt	$-	$-	$3,539,000
Pipe Segment C (Along I84 from 12800 N to 1000) Tremonton	Debt	$-	$-	$4,100,000
2.5M Gal Storage Tank with Segment B Tremonton	Debt	$-	$-	$3,100,000
South Willard Pump House	Rate Revenue	$-	$900,000	$-
Transmission Line, South Willard	Rate Revenue	$300,000	$100,000	$-
Farm Building Purchase	Rate Revenue		$63,172	$-
Total		**$7,304,560**	**$1,063,172**	**$13,814,000**

BRWCD Retail Revenue

- **Fixed and variable charges**
- **Fixed charge is for retail users only, 3% annual increases**
  - 2026: $42.44 per account/month = ~$169k annually
- **5-Tier volumetric rates 3% annual increases**
  - Generate ~$306k annually
  - Total retail sales ~$475k for 2026

Retail Rate Tiers

Volumetric Rate Structure	2025	2026	2027 (Projected)
Retail ($/kgal)			
Base Rate (0-15,000)	$-	$-	$-
Tier 1 (15,001-30,000)	$2.06	$2.12	$2.19
Tier 2 (30,001-60,000)	$4.12	$4.24	$4.37
Tier 3 (60,001-100,000)	$7.21	$7.43	$7.65
Tier 4 (100,001-250,000)	$10.30	$10.61	$10.93
Tier 5 (250,000-1,000,000)	$10.30	$10.61	$10.93

BRWCD Wholesale/Agriculture Rate Revenue

- Variable rates only
- Comprise ~75% of system's revenue
- Rates increase 3% annually
- Wholesale charged $493.32/acre-ft in 2026
- Agriculture charged $250/acre-ft in 2026

Total Rate Revenue by User Type

Revenue by User Class	2025	2026 (Projected)	2027 (Projected)
Retail	$450,699	$475,423	$492,298
Wholesale	$465,216	$484,601	$1,398,511
Agriculture	$-	$275,000	$283,250
Total	**$915,916**	**$1,235,024**	**$2,174,059**

BRWCD Miscellaneous Revenue

- **Revenue generated from multiple sources**
- **High degree of variability**
  - Large projects in 2026-2027 driving high amount of impact fees . . . Applied to projects
  - Several large grants also affecting revenue variability . . . Applied to projects
- **For comparison**
  - Average miscellaneous revenue 2025-2027 is ~$6.4M
  - Average miscellaneous revenue 2028-2030 is ~$2.1M, Future grants/impact fees are not projected by BRWCD

Miscellaneous revenue

Year	2025	2026	2027
Retail	$12,419	$12,774	$12,774
Rental Income	$137,625	$38,004	$38,004
Property Taxes	$1,912,406	$1,951,751	$1,951,751
Grants	$2,825,961	$130,000	$2,030,000
Impact Fees	$221,266	$4,067,081	$3,647,880
Other Non-Operating Income	$125,892	$151,000	$-
Total	**$5,235,569**	**$6,350,610**	**$7,680,409**

Assumption . . . Grants and impact fees are likely to continue

Expense and Revenue Summary

- Variability in miscellaneous revenue is caused by:
  - Growth/decline in grants
  - Impact fees
  - Other non-operating income
- Projected to show a revenue surplus under current funding scenario
- BRWCD is in good financial position to fund its own expenses
- Could share revenue proceeds through grant/loan programs for upgrades or other projects . . . Especially if water sales and population growth expectations are realized.

Description	2025	2026	2027	2028	2029
Total Operating Expenses	$3,617,590	$2,991,718	$3,074,140	$2,914,704	$3,002,145
Capital Funded Through					
Debt	$3,652,280	$163,172	$-	$-	$-
Total Capital Expense	$3,652,280	$163,172	$-	$-	$-
Other Revenue Requirements					
Debt Service P&I	$374,768	$404,252	$674,542	$664,291	$663,970
Contributions to Reserves	$11,443	$11,443	$11,443	$11,443	$11,443
Transfers Out	$-	$-	$-	$-	$-
Total	$515,211	$1,142,592	$981,355	$1,592,120	$1,591,799
Total Revenue Requirements	$7,656,081	$3,570,585	$3,760,125	$3,590,438	$3,677,558
Capital Funding/Financing					
Debt Proceeds	$3,652,280	$163,172	$-	$-	$-
Other	$-	$-	$-	$-	$-
Total	$-	$-	$8,500,000	$-	$-
Net Revenue Requirements	**$4,003,801**	**$3,407,413**	**$3,760,125**	**$3,590,438**	**$3,677,558**
Revenues					
Rate Revenue	$915,916	$1,235,024	$2,174,059	$2,242,011	$2,312,126
Other Revenue	$3,514,608	$2,350,610	$2,080,933	$2,081,659	$2,082,396
Total Revenues	**$4,430,524**	**$3,585,634**	**$4,254,991**	**$4,323,670**	**$4,394,522**
Overall Revenue Surplus/(Deficiency)					
Amount	**$426,723**	**$178,221**	**$494,867**	**$733,232**	**$716,964**

System Growth Modeling

- Box Elder County is expecting population growth
- Box Elder County is expecting industrial demand for wholesale water to increase
- Doubling the current wholesale volume is possible in the next decade
  - To project this revenue, the model was rerun at 25%, 50%, 75%, and 100% wholesale volume growth scenarios
  - Growth percentages are cumulative and spread evenly 2028-2037
- Box Elder County's population growth predicted to be ~13%* from 2026-2035
- The model was rerun with property tax revenue increases of 10%, 20%, and 30%
- Property tax rate is not being increased . . . Policy decision

Population growth affecting water demand

	Population*	Population %	Water (acre-ft)	Per Person (acre-ft)
2025	63,267	NA	971	65.13
2035	71,482	NA	3,290**	21.74
Increase	**8,215**	**13.0%**	**3,486**	**3.54**

Source: Univ. of Utah Policy Institute
***25% modeled wholesale flow growth in 2035*

System Growth Modeling

Box Elder County's Master Plan is in close agreement with modeled demand.

Population And Industrial Growth Affecting Water Demand

	Population*	Population %	Water (acre-ft)
2025	63,267	NA	971
2035	71,482	NA	3,290**
Increase	**8,215**	**13.0%**	**3,486**

Source: Univ. of Utah Policy Institute
***25% modeled wholesale flow growth in 2035*

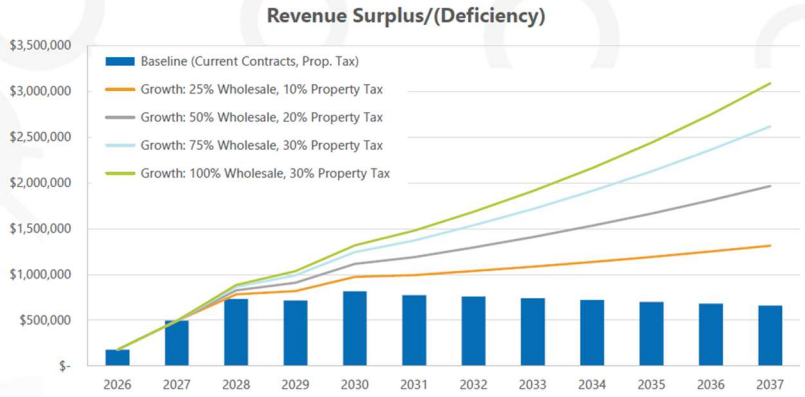
County Water Demand Increase

Public Water Supplier	Estimated 2035 Units	Residential Use (gpcd) (DWRe)	Total Use (AF) (DWRe)	Increased Res Use (AF)	% Increase of Total Use
Brigham City	1150	140	7703	523	7
Brigham City (updated 7/30/26 mtg)	3600	-	-	1637	22
Perry	600	53	1963	103	5
South Willard	600	55	108	107	99
Willard	650	197	958	416	43
Water Demand Increase: North Area					
Garland	230	99	352	74	21
Tremonton	3185	124	2923	1283	44
Total	**8,865**	**528**	**6,304**	**3,620**	

Source: Countywide Water Master Plan | Box Elder County, UT

System Growth Modeling

- Water sales and population growth are expected
- Four scenarios were modeled to cover range of growth projections
- Projections suggest ~$1-$3M in annual revenue surplus could exist by 2035
- CIP plan only runs through 2027, so projects may reduce surplus



Suggestion . . . Develop placeholder values for CIP and Misc. Revenue

Conclusions

1 10-year Excel-based model was developed

2 Show the utility is in good financial position and expected growth will drive new demand and revenue

3 Results indicate ~$1-$3M revenue surplus annually could be realized in coming decade

4 Excess funds could feed a grant/loan program

Future Scope

- BRWCD should rank funding priority according to the 7 planning regions in its master plan
  - Develop policies for ranking projects and eligibility
  - As surplus increases, funding tiers could be opened up
- AE2S has experience building similar programs

Potential Funding Program Tiers

Revenue Surplus Level	Funding Levels	Activities
$500k or less	Up to $50k	Preliminary studies or engineering reports
$500k to $1M	$50k to $100k	Preliminary studies or engineering reports
$1M to $2M	Up to $500k	Infrastructure projects (or engineering reports up to $100k)
$2M+	Up to $1M	Infrastructure projects (or engineering reports up to $100k)

C- Cloud Seeding Presentation – Jared Smith, Rainmaker Technologies; Jonathan Jennings, Utah Division of Water Resources

Jared Smith, Director of Operations for Rainmaker Technology Corporation, gave a presentation updating the board on the company's cloud seeding efforts in the region. He explained that Rainmaker's mission is to enhance water availability in water-scarce areas by using advanced technology to increase precipitation from existing storm systems. The process involves dispersing silver iodide, a compound that encourages the formation of ice crystals, into clouds using both ground-based generators and, more recently, drones capable of flying directly into storm clouds. Jared highlighted the improvements in targeting and validating cloud seeding operations, including the use of real-time weather data, remote-controlled generators, and sophisticated radar and satellite monitoring to measure the actual impact of seeding efforts. He shared recent results from operations in Oregon and Alaska, demonstrating clear, measurable increases in precipitation directly attributable to drone-based seeding.

Jared also described the Bear River Basin Program, a collaborative effort funded by Utah and Idaho to deploy drone-based cloud seeding specifically for the Bear River watershed, with seven drone teams and advanced radar stationed in Cache Valley to provide transparent, verifiable results. He addressed questions from the board regarding the effectiveness, safety, and environmental impact of the technology, noting that silver iodide is insoluble in water and environmental monitoring has found no harmful accumulation in local water supplies. The cost of cloud seeding was discussed, with the state's current estimate being about $37 per acre-foot for ground-based programs and a goal to keep drone-based costs under $100 per acre-foot. Jared emphasized Rainmaker's commitment to transparency, community engagement, and scientific validation, and he invited the board to review future results as more data becomes available. The board subsequently discussed and approved the annual cloud seeding agreement with Rainmaker, with the District contributing $30,000 and the state matching that amount. *(full slide presentation available in meeting packet material)*

7- ACTION ITEMS

A- Approval of proposed Cloud Seeding Agreements with Rainmaker Technologies and Utah Division of Water Resources

Trustee Riggin Holmgren made a motion to approve the cloud seeding agreement with Rainmaker Technology, with the District contributing $30,000 annually and the state matching that amount for a total of $60,000, the motion was seconded by Trustee Kelly Lemmon; all members vote aye, motion passed.

B- Box Elder County Beef Producers Dinner Sponsorship ($1,000) – Chance Baxter
The board considered the request to sponsor the Box Elder County Beef Producers Dinner. Chance Baxter explained that this was the same event the District sponsored last January, which had a strong turnout of nearly 200 attendees, and that several board members had requested such sponsorships be brought before the board for approval. The sponsorship request was for $1,000, Trustees discussed the value of the sponsorship, noting its benefits for public relations and goodwill within the agricultural community, as well as the opportunity for the District to have a presence at the event. Trustee Tim Munns made a motion to approve the $1,000 sponsorship for the dinner, motion was seconded by Trustee Riggin Holmgren; all members vote aye, motion passed.

C- Tremonton City Water Petition (270 AF) – Carl Mackley, Tremonton City
Carl Mackley from Tremonton City addressed the board to request approval for the purchase of 270 additional acre-feet of wholesale water from the Bothwell system, explaining that this request was directly tied to the city's rapid growth and the need for reliable culinary water sources. He described Tremonton's policy of requiring new developments to provide irrigation shares, which has supported the city's secondary water system, but emphasized that culinary water remains a limiting factor for further development.

Carl explained that the city had successfully secured a $4 million grant from the Utah State Legislature specifically to help fund the purchase of additional water from the District. The grant funds were transferred to the Division of Water Resources and are being held until Tremonton City can provide proof of payment to the District for the water purchase. Upon approval of the petition by the board, Tremonton City would pay the District an impact fee of $14,838 per acre-foot for the 270 acre-feet, totaling approximately $4 million. This payment would be made upfront, using the legislative grant, and would allow the District to move forward with the necessary infrastructure improvements.

Chance Baxter clarified that the District, not Tremonton City, would be responsible for constructing the expanded pipeline infrastructure needed to deliver the additional water. The project involves upgrading the existing 10-inch pipeline to larger 16- and 20-inch lines, with the District overseeing construction and future maintenance. The upfront impact fee payment from Tremonton City would help finance these improvements, and the city would also pay ongoing wholesale water rates under a perpetual contract. Trustees discussed the details of the contract, the use of grant funds, and the broader benefits of the pipeline expansion, including the potential to serve other communities such as Garland City and Ukon Water in the future. Chance confirmed that the project would not reduce agricultural water supplies and that development costs would continue to be covered by impact fees or direct developer contributions. After discussion, Trustee Mike Braegger made a motion to approve the petition, motion was seconded by Financial Chairman Lyle Holmgren; all members vote aye, motion passed. Carl thanked the board for their support and indicated that the city would proceed with the purchase and contract process.

D- Dylan Oyler Subdivision, approval of culinary improvements – Chance Baxter
The board reviewed a request for approval of water system improvements for the Dylan Oyler Subdivision, a two-lot development located in Deweyville. Chance Baxter reported that the project plans, prepared by Dylan Oyler's engineers, had undergone a thorough review by the District's engineering team and were revised as necessary to comply with District standards. He expressed confidence that the improvements would be built to the required specifications and noted that the cost of the District's engineering review would be charged to the developer. Trustee Tim Munns made a motion to approve the improvements, motion was seconded by Vice-Chairman Lesley Kendrick; all members vote aye, motion passed.

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E- Serenity Vista Development approval of culinary improvements – Chance Baxter
The board considered approval of water system improvements for the Serenity Vista Development, a 12-home subdivision in Deweyville proposed by Vernon Mortensen. Chance Baxter explained that the development, which is located in the county and not served by Deweyville City, had completed all necessary zoning and planning steps. Project plans were submitted to the District's engineers, reviewed, and revised to meet District standards. Chance confirmed that the proposed improvements satisfied all District requirements and recommended approval. Baxter clarified that the development would be served as a retail customer of the District. Trustee Boyd Bingham made a motion to approve the water system improvements for Serenity Vista, motion was seconded by Trustee Mike Braegger; all members vote aye, motion passed.

9- PUBLIC COMMENT
No public comment

10- TRUSTEES REPORT

Lesley Kendrick
Vice-Chairman Lesley Kendrick inquired whether Chance Baxter had met with Nate Spackman regarding the Deweyville contract. Chance responded that he had only spoken with Nate by phone so far, but a meeting was scheduled for the following week, with the expectation that the contract would be ready for board consideration in November. Lesley also asked about the presence of District trucks and other vehicles in Harper Ward, to which Chance explained that they were conducting work related to the Brigham City Water Supply project, specifically a 24-hour test that had just concluded. Lesley had no further comments.

Lyle Holmgren
Financial Chairman Lyle Holmgren expressed appreciation for the board's approval of the Tremonton wholesale water petition, noting that it would benefit not only Tremonton but also surrounding communities. He described the decision as a significant step forward for the District. Lyle also asked if the board wanted to organize any kind of gathering or event, and after brief discussion, it was agreed to wait for the upcoming Christmas social rather than plan an additional get-together.

Mike Braegger
Mike Braegger shared that South Willard had recently approved another annexation, which included additional homes around the stake center and would connect to an existing development to the south. Mike had no further items to report.

Riggin Holmgren
No report

Brian Shaffer
No report

Kelly Lemmon
No report

Joseph Summers
No report

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Ryan Smith
No report

Tim Munns
Trustee Tim Munns noted that the west side of the District had received over three inches of rain in the past two weeks, which he described as a blessing for the area.

Boyd Bingham
Trustee Boyd Bingham expressed appreciation for the recent meeting regarding secondary water, describing it as productive. He had no additional items to report.

Jay Capener
No report

11- ADJOURNMENT

Trustee Riggin Holmgren made a motion to adjourn; motion seconded by Trustee Boyd Bingham; all members vote aye, motion passed.

Meeting adjourned at 8:00 PM

DRAFT

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Preparation Checklist

Revised February 2021

Fraud Risk Assessment

Refer to the Implementation Guide for more detailed explanations of concepts and criteria. See resources.auditor.utah.gov/s/article/Fraud-Risk-Assessment-Implementation-Guide

To complete the assessment, identify or obtain the following:

1. Name of the Board/Council Chair Jay Capener
2. Name of the Clerk/Finance Officer Jamie Williams
3. Name of the Treasurer Lyle Holmgren
4. Copies of credit/purchasing card statements, payments and supporting documentation.
5. Copies of bank reconciliations for all bank accounts and related bank statements.
6. Copies of the following policies if they existed during the assessment period:
    a. Conflict of Interest
    b. Procurement
    c. Ethical Behavior
    d. Reporting fraud and abuse
    e. Travel
    f. Credit/Purchasing Cards
    g. Personal use of entity assets
    h. IT and computer security
    i. Cash receipting and deposits
7. Copy of the CPA's license, if there is a CPA who is a member of the staff. Provide the contract for a contract accountant who is a CPA. Do not provide the independent auditor's CPA license. The independent auditor is not management.
8. Copy of the diploma if a member of the staff has a bachelor's degree in accounting (not required if documentation was provided for number 7 above).
9. Copies of the commitment to ethical behavior by the officials/officers of the entity.
10. Copies of the training certificate for the Office of the State Auditor board member training completed during the last 4 years.
11. Documentation (certificates, agendas, etc.) demonstrating that a member of the management team had at least 40 hours of financial training during the last year.
12. Copy of the internal audit plan for the assessment period.
13. Name of the internal auditor and a list of duties. If contractually performed, provide a copy of the contract.
14. Copies of any internal audit reports issued during the assessment period or last year, whichever is longer.
15. Copy of the audit committee charter.
16. A list of audit committee members during the assessment period.
17. Minutes or agendas for audit committee meetings. If meetings are confidential, a list of action items from those meetings will suffice.

Fraud Risk Assessment

Continued

*Total Points Earned: 320 /395 *Risk Level: Very Low > 355 | Low 316-355 | Moderate 276-315 | High 200-275 | Very High < 200

	Yes	Pts
1. Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?	✓	200
2. Does the entity have governing body adopted written policies in the following areas:		
a. Conflict of interest?	✓	5
b. Procurement?	✓	5
c. Ethical behavior?	✓	5
d. Reporting fraud and abuse?		5
e. Travel?	✓	5
f. Credit/Purchasing cards (where applicable)?	✓	5
g. Personal use of entity assets?	✓	5
h. IT and computer security?	✓	5
i. Cash receipting and deposits?	✓	5
3. Does the entity have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team?		20
a. Do any members of the management team have at least a bachelor's degree in accounting?		10
4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?	✓	20
5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.) online training (training.auditor.utah.gov) within four years of term appointment/election date?	✓	20
6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to accounting, budgeting, or other financial areas each year?		20
7. Does the entity have or promote a fraud hotline?		20
8. Does the entity have a formal internal audit function?	✓	20
9. Does the entity have a formal audit committee?	✓	20

*Entity Name: Bear River Water Conservancy District

*Completed for Fiscal Year Ending: 2026 *Completion Date: 10/23/2026

*CAO Name: Chance Baxter *CFO Name: Lyle Holmgren

*CAO Signature: _____ *CFO Signature: _____

*Required

Basic Separation of Duties

See the following page for instructions and definitions.

	Yes	No	MC*	N/A
1. Does the entity have a board chair, clerk, and treasurer who are three separate people?	✓			
2. Are all the people who are able to receive cash or check payments different from all of the people who are able to make general ledger entries?			✓	
3. Are all the people who are able to collect cash or check payments different from all the people who are able to adjust customer accounts? If no customer accounts, check "N/A".			✓	
4. Are all the people who have access to blank checks different from those who are authorized signers?	✓			
5. Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk to detect unauthorized disbursements?			✓	
6. Does someone other than the clerk review periodic reports of all general ledger accounts to identify unauthorized payments recorded in those accounts?	✓			
7. Are original credit/purchase card statements received directly from the card company by someone other than the card holder? If no credit/purchase cards, check "N/A".	✓			
8. Does someone other than the credit/purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation? If no credit/purchase cards, check "N/A".	✓			
9. Does someone who is not a subordinate of the credit/purchase card holder review all card purchases for appropriateness (including the chief administrative officer and board members if they have a card)? If no credit/purchase cards, check "N/A".	✓			
10. Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services?	✓			
11. Does someone authorize payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	✓			
12. Does someone review all payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	✓			

* MC = Mitigating Control

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Questionnaire

Revised December 2020

Basic Separation of Duties

Continued

Instructions: Answer questions 1-12 on the Basic Separation of Duties Questionnaire using the definitions provided below.

☺ If all of the questions were answered "Yes" or "No" with mitigating controls ("MC") in place, or "N/A," the entity has achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will be answered "Yes." 200 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

☹ If any of the questions were answered "No," and mitigating controls are not in place, the entity has not achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will remain blank. 0 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

Definitions:

Board Chair is the elected or appointed chairperson of an entity's governing body, e.g. Mayor, Commissioner, Councilmember or Trustee. The official title will vary depending on the entity type and form of government.

Clerk is the bookkeeper for the entity, e.g. Controller, Accountant, Auditor or Finance Director. Though the title for this position may vary, they validate payment requests, ensure compliance with policy and budgetary restrictions, prepare checks, and record all financial transactions.

Chief Administrative Officer (CAO) is the person who directs the day-to-day operations of the entity. The CAO of most cities and towns is the mayor, except where the city has a city manager. The CAO of most local and special districts is the board chair, except where the district has an appointed director. In school districts, the CAO is the superintendent. In counties, the CAO is the commission or council chair, except where there is an elected or appointed manager or executive.

General Ledger is a general term for accounting books. A general ledger contains all financial transactions of an organization and may include sub-ledgers that are more detailed. A general ledger may be electronic or paper based. Financial records such as invoices, purchase orders, or depreciation schedules are not part of the general ledger, but rather support the transaction in the general ledger.

Mitigating Controls are systems or procedures that effectively mitigate a risk in lieu of separation of duties.

Original Bank Statement means a document that has been received directly from the bank. Direct receipt of the document could mean having the statement 1) mailed to an address or PO Box separate from the entity's place of business, 2) remain in an unopened envelope at the entity offices, or 3) electronically downloaded from the bank website by the intended recipient. The key risk is that a treasurer or clerk who is intending to conceal an unauthorized transaction may be able to physically or electronically alter the statement before the independent reviewer sees it.

Treasurer is the custodian of all cash accounts and is responsible for overseeing the receipt of all payments made to the entity. A treasurer is always an authorized signer of all entity checks and is responsible for ensuring cash balances are adequate to cover all payments issued by the entity.

OFFICE OF THE
STATE AUDITOR

Questionnaire

Revised December 2020

Fraud Risk Assessment

INSTRUCTIONS:

- Reference the *Fraud Risk Assessment Implementation Guide* to determine which of the following recommended measures have been implemented.
- Indicate successful implementation by marking "Yes" on each of the questions in the table. Partial points may not be earned on any individual question.
- Total the points of the questions marked "Yes" and enter the total on the "Total Points Earned" line.
- Based on the points earned, circle/highlight the risk level on the "Risk Level" line.
- Enter on the lines indicated the entity name, fiscal year for which the Fraud Risk Assessment was completed, and date the Fraud Risk Assessment was completed.
- Print CAO and CFO names on the lines indicated, then have the CAO and CFO provide required signatures on the lines indicated.

OFFICE OF THE
STATE AUDITOR

Implementation Guide

Revised December 2020

Fraud Risk Assessment

Background

The Office of the State Auditor (Office) regularly receives complaints of fraud or abuse by local government officials. The Office is also aware of internal investigations performed by local governments of their own officials and employees. Some of these situations receive significant media coverage, while others are resolved with less publicity. In either case, the level of concern by the public and local and state officials is significant. Many have asked the Office for more direction on how to prevent such occurrences in the future. The program outlined in this guide is designed to help measure and reduce the risk of undetected fraud, abuse, and noncompliance in local governments of all types and sizes. This assessment is a starting point, it is the hope of the Office that local governments will add to and adapt this form to improve how they manage their internal controls and the risk of fraud, waste and abuse.

Internal Controls as a Discipline

Professional literature, as well as our own experience, indicates that the solution to the reduction of fraud risk lies in effective internal controls. Internal controls are the policies, practices, and processes that ensure the operations of an organization are performed effectively and efficiently. Internal Controls are also intended to deter or prevent the misuse of public funds. Since internal controls require time and resources, entities should seek to reduce risk to an acceptable level, not eliminate risk altogether. In other words, a lock should never cost more than the item it is intended to protect.

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is a group of organizations dedicated to providing frameworks and guidance on risk management, internal control, and fraud deterrence. COSO publishes a document "Internal Control – Integrated Framework" (the COSO Framework). The COSO Framework is noted as the gold standard for designing and implementing an entity-wide internal control program for all organizations including governments. The Government Accountability Office (GAO) publishes its own guidance for proper internal controls in government entities known as the Green Book. The Green Book follows the COSO Framework, but adds some specific context that is unique to the government environment. We used both of these publications as resources for this project.

The COSO Framework includes five principles:

- Tone at the Top
- Risk Assessment
- Control Activities
- Communication

- Monitoring

Incorporating these five principles into an organization is a recommended but complex endeavor. Most accountants and auditors have been trained on these principles, but full implementation requires additional training and a commitment throughout the organization to be effective. We recommend every organization with the resources use COSO, GAO, GFOA, or any other reputable source as an aid to implementing a comprehensive internal control program.

Due to the expense, most local governments in Utah lack the resources necessary to completely implement the COSO Framework. Our goal is to take the concepts of the COSO Framework and boil them down to specific measures that every local government can incorporate at minimal cost. If properly implemented, we believe these measures will reduce the risk of undetected fraud, abuse, and noncompliance. We have also developed a risk assessment model that provides a basic evaluation of an entity's fraud risk, based upon required separation of duties and our recommended measures.

Recommended Measures

1. Separate Duties over Cash Accounts (Crucial)

Widely recognized as a crucial internal control, separation of duties includes separating the powers of the treasurer and clerk (the person who performs the accounting function, regardless of title), as required by state law. If the roles and responsibilities of treasurer and clerk are *not* 1) separate, 2) independent, and 3) monitored by the governing board, the risk of financial fraud and abuse increases.

In general, the treasurer is responsible for the collection and custody of funds while the clerk validates payment requests, ensures compliance with policy and budgetary restrictions, prepares checks, and records all financial transactions. In situations where proper separation of duties are not maintained, mitigating controls must be implemented. Because of the extreme importance of this control, we have developed a separate questionnaire (see attached) to help determine if basic separation of duties or mitigating controls are in place.

2. Require a Commitment of Ethical Behavior

Purpose

A critical, fundamental, and far-reaching problem facing government today is the lack of public trust and confidence. Government officials are expected to perform their government duties without using their position for personal benefit. A written statement on ethical behavior will provide clarity and serve as a physical reminder of the aspirations of the organization.

Overview

Maintaining an ethical environment requires setting an example and communicating proper expectations at every level of the organization. Training and re-enforcement of

ethical standards must be continuous and applicable. Expectations must point to the highest standards and not excuse bad behavior by anyone for any reason.

Implementation

We recommend the entity set clear expectations and exercise consistent enforcement. We recommend instilling a culture rewarding high ethical standards, rather than rewarding cutting corners or engaging in questionable or self-serving behavior. We recommend that every entity have a written policy and strong practices that address a standard of ethical behavior, including prohibited activities, required disclosures, and clear directions on how and to whom disclosures should be submitted and reviewed. We also recommend that the entity require elected or appointed officials and employees to annually commit in writing to abide by the entity's standards of ethical behavior. This practice will provide an opportunity to review the policy and identify any potential or actual conflicts of interest. Requiring periodic confirmation will deter individuals from acting unethically and identify issues before they become problematic.

3. Adopt and Put Into Practice Written Policies

Overview

The governing body should evaluate policies to make sure they establish proper oversight and direct the organization toward the desired outcomes. The following are key policies along with certain elements that we have identified that are either required by law or best practices to improve the internal control system. As a matter of practical implementation, template policies that contain these elements are available on the Office's website at resources.auditor.utah.gov.

a. Conflict of Interest
   1. Specifies who is required to declare conflicts.
   2. States that if a new conflict arises during course of business it must be reported.
   3. Requires each public official/employee to complete a disclosure form on an at least an annual basis.
   4. Identifies the individual/position responsible to gather disclosure forms.
   5. Disclosure forms provide the user a way to disclose conflicts or indicate that they have no conflicts.
   6. Disclosure forms must list the name and position of the public official/employee.
   7. Disclosure forms must list the name of the business entity and ownership interest or position for a business regulated by the entity for which there is a conflict.
   8. Disclosure forms must list the name of the business entity and ownership interest or position for businesses doing business with the entity.
   9. Disclosure forms must list any investments that may create a conflict with the entity.
   10. The disclosure shall be made in a sworn statement filed with the entity's governing body.

b. Procurement

Seek the best value for the entity and promote a competitive purchasing process.

1. Specifies a small item threshold allowing employee or department discretion.
2. Specifies documentation required for each level of purchasing (e.g. small purchases, medium purchases and purchases requiring competitive bid).
3. Specifies purchasing procedures (e.g. advertising methods and time frames, rejection of bids, appeals) for items requiring competitive bid.
4. Lists exemptions and documentation needed for not following regular bidding requirements (e.g. sole source provider, emergency purchases etc.).
5. Addresses improper or illegal conduct:
    a) Prohibits dividing a procurement to avoid following policy (Utah Code 63G-6a-2404.3)
    b) Prohibits kickbacks (Utah Code 63G-6a-2404)
    c) Requires disclosure of conflicts of interest (Utah Code 63G-6a-2406)
    d) Prohibits cost-plus-a-percentage-of-cost contracts (Utah Code 63G-6a-1205)
    e) Lists other specific activities that are not allowed (Utah Code 67-16 applies to the state and all political subdivisions)
6. Designates a purchasing agent, specify who may sign contracts including requirement for contracts that must go before the governing body.
7. Has an ethics provision and/or reference Utah Code 67-16.
8. Documents consequences of violating the policy (e.g. formal reprimand, suspension, termination or criminal prosecution).

c. Ethical Behavior

1. Prohibits participation in decisions or actions in which the employee or official has real or reasonably perceived conflict (see conflict of interest policy).
2. Prohibits use of authority for personal gain or that of close friends, family, or business associates.
3. Prohibits receiving gifts, loans or bribes.
4. Requires confidentiality regarding any information not subject to GRAMA.
5. Prohibits violation of nepotism laws (Utah Code 52-3).
6. Prohibits misuse of public resources or property (Utah Code 76-8-4).
7. References the Utah Public Officer and Employee Ethics Act (Utah Code 67-16).
8. Establishes individual accountability, including consequences for noncompliance (e.g. suspension, termination).

d. Reporting Fraud and Abuse

1. Requires the reporting of inappropriate actions or behavior.
2. Provides reporting structure, including alternatives if the employee's normal supervisor is involved.
3. Provides guidance on the type of actions and behaviors which must be reported.
4. Provides guidance on the information to be provided (e.g. names, dates, times, descriptions, effects) when reporting fraud or abuse.
5. Provides whistleblower protection or referrers to Utah Code 67-21-3.
6. Provides for the evaluation, investigation and possible consequences of the alleged action or behavior.

7. Provides for feedback to the employee reporting the action and the governing body.

e. Travel
   1. Establishes a process to authorize travel expenditures (i.e. preauthorization).
   2. Defines what constitutes allowable and unallowable travel and clearly establishes reasonable limits.
   3. Establishes a reporting structure with senior management reporting to the governing body.
   4. Establishes individual accountability, including consequences for noncompliance (e.g. suspension, termination, recovery of funds, inability to travel).
   5. Requires adequate record keeping (documentation of time, place, business purpose, and authorization).
   6. Communicates the public nature of purchase records.
   7. Ensures enough information is gathered and communicated to maintain accountability and measure performance.
   8. Has a provision to comply with external reporting requirements (e.g. IRS, Utah Public Finance Website reporting).

f. Credit/Purchasing Cards
   1. Credit/purchase card issuance should be approved by governing body.
   2. Establishes procedures for independent review and reconciliation of each card.
   3. Establishes card holder accountability including consequences for noncompliance (e.g. suspension, termination, recovery of funds, or loss of card privileges).
   4. Establishes required practices to ensure the security of the card (e.g. signing, storing, and who can use the card).
   5. Establishes procedures for card use (e.g. documentation required, timelines, reconciliations, restrictions).

g. Personal Use of Entity Assets
   1. Establishes allowable uses, or disallows use, of entity assets and rates if applicable (e.g. making photocopies, use of heavy equipment).
   2. Establishes individual accountability, including consequences for noncompliance (e.g. suspension, termination, recovery of funds or loss of privileges).

h. IT & Computer Security
   1. Establishes allowable uses of information systems, computer equipment, and the internet.
   2. Discloses to the user that the entity has the right to monitor and limit the activities on entity IT systems.
   3. Establishes individual accountability, including consequences for noncompliance (e.g. suspension, termination, recovery of funds, or loss of privileges).

i. Cash Receipting and Deposit
   1. Establishes a timeline for entering receipts into the accounting system.
   2. Establishes a timeline for depositing funds in the bank that complies with the Utah Money Management Act (3 days).

3. Establishes security measures for holding funds before deposit (e.g. safe, vault).
4. Establishes a receipting process for giving the customer documentation of the transaction and also provide sufficient information to understand the purpose of the transaction for management review or audit.
5. Establishes a procedure for entering credit card and ACH transactions into the accounting system.
6. Establishes a separation of duties between the person receiving payments and the person making deposits (smaller entities may require dual sign-off on deposits).
7. Establishes required documentation for voiding or altering a cash receipt, including that it be reviewed by someone that didn't make the correction.
8. Requires system-generated or sequentially-numbered receipts to allow for a review of completeness.
9. Requires cash deposits and receipts to be reconciled and/or reviewed by someone not receiving cash.

4. Hire and Train Qualified Staff

Purpose

In order to ensure the effective and efficient delivery of government services, each entity should identify the knowledge, skills, and abilities (KSA) needed by its management and employees. In technical areas, KSA often align with formal credentials, such as a degree or license. Accounting is an area where degrees and professional designations usually indicate a level of proficiency.

Overview

A licensed Certified Public Accountant (CPA) is the most common designation of a person who possesses the KSA needed to oversee the day-to-day financial operations of an entity. There are several other designations that may indicate similar KSA, such as Certified Government Financial Manager (CGFM), Certified Management Accountant (CMA), Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), Certified Government Auditing Professional (CGAP), and Certified Public Finance Officer (CPFO). At a minimum, we recommend that every entity have someone with a bachelor's degree in accounting as part of its staff.

Implementation

While not every local government entity needs a full-time CPA, every entity should utilize a qualified accountant to ensure that its finances are protected and accurately reported. Most accounting firms and professional bookkeeping services provide a variety of services on an as-needed basis. We recommend every local government evaluate the level of KSA possessed by its accounting staff and consider contracting with an accounting professional. The accounting professional could perform some or all of the accounting and ensure that the entity has effectively implemented internal controls and meets reporting requirements.

To aid local government entities in identifying and procuring the services of qualified accounting professionals, the Office maintains a qualified vendor list included on the Office's website at resources.auditor.utah.gov. The firms on this list have met the requirements set forth by the Office to provide bookkeeping, compliance reporting, or financial statement preparation for local governments.

5. Provide Effective Training

Overview

Training is vital to any organization, especially governments, where services are essential to economic prosperity and basic human needs. Public officials and key employees need to possess at least a basic understanding of the legal requirements of their entity. We encourage entities to consider the KSA needed to support the services provided by their entity, then determine the appropriate level of training that is needed to maintain those KSA. The entity should provide resources to attend sufficient and appropriate training on an ongoing basis.

Implementation

The Office provides comprehensive but basic training on financial topics for local government board members and finance officers. However, this training serves only as an introduction for those who are new or previously untrained in local government financial matters. We recommend board members and finance officers identify and participate in organizations that provide more advanced training. These organizations may be specific to the government type (e.g. counties, charter schools), a specific type of operation (e.g. sewer, water), or a specific job within the organization (e.g. treasurer, finance officer).

At a minimum, board members should view our online basic but comprehensive training every four years (see training.auditor.utah.gov). Also, at least one member of the finance team, preferably the chief finance officer, should have 40 hours of financial training each year. Financial training includes: auditing, accounting, budgeting, reporting, internal controls, fraud prevention and detection, software, and any other topic that is related to the management of finances.

6. Implement a Hotline

Definition

A hotline is a means by which the public and employees can anonymously report concerns about improper behavior of an entity's officers or employees or concerning practices of the entity.

Overview

Fraud losses are 50% smaller at organizations with hotlines than those without hotlines. According to the Association of Certified Fraud Examiners, 40% of reported instances of fraud are discovered through a tip. More than half of these tips were provided by an employee of the organization and 46% of fraud cases detected by tip were reported through a hotline.

Implementation

An effective hotline can be implemented at virtually no cost and can be as simple as providing an email address or phone number. Hotline submissions should be sent directly to a person who has the resources and objectivity to evaluate the concern and investigate if warranted. All complaints and the results of investigations should be presented to the audit committee of the entity in a timely fashion.

Hotlines should be promoted and easy to access (most entities put a link to their hotline on the main page of their website). Every entity should have a written policy that includes the following:

1. Methods for receiving complaints (e.g. email, phone number).
2. A provision for anonymous complaints.
3. Sufficient direction to ensure complaints are given adequate treatment as follows:
    a. An initial screening of complaints to be performed by an office not involved in the complaint (this could be accomplished by having it performed by more than one office if an independent internal audit function does not exist or it could be sent directly to the audit committee).
    b. Audit committee:
        i. Reviews available evidence.
        ii. Determines if further investigation is merited. If so;
            - Sets the scope of audit
            - Sets a budget
            - Sets a timeline
            - Provides resources
    c. Audit results are reported to the audit committee.
    d. Audit committee approves findings and recommendations.
    e. Audit committee ensures that findings and recommendations are addressed by the appropriate officers or employees.
    f. Feedback provided to the complainant, if requested.

7. Implement an Internal Audit Function

Definition

An internal audit function is an organizational initiative to monitor and analyze the entity's own operations in order to determine how well it conforms to a set of specific criteria, such as laws, policies, or best practices. Internal auditors are independent of the work they audit, but are very familiar with it so as to allow them to determine compliance with the requirements for that work.

Overview

An internal audit may focus on financial operations, systems, processes, or compliance. As part of the internal audit plan, auditors try to find discrepancies between operational design and operational reality. Internal audits also help uncover evidence of fraud, waste, or abuse. If internal auditors find discrepancies or inappropriate activities, they document and report them to entity leadership who can prioritize and direct corrective action.

The frequency of internal audits will depend on the department or process being examined. Some types of operations may require daily audits for quality control, others may require only an annual audit of records.

Internal audit plans act as a pre-emptive step in maintaining operational efficiency and financial reliability, as well as safeguarding assets.

Implementation

An internal audit function should be formalized by the adoption of an Internal Audit Charter which identifies who is responsible to oversee the internal audit function and who will perform the internal audits.

Those responsible for internal audits should adopt an audit plan which identifies what will be audited and when it will be audited. The audit plan should be reviewed regularly, usually once per year.

Adaptation for small entities

Only the largest of our local governments can justify a full-time internal auditor. Most local governments can execute an effective internal audit program by contracting with an audit professional to work a few days a year. To eliminate added costs entirely, some entities may coordinate with peer entities and utilize each other's financial staff to act as internal auditors. Keep in mind, internal auditors need a solid understanding of audit principles and should use work programs that are designed to effectively identify violations of the laws or policies they are auditing.

8. Use an Audit Committee

Purpose

An audit committee assists the governing body in its financial oversight responsibilities.

Membership

We recommend that members of the audit committee are a subset of the governing body. An audit committee should have a financial expert who is not a member of management. This can be achieved by having a governing body member who is a financial expert, or acquiring the assistance of a volunteer or paid professional financial expert. Finance officers from other local governments should be considered when looking for a financial expert, as they are independent and have a working knowledge of government accounting issues.

Functions

An audit committee must ensure the following:

1. Management develops and enforces systems that ensure the entity accomplishes its mission effectively and efficiently while complying with laws and regulations.
2. The internal audit function objectively assesses the effectiveness of management's internal control program.
3. Financial statement audits are performed by a qualified, independent accounting firm and issues identified during those audits are reviewed and resolved as appropriate.
4. Hotline complaints are investigated and findings are addressed by the governing body.

Risk Score

We have developed a five-level assessment score that is intended to communicate the entity's risk of undetected fraud, abuse, or noncompliance. The levels are based upon points assigned to each of the recommended measures. Since some measures are more effective than others, the most effective measures are assigned the most points. As more measures are adopted the score improves. The higher the score, the lower the risk.

The scale and corresponding levels are as follows:

- Very Low
- Low
- Moderate
- High
- Very High

See the *Fraud Risk Assessment Questionnaire* (attached) for specific points assigned to each measure and how point totals correspond to the risk scale.

Bear River Water Conservancy District

2027 Budget
Summary

	2025 Actual	2026 Actual (est)	2027 Budget
Revenues			
Property Taxes	2,009,389	1,822,919	1,919,389
Contribution to other governments	-	-	132,697
Charges for Services	787,966	886,515	1,023,244
Interest Income/Misc.Impact Fees	327,467	161,466	6,726,013
Lease/Rent	145,419	320,604	314,955
Intergovernmental revenue/grants	1,775,998	658,822	2,130,000
Other Financing Sources: Contribution From Fund Bal.	5,467,230	-	2,339,603
Bond Proceeds	-	-	8,500,000
Total Revenues	10,513,468	3,850,326	23,085,901
Expenses			
Wages and Benefits	758,145	716,958	1,013,835
Operating Expenses	1,024,077	517,008	768,845
Depreciation	406,180	418,502	431,057
Capital Outlay	7,304,560	-	15,642,840
Interest on Bonds	59,188	49,252	45,083
Water O&M Expenses.	244,847	465,751	479,724
Other Expenses			
Debt Service (Principal)	225,000	355,000	361,000
Other Financing Uses:			
Contribution to other governments	491,472	302,857	132,697
Contribution to Fund Balance		1,024,997	4,210,821
Total Expenses	10,513,468	3,850,326	23,085,901
Income or (Loss)	-	-	-

Bear River Water Conservancy District

2027 Budget

	Actual	Est Act	Budget
	2025	2026	2027
Operating Revenue			
Water Sales			
Retail			
5141 Beaver Dam Dry Taps	600	540	600
5142 Beaver Dam Retail	23,336	20,390	21,001
5152 Bothwell M&I Retail	78,495	76,543	78,839
5161 Collinston Dry Taps	9,660	8,544	12,277
5162 Collinston Retail	74,479	72,239	74,406
5172 Harper Ward Retail	110,850	101,585	104,633
5173 Harper Ward Dry Taps	-		-
5182 South Willard Retail	2,717	3,720	3,832
5190 Water Testing Reimbursed	140	216	263
Wholesale			
5153 Bothwell M&I Wholesale	369,410	443,037	346,537
5163 Collinston Wholesale	89,541	124,368	142,273
Harper Ward Wholesale		-	203,247
5183 South Willard Wholesale	28,738	35,333	35,336
Rental Income			
5217 Farm Water Sales		275,000	283,250
5218 Farm Land Lease		23,500	24,205
5219 Well Maintenance Fees	-	7,500	7,500
Office Lease			
Total Operating Revenue	933,385	1,207,119	1,338,199

Bear River Water Conservancy District

2027 Budget

	Actual	Est Act	Budget
	2025	2026	2027
Operating Costs			
Wages			
6110 Gross Wages	399,341	441,157	604,019
6111 Gross Wages: Bonuses	4,250		10,000
6112 Trustees Payroll Expense	9,630	6,858	12,000
6144 Payroll Expense - Other	-		-
Benefits			
6131 FICA Expense	31,336	33,877	35,232
6132 SUTA Expense	508	322	571
6133 Employee Health Insurance	176,213	134,580	198,126
6134 Dental Insurance Expense	8,502	6,635	9,559
6135 Employee Life Insurance	1,229	950	1,382
6136 Employee LT Disability	1,939	(366)	2,180
6138 Vision Insurance Expense	1,349	1,019	1,517
6139 HSA Contribution-Employer Paid	20,128	13,731	22,631
6140 Retirement & Benefits	74,787	76,139	84,087
6141 Workers Compensation	2,082	2,056	2,341
6143 General Gov Pension Expense	26,851	-	30,190
Operations			
6191 Uniforms-Office Personnel	202	120	124
6192 Uniforms-Systems Operators	820	739	761
6210 Memberships & Registrations	22,919	19,554	20,141
6231 Conference Training	375	-	-
6232 Mileage Reimbursement	3,712	5,050	5,202
6233 Travel Expenses & Meals	10,863	13,702	14,113
6241 Office Supplies & Postage	8,744	5,955	6,134
6261 Automotive Repairs	10,566	7,507	7,732
6262 Office Building Repairs & Maintenance	31,487	16,314	25,000
6263 Computer/Networking	13,720	8,896	9,163
6281 Office Utilities	11,466	9,191	9,467
6282 Telephone & Internet	8,207	8,955	9,224
6310 Lobbying	45,000	43,200	44,496
6311 Legal	34,880	27,209	28,026
6312 Accounting	42,510	51,576	53,123
6313 Engineering	120,187	118,460	122,014
6314 Exploration & Studies	212,525	4,007	150,000
6448 Equipment and Tools	54,711	2,980	3,069
6449 Operating Supplies	25,873	8,091	8,333
6450 Beaver Dam O&M Expenses	13,072	27,454	28,278
6451 Bothwell System O&M Expenses	141,910	211,733	218,085
6452 Collinston System O&M Expenses	47,032	82,629	85,108
6453 Harper Ward System O&M Expenses	17,688	126,671	130,471
6454 So Willard System O&M Expenses	25,144	17,264	17,782
6456 SCADA	25,109	15,174	50,000
6457 System O&M Expenses Fuel	14,794	19,043	19,615
6461 Water Service Connection Costs	9,831	12,137	12,501
6480 Weather Modification Expense	49,366	36,145	60,000
6490 Advertising & Media	46	-	-
6491 Printing and Reproduction	2,845	3,302	3,402
6510 Auto Insurance	4,961	4,436	4,569
6512 Liability Insurance	9,618	25,497	26,000
6611 Bank Service Charges	1,120	854	879
6612 Merchant Card Services	4,090	4,473	4,607
6613 Bad Debt	-	-	150

Bear River Water Conservancy District

2027 Budget

		Actual	Est Act	Budget
		2025	2026	2027
Water purchased				
6672 Water Purchased-BC		48,878	24,439	-
6673 Water Purchased-Deweyville		20,844	20,000	71,000
Depreciation				
6690 Depreciation		406,180	418,502	431,057
6691 Amortization Expense				
Add Back Depreciation		(406,180)	(418,502)	(431,057)
Total Operating Costs		2,027,069	1,699,718	2,262,404
Net Operating Income		(1,093,684)	(492,599)	(924,205)
Non-Operating				
Non-Operating Income				
Property taxes				
5501 Property Taxes		2,009,389	1,822,919	1,919,389
5502 Property Tax RDA		-		132,697
Grants				
5511 Weather Modification Grant		30,000	30,000	30,000
Impact fees				
5521 Beaver Dam Impact Fees	-	-		-
5522 Bothwell Impact Fees	13,058	80,296	-	4,189,069
5523 Collinston Impact Fees	12,868	-	-	64,339
5524 Harper Ward Impact Fees	11,521	-	-	2,327,242
5525 South Willard Impact Fees	3,886	-	19,430	-
Other non-operating income				
5310 Connection Fees Collected	3,000	20,302	19,600	63,000
5320 Miscellaneous Income		-	700	-
5410 Finance Charge Income		6,219	4,017	-
5610 Interest Income		190,184	117,719	82,363
5630 Gain on Disposal of Asset		6,200		-
5631 Contributed Capital		-		-
5640 Contribution from Fund Balance		-		-
Non-Operating Expenses				
Contributions to other governments				
6910 Contr. to other Gov'ts-RDA Encr		-		(132,697)
6911 Contr. to Other Governments		(78,215)	(75,000)	-
Total Non-Operating Revenues (Expenses)		2,405,491	1,969,467	8,675,402
Net Revenue Before Debt Service		1,311,807	1,476,868	7,751,197
Debt Service Coverage Ratio		5.23	3.65	19.09
Debt Service				
2008 South Willard Bond		115,892	115,614	116,293
2013 Beaver Dam Bond		8,000	8,000	8,000
2014 Collinston Bond		104,796	104,238	104,680
2018 Master Plan Bond		10,000	10,000	10,000
2020 Flat Canyon Well Bond		3,000	2,000	3,000
2021 Harper Ward Test Well		7,000	7,000	7,000
2024 SRF Loan		35,500	157,400	157,110
Proposed 2027 Bonds				
Total Debt Service		284,188	404,252	406,083

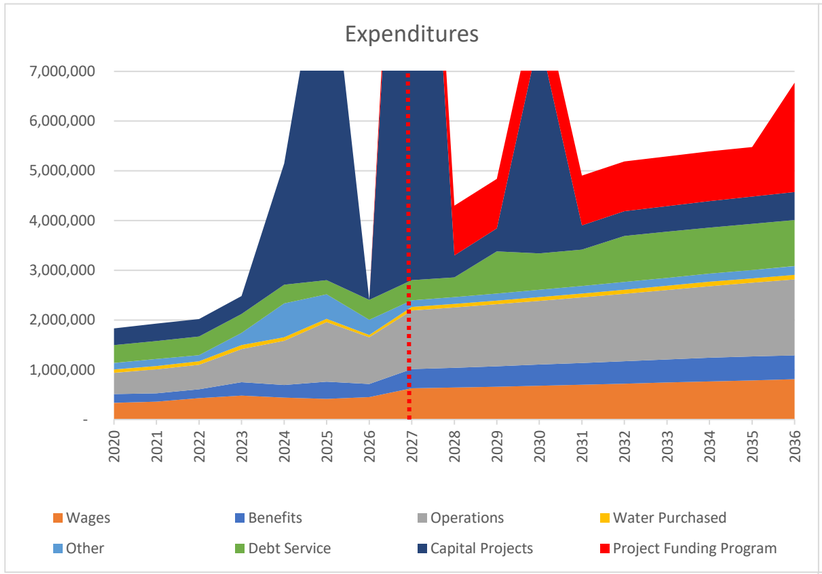
Bear River Water Conservancy District

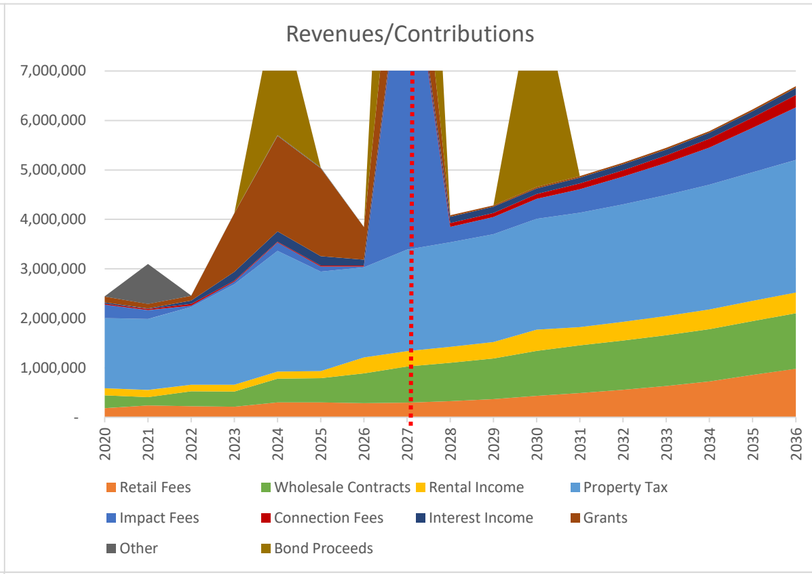
2027 Budget

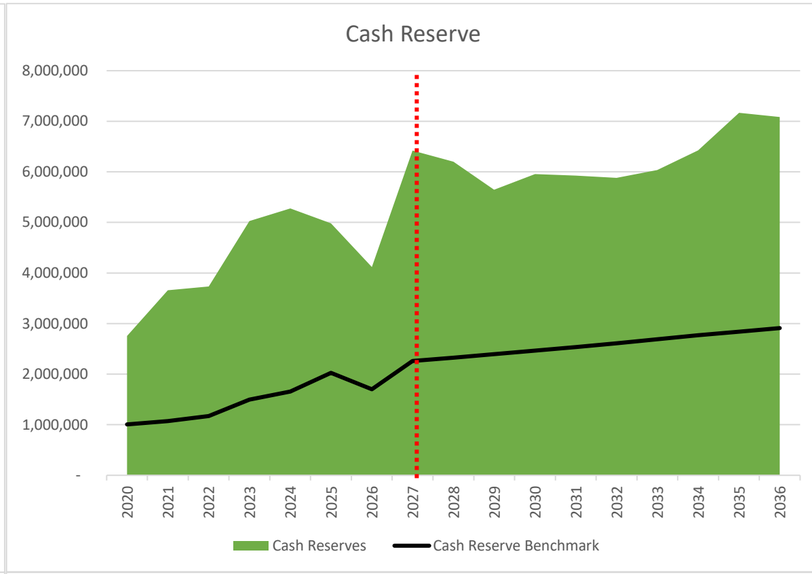
		Actual	Est Act	Budget
		2025	2026	2027
Net After Debt Service		1,027,619	1,072,616	7,345,115
Other Sources				
2024 Bond Proceeds	SRF			
Proposed 2027 Bonds				8,500,000
Proposed 2030 Bonds				
Grants				
5510 State Grants	GOEO	214,984		100,000
5510 State Grants	CIB/County Wa	-	14,354	
5515 Federal Grants	EPA (2027)	646,613	356,529	2,000,000
Sale of Capital Assets -7 Acres				-
Total Other Sources		1,215,891	370,883	10,600,000
Capital Projects				
Pipe Segment A (10800 West & 12800 North to I-84)	Tremonton			3,259,500
Pipe Segment B (Tank & 10800 West to 13600 North	Tremonton			3,751,340
Pipe Segment C (Along I-84 from 12800 North to 10(	Tremonton			4,346,000
2.5m Gallon Storage Tank with Segment B	Tremonton			3,286,000
Collinston Project	Collinston	-		-
Additional Source - Future Well East Side	Collinston	-		-
Harper Well	Harper Ward	2,814,560		-
500,000 Gallon Storage Tank	Harper Ward	1,800,000		-
Transmission Line	Harper Ward	390,000		-
South Willard Well #2 - Drilling	South Willard	2,000,000		-
South Willard Pump House	South Willard			
Transmission Line	South Willard	300,000		-
Transmission Line	Beaver Dam	-		-
Depreciation or Asset Replacement		-		-
Total Capital Projects		7,304,560	-	15,642,840
Change in Cash		(5,061,050)	1,443,499	2,302,275

Bear River Water Conservancy District

2027 Budget

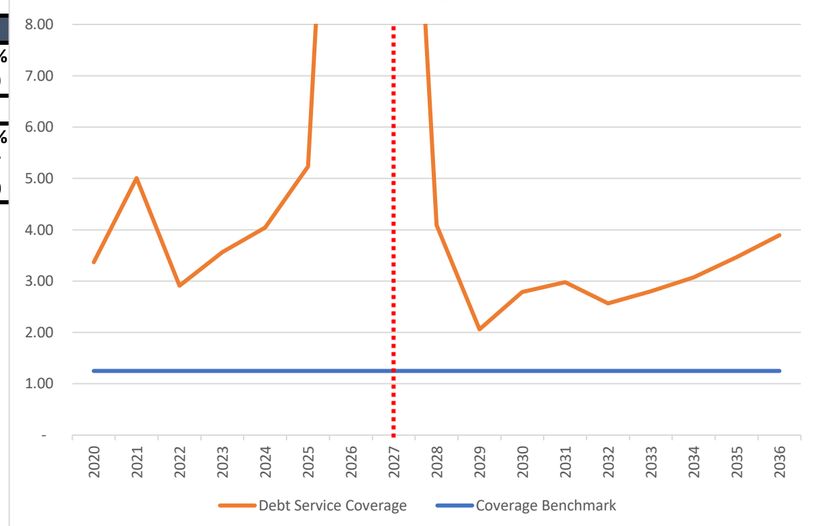


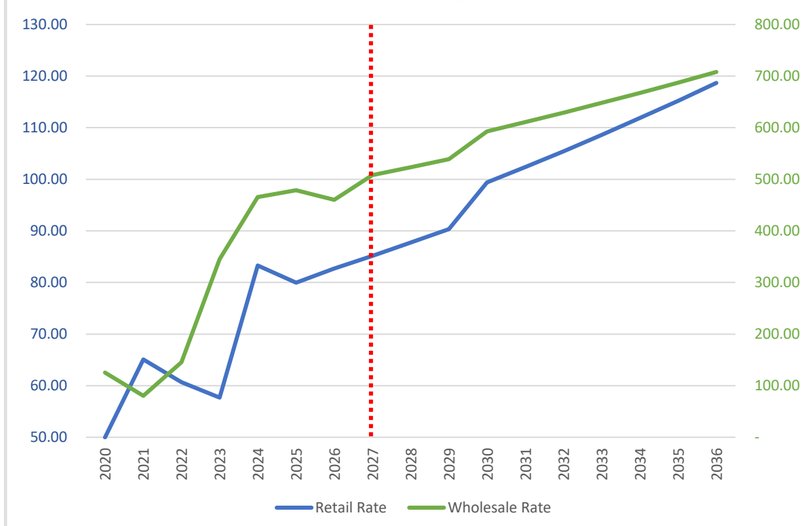




Rate Summary	2027	2028	2029	2030
Retail Rate Increase	**3.00%**	**3.00%**	**3.00%**	**10.00%**
Average Ratail Rate	$ 85.17	$ 87.72	$ 90.36	$ 99.39

Wholesale Rate Increase	**3.00%**	**3.00%**	**3.00%**	**10.00%**
Wholesale Rate	$ 508.12	$ 523.36	$ 539.06	$ 592.97
Chanshare Rate	$ 257.50	$ 265.23	$ 273.18	$ 300.50





AFTER RECORDING, RETURN TO:
Bear River Water Conservancy District
102 West Forest Street
Brigham City, Utah 84302

BILL OF SALE AND ASSIGNMENT OF WATER PIPELINE FACILITIES

THIS **BILL OF SALE AND ASSIGNMENT OF WATER PIPELINE FACILITIES** ("Bill of Sale") is made and entered into by and between BEAR RIVER WATER CONSERVANCY DISTRICT, a political subdivision and water conservancy district organized under the laws of the State of Utah ("Seller" or "District"), whose address is 102 West Forest Street, Brigham City, Utah 84302, and UKON WATER COMPANY, a Utah non-profit corporation ("Buyer" or "Ukon"), whose address is P.O. Box 35, Fielding, Utah 84311.

RECITALS

A. WHEREAS, District as Landlord and Ukon as Tenant entered into that certain Water Line Sublease and Option to Purchase dated effective March 1, 2015 (the "Original Sublease"), concerning the sublease and potential purchase of a portion of District's domestic water system located in Box Elder County, Utah; and

B. WHEREAS, District and Ukon entered into that certain First Amendment to Water Line Sublease and Option to Purchase effective March 1, 2015, and executed on February 19, 2020 (the "First Amendment"), amending Paragraph 2.6 and Exhibit A of the Original Sublease; and

C. WHEREAS, pursuant to Paragraph 2.2 and Paragraph 2.3 of the Original Sublease, Ukon was granted an option to purchase the Leased Pipeline from District upon the expiration of the sublease term on July 1, 2026, for a total purchase price of One Hundred Dollars ($100.00), with Ukon being credited for paid annual Bill of Sale payments; and

D. WHEREAS, by written notice dated July 15, 2026 (received July 17, 2026), Ukon formally exercised its option to purchase the Leased Pipeline pursuant to Paragraph 2.2 of the Original Sublease; and

E. WHEREAS, Paragraph 2.6 of the Original Sublease, as amended by Section I of the First Amendment, explicitly provides: "The District shall retain ownership of the Leased Pipeline during the period of this lease. The District reserves the right to convey water through the pipeline to the District's customers beyond the term of this lease in perpetuity without cost to the District"; and

F. WHEREAS, District desires to sell, transfer, and convey title to the Leased Pipeline to Ukon pursuant to the Original Sublease, as amended, subject to and expressly reserving the District's perpetual right to convey water through said pipeline to District customers without cost, together with all associated access, metering, and operational reservation rights established under the Original Sublease and First Amendment.

NOW, THEREFORE, in consideration of the sum of One Hundred Dollars ($100.00), the receipt and full payment of all annual base rent payments amortized under Exhibit B of the Original Sublease, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, District and Ukon covenant and agree as follows:

AGREEMENT

1. Conveyance of Pipeline Improvements. Subject to the reservation of rights set forth in Section 3 below, District does hereby sell, transfer, convey, assign, and set over unto Ukon, its legal successors and assigns, all right, title, and interest of District in and to the domestic water pipeline, meter station, valves, and appurtenant physical improvements described in Exhibit A attached hereto and incorporated herein by reference (collectively, the "Pipeline Facilities"), including specifically:

a. The 8-inch ductile iron domestic water pipeline beginning at Ukon's meter station located on 12800 North and approximately 4800 West, continuing north on the easement corridor to 14400 North;
b. The District meter station located at the intersection of 14400 North and 4400 West; and
c. The 8-inch ductile iron domestic water pipeline beginning at the meter station located at the intersection of 14400 North and 4400 West, extending west on 14400 North to the existing meter vault owned by District, located on the north side of 14400 North near 5070 West, approximately 180' west of the Malad River.

2. Purchase Price and Credit Satisfaction. District acknowledges receipt from Ukon of the One Hundred Dollar ($100.00) closing payment required under Paragraph 2.3 of the Original Sublease, and confirms that Ukon has satisfied all annual base rent obligations ($12,286.22 per annum) scheduled under Exhibit B of the Original Sublease from March 1, 2015 through July 1, 2026.

3. Express Reservation of District perpetual Rights. Notwithstanding anything herein to the contrary, the conveyance of the Pipeline Facilities under Section 1 is made expressly subject to District's reservation, including to its legal successors, assigns, and utility designees, of the following perpetual rights, covenants, and reservations pursuant to Paragraph 2.6 of the Original Sublease as amended by the First Amendment:

a. District expressly retains and reserves the unencumbered right, privilege, and authority to flow, transmit, wheel, and convey culinary and domestic water through the Pipeline Facilities to the District's existing and future customers in perpetuity, which right shall take priority over Ukon's use of excess capacity.
b. The transmission and conveyance of water through the Pipeline Facilities for District customers shall be conducted without any cost, fee, wheeling charge, volume rate, maintenance assessment, capital contribution, or expense of any kind to the District.
c. Ukon shall not alter, restrict, throttle, encumber, or modify the Pipeline Facilities in any manner that impairs or reduces the volume, pressure, or flow capacity necessary for District to serve its customers through the Pipeline Facilities.

d. Pursuant to Paragraph 2.10 of the Original Sublease, District retains perpetual, full, unrestricted easement and rights of access to the Pipeline Facilities at all reasonable times for meter reading, flow measurement, pressure monitoring, inspection, and testing.

4. Covenants of Maintenance, Operation, and Repair. As a condition of acquiring ownership of the Pipeline Facilities:

a. Ukon shall repair, operate, and maintain the Pipeline Facilities in good, safe, and efficient operating condition at Ukon's sole cost and expense.
b. Where damage or failure occurs to the Pipeline Facilities, for whatever reason, Ukon shall repair the Pipeline Facilities to maintain them in good repair so as not to adversely impact District's water deliveries.
c. District retains responsibility to operate, maintain, repair, and replace at District's sole expense its own water delivery lines, booster stations, fixtures, and other facilities required to deliver water to Ukon and District customers, except Pipeline Facilities.

5. "As-Is" Conveyance and Subordination. Pursuant to Paragraph 2.3 and Paragraph 5.11 of the Original Sublease:

a. District conveys the Pipeline Facilities free and clear of all liens, claims, or encumbrances arising through or under District, but subject to all existing easements and rights-of-way.
b. Except as expressly set forth above, Ukon acknowledges that it has independently inspected the Pipeline Facilities and accepts the Pipeline Facilities in their "AS IS, WHERE IS" condition, without warranty of merchantability, fitness for a particular purpose, or operational longevity, or title to the underlying property.

6. Indemnification, Insurance, and Liability Allocation. Ukon for itself, and for all its successors in interest or assigns, shall perpetually defend, indemnify, and hold harmless District, its trustees, officers, employees, and agents harmless from any and all liabilities, claims, costs, claims, damages, fines, litigation expenses, actions or causes of action, of any kind or nature whatsoever, in law or in equity (including, without limitation, claims for contribution or indemnification)whether known or unknown, past or present, patent or latent, anticipated or unanticipated, which anyone had, has, or may claim to have in the future directly or indirectly against District, which are in any way connected with, related to, or arising from (a) Ukon's ownership, operation, maintenance, or repair of the Pipeline Facilities, excepting only those claims resulting directly from District's gross negligence or willful misconduct; (b) Ukon's violation of any laws, rules, regulation, statutes, or ordinances in its operation and use of the Pipeline Facilities. In addition, Ukon shall maintain in full force and effect public liability and property damage insurance covering the Pipeline Facilities with limits of at least $2,000,000 per occurrence, naming District as an additional insured, and providing 30 days' advance written notice to District prior to cancellation or material modification.

7. Waiver. The failure of either party to insist on strict performance of any of the covenants or conditions of this Bill of Sale in any one or more instances shall not be construed as a waiver or relinquishment for the future of that or any covenants or conditions of the Bill of Sale, and the same shall remain valid and in force. Nor shall any waiver constitute a continuing waiver.

8. Severability. The provisions of this Bill of Sale are severable; should any provision hereof be found to be void, voidable, or unenforceable under any applicable law, such void, voidable, or unenforceable provision shall not affect or invalidate any other provision of this Bill of Sale, which shall continue to govern the relative rights and duties of the Parties as though the void, voidable, or unenforceable provision were not a part hereof.

9. Costs and Attorney's Fees. If either party commences litigation or other proceedings for the interpretation, reformation, enforcement or rescission of this Bill of Sale, the prevailing party, in addition to injunctive or other equitable relief, shall be entitled to recover from the other party an amount equal to its reasonable attorneys' fees and court and other costs incurred.

10. Notice. Any notice provided pursuant to this Bill of Sale shall be deemed to have been delivered when personally delivered or mailed, postage paid, to the following addresses:

Bear River Water Conservancy District	Ukon Water Company
102 West Forest Street	P.O. Box 35
Brigham City, Utah 84302	Fielding, Utah 84311

11. Entire Agreement. This Bill of Sale contains all representations and the entire understanding and agreement between the parties hereto with respect to the subject matter hereof. Any prior or contemporaneous representations, memoranda or agreements are merged into, superseded by and replaced in total by this Bill of Sale. This Bill of Sale replaces the Original Sublease and First Amendment, provided, however, that all perpetual water conveyance reservations, access rights, indemnities, and capacity protections established in Paragraph 2.6 of the Original Sublease and First Amendment, and the Grant and Reservation of Pipeline Easement executed concurrently herewith, shall survive and remain in full force and effect.

12. Successors and Assigns. This Bill of Sale shall be binding upon the parties hereto and their heirs, successors, representatives, administrators, and assigns.

13. Governing Law. This Bill of Sale shall be enforced and governed under the laws of the State of Utah, and jurisdiction for any action based on this Bill of Sale shall be with the Box elder County District Court of Utah.

14. Knowledge. The parties have read this Bill of Sale and have executed it voluntarily after having been apprised of all relevant information and risks and having had the opportunity to obtain legal counsel of their choice.

15. Drafting Party. This Bill of Sale has been and shall be deemed to be a product of joint drafting by the parties and there shall be no presumption otherwise. This Agreement must not be construed against any one party in the event of a controversy regarding its meaning.

16. Modification. This Bill of Sale may not be modified or amended except by the express written agreement of the parties.

17. No Relationship. Nothing in this Bill of Sale shall be construed to create any partnership, joint venture, or fiduciary relationship between the Parties. Neither Buyer nor Seller has any right to bind the other except as otherwise provided in this Agreement. Buyer and Seller each agrees not to represent to third parties that either has the right to bind the other.

18. Authority. Each party signing the Bill of Sale represents and warrants that they are fully authorized to execute this Bill of Sale and to bind themselves or the party they represent to the terms of the Bill of Sale.

19. Third Party Beneficiaries. This Bill of Sale shall not create any right in any person or entity that is not a party to this Bill of Sale.

20. Counterparts. This Bill of Sale may be executed in counterparts, which taken together shall constitute one and the same document. Signatures may be delivered electronically.

21. Cooperation. The Parties shall cooperate together, and each Party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as any Party may reasonably request or as may be reasonably necessary or appropriate to effectuate, consummate, or perform any of the terms, provisions, or conditions of this Bill of Sale.

In witness whereof, Seller and Buyer have executed this Bill of Sale and Assignment of Water Pipeline Facilities to be effective as of _____.

BEAR RIVER WATER CONSERVANCY DISTRICT

By: _____

Name:

Title: Chairman, Board of Trustees

Date: _____

UKON WATER COMPANY

By: _____

Name:

Title: President

Date: _____

ACKNOWLEDGMENTS

STATE OF UTAH)
: ss.
COUNTY OF BOX ELDER)

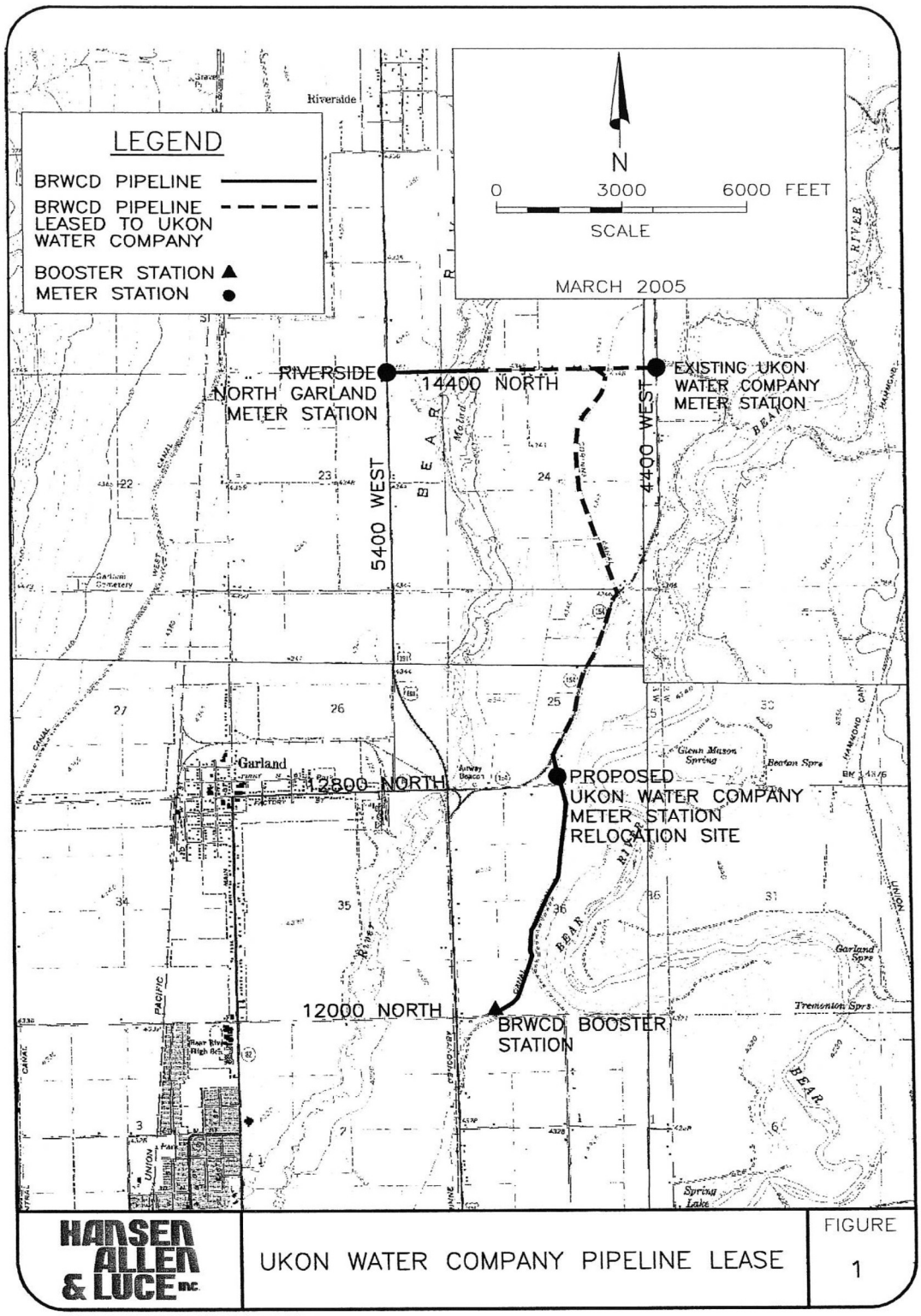
On this _____ day of _____, 2026, _____ personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence), and who, being duly sworn by me, did represent that he is the Chairman of the Board of Trustees of Bear River Water Conservancy District, and that the foregoing instrument was signed on behalf of said entity by authority of its governing board, and acknowledged to me that said entity executed the same.

_____

STATE OF UTAH)
: ss.
COUNTY OF BOX ELDER)

On this _____ day of _____, 2026, _____ personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence), and who, being duly sworn by me, did represent that he is the President of Ukon Water Company, and that the foregoing instrument was signed on behalf of said entity by authority of its governing board, and acknowledged to me that said entity executed the same.

_____



HANSEN ALLEN & LUCE inc.

UKON WATER COMPANY PIPELINE LEASE

FIGURE 1

AFTER RECORDING, RETURN TO:
Bear River Water Conservancy District
102 West Forest Street
Brigham City, Utah 84302

GRANT AND RESERVATION OF PIPELINE EASEMENT

A. WHEREAS, Grantor is the owner of certain rights-of-way, real property interests, and pipeline easements located in Box Elder County, Utah, encompassing the domestic water pipeline corridor described in Exhibit A attached hereto and incorporated herein by reference (the "Easement Corridor"); and

B. WHEREAS, Grantor as Landlord and Grantee as Tenant entered into that certain Water Line Sublease and Option to Purchase dated March 1, 2015 (the "Original Sublease"), as amended by the First Amendment to Water Line Sublease and Option to Purchase effective March 1, 2015, and executed on February 19, 2020 (the "First Amendment") (collectively, the "Sublease Agreements"); and

C. WHEREAS, pursuant to a Bill of Sale and Assignment executed concurrently herewith, Grantor conveyed to Grantee title to the physical 8-inch ductile iron domestic water pipeline, meter stations, and appurtenances situated within the Easement Corridor; and

D. WHEREAS, in connection with Grantee's acquisition of the physical pipeline facilities, Grantor desires to grant to Grantee a non-exclusive pipeline easement over the Easement Corridor for Grantee's ownership, operation, and maintenance of said pipeline; and

E. WHEREAS, Paragraph 2.6 of the Original Sublease, as amended by Section I of the First Amendment, explicitly provides: "The District shall retain ownership of the Leased Pipeline during the period of this lease. The District reserves the right to convey water through the pipeline to the District's customers beyond the term of this lease in perpetuity without cost to the District"; and

F. WHEREAS, Grantor conveys the easement to Grantee subject to and explicitly reserving unto Grantor, its successors, assigns, and designated water system, a paramount, perpetual, non-exclusive pipeline easement and right-of-way over, under, across, and through the Easement Corridor and through the pipeline itself, enabling Grantor to convey water to its customers in perpetuity without cost.

EASEMENT AND RESERVATION

1. Grant of Non-Exclusive Pipeline Easement to Grantee. Grantor hereby grants and conveys, without warranty of title, its legal successors and assigns, a non-exclusive easement and right-of-way over, under, across, and through the Easement Corridor described in Exhibit A, for the purpose of owning, operating, inspecting, repairing, maintaining, and replacing Grantee's 8-

inch ductile iron domestic water pipeline, meter stations, valves, and related appurtenances (the "Easement").

2. Express Reservation of Perpetual Pipeline Easement and Water Conveyance Rights to Grantor. Notwithstanding the grant set forth in Section 1 above, this conveyance is expressly subject to and reserving unto Grantor, its legal successors, assigns, and designated water system, a paramount, perpetual, non-exclusive pipeline easement, right-of-way, and operational right over, under, across, and through the Easement Corridor, and through all pipeline facilities located therein, for the following perpetual purposes:

a. The perpetual right and easement to flow, transmit, wheel, and convey culinary and domestic water from Grantor's water sources, booster stations, and delivery lines through the 8-inch ductile iron pipeline located within the Easement Corridor to existing and future customers of Grantor, which right shall take priority over Grantee's use of excess capacity.
b. In strict accordance with Paragraph 2.6 of the Sublease Agreements, Grantor's use of the pipeline and Easement Corridor to convey water to Grantor's customers shall be in perpetuity and completely without cost, fee, wheeling charge, volume rate, maintenance assessment, capital contribution, or expense of any kind to Grantor.
c. A perpetual easement of ingress and egress over and across the Easement Corridor to access meter stations (including the 14400 North / 4400 West meter station and the RNG Meter station), valves, line taps, and connections at all reasonable times for meter reading, inspection, flow calibration, testing, and monitoring (per Paragraph 2.10 of the Original Sublease).
d. The right to tie in, connect, and maintain Grantor's water delivery lines, booster pumps, valves, and appurtenances to the pipeline within the Easement Corridor as necessary to supply Grantor's customers.

3. Real Covenants Running with the Land. The Easement granted to Grantee and the paramount easement, rights, and reservations reserved unto Grantor herein constitute real covenants running with the land in perpetuity, which shall burden the Easement Corridor and the pipeline facilities located therein, and shall inure to the benefit of and be binding upon Grantor, Grantee, and their respective legal successors, assigns, and transferees.

4. Grantee Operation Obligations and District Capacity Protection. Grantee shall, at its sole cost and expense, repair, operate, and maintain the pipeline within the Easement Corridor in good, leak-free, and safe operating condition. Grantee shall not alter, restrict, throttle, modify, reduce the diameter of, or place encumbrances or obstructions within the pipeline or Easement Corridor that would diminish water flow capacity or impair Grantor's ability to convey water to Grantor's customers.

5. Activities in Easement. Grantee shall not erect permanent buildings, structures, or trees over the Easement Corridor that obstruct Grantor's access to the pipeline or meter stations.

6. Indemnification. Grantee agrees to indemnify, defend, and hold Grantor, its trustees, officers, and agents harmless from any claims, liabilities, or damages arising out of

Grantee's ownership, operation, repair, or maintenance of the pipeline within the Easement Corridor, excepting only those claims resulting directly from Grantor's gross negligence or willful misconduct.

7. No warranty of title. District does not guarantee or warrant it has sufficient title to the underlying ground to convey the Easement.

8. Governing Law and Recording. This Easement Conveyance shall be recorded in the Official Records of Box Elder County, Utah, and shall be construed and governed in accordance with the laws of the State of Utah.

In witness whereof, Grantor hereby executes this Grant and Reservation of Pipeline Easement.

GRANTOR: BEAR RIVER WATER CONSERVANCY DISTRICT

By: _____

Name:

Title: Chairman, Board of Trustees

Date: _____

UKON WATER COMPANY

By: _____

Name:

Title: President

Date: _____

ACKNOWLEDGMENTS

STATE OF UTAH)
: ss.
COUNTY OF BOX ELDER)

On this _____ day of _____, 2026, _____ personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence), and who, being duly sworn by me, did represent that he is the Chairman of the Board of Trustees of Bear River Water Conservancy District, and that the foregoing instrument was signed on behalf of said entity by authority of its governing board, and acknowledged to me that said entity executed the same.

_____

STATE OF UTAH)
: ss.
COUNTY OF BOX ELDER)

On this _____ day of _____, 2026, _____ personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence), and who, being duly sworn by me, did represent that he is the President of Ukon Water Company, and that the foregoing instrument was signed on behalf of said entity by authority of its governing board, and acknowledged to me that said entity executed the same.

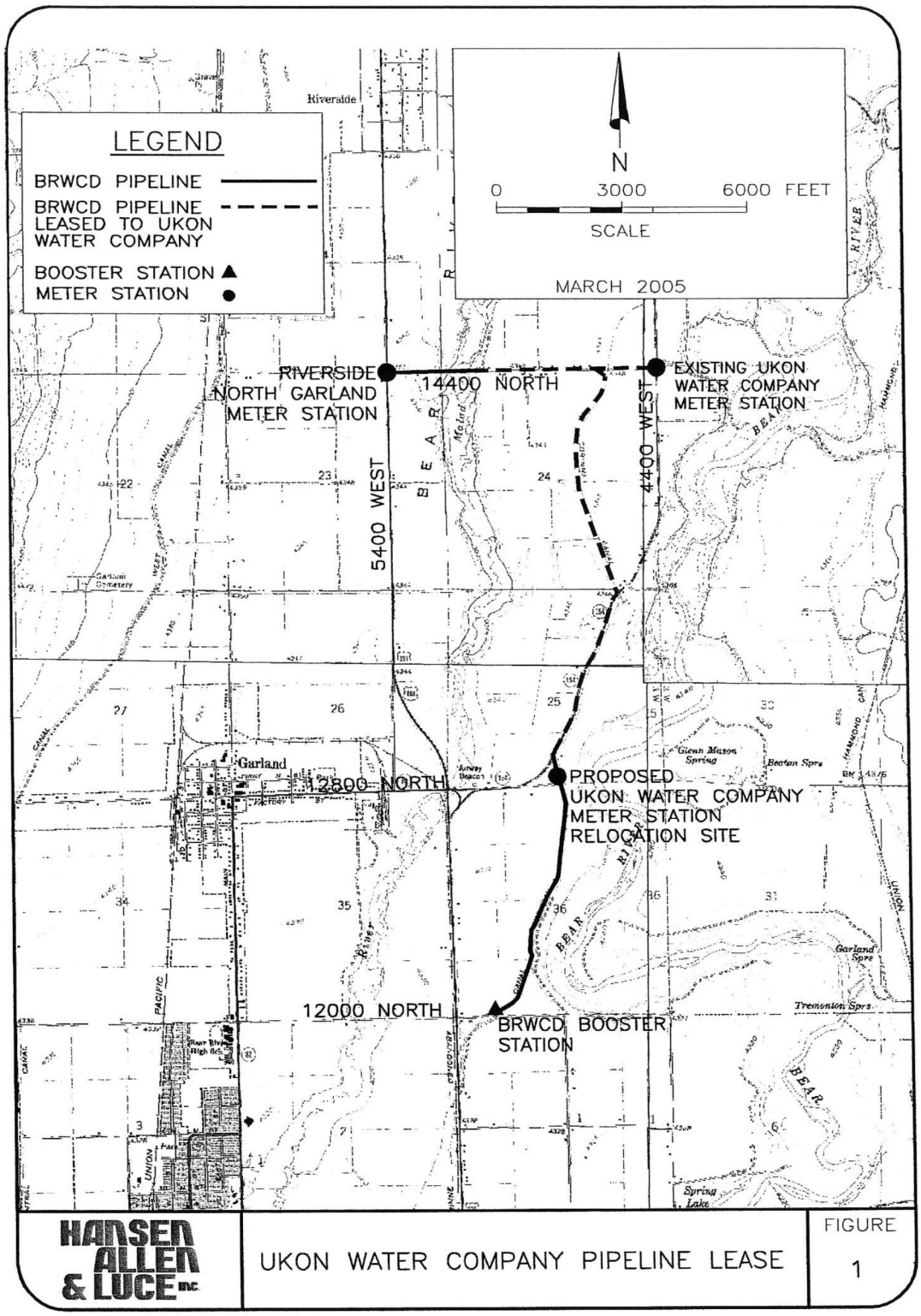
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EXHIBIT A

LEGAL AND PHYSICAL DESCRIPTION OF EASEMENT AREA

The pipeline facilities conveyed to Ukon and the easement corridor granted to Ukon and reserved to District consist of the following described section of District's domestic water system located in Box Elder County, State of Utah (as established in Exhibit A of the Original Sublease and amended by Section II of the First Amendment):

a. The 8-inch ductile iron domestic water pipeline beginning at Ukon's meter station located on 12800 North and approximately 4800 West, continuing north on the easement corridor to 14400 North;
b. The District meter station located at the intersection of 14400 North and 4400 West; and
c. The 8-inch ductile iron domestic water pipeline beginning at the meter station located at the intersection of 14400 North and 4400 West, extending west on 14400 North to the existing meter vault owned by District, located on the north side of 14400 North near 5070 West, approximately 180' west of the Malad River.



HANSEN ALLEN & LUCE inc.

UKON WATER COMPANY PIPELINE LEASE

FIGURE 1

WATER SUPPLY AGREEMENT BETWEEN
BEAR RIVER WATER CONSERVANCY DISTRICT
AND TREMONTON CITY CORPORATION

This Agreement is made and entered into among the Bear River Water Conservancy District, a Utah water conservancy District (District) and Tremonton City Corporation (Purchaser) (together the "Parties").

RECITALS

A. The District is organized pursuant to the Utah Water Conservancy Act, Utah Code §17B-2a-1001, et seq. and those provisions of §17B-1-101 applicable to all local districts (together the "Act") for the purpose of, among others, making water available within its boundaries and of entering into agreements with public and private water users for the sale and delivery of water.

B. Purchaser is a water provider, duly organized as a Municipality under the laws of the State of Utah, and provides water to customers within its boundaries for municipal uses.

C. Purchaser desires to purchase 270 acre-feet (af) water from District to serve Purchaser's customers by the year 2031.

D. District has constructed and operates the Bothwell system, from which it has capacity to serve Purchaser's request. District will deliver Purchaser water from District's Bothwell system.

AGREEMENT

In consideration of the payments and covenants set forth herein and for other good and valuable consideration, the receipt, adequacy, and legal sufficiency of which are hereby acknowledged by the Parties, the Parties agree as follows:

1. Sale and Purchase of Water

    a. The District agrees to sell to Tremonton City and Tremonton City agrees to purchase the minimum acre-feet of water annually without regard to actual use as listed in the table below. Usage will be measured on a calendar year:

2027 - 70 AF not to exceed 113 GPM
2028 - 120 AF not to exceed 193 GPM
2029 - 170 AF not to exceed 275 GPM
2030 -220 AF not to exceed 355 GPM
2031 -270 AF not to exceed 435 GPM

b. District will deliver the Purchased Water at a maximum average daily flow rate described in the table above. Ther District shall have no obligation at any time to deliver the Purchased Water at a higher flowrate. This limitation applies even if Purchaser elects to take the Purchased Water later in the year and the designated flow rate will not deliver the full Purchased Water amount.

c. In exchange for the right to use the Purchased Water annually, Purchaser agrees to pay District's applicable wholesale rate currently **$508.12** per acre-foot per year (Wholesale Fee), billed quarterly. The Wholesale Fee will change to reflect the current applicable wholesale water rate as adopted by the District's Board of Directors, which, presently will increase 3% annually without Board action through December 31, 2029.

d. Purchaser shall also pay District's applicable impact fee. Bothwell systems current impact fee is **$14,838** per (AF) for a total of **$4,006,260.00.**

e. In its discretion, District may utilize Purchaser's Wholesale Fee as it sees fit, including, but not limited to, paying (1) its obligations under bonds or other agreements or capital expenditures; (2) its general operation, maintenance, repair and replacement expenses, and other special expenses; and (3) costs incurred in operating the District's system and facilities.

f. Purchaser shall pay the Wholesale Fee each year, regardless of whether Purchaser calls for the Purchased Water in any given year.

g. The Wholesale Fee will be billed four times annually and is due thirty days (30) following the end of quarter for which Purchaser is being billed (Due Date). The fourth quarter Wholesale Fee will include any overage in Purchaser's use.

2. District Rules and Regulations. Purchaser shall be bound by the District's rules and regulations, as amended by District. District reserves the right to adopt different rules and regulations than on the Effective Date governing the delivery of the Purchased Water under this Agreement, including but not limited to amending its rates, fees, charges and its rules and regulations consistent with its statutory powers in the Act.

3. Billing Structure. The District may change the charging structure of this Agreement, including the amounts charged under this Agreement as determined by the district's board of trustees. For example, the District may change the billing structure to a tiered structure based on the amount of water used by the Purchaser. Petitioner shall install metering and measuring devices, as necessary, to ensure compliance with this Agreement and state law. Purchaser agrees to measure all water use of water delivered by District. District may use the measurements in determining the appropriate charges.

4. Penalty for Delinquent Payment. Any amount Purchaser is obligated to pay to District under this Agreement, which remains unpaid after its Due Date, shall bear interest from the

Due Date at a rate of **10 %** APR until the delinquent payments and applicable interest have been paid in full.

5. Water Quality. District will deliver drinking water quality water to the Delivery Points.

6. Overage. Purchaser may not annually use more than the Purchased Water. In the event Purchaser uses water in excess of the Purchased Water in any given year, whether intentionally or unintentionally, District will bill Purchaser for the excess water at the District's current tiered rate. Payment is due within 30 days of Purchaser's receipt of their fourth quarter invoice, which will include the overage charge.

7. State Engineer. Purchaser shall comply with all rules and regulations of the Utah State Engineer. Purchaser will not use the water in a way that subjects District's water rights to liability or forfeiture. Purchaser will not use District's water in any way that requires a change application to be filed with the Division of Water Rights, without District's express written consent.

8. Water Rights. Purchaser does not obtain any interest or entitlement to District's water rights, sources, or facilities.

9. Beneficial Use. Purchaser will use the Purchased Water only for beneficial uses and will not use it in any way that jeopardizes the District's water rights.

10. Water Delivery. The district shall not be liable for the failure to deliver the Purchased Water under this Agreement in the event of a water shortage of District's delivery capacity or the District's inability to deliver water caused by reduced snowpack, hostile diversion, drought, negligence of other parties, or other causes outside of the District's control and not because of District's negligence. In such events, the Wholesale Fee shall not be reduced or eliminated. During periods of such water shortage, District's obligations for municipal and domestic use shall have first priority, as District determines. These protections apply to District, its officers, agents, and employees. If the District's Board of Trustees determines it necessary, because of water supply conditions or District's water delivery capabilities beyond its control, District may reduce all wholesale water delivery to customers pro-rata to address the circumstances, as District determines.

11. Delivery Point and Purchaser Facilities. District shall deliver the Purchased Water under this Agreement to the points designated in Exhibit A (Delivery Points). Purchaser shall install the necessary metering devices in its facilities to comply with this Agreement and meter all water it receives from District. District will own, operate, maintain, and control the facilities, to deliver water to the Delivery Point, including any facility to transition water to Purchaser's system, to the meter on the line delivering water to Purchaser. The Purchaser shall construct, without any cost to the District, any facilities necessary to receive and deliver the Purchased Water from the Delivery Point to its desired place of use. Purchaser will own and operate the facilities on the Purchaser side of the meter.

12. Purchaser Water Use. The Purchaser may only use the Purchased Water to supply water to its customers within its service area. It may not lease or sublet the water.

13. Change Application. Purchaser may not file a change application on the Purchased Water without District's consent. District may require Purchaser to enter into a change application agreement.

14. Accumulation. The Purchased Water is an annual allocation. The Purchaser may not hold over or accumulate water from year to year.

15. Water Conservation. District reserves the right to require Purchaser, at Purchaser's sole expense, to prepare a water conservation plan as a condition of this Agreement, if such a plan is required and applicable to the Purchased Water by state law or regulation, as determined by District.

16. Default.

a. If Purchaser fails to make any payment due under this Agreement within 60 days of the Due Date, or if the Purchaser is in breach of this Agreement, the District may refuse to deliver the Purchased Water, or after written notice to Purchaser may cancel this Agreement in its entirety. These remedies are not exclusive. The District may exercise any other remedy allowed by law.

b. If the Purchaser is in default of any provision of this Agreement and the default remains uncured for more than ninety (90) days after the date of written notice of default by the District, District may terminate this Agreement, at its sole discretion. Upon such termination, the Purchased Water will revert to the district and may be sold to other purchasers, in the District's discretion. Termination will not relieve the purchaser of its obligations to pay any past fees and accrued interest.

17. Compliance with Law. Purchaser agrees to comply with all applicable federal and state laws as well as administrative regulations in its use of the Purchased Water.

18. Third party beneficiaries. There are no third-party beneficiaries to this Agreement.

19. Reuse. Purchaser may not reuse the Purchased Water under this Agreement without the written consent of District.

20. Authority. Each party signing below represents and warrants that they are authorized to execute this Agreement for and on behalf of the party they are signing and that such party shall be bound in all respects by this Agreement.

21. Term. This Agreement shall be perpetual, so long as Purchaser is current on its required payments.

22. Notice. Notices required in this Agreement shall be sent to:

Tremonton City Corporation
102 South Tremont Street.
Tremonton, UT, 84337

Bear River Water Conservancy District
102 W Forest St
Brigham City, UT 84302

Each Party shall update this notice information if it changes.

23. Assignment. This Agreement shall not be assigned or transferred by Purchaser without the prior written consent of the District.

24. Entire Agreement. This Agreement constitutes the entire agreement between the Parties and cannot be modified or amended except through a written instrument signed by each of the Parties.

25. Governing Law. This Agreement shall be enforced and governed under the laws of the State of Utah, and jurisdiction for any action based on this Agreement shall be with the District Court of Box Elder County, State of Utah.

26. Attorneys' Fees/Costs. In the event of a suit between the Parties regarding this Agreement, the prevailing party shall be entitled to its costs, including reasonable attorneys' fees, engineering fees, or other professional and expert fees.

27. Recitals and Exhibits. The Recitals are incorporated into this Agreement as if fully set forth herein.

28. Knowledge. The Parties have read this Agreement and have executed it voluntarily after having been apprised of all relevant information and risks and having had the opportunity to obtain legal counsel of their choice.

29. Drafting Party. This Agreement has been and shall be deemed to be a product of joint drafting by the parties and there shall be no presumption otherwise.

30. Modification or amendment. This Agreement may not be modified or amended except by the express written agreement of the parties.

31. No Waiver. Any party's failure to enforce any provision of the Agreement shall not constitute a waiver of the right to enforce such provision or any other provision, nor shall any such waiver constitute a continuing waiver. The provisions of this Agreement may be waived only in writing by the party intended to benefit by the provisions, and a waiver by a party of a breach hereunder by the other party shall not be construed as a waiver of any succeeding breach of the same or other provisions.

32. Severability. If any portion of the Agreement is held to be unenforceable, the remaining provisions hereof shall continue in full force and effect.

33. Cooperation and further acts. The parties shall cooperate together, and each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as any party may reasonably request or as may be reasonably necessary or appropriate to effectuate, consummate, or perform any of the terms, provisions, or conditions of this Agreement.

34. No Relationship. Nothing in this Agreement shall be construed to create any partnership, joint venture, business relationship, or fiduciary relationship between the Parties.

35. Successors in Interest. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, legatees, devisees, administrators, personal representatives, executors, successors, and permitted assigns.

36. Injunctive Relief. The parties acknowledge that if a party should default in any of its obligations under this Agreement, it may be impracticable to measure the resulting damages to the aggrieved party and it may not be possible to adequately compensate the aggrieved party by means of monetary damages. Accordingly, without prejudice to the right to seek and recover monetary damages, the aggrieved party shall be entitled to seek and obtain specific performance of this Agreement or other injunctive relief, and the parties each waive any defense that a remedy in damages would be adequate and any requirement that the aggrieved party post any bond or other security to obtain such relief.

The Parties have executed this Agreement to be effective the _____ day of _____, 2027 (Effective Date).

BEAR RIVER WATER CONSERVANCY DISTRICT

BY:_____
BRWCD BOARD CHAIRMAN

ATTEST

BY:_____
BRWCD GENERAL MANAGER

Tremonton City Corporation.

BY:_____

PRINTED NAME:_____

TITLE: _____

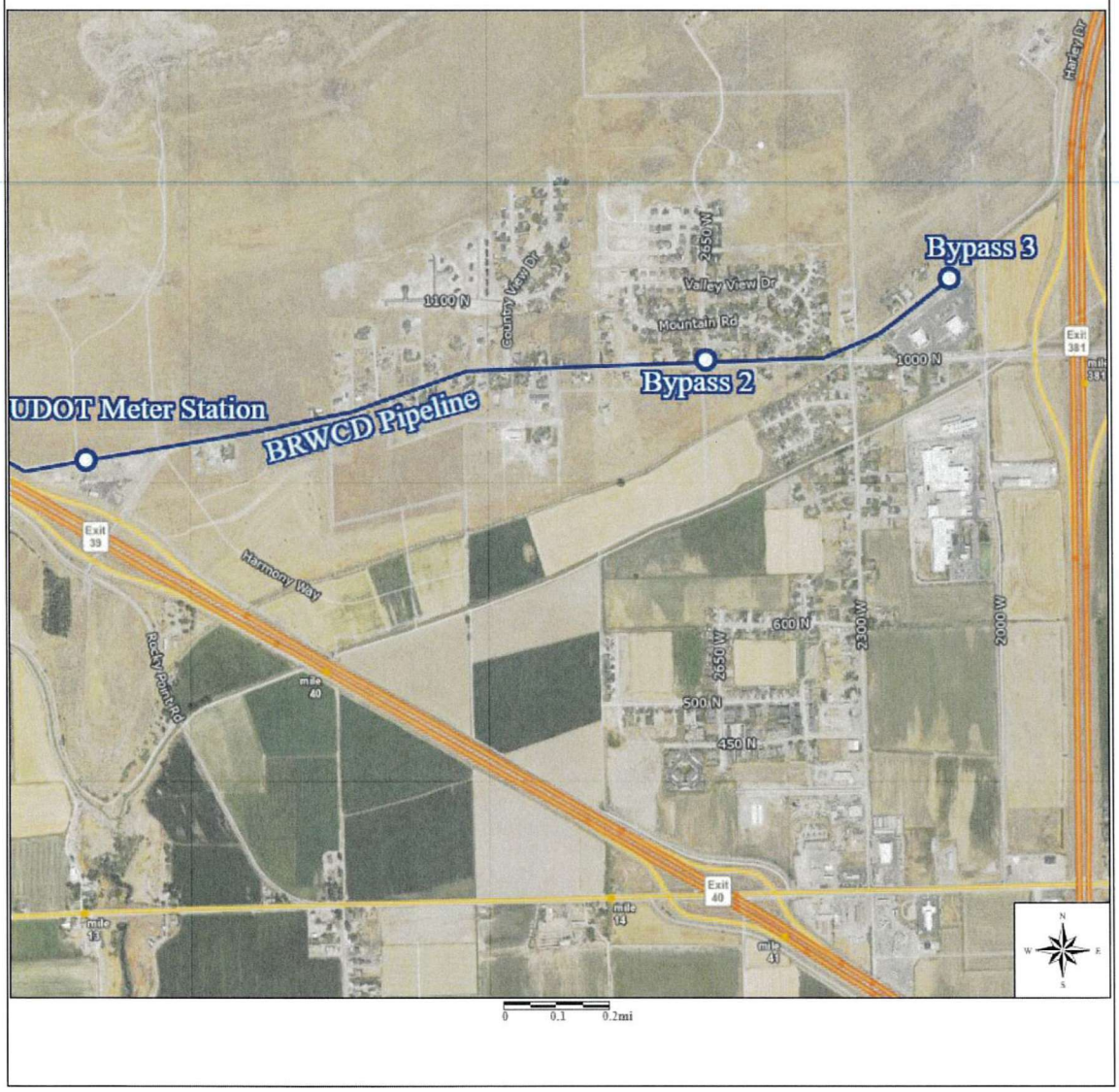
ATTEST

BY:_____

TITLE: _____

EXHIBIT A

Locations of District Water Delivery to City



Bear River Water Conservancy District
Check Register
All Bank Accounts - 10/01/2026 to 10/31/2026

Payee Name	Reference Number	Invoice Number	Invoice Ledger Date	Payment Date	Amount	Description	Ledger Account	Activity Code
Baxter, Chance	5423	7	09/28/2026	10/01/2026	800.00	September 2026 Cleaning Services	6262 - Building Repairs & Maintenanc	
BIG O TIRES	5424	044265-270300	09/22/2026	10/01/2026	1,621.55	2024-F150 Tires	6261 - Automotive Repairs	
Bishop Consulting Group	5425	1053	09/30/2026	10/01/2026	4,000.00	September 2026 Lobbying Services	6310 - Lobbying	
Brigham City Lab	5426	12133	09/14/2026	10/01/2026	40.00	Beaver Dam	6450 - Beaver Dam O&M Expenses	
Brigham City Lab	5426	12133	09/14/2026	10/01/2026	40.00	Collinston	6452 - Collinston System O&M Expen	
Brigham City Lab	5426	12133	09/14/2026	10/01/2026	80.00	Bothwell	6451 - Bothwell System O&M Expens	
Brigham City Lab	5426	12133	09/14/2026	10/01/2026	80.00	South Willard	6454 - So Willard System O&M Expe	
Brigham City Lab	5426	12133	09/14/2026	10/01/2026	120.00	Harper Ward	6453 - Harper Ward System O&M Ex	
					$360.00			
Chemtech Ford, LLC	5427	26H0361	09/25/2026	10/01/2026	455.00	Harper Ward Radiologicals & Radium	6453 - Harper Ward System O&M Ex	
Hansen & Associates	5428	26-0967	09/09/2026	10/01/2026	1,940.00	easement drawings	6313 - Engineering	
Hansen Allen & Luce Inc.	5429	58764	09/15/2026	10/01/2026	2,140.00	General Consulting 08/01/2026-08/31/2026	6313 - Engineering	
Hansen Allen & Luce Inc.	5429	58778	09/15/2026	10/01/2026	318.25	Water Conservation Plan 08/01/2026-08/31/2026	6313 - Engineering	
Hansen Allen & Luce Inc.	5429	58779	09/15/2026	10/01/2026	6,691.50	Bothwell - Tremonton EPA Compliance	1600 - Work in Process	
Hansen Allen & Luce Inc.	5429	58780	09/15/2026	10/01/2026	3,339.50	Brigham City Delivery Request Modeling	6314 - Exploration & Studies	
					$12,489.25			
In-Situ	5430	HV43876	08/31/2026	10/01/2026	211.75	Professional Cellular	6452 - Collinston System O&M Expen	
In-Situ	5430	HV44962	09/30/2026	10/01/2026	211.75	Professional Cellular	6452 - Collinston System O&M Expen	
					$423.50			
JUB Engineers - Logan	5431	200675	09/28/2026	10/01/2026	6,427.02	Secondary Water Study	6313 - Engineering	
Kent's Market	5432	9302026	09/30/2026	10/01/2026	256.08	meeting lunch supplies / Water Exaction meeting	6241 - Office Supplies & Postage	
MJM Construction	5433	PMT 4	09/15/2026	10/01/2026	67,545.00	South Willard Well Equipping - PMT 4	1600 - Work in Process	
Mountainland Supply Company	5434	S108200283.001	09/22/2026	10/01/2026	66.09	parts	6449 - Operating Supplies	
Ace Hardware	5435	065520/1	09/08/2026	10/08/2026	14.58	supplies	6449 - Operating Supplies	
Ace Hardware	5435	065521/1	09/08/2026	10/08/2026	3.59	supplies	6449 - Operating Supplies	
Ace Hardware	5435	065646/1	09/25/2026	10/08/2026	31.99	hose	6449 - Operating Supplies	
Ace Hardware	5435	310381	09/30/2026	10/08/2026	5.00	Finance Charge	6449 - Operating Supplies	
					$55.16			
BIG O TIRES	5436	044265-270609	10/06/2026	10/08/2026	1,724.16	2020 Dodge Ram - Repairs (Heater Core)	6261 - Automotive Repairs	
Blue Stakes of Utah	5437	UT202602382	09/30/2026	10/08/2026	183.80	3rd quarter notifications 2026	6449 - Operating Supplies	
Brigham City Corporation - Utilities	5438	9302026	09/30/2026	10/08/2026	538.24	8/26/2026 - 9/24/2026 Office	6281 - Utilities Utilities	
Brigham City Corporation - Utilities	5438	93020262	09/30/2026	10/08/2026	78.90	8/26/2026 - 9/24/2026 Shed	6281 - Utilities Utilities	
					$617.14			
Brigham City Lab	5439	12150	09/30/2026	10/08/2026	40.00	Bothwell testing	6451 - Bothwell System O&M Expens	
Bugnappers	5440	262961	10/06/2026	10/08/2026	120.00	lawn application 10/05/2026	6262 - Building Repairs & Maintenanc	
Deweyville Town	5441	9302026	09/30/2026	10/08/2026	5,000.00	3rd quarter 2026	6673 - Water Purchased-Deweyville	
Final Grade Excavating	5442	RFD 1249.10072	10/07/2026	10/08/2026	1,215.12	Deposit Refund: 1249 - Final Grade Excavating	2330 - Customer Rental deposits	
Greer's Hardware	5443	B935638	09/24/2026	10/08/2026	23.48	Operating Supplies	6449 - Operating Supplies	
Greer's Hardware	5443	B935654	09/24/2026	10/08/2026	91.94	Operating Supplies	6449 - Operating Supplies	
Greer's Hardware	5443	B935671	09/24/2026	10/08/2026	-25.99	Operating Supplies (Return)	6449 - Operating Supplies	
					$89.43			
Health Equity	5444	susks3x	10/07/2026	10/08/2026	14.70	HSA Monthly Fee	6139 - HSA Contribution-Employer Pa	
Miller Gas Co. Inc.	5445	295232	09/25/2026	10/08/2026	299.00	Mobile FM 32 Food Grade Oil	6451 - Bothwell System O&M Expens	
Republic Services #493	5446	3-0493-6003427	09/30/2026	10/08/2026	169.00	Waste Container - October Service	6262 - Building Repairs & Maintenanc	
Smith And Edwards Co., Inc.	5447	K37151	09/30/2026	10/08/2026	105.98	Uniform Allowance (Jaren Christensen)	6192 - Uniforms-Systems Operators	
PEHP Long Term Disability	5448	9302026	10/08/2026	10/08/2026	0.01	small balance adj.	6136 - Employee LT Disability	

Bear River Water Conservancy District
Check Register
All Bank Accounts - 10/01/2026 to 10/31/2026

Payee Name	Reference Number	Invoice Number	Invoice Ledger Date	Payment Date	Amount	Description	Ledger Account	Activity Code
PEHP Long Term Disability	5448	PR082926-638	09/01/2026	10/08/2026	72.62	Long Term Disability	2225.4 - Long Term Disability payable	
PEHP Long Term Disability	5448	PR091226-638	09/15/2026	10/08/2026	75.83	Long Term Disability	2225.4 - Long Term Disability payable	
PEHP Long Term Disability	5448	PR092626-638	09/29/2026	10/08/2026	72.81	Long Term Disability	2225.4 - Long Term Disability payable	
					$221.27			
1Wire Fiber	5449	4282724	10/01/2026	10/14/2026	394.44	Internet & Phone Service	6282 - Telephone Telephone	
Baxter, Chance	5450	RI1001261	10/01/2026	10/14/2026	150.00	Quarterly Phone Reimbursement	6282 - Telephone Telephone	
Chemtech Ford, LLC	5451	26F0930	06/12/2026	10/14/2026	132.00	metals preparation (springs)	6450 - Beaver Dam O&M Expenses	
Christensen, Jaren	5452	1012026	10/01/2026	10/14/2026	100.00	Jaren Christensen phone reimbursement (Aug-Sep	6282 - Telephone Telephone	
DGO/Fleet Operations-Fuel Network	5453	F2703E00763	10/01/2026	10/14/2026	1,794.28	System Fuel - September 2026	6457 - System O&M Expenses Fuel	
Freedom Mailing Services, Inc.	5454	54001	10/08/2026	10/14/2026	233.72	Utility Bill Processing	6491 - Printing and Reproduction	
Jeppesen, Kylee	5455	RI1001262	10/01/2026	10/14/2026	150.00	Quarterly Phone Reimbursement	6282 - Telephone Telephone	
MeterWorks	5456	12087	10/01/2026	10/14/2026	12,943.28	Booster Station and Bothwell Meters	6451 - Bothwell System O&M Expens	
SKM Inc.	5457	34154	10/01/2026	10/14/2026	11,771.30	Harper Ward Vault	6453 - Harper Ward System O&M Ex	
SKM Inc.	5457	34170	10/01/2026	10/14/2026	530.00	Bear River SSD Telemetry	6456 - SCADA	
					$12,301.30			
Stephens, Wyatt	5458	RI1001263	10/01/2026	10/14/2026	150.00	quarterly phone reimbursement	6282 - Telephone Telephone	
VISA	5459	10142026	10/14/2026	10/14/2026	1,882.06	9/1/2026-9/30/2026	2150 - CC Clearing Account	
Williams, Jamie	5460	RI1001264	10/01/2026	10/14/2026	150.00	quarterly phone reimbursement	6282 - Telephone Telephone	
Cohne Kinghorn	5461	371360	10/01/2026	10/14/2026	5,670.00	General Matters	6311 - Legal	
Cohne Kinghorn	5461	371361	10/01/2026	10/14/2026	400.00	Water Rights Monitoring	6311 - Legal	
					$6,070.00			
Rocky Mountain Power	5462	1052026	10/05/2026	10/14/2026	13.18	9/2/2026-10/2/2026	6453 - Harper Ward System O&M Ex	
Rocky Mountain Power	5462	1072026	10/07/2026	10/14/2026	242.02	9/4/2026-10/6/2026	6450 - Beaver Dam O&M Expenses	
Rocky Mountain Power	5462	10720262	10/07/2026	10/14/2026	665.06	9/4/2026-10/6/2026	6452 - Collinston System O&M Expen	
Rocky Mountain Power	5462	10720263	10/07/2026	10/14/2026	19.91	9/4/2026-10/6/2026	6452 - Collinston System O&M Expen	
Rocky Mountain Power	5462	10720264	10/07/2026	10/14/2026	431.32	9/4/2026-10/6/2026	6452 - Collinston System O&M Expen	
Rocky Mountain Power	5462	11062026	10/06/2026	10/14/2026	1,401.95	9/3/2026-10/5/2026	6452 - Collinston System O&M Expen	
					$2,773.44			
AE2S	5463	113510	08/25/2026	10/28/2026	1,611.25	Bothwell Projects Funding	6313 - Engineering	
AE2S	5463	114174	09/22/2026	10/28/2026	19,995.00	Bothwell Projects Funding	6313 - Engineering	
AE2S	5463	114175	09/22/2026	10/28/2026	1,317.75	Bothwell Projects Funding	6313 - Engineering	
					$22,924.00			
Amazon Capital Services	5464	17VD-T9CW-LYD	10/27/2026	10/28/2026	33.25	office supplies	6241 - Office Supplies & Postage	
Baxter, Chance	5465	8	10/28/2026	10/28/2026	800.00	October Cleaning Services	6262 - Building Repairs & Maintenanc	
BIG O TIRES	5466	044265-272097	10/22/2026	10/28/2026	215.82	2023 Ford F350 Service	6261 - Automotive Repairs	
Braegger & Sons Construction	5467	2026-119	10/22/2026	10/28/2026	4,000.00	11722 N 3400 W Waterline installation	6461 - Water Service Connection Cos	
JB Express Tire	5468	10010989	10/26/2026	10/28/2026	1,371.32	Ford F350 Tires	6261 - Automotive Repairs	
JUB Engineers - Logan	5469	201085	10/12/2026	10/28/2026	7,068.34	BR Lower - Plan EIS #28	6313.5 - BR Canal PL 566	
PEHP Group Insurance	5470	920382	10/15/2026	10/28/2026	89.14	Vision Insurance	2225.7 - Vision Insurance payable	
PEHP Group Insurance	5470	920382	10/15/2026	10/28/2026	597.74	Dental Insurance	2225.1 - Dental Insurance payable	
PEHP Group Insurance	5470	920382	10/15/2026	10/28/2026	12,657.86	Group Health Insurance	2225.2 - Health Insurance payable	
					$13,344.74			
PEHP Life	5471	10202026	10/20/2026	10/28/2026	161.71	Additional Life Insurance	2224.1 - Additional Life payable	
Pens.com	5472	114825107	10/20/2026	10/28/2026	111.17	Office Supplies	6241 - Office Supplies & Postage	
Republic Services #493	5473	0493 000893403	10/13/2026	10/28/2026	169.00	Waste Container	6262 - Building Repairs & Maintenanc	
Rocky Mountain Power	5474	10122026	10/12/2026	10/28/2026	27.62	9/10/2026-10/9/2026	6451 - Bothwell System O&M Expens	

Bear River Water Conservancy District
Check Register
All Bank Accounts - 10/01/2026 to 10/31/2026

Payee Name	Reference Number	Invoice Number	Invoice Ledger Date	Payment Date	Amount	Description	Ledger Account	Activity Code
Rocky Mountain Power	5474	10142026	10/14/2026	10/28/2026	839.71	9/14/2026-10/13/2026	6454 - So Willard System O&M Expe	
Rocky Mountain Power	5474	10162026	10/16/2026	10/28/2026	24.45	9/16/2026-10/15/2026	6451 - Bothwell System O&M Expens	
Rocky Mountain Power	5474	1092026	10/09/2026	10/28/2026	13.04	9/9/2026-10/8/2026	6451 - Bothwell System O&M Expens	
					$904.82			
Verizon	5475	6155172976	10/06/2026	10/28/2026	40.03	Beaver Dam Scada	6450 - Beaver Dam O&M Expenses	
Verizon	5475	6155172976	10/06/2026	10/28/2026	40.07	South Willard SCADA	6454 - So Willard System O&M Expe	
Verizon	5475	6155172976	10/06/2026	10/28/2026	52.01	SCADA Office	6282 - Telephone Telephone	
Verizon	5475	6155172976	10/06/2026	10/28/2026	105.37	Harper Ward SCADA Communications	6453 - Harper Ward System O&M Ex	
Verizon	5475	6155172976	10/06/2026	10/28/2026	120.03	Bothwell SCADA	6451 - Bothwell System O&M Expens	
Verizon	5475	6155172976	10/06/2026	10/28/2026	160.04	Collinston SCADA	6452 - Collinston System O&M Expen	
					$517.55			
Mountain Valley Motor and Pump Se	5511	15893	10/30/2026	10/30/2026	7,691.46	pump service - Bothwell	6451 - Bothwell System O&M Expens	
Dept of Treasury Internal Revenue S	EFT	PR092626-553	09/29/2026	10/02/2026	469.28	Medicare Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR092626-553	09/29/2026	10/02/2026	1,151.00	Federal Income Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR092626-553	09/29/2026	10/02/2026	2,006.56	Social Security Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR093026-553	09/29/2026	10/02/2026	23.68	Medicare Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR093026-553	09/29/2026	10/02/2026	101.06	Social Security Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR101026-553	10/13/2026	10/16/2026	451.04	Medicare Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR101026-553	10/13/2026	10/16/2026	1,044.00	Federal Income Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR101026-553	10/13/2026	10/16/2026	1,928.62	Social Security Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR102426-553	10/27/2026	10/30/2026	451.40	Medicare Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR102426-553	10/27/2026	10/30/2026	1,030.00	Federal Income Tax	2221 - Fed & Fica payable	
Dept of Treasury Internal Revenue S	EFT	PR102426-553	10/27/2026	10/30/2026	1,930.20	Social Security Tax	2221 - Fed & Fica payable	
Enbridge Gas UT WY ID	EFT	1062026	10/06/2026	10/14/2026	36.89	9/4/2026-10/6/2026	6281 - Utilities Utilities	
Utah Dept. of Workforce Services	EFT	10232026	10/23/2026	10/27/2026	-0.16	small bal adjustment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR063026-677	07/07/2026	10/27/2026	0.81	State Unemployment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR070426-677	07/07/2026	10/27/2026	11.72	State Unemployment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR071826-677	07/21/2026	10/27/2026	11.76	State Unemployment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR073126-677	08/04/2026	10/27/2026	1.09	State Unemployment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR080126-677	08/04/2026	10/27/2026	12.09	State Unemployment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR081526-677	08/18/2026	10/27/2026	8.93	State Unemployment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR082926-677	09/01/2026	10/27/2026	4.83	State Unemployment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR091226-677	09/15/2026	10/27/2026	4.47	State Unemployment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR092626-677	09/29/2026	10/27/2026	3.25	State Unemployment	2226 - Suta payable	
Utah Dept. of Workforce Services	EFT	PR093026-677	09/29/2026	10/27/2026	0.86	State Unemployment	2226 - Suta payable	
Utah Local Governments Trust	EFT	M1628681	09/02/2026	10/01/2026	4.68	10210 Accidental Dental	6134 - Dental Insurance Expense	
Utah Local Governments Trust	EFT	M1628682	09/02/2026	10/01/2026	276.84	10210-WC	6141 - Workers Compensation	
Utah Retirement Systems	EFT	PR101026-683	10/13/2026	10/13/2026	96.00	Roth IRA	2223.2 - Roth payable	
Utah Retirement Systems	EFT	PR101026-683	10/13/2026	10/13/2026	1,081.36	URS 401k Additional	2223.1 - 401K payable	
Utah Retirement Systems	EFT	PR101026-683	10/13/2026	10/13/2026	2,322.76	URS Retirement	2223.1 - 401K payable	
Utah Retirement Systems	EFT	PR102426-683	10/27/2026	10/30/2026	96.00	Roth IRA	2223.2 - Roth payable	
Utah Retirement Systems	EFT	PR102426-683	10/27/2026	10/30/2026	1,054.88	URS 401k Additional	2223.1 - 401K payable	
Utah Retirement Systems	EFT	PR102426-683	10/27/2026	10/30/2026	2,307.51	URS Retirement	2223.1 - 401K payable	
Utah State Tax Commission	EFT	PR092626-685	09/29/2026	10/02/2026	649.00	State Income Tax	2222 - State Withholding Payable	
Utah State Tax Commission	EFT	PR101026-685	10/13/2026	10/16/2026	614.00	State Income Tax	2222 - State Withholding Payable	
Utah State Tax Commission	EFT	PR102426-685	10/27/2026	10/30/2026	609.00	State Income Tax	2222 - State Withholding Payable	
Xpress Bill Pay	EFT	INV-XPR040713	09/30/2026	10/05/2026	270.94	customer payment processing	6612 - Merchant Card Services	
					$20,066.35			
					$224,842.30			

WATER FACILITIES AND SOURCE AGREEMENT

This Water Facilities and Source Agreement ("Agreement") is made and entered into as of _____ by and between Bear River Water Conservancy District, a Utah water conservancy district ("District"), and Deweyville Town, Utah, a Utah municipal corporation ("Deweyville"). District and Deweyville may also be referred to collectively as the "Parties" or individually as a "Party." This Agreement replaces and supersedes the Water Supply Agreement entered into by the Parties dated January 2, 2020, and any subsequent agreement concerning the same subject matter identified by the Parties before execution.

RECITALS

A. District is organized and exists pursuant to the Utah Water Conservancy District Act for the purpose, among others, of providing water to residents of Box Elder County, Utah.

B. District is the record owner of Water Right No. 29-4020, which allows for the municipal use of water within the service area of the District ("Water Right").

C. District supplies municipal water to residents of Box Elder County, Utah, and desires to secure an interim water source from Deweyville for customers within its distribution systems.

D. Deweyville has existing water sources and delivery facilities that it uses to provide water to its residents ("Town System").

E. Deweyville represents that it has surplus capacity in the Town System that may be used to provide water service to District customers within the District's Systems during the term of this Agreement.

F. Deweyville is willing to allow District to use surplus capacity in the Town System pursuant to the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Parties agree as follows:

1. **Use of Surplus Capacity**

1.1 Deweyville represents that it is the owner of certain water sources and water delivery facilities used to supply water to its residents and that there is sufficient surplus capacity in both the sources of supply and the delivery facilities to make water available to District under this Agreement.

1.2 The Parties acknowledge that the Utah State Engineer approved Permanent Change Application Number 29-4020 (a45391) on December 3, 2020, authorizing the District to divert up to 1.25 cubic feet per second or 250 acre-feet of water annually under Water Right Number 29-4020 from the points of diversion identified in the State Engineer's Order, including Deweyville's wells and spring sources, for use within the District's service area. The nature and place of use remain as approved under Water Right Number 29-4020. The District will utilize Permanent Change Application Number 29-4020 (a45391) for the Water Supply delivered through Deweyville's system under this Agreement and will be responsible for compliance with the applicable terms and conditions of the State Engineer's approval, including applicable metering and reporting requirements. Deweyville will reasonably cooperate with the District as necessary to allow the District to exercise its rights under the approved change application.

1.3 Subject to the terms and conditions of this Agreement, Deweyville agrees to provide District a minimum of one hundred (100) acre-feet and a maximum of two hundred fifty (250) acre-feet of water from the Town System annually ("Water Supply"). District may use the Water Supply to provide municipal water to its customers within its Service Area.

2. **Term**

The term of this Agreement is fifteen (15) years beginning on the Effective Date. Deweyville anticipates that it will have surplus capacity in the Town System available during the term. Deweyville may terminate this Agreement if it determines that the Town System has insufficient capacity to serve Deweyville residents and provide the Water Supply, provided that Deweyville gives District at least three (3) years' prior written notice. Deweyville will evaluate Town System capacity and demand annually and will notify District within thirty (30) days after the evaluation if Deweyville anticipates requiring the full capacity of the Town System to serve its residents within three (3) years.

3. Payment

3.1 District agrees to pay Deweyville for a minimum of one hundred (100) acre-feet of water annually, regardless of the amount actually used by District from the Town System. District will pay Deweyville $250.00 per acre-foot for water used up to one hundred fifty (150) acre-feet. District will pay Deweyville $300.00 per acre-foot for Water Supply used in excess of one hundred fifty (150) acre-feet, up to two hundred fifty (250) acre-feet. These rates will increase by three percent (3%) annually through December 31, 2031. Beginning January 1, 2032, and at least once every five (5) years thereafter during the term of this Agreement, the Parties will review the rates and negotiate in good faith any adjustment reasonably necessary to reflect changes in power, operation, maintenance, repair, and replacement costs associated with the Town System. Unless otherwise agreed in writing by the Parties, the then-current rates will remain in effect pending completion of such review.

3.2 Each year this Agreement is in effect, District will pay the annual minimum charge for one hundred (100) acre-feet in four equal quarterly payments. Each quarterly payment is due no later than the last day of the month following the end of the applicable calendar quarter. At the end of each calendar year, District will pay Deweyville at the applicable rate for each additional acre-foot delivered in excess of one hundred (100) acre-feet. The amount due for excess deliveries will be included with the fourth-quarter payment due January 31 of the following year.

3.3 District agrees to pay Deweyville an annual well maintenance fee of $3,500.00, payable by January 31 of each year during the term of this Agreement. The well maintenance fee will increase by three percent (3%) annually through December 31, 2031. Beginning January 1, 2032, the well maintenance fee will be reviewed at the same intervals and subject to the same adjustment procedure applicable to the water rates under this Agreement.

4. District Water Facilities

District will be responsible for the operation, maintenance, repair, and replacement of all facilities required to obtain the Water Supply from the Town System and deliver it to District customers, including the existing meter and meter station, which belong to Deweyville. District will retain ownership of all infrastructure constructed by District to receive water from the Town System. Both Parties will have reasonable access to the meter and meter station throughout the term of this Agreement.

5. Water Flow Rate and Water Delivery Schedule

5.1 Deweyville agrees to operate and maintain the Town System to supply the Water Supply to District twenty-four (24) hours per day, year-round, on an uninterrupted basis, subject to emergencies, required maintenance, and events beyond Deweyville's reasonable control. District anticipates a maximum instantaneous demand of 560 gallons per minute.

5.2 District will use the Water Supply for municipal purposes. The Parties acknowledge that typical municipal demand includes steady year-round indoor demand and a summer peak associated with outdoor irrigation.

5.3 The Water Supply delivered to District will be treated and will be of the same quality as water delivered by Deweyville for municipal use by its residents.

5.4 Deweyville will not provide fire flows to District under this Agreement. District will be responsible for its own water storage and other facilities required to provide fire flows to District customers.

6. **Indemnification**

To the extent permitted by applicable law, District shall defend, indemnify, and hold Deweyville harmless from claims, losses, expenses, or damages to persons or property arising from District's use of the Water Supply; the acts or omissions of District or its agents, employees, contractors, or invitees; or any change, alteration, or improvement made by District to the water line. To the extent permitted by applicable law, Deweyville shall defend, indemnify, and hold District harmless from claims, losses, expenses, or damages to persons or property arising from Deweyville's negligent operation, maintenance, or repair of the Town System. This Section is subject to the Utah Governmental Immunity Act and does not waive any immunity or statutory limitation available to either Party.

7. **Notices**

Any notice required or permitted under this Agreement must be in writing and will be deemed given when personally delivered, sent by nationally recognized overnight delivery service, or deposited in the United States mail by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to District:
Bear River Water Conservancy District
Attn: General Manager
102 West Forest Street
Brigham City, UT 84302

If to Deweyville:
Deweyville Town
Attn: Mayor
10870 North Hwy 38
Deweyville, UT 84309

8. **Effective Date of Agreement**

This Agreement shall become effective on January 1, 2027, provided that it has been fully executed by both Parties. If the Agreement is fully executed after January 1, 2027, the Agreement shall become effective on the date of final execution by the Parties.

9. **Governing Law and Venue**

This Agreement shall be governed by and construed in accordance with the laws of the State of Utah. Venue for any action arising from this Agreement shall lie in a court of competent jurisdiction in Box Elder County, Utah.

10. **Entire Agreement**

This Agreement constitutes the entire agreement between the Parties concerning its subject matter and supersedes all prior understandings, representations, and agreements concerning that subject matter.

11. **Modification of Agreement**

Any modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement is binding only if set forth in a written instrument signed by both Parties.

12. **No Waiver**

No delay or failure by either Party to exercise any right under this Agreement, and no partial or single exercise of any right, constitutes a waiver of that or any other right. A waiver is effective only if made in writing by the waiving Party. No waiver will affect any other provision or any later breach.

13. **Rights and Remedies**

The Parties have all rights and remedies available under Utah law for a breach or threatened breach of this Agreement. These rights and remedies are cumulative. Because damages may be an inadequate remedy for breach of certain provisions, the Parties may seek specific performance, injunctive relief, or other equitable relief when legally available.

14. **Assignment**

Neither Party may assign this Agreement, any portion of this Agreement, the right to receive payment or water under this Agreement, or any cause of action arising under this Agreement without the prior written consent of the other Party. Any attempted assignment without the required consent is void.

15. **Severability**

If any provision of this Agreement is held invalid or unenforceable, the remaining provisions remain in full force and effect. The invalid or unenforceable provision will be replaced, to the extent legally possible, by a valid provision that most closely reflects the Parties' original intent.

16. **Necessary Acts and Cooperation**

The Parties agree to perform any act and execute any instrument reasonably necessary to carry out this Agreement.

17. **Authorization**

Each individual signing this Agreement represents and warrants that the individual is duly authorized to sign in the stated capacity and to bind the entity on whose behalf the individual signs.

18. **Successors and Assigns**

This Agreement benefits and binds the Parties and their respective successors and permitted assigns, except as otherwise provided herein.

19. **Execution of Agreement**

This Agreement may be executed in counterparts, each of which is deemed an original, and all of which together constitute one instrument. Signatures transmitted electronically or by facsimile have the same effect as original signatures.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the dates written below.

BEAR RIVER WATER CONSERVANCY DISTRICT

Signature: _____
Printed Name: _____
Title: _____
Date: _____

DEWEYVILLE TOWN

Signature: _____
Printed Name: _____
Title: _____
Date: _____

Bear River Water Conservancy District
Standard Financial Report
Operations - 10/01/2026 to 10/31/2026
83.33% of the fiscal year has expired

	Prior Year Actual	October Actual	Current Year Actual
Net Position			
Assets:			
Current Assets			
Cash and cash equivalents			
1100 First Community Checking	16,550.97	(10,191.21)	137,814.65
1101 First Community Savings	81,155.21	4.30	6,539.14
1103 Petty Cash	1,340.89	42.44	2,226.15
1110 Xpress Bill Pay Clearing	32,639.18	(4,149.21)	37,393.80
1120 PTIF 0239	2,411,104.77	(188,249.95)	1,356,541.98
1121 PTIF 2258 Depreciation Savings	1,027,060.52	104,625.45	854,104.45
1130 PTIF 4446 Bothwell Impact Fee	154,815.17	0.00	159,386.03
1131 PTIF 4447 HW Impact Fee	14,103.46	0.00	7,353.38
1133 PTIF 4815 Valley Investment	79,565.42	0.00	81,914.54
1134 PTIF 8438 Collinston Impact Fee	22,367.93	0.00	128.40
1135 PTIF 8439 Beaver Dam Impact Fe	52,980.69	0.00	54,544.90
1136 PTIF 8585 S.W. Impact Fee	25.49	0.00	26.24
1141 PTIF 5071 2008 LBA CapFac SW/	285,552.48	0.00	293,983.33
1142 PTIF 5072 1993-99 CapFac BW/H	141,301.20	0.00	145,473.06
1143 PTIF 5074 2020 Flat Canyon from	122,770.41	0.00	126,395.14
1148 PTIF 5379 2014-2008 LBA Res S	269,116.94	0.00	277,062.51
1149 PTIF 5675 2011 Cap Fac BD	13,509.08	0.00	13,907.93
1150 PTIF 5676 2011 Reserve BD	11,442.90	0.00	11,780.74
1151 PTIF 8317 2016 Res MP	9,580.37	0.00	10,886.47
1153 PTIF 7374 SRF	232,664.94	0.00	567,359.49
Total Cash and cash equivalents	**4,979,648.02**	**(97,918.18)**	**4,144,822.33**
Receivables			
1311 Accounts Receivable	133,291.21	7,438.53	167,113.16
1312 Lease Receivable	12,255.56	0.00	12,255.56
1313 Grants Receivable - USBR	261,212.89	0.00	261,212.89
1314 Grants Receivable - USDA	146,932.00	0.00	146,932.00
1315 Grants Receivable - CIB	63,202.00	0.00	63,202.00
1316 Weather Modification Receivable	22,500.00	0.00	22,500.00
1319 Allowance for Doubtful Accts.	(2,000.00)	0.00	(2,000.00)
1411 REC. FROM OTHER GOV'TS	297,651.80	0.00	297,651.80
Total Receivables	**935,045.46**	**7,438.53**	**968,867.41**
Other current assets			
1541 Prepaid Insurance	5,736.60	0.00	5,736.60
Total Other current assets	**5,736.60**	**0.00**	**5,736.60**
Total Current Assets	**5,920,430.08**	**(90,479.65)**	**5,119,426.34**
Non-Current Assets			
Capital assets			
Work in Process			
1600 Work in Process	6,077,560.95	5,891.45	7,681,019.38
1603.2 Flat Canyon Well	488,623.41	0.00	488,623.41
1603.3 Harper Ward Test Well	509,272.99	0.00	509,272.99
Total Work in Process	**7,075,457.35**	**5,891.45**	**8,678,915.78**
Property			
1601 BE County Meter Station	4,633.22	0.00	4,633.22
1602.1 Collinston Project	4,116,322.80	0.00	4,116,322.80
1602.2 Blending Plan	44,954.67	0.00	44,954.67
1602.3 Waterline Extension-Sierra 202	171,240.65	0.00	171,240.65
1604.1 SW Well 2014	552,034.15	0.00	552,034.15
1605.1 WCWC Connection Line	118,492.32	0.00	118,492.32
1606.2 Bothwell Tank Overflow Pond	2,640.57	0.00	2,640.57
1610 ROU Asset	47,031.00	0.00	47,031.00
1611 Land and Water Rights	1,242,311.82	0.00	1,242,311.82
1621 Buildings	528,972.99	0.00	528,972.99
1640 Water Distributions Systems - Ot	77,921.71	0.00	77,921.71
1641 Beaver Dam Water System	1,959,379.46	0.00	1,959,379.46
1642 Booster Station	22,535.08	0.00	22,535.08
1643 Bothwell meter station	24,428.11	0.00	24,428.11
1644 Country Classics	89,500.00	0.00	89,500.00
1646 Harper Ward System	1,119,200.63	0.00	1,119,200.63

	Prior Year Actual	October Actual	Current Year Actual
1647 Honeyville Connection	16,497.50	0.00	16,497.50
1648 Newman Well	481,809.72	0.00	481,809.72
1649 RS/NG Meter Station	34,733.35	0.00	34,733.35
1650 Stevenson Farms #1	120,000.00	0.00	120,000.00
1651 TP-Backup Well	293,826.10	0.00	293,826.10
1652 TP 12" bypass system	283,221.18	0.00	283,221.18
1653 Tremonton Project	2,097,405.34	0.00	2,097,405.34
1654 WCorinne/Corinne Mtr Stn	79,881.97	0.00	79,881.97
1655 South Willard Water System	2,976,032.07	0.00	2,976,032.07
1657 BackupWell Enclosure	71,702.02	0.00	71,702.02
1661.1 Equipment	616,487.72	0.00	616,487.72
1661.2 Bothwell System Generator	129,602.70	0.00	129,602.70
1671.3 2020 Dodge Ram Truck	51,148.75	0.00	51,148.75
Total Property	**17,373,947.60**	**0.00**	**17,373,947.60**
Accumulated depreciation			
1721 Accumulated Depreciation	(5,904,902.29)	(104,625.45)	(6,253,653.79)
1722 Accumulated Amortization	(15,677.21)	0.00	(15,677.21)
Total Accumulated depreciation	**(5,920,579.50)**	**(104,625.45)**	**(6,269,331.00)**
Total Capital assets	**18,528,825.45**	**(98,734.00)**	**19,783,532.38**
Other non-current assets			
1802 Deferred outflows of resources	156,039.00	0.00	156,039.00
1803 Suspense	23.90	0.00	(17.83)
Total Other non-current assets	**156,062.90**	**0.00**	**156,021.17**
Total Non-Current Assets	**18,684,888.35**	**(98,734.00)**	**19,939,553.55**
Total Assets:	**24,605,318.43**	**(189,213.65)**	**25,058,979.89**
Liabilites and Fund Equity:			
Liabilities:			
Current liabilities			
2131 Accounts payable	(97,628.03)	79,319.81	325,392.88
2132.1 CC - Capital One	(487.76)	0.00	(487.76)
2132.4 CC - Visa	(2,980.59)	0.00	(1,882.06)
2150 CC Clearing Account	487.76	1,882.06	2,369.82
2330 Customer Rental deposits	(3,190.00)	1,500.00	(3,190.00)
Total Current liabilities	**(103,798.62)**	**82,701.87**	**322,202.88**
Payroll liabilities			
2211 Accrued wages payable	(14,828.52)	(1,433.14)	(16,261.66)
2220 Payroll liability clearing	0.00	(218.79)	(218.79)
2221 Fed & Fica payable	0.00	3,751.58	0.00
2222 State Withholding Payable	0.00	649.00	0.00
2223.1 401K payable	(364.99)	0.00	(364.99)
2224.1 Additional Life payable	(949.57)	(0.03)	(1,208.16)
2225.1 Dental Insurance payable	(2,751.90)	147.32	(3,693.53)
2225.2 Health Insurance payable	(59,829.60)	3,285.48	(78,535.42)
2225.3 HSA Contributions	(1,134.00)	(426.90)	(1,560.90)
2225.4 Long Term Disability payable	(246.57)	79.84	(201.28)
2225.7 Vision Insurance payable	(434.02)	23.00	(587.90)
2226 Suta payable	(284.54)	55.13	(275.20)
2290 Deferred Vacation payable	(42,214.03)	0.00	(42,214.03)
Total Payroll liabilities	**(123,037.74)**	**5,912.49**	**(145,121.86)**
Liabilities			
2501.2 Collinston project	(11,238.01)	0.00	(11,238.01)
2501.9 Retainage Payable	(44,649.98)	0.00	(44,649.98)
Total Liabilities	**(55,887.99)**	**0.00**	**(55,887.99)**
Long-term liabilities			
2509 SRF 3S1849 2024	(1,034,360.00)	0.00	(1,404,360.00)
2515 So Willard 3S096 Interest	(439,000.00)	0.00	(439,000.00)
2516 Beaver Dam 3F144	(146,000.00)	0.00	(138,000.00)
2517 Collinston 3F214	(1,873,000.00)	0.00	(1,873,000.00)
2518 Master Plan 3F253P	(20,000.00)	0.00	(20,000.00)
2519 Flat Canyon 3S1740	(36,974.85)	0.00	(36,974.85)
2520 HW Test Well 3S1761	(112,941.32)	0.00	(112,941.32)

	Prior Year Actual	October Actual	Current Year Actual
2521 Lease Liability	(15,486.00)	0.00	(15,486.00)
2521.1 2024 SRF - Issued	(2,840,000.00)	0.00	(2,840,000.00)
2522 General LTD Offset	2,840,000.00	0.00	2,840,000.00
Total Long-term liabilities	**(3,677,762.17)**	**0.00**	**(4,039,762.17)**
Deferred inflows			
2601 Net Pension liability	(92,435.00)	0.00	(92,435.00)
2602 Deferred Inflows Of resources	(1,276,887.70)	0.00	(1,276,887.70)
Total Deferred inflows	**(1,369,322.70)**	**0.00**	**(1,369,322.70)**
Total Liabilities:	**(5,329,809.22)**	**88,614.36**	**(5,287,891.84)**
Equity - Paid In / Contributed			
2791.1 Cap Contibribtion: Beaver Dam	(1,650.00)	0.00	(1,650.00)
2791.2 Cap Contibribtion: Collinston	(553,360.50)	0.00	(553,360.50)
2791.3 Cap Contibribtion: Harper Subscri	(333,000.00)	0.00	(333,000.00)
2791.4 CapContibribtion: Tremonton Proj	(76,600.00)	0.00	(76,600.00)
2791.5 Cap Contibribtion: Water Systems	(209,500.00)	0.00	(209,500.00)
2791.6 Cap Contibribtion: Contributed Ca	(150,200.02)	0.00	(150,200.02)
2981 Retained Earnings	(17,951,198.69)	100,599.29	(18,446,777.53)
Total Equity - Paid In / Contributed	**(19,275,509.21)**	**100,599.29**	**(19,771,088.05)**
Total Liabilites and Fund Equity:	**(24,605,318.43)**	**189,213.65**	**(25,058,979.89)**
Total Net Position	**0.00**	**0.00**	**0.00**

Bear River Water Conservancy District
Standard Financial Report
Operations - 10/01/2026 to 10/31/2026
83.33% of the fiscal year has expired

	Prior Year Actual	October Actual	Current Year Actual	Revised Budget	Remaining Budget	% Earned/ Used
Income or Expense						
Income From Operations:						
Operating income						
Water sales						
5141 Beaver Dam Dry Taps	600.00	50.00	500.00	600.00	100.00	83.33%
5142 Beaver Dam Retail	23,335.68	1,678.36	19,012.18	24,439.00	5,426.82	77.79%
5152 Bothwell M&I Retail	78,494.74	3,961.85	75,528.78	82,927.00	7,398.22	91.08%
5153 Bothwell M&I Wholesale	369,410.27	84,848.58	332,277.57	309,783.00	(22,494.57)	107.26%
5161 Collinston Dry Taps	9,660.00	770.00	7,880.00	11,919.00	4,039.00	66.11%
5162 Collinston Retail	74,478.84	4,146.93	69,091.73	74,718.00	5,626.27	92.47%
5163 Collinston Wholesale	89,541.45	22,199.40	93,276.15	83,811.00	(9,465.15)	111.29%
5172 Harper Ward Retail	110,850.30	8,117.46	100,535.83	120,003.00	19,467.17	83.78%
5182 South Willard Retail	2,717.14	169.76	3,465.59	4,519.00	1,053.41	76.69%
5183 South Willard Wholesale	28,737.60	7,399.80	29,443.80	22,809.00	(6,634.80)	129.09%
5190 Water Testing Reimbursed	140.00	60.00	180.00	255.00	75.00	70.59%
Total Water sales	**787,966.02**	**133,402.14**	**731,191.63**	**735,783.00**	**4,591.37**	**99.38%**
Rental income						
5212 Farm Power Reimbursement	44,249.08	0.00	0.00	0.00	0.00	0.00%
5213 Farm Rent	86,836.35	0.00	0.00	0.00	0.00	0.00%
5215 Riverside North Garland Lease	2,199.60	2,218.00	2,218.00	2,218.00	0.00	100.00%
5216 Ukon Sublease	12,133.66	0.00	12,386.22	12,286.00	(100.22)	100.82%
5217 Farm Water Sales	0.00	0.00	275,000.00	275,000.00	0.00	100.00%
5218 Farm Land Lease	0.00	0.00	23,500.00	23,500.00	0.00	100.00%
5219 Well Maintenance Fees	0.00	0.00	7,500.00	0.00	(7,500.00)	0.00%
Total Rental income	**145,418.69**	**2,218.00**	**320,604.22**	**313,004.00**	**(7,600.22)**	**102.43%**
Total Operating income	**933,384.71**	**135,620.14**	**1,051,795.85**	**1,048,787.00**	**(3,008.85)**	**100.29%**
Operating expense						
Water system operations						
Payroll expenses						
Wages						
6110 Gross Wages	399,340.61	31,546.10	367,630.88	649,136.00	281,505.12	56.63%
6111 Gross Wages: Bonuses	4,250.00	0.00	0.00	0.00	0.00	0.00%
6112 Trustees Payroll Expense	9,630.00	1,420.00	7,135.00	12,000.00	4,865.00	59.46%
Total Wages	**413,220.61**	**32,966.10**	**374,765.88**	**661,136.00**	**286,370.12**	**56.69%**
Benefits						
6131 FICA Expense	31,335.79	2,489.29	28,339.45	56,584.00	28,244.55	50.08%
6132 SUTA Expense	508.27	5.99	269.92	1,552.00	1,282.08	17.39%
6133 Employee Health Insurance	176,213.32	9,372.38	112,150.15	198,780.00	86,629.85	56.42%
6134 Dental Insurance Expense	8,501.58	450.42	5,529.48	10,815.00	5,285.52	51.13%
6135 Employee Life Insurance	1,229.14	42.08	791.25	919.00	127.75	86.10%
6136 Employee LT Disability	1,939.03	141.44	(305.00)	3,743.00	4,048.00	-8.15%
6138 Vision Insurance Expense	1,348.96	66.14	848.87	1,795.00	946.13	47.29%
6139 HSA Contribution-Employer Pai	20,128.10	14.70	11,442.53	34,508.00	23,065.47	33.16%
6140 Retirement & Benefits	74,786.88	5,371.36	63,449.19	129,275.00	65,825.81	49.08%
6141 Workers Compensation	2,082.18	0.00	1,713.69	6,489.00	4,775.31	26.41%
6143 General Gov Pension Expense	26,851.00	0.00	0.00	0.00	0.00	0.00%
Total Benefits	**344,924.25**	**17,953.80**	**224,229.53**	**444,460.00**	**220,230.47**	**50.45%**
Total Payroll expenses	**758,144.86**	**50,919.90**	**598,995.41**	**1,105,596.00**	**506,600.59**	**54.18%**
Operations						
6191 Uniforms-Office Personnel	201.89	0.00	100.00	450.00	350.00	22.22%
6192 Uniforms-Systems Operators	819.87	299.01	914.83	1,050.00	135.17	87.13%
6210 Memberships & Registrations	22,918.65	1,000.00	17,294.98	25,000.00	7,705.02	69.18%
6231 Conferences Training	375.00	0.00	0.00	0.00	0.00	0.00%
6232 Mileage Reimbursement	3,711.50	121.80	4,330.43	10,000.00	5,669.57	43.30%
6233 Travel Expenses	10,862.69	0.00	11,418.68	15,000.00	3,581.32	76.12%
6241 Office Supplies & Postage	8,743.97	144.42	5,120.94	12,000.00	6,879.06	42.67%
6261 Automotive Repairs	10,565.97	3,311.30	7,968.17	8,000.00	31.83	99.60%
6262 Building Repairs & Maintenance	31,487.14	1,374.02	14,848.99	20,000.00	5,151.01	74.24%
6263 Computer/Networking	13,720.29	804.20	8,217.86	20,000.00	11,782.14	41.09%
6281 Utilities Utilities	11,465.82	694.88	8,317.50	15,000.00	6,682.50	55.45%
6282 Telephone Telephone	8,207.40	1,146.45	7,514.50	12,000.00	4,485.50	62.62%
6310 Lobbying	45,000.00	4,000.00	40,000.00	50,000.00	10,000.00	80.00%
6311 Legal	34,879.66	6,070.00	22,674.50	60,000.00	37,325.50	37.79%

Bear River Water Conservancy District
Standard Financial Report
Operations - 10/01/2026 to 10/31/2026
83.33% of the fiscal year has expired

	Prior Year Actual	October Actual	Current Year Actual	Revised Budget	Remaining Budget	% Earned/ Used
6312 Accounting	42,510.00	0.00	42,980.00	50,000.00	7,020.00	85.96%
6313 Engineering	120,187.42	8,595.38	128,624.62	100,000.00	(28,624.62)	128.62%
6314 Exploration & Studies	212,524.80	1,034.25	4,373.75	300,000.00	295,626.25	1.46%
6320 Engineering Howell Town	1,369.25	0.00	0.00	0.00	0.00	0.00%
6322 County Water Master Plan	166,136.50	0.00	0.00	0.00	0.00	0.00%
6323 Thatcher Penrose IFFP	0.00	0.00	(7,500.00)	0.00	7,500.00	0.00%
6448 Equipment and Tools	54,710.59	0.00	2,482.93	80,000.00	77,517.07	3.10%
6449 Operating Supplies	25,873.39	16,434.18	23,176.43	20,000.00	(3,176.43)	115.88%
6450 Beaver Dam O&M Expenses	13,071.60	498.05	23,134.72	30,000.00	6,865.28	77.12%
6451 Bothwell System O&M Expenses	141,910.41	24,546.40	188,047.09	200,000.00	11,952.91	94.02%
6452 Collinston System O&M Expense	47,032.11	2,718.28	69,057.74	75,000.00	5,942.26	92.08%
6453 Harper Ward System O&M Expe	17,688.48	16,057.49	109,832.21	125,000.00	15,167.79	87.87%
6454 So Willard System O&M Expens	25,144.30	959.78	15,346.43	30,000.00	14,653.57	51.15%
6456 SCADA	25,109.00	530.00	12,645.17	50,000.00	37,354.83	25.29%
6457 System O&M Expenses Fuel	14,793.73	1,794.28	15,869.58	20,000.00	4,130.42	79.35%
6460 Contracted-Misc Services	2,581.00	0.00	0.00	0.00	0.00	0.00%
6461 Water Service Connection Costs	9,830.67	4,000.00	14,114.03	10,000.00	(4,114.03)	141.14%
6480 Weather Modification Expense	49,365.68	0.00	30,121.00	60,000.00	29,879.00	50.20%
6490 Advertising Advertising	45.88	0.00	0.00	7,000.00	7,000.00	0.00%
6491 Printing and Reproduction	2,844.71	233.72	2,752.06	5,000.00	2,247.94	55.04%
6510 Auto Insurance	4,961.42	0.00	3,696.93	7,000.00	3,303.07	52.81%
6511 Fidelity Bonds	3,723.00	0.00	0.00	10,000.00	10,000.00	0.00%
6512 Liability Insurance	9,618.46	0.00	25,496.51	10,000.00	(15,496.51)	254.97%
6611 Bank Service Charges	1,120.02	65.00	776.40	1,500.00	723.60	51.76%
6612 Merchant Card Services	4,089.89	0.00	3,727.63	3,500.00	(227.63)	106.50%
6613 Bad Debt Expense	0.00	0.00	0.00	150.00	150.00	0.00%
Total Operations	**1,199,202.16**	**96,432.89**	**857,476.61**	**1,442,650.00**	**585,173.39**	**59.44%**
Water purchased						
6672 Water Purchased-BC	48,877.68	0.00	20,365.70	50,000.00	29,634.30	40.73%
6673 Water Purchased-Deweyville	20,844.00	0.00	15,000.00	20,000.00	5,000.00	75.00%
Total Water purchased	**69,721.68**	**0.00**	**35,365.70**	**70,000.00**	**34,634.30**	**50.52%**
Depreciation						
6690 Depreciation Depreciation	406,180.26	104,625.45	348,751.50	412,000.00	63,248.50	84.65%
Total Depreciation	**406,180.26**	**104,625.45**	**348,751.50**	**412,000.00**	**63,248.50**	**84.65%**
Total Water system operations	**2,433,248.96**	**251,978.24**	**1,840,589.22**	**3,030,246.00**	**1,189,656.78**	**60.74%**
Total Operating expense	**2,433,248.96**	**251,978.24**	**1,840,589.22**	**3,030,246.00**	**1,189,656.78**	**60.74%**
Total Income From Operations:	**(1,499,864.25)**	**(116,358.10)**	**(788,793.37)**	**(1,981,459.00)**	**(1,192,665.63)**	**39.81%**
Non-Operating Items:						
Non-operating income						
Property taxes						
5501 Property Taxes	2,009,388.58	16,375.50	762,079.33	1,822,919.00	1,060,839.67	41.81%
5502 Property Tax RDA	0.00	0.00	0.00	128,832.00	128,832.00	0.00%
Total Property taxes	**2,009,388.58**	**16,375.50**	**762,079.33**	**1,951,751.00**	**1,189,671.67**	**39.05%**
Grants						
5510 State Grants	214,984.00	0.00	14,354.50	100,000.00	85,645.50	14.35%
5511 Weather Modification	30,000.00	0.00	30,000.00	30,000.00	0.00	100.00%
5515 Federal Grants	646,613.35	0.00	356,529.18	0.00	(356,529.18)	0.00%
5515.1 BR Canal PL 566	530,107.00	0.00	257,938.66	244,330.00	(13,608.66)	105.57%
Total Grants	**1,421,704.35**	**0.00**	**658,822.34**	**374,330.00**	**(284,492.34)**	**176.00%**
Impact fees						
5520 Other income	24,265.16	0.00	11,396.77	0.00	(11,396.77)	0.00%
5522 Bothwell Impact Fees	80,296.00	0.00	0.00	7,601,809.00	7,601,809.00	0.00%
5523 Collinston Impact Fees	0.00	0.00	0.00	38,603.00	38,603.00	0.00%
5524 Harper Ward Impact Fees	0.00	0.00	0.00	16,821.00	16,821.00	0.00%
5525 South Willard Impact Fees	0.00	0.00	19,430.00	11,657.00	(7,773.00)	166.68%
Total Impact fees	**104,561.16**	**0.00**	**30,826.77**	**7,668,890.00**	**7,638,063.23**	**0.40%**
Other non-operating income						
5310 Connection Fees Collected	20,302.00	5,900.00	19,600.00	66,000.00	46,400.00	29.70%
5320 Miscellaneous Income	0.00	0.00	700.00	0.00	(700.00)	0.00%
5410 Finance Charge Income	6,219.34	547.35	4,564.24	0.00	(4,564.24)	0.00%
5610 Interest Income	190,184.32	4.30	117,723.35	85,000.00	(32,723.35)	138.50%

	Prior Year Actual	October Actual	Current Year Actual	Revised Budget	Remaining Budget	% Earned/ Used
5630 Gain on Disposal of Asset	6,200.00	0.00	0.00	0.00	0.00	0.00%
Total Other non-operating income	**222,905.66**	**6,451.65**	**142,587.59**	**151,000.00**	**8,412.41**	**94.43%**
Total Non-operating income	**3,758,559.75**	**22,827.15**	**1,594,316.03**	**10,145,971.00**	**8,551,654.97**	**15.71%**
Non-operating expense						
Interest expene						
6809 SRF 3S1849 2024 - Principle	0.00	0.00	0.00	157,400.00	157,400.00	0.00%
6813 Collinston 3F Series 2014	11,238.01	0.00	0.00	104,238.00	104,238.00	0.00%
6814 Harper Ward DDW R	0.00	0.00	0.00	7,000.00	7,000.00	0.00%
6816 South Willard DDW S096	0.00	0.00	0.00	115,614.00	115,614.00	0.00%
Total Interest expene	**11,238.01**	**0.00**	**0.00**	**384,252.00**	**384,252.00**	**0.00%**
Contributions to other governments						
6313.5 BR Canal PL 566	413,257.00	7,068.34	234,925.00	0.00	(234,925.00)	0.00%
6911 Contr. to Other Governments	0.00	0.00	75,000.00	0.00	(75,000.00)	0.00%
6912 Interest Expense - Other	0.00	0.00	18.82	0.00	(18.82)	0.00%
6913 Loss On Disposal of Assets	78,214.57	0.00	0.00	0.00	0.00	0.00%
Total Contributions to other governme	**491,471.57**	**7,068.34**	**309,943.82**	**0.00**	**(309,943.82)**	**0.00%**
Total Non-operating expense	**502,709.58**	**7,068.34**	**309,943.82**	**384,252.00**	**74,308.18**	**80.66%**
Total Non-Operating Items:	**3,255,850.17**	**15,758.81**	**1,284,372.21**	**9,761,719.00**	**8,477,346.79**	**13.16%**
Total Income or Expense	**1,755,985.92**	**(100,599.29)**	**495,578.84**	**7,780,260.00**	**7,284,681.16**	**6.37%**