

Tab 3

Metropolitan Water District of Salt Lake & Sandy
Board Meeting Information
Last Update: December 2, 2024

Agenda Item: Consider approval of Resolution 1937 amending the fiscal year 2025 budget

Objective: Approve amendments to FY 2025 budget.

Background: The District and Salt Lake City (SLC) have initiated a collaborative project to construct a new pipeline linking the Little Cottonwood Water Treatment Plant (LCWTP) to the Big Cottonwood Water Treatment Plant (BCWTP). This project is called the Cottonwoods Connection. Under the terms of our agreement, the District will cover the costs incurred by its contractors working on behalf of SLC and will subsequently be reimbursed.

In the FY2025 budget, we accounted for SLC's costs as part of our capital projects and the corresponding reimbursement as revenue. Upon further discussions with our accounting consultants (WSRP) and the Utah State Auditor's office, we have been informed that the costs paid for by SLC must be included in our Operations and Maintenance (O&M) budget, not our capital projects budget. As a result, we are required to revise the FY 2025 budget to reflect these changes. An updated Budget Summary is attached, highlighting the adjustments to the Capacity Improvement Projects line and the Operations and Maintenance line. It's important to note that this reclassification does not impact the Total Uses of Funds, as we are simply moving the costs from one line item to another.

Committee Activity: This item has not been presented to any committee of the District.

Recommendation: Approve Resolution 1937 amending the FY 2025 budget to reclassify the SLC portion of expenditures for the Cottonwoods Connection project from capital projects to O&M.

Attachments:

- FY2025 Budget Summary
- Resolution 1937

Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2025
Budget Summary
Last update: 12/2/2024

	Actual			Budget 2024	Tentative 2025
	2021	2022	2023		
Sources of Funds					
Water Sales					
Member Cities	\$21,762,030	\$22,414,891	\$23,087,338	\$23,779,958	\$ 24,493,357
Others	1,396,310	1,290,843	1,206,095	1,333,278	1,360,478
Total Water Sales	23,158,340	23,705,734	24,293,433	25,113,236	25,853,835
Property Taxes	11,978,658	12,283,207	12,249,819	12,040,679	22,061,830
Assessments	12,054,088	11,386,542	11,857,145	12,930,620	25,788,293
Miscellaneous					
Interest	369,308	362,257	2,446,305	866,291	2,061,809
Other	166,362	200,957	1,563,395	239,246	1,369,575
Total Miscellaneous	535,670	563,214	4,009,700	1,105,537	3,431,384
Bond Proceeds	-	-	-	-	24,299,083
Total Sources of Funds	\$47,726,756	\$47,938,697	\$52,410,097	\$51,190,072	\$ 101,434,425
Uses of Funds					
Operations and Maintenance					
Operations and Maintenance (includes O&M to other agencies; excludes PRWUA O&M, Non-Routine O&M, depreciation/amortization)	\$17,003,754	\$17,312,794	\$19,214,888	\$21,960,664	\$ 35,730,606
Provo River Water Users Association O&M	3,393,479	3,680,007	4,012,468	4,244,885	4,689,840
Non-Routine O&M			842,772	965,443	902,000
Total Operations and Maintenance	20,397,233	20,992,801	24,070,128	27,170,992	41,322,446
Depreciation/Amortization	9,110,222	9,556,743	10,891,124	10,945,164	10,891,749
Capital Projects					
Capacity Improvement Projects	77,968	78,431	2,944,623	7,272,721	1,750,000
Non-Capacity Improvement Projects	1,879,605	2,075,490	1,578,176	2,400,873	27,569,416
Jordan Aqueduct System & 150th South Pipeline	608,622	1,013,312	3,681,638	2,974,643	1,577,913
Central Utah Project (CUP) Capital	2,971,200	2,971,200	2,971,200	2,971,200	2,971,200
CUP ULS Petition	844,223	844,223	844,223	844,223	844,223
Total Capital Projects (includes capital to other agencies)	6,381,619	6,982,656	12,019,860	16,463,660	34,712,752
Debt Service					
Principal	10,125,000	10,435,000	11,155,000	11,865,000	15,549,000
Interest	5,975,443	5,716,566	5,249,739	5,166,648	6,847,685
Total Debt Service	16,100,443	16,151,566	16,404,739	17,031,648	22,396,685
Total Expenditures	42,879,294	44,127,023	52,494,727	60,666,300	98,431,883
Net Funds To/(From) Reserves	4,847,462	3,811,674	(84,630)	(9,476,228)	3,002,542
Total Uses of Funds	\$47,726,756	\$47,938,697	\$52,410,097	\$51,190,072	\$ 101,434,425

METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY

RESOLUTION NO. 1937

WHEREAS, on August 12, 2024 this District duly adopted a final budget for the fiscal year 2025, beginning July 1, 2024; and

WHEREAS, the fiscal year 2025 budget accounted for Salt Lake City's (SLC's) costs for the collaborative Cottonwoods Connection project as part of the District's capital projects and the corresponding reimbursement as revenue; and

WHEREAS, pursuant to discussions with the District's accounting consultants (WSRP) and the Utah State Auditor's office, the District has been informed that costs paid for by SLC for the Cottonwoods Connection project must be included in the District's Operations and Maintenance (O&M) budget, not its capital projects budget.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY RESOLVED
that:

1. The budget as adopted on August 12, 2024 is amended to reclassify the SLC portion of expenditures for the Cottonwoods Connection project (\$12,829,236) from capital projects to O&M.

ADOPTED by the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy on this 16th day of December 2024.

Tom Godfrey
Chair of the Board of Trustees

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary
As of August 31, 2024
16.67% of Budget Completed

ASSETS	08/31/24	07/31/24	08/31/23
Current Assets:			
1 Accounts Receivable	\$ 4,298,171	\$ 3,203,587	\$ 3,101,837
2 Other Receivable	179,354	179,354	53,866
3 Leases Receivable - Current	63,243	63,243	62,247
4 Bonds Receivable	17,493,000	17,493,000	-
5 Inventories	382,320	388,034	464,790
6 Prepaid Expenses	956,214	1,301,160	894,211
Reserve Funds:			
7 Operations & Maintenance Fund	13,617,572	17,850,025	6,815,109
8 Renewal and Replacement Reserve	650,000	650,000	650,000
9 Interest Rate Stabilization Reserve	-	-	3,284,866
10 Capital Projects Reserve	10,000,000	10,000,000	16,444,144
11 ASR Reserve	283,332	292,809	4,460,487
12 Self Insurance/Contingency Reserve	2,000,000	2,000,000	2,000,000
13 Jordan Aqueduct Reserve	48,437	48,437	45,979
14 JWTP O&M Agreement	20,000	20,000	20,000
15 150th South Pipeline Agreement	39,735	39,735	37,719
16 TOTAL CURRENT ASSETS	50,031,378	53,529,384	38,335,255
Restricted Assets:			
2012 Series Bond			
17 Bond Fund Account 2012B	-	-	227
2015 Series Bond			
18 Bond Fund Account 2015A	76,752	39,128	77,020
2016 Series Bond			
19 Bond Fund Account 2016A	1,652,386	835,920	984,834
2020 Series Bond			
20 Bond Fund Account 2020A	777,246	405,274	1,461,428
2021 Series Bond			
21 Bond Fund Account 2021A	343,228	173,488	343,239
22 Bond Fund Account 2021B	398,688	199,412	27,689
2024 Series Bond			
23 Bond Fund Account 2024A	86,761	43,361	-
24 Project Fund Account 2024A	4,418,603	4,398,303	-
25 Bond Fund Account 2024B	699,703	515,546	-
26 Project Fund Account 2024B	33,448,617	33,287,273	-
27 TOTAL RESTRICTED ASSETS	41,901,984	39,897,705	2,894,437
Fixed Assets:			
28 Land & Right-of-Way	22,023,773	22,023,773	22,023,773
29 Buildings & Improvements	292,511,675	292,511,675	289,067,980
30 Machinery & Equipment	20,940,316	20,940,316	19,226,887
31 Furniture & Fixtures	60,173	60,173	60,173
32 Transportation Equipment	1,485,970	1,485,970	1,488,243
33 Aqueduct & Appurtenances	112,074,873	112,074,873	112,001,329
34 Water Rights - PRWUA	18,188,008	18,188,008	18,188,008
35 Investment in Surface Water	135,189,064	135,189,064	135,189,064
Construction in Progress:			
36 CIP - Jordan Aqueduct System	1,151,848	1,151,848	4,069,592
37 CIP - Aquifer Storage & Recovery	8,216,215	8,206,738	3,899,480
38 CIP - Other	6,812,640	6,485,893	1,090,688
39 TOTAL FIXED ASSETS	618,654,555	618,318,331	606,305,217
40 Less: Accumulated Depreciation	(203,588,399)	(202,634,532)	(192,520,397)
41 NET FIXED ASSETS	415,066,156	415,683,799	413,784,820
Other Assets:			
42 Investments	32,696,246	32,550,188	30,741,561
43 Leases Receivable - Long-Term	404,835	404,835	468,078
44 TOTAL OTHER ASSETS	33,101,081	32,955,023	31,209,639
45 TOTAL ASSETS	\$ 540,100,599	\$ 542,065,911	\$ 486,224,151

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary
As of August 31, 2024
16.67% of Budget Completed

	08/31/24	07/31/24	08/31/23
Deferred Outflow of Resources:			
46 Refinance Term Costs - 2021A	\$ 439,350	\$ 442,422	\$ 476,218
47 Refinance Term Costs - 2021B	7,906,595	8,017,956	9,242,921
48 Deferred Amount on Refunding - 2005A	-	-	290,835
49 Deferred Amount on Refunding - 2009A	2,847,048	2,881,349	3,258,669
50 Deferred Bond Refunding - 2021A	1,651,872	1,663,424	1,790,491
51 Deferred Bond Refunding - 2021B	384,630	390,047	449,638
52 Deferred Outflows Relating to Pensions	1,978,898	1,978,898	1,498,300
53 TOTAL DEFERRED OUTFLOW OF RESOURCES	15,208,393	15,374,096	17,007,072
54 TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	<u>\$ 555,308,992</u>	<u>\$ 557,440,007</u>	<u>\$ 503,231,223</u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
55 Accounts Payable	\$ 3,911,961	\$ 6,562,112	\$ 2,170,097
56 Interest Payable - Bonds	1,378,253	854,811	861,108
57 Vacation Payable	560,560	548,853	562,443
58 Sick Leave Payable	112,327	114,252	139,217
59 Deferred Revenue	999,261	999,261	2,577,469
60 Bonds Payable, Current	11,865,000	11,865,000	11,155,000
61 CUP Water Supply Payable-CP	2,971,200	2,971,200	2,971,200
62 TOTAL CURRENT LIABILITIES	21,798,562	23,915,489	20,436,534
Long-Term Liabilities:			
63 Bonds Payable - Series 2015A	3,650,000	3,650,000	3,945,000
64 Bonds Payable - Series 2016A	55,275,000	55,275,000	59,200,000
65 Bonds Payable - Series 2020A	46,875,000	46,875,000	54,520,000
66 Bonds Payable - Series 2021A	43,340,000	43,340,000	43,340,000
67 Bonds Payable - Series 2021B	12,240,000	12,240,000	12,240,000
68 Bonds Payable - Series 2024A	22,000,000	22,000,000	-
69 Bonds Payable - Series 2024B	33,000,000	33,000,000	-
70 Reoffering Premium - 2015A	398,894	402,246	439,118
71 Reoffering Premium - 2016A	2,660,764	2,692,821	3,045,453
72 Reoffering Premium - 2021A	12,921,858	13,012,221	14,006,210
73 Net Pension Liability	1,094,592	1,094,592	841,947
74 CUP Water Supply Payable	62,395,200	62,395,200	65,366,400
75 Less Bonds Payable, Current	(11,865,000)	(11,865,000)	(11,155,000)
76 TOTAL LONG-TERM LIABILITIES	283,986,308	284,112,080	245,789,128
77 TOTAL LIABILITIES	<u>305,784,870</u>	<u>308,027,569</u>	<u>266,225,662</u>
Deferred Inflow of Resources:			
78 Deferred Revenue - Long-Term	404,835	404,835	468,078
79 Deferred Bond Refunding - 2012A (2019)	519,551	539,533	759,343
80 Deferred Bond Refunding - 2012A (2020)	674,667	736,000	1,410,667
81 Deferred Inflows Relating to Pensions	5,033	5,033	10,253
82 TOTAL DEFERRED INFLOW OF RESOURCES	1,604,086	1,685,401	2,648,341
83 TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES	<u>307,388,956</u>	<u>309,712,970</u>	<u>268,874,003</u>
Net Assets:			
84 Invested in Capital Assets, Net of Related Debt	194,739,917	195,316,176	236,387,801
Restricted Assets:			
85 Future Debt Service	41,901,984	39,897,705	2,894,437
86 Operations & Maintenance Restriction	7,123,302	7,123,302	6,760,248
87 Renewal and Replacement	650,000	650,000	650,000
88 150th South Pipeline Agreement	39,735	39,735	37,719
89 JWTP O&M Agreement	20,000	20,000	20,000
90 Jordan Aqueduct Reserve	48,437	48,437	45,979
91 Unrestricted	3,396,661	4,631,682	(12,438,964)
92 TOTAL NET ASSETS	247,920,036	247,727,037	234,357,220
93 TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET ASSETS	<u>\$ 555,308,992</u>	<u>\$ 557,440,007</u>	<u>\$ 503,231,223</u>

METROPOLITAN WATER DISTRICT
Capital Report
For the Month Ending August 31, 2024
16.67% of Budget Complete

	Account Name	Account Number	Current Month	Year to Date	Total Budget	Amount Remaining	% of Budget Used
CAPACITY IMPROVEMENT PROJECTS							
1	Managed Aquifer Recharge Design and Construction	1865	\$ 9,476.76	\$ 9,476.76	\$ 1,750,000.00	\$ 1,740,523.24	0.54 %
2	Capacity Improvement Projects		9,476.76	9,476.76	1,750,000.00	1,740,523.24	0.54%
NON-CAPACITY IMPROVEMENT PROJECTS							
3	Salt Lake Aqueduct Replacement Reach 1 - Cottonwood Conduits		150,024.22	2,252,865.20	23,049,083.00	20,796,217.80	9.77%
4	Salt Lake Aqueduct Replacement Reaches 2 and 3	1802D	-	-	200,000.00	200,000.00	0.00%
5	Salt Lake Aqueduct Hardening	1802A	14,702.14	14,702.14	1,333,333.00	1,318,630.86	1.10%
6	Little Cottonwood Conduit Replacement and Intake Modifications		28,624.97	28,624.97	1,000,000.00	971,375.03	2.86%
7	LCWTP Administration Campus Improvements		-	-	250,000.00	250,000.00	0.00%
8	Fleet Replacement Program	1848	94,545.76	144,331.90	185,000.00	40,668.10	78.02%
9	Little Dell Dam Improvements	1840	-	-	430,000.00	430,000.00	0.00%
10	Repair and Replace		38,850.00	91,621.57	1,122,000.00	1,030,378.43	8.17 %
11	Non-Capacity Improvement Projects		326,747.09	2,532,145.78	27,569,416.00	25,037,270.22	9.18%
OTHER CAPITAL IMPROVEMENT PROJECTS							
12	Jordan Aqueduct System and 150th South Pipeline	1599	-	-	1,577,913.00	1,577,913.00	0.00 %
13	Other Capital Improvement Projects		0.00	0.00	1,577,913.00	1,577,913.00	0.00 %
INVESTMENTS IN WATER SOURCES							
14	Central Utah Project (CUP) Capital	1853	-	-	3,815,423.00	3,815,423.00	0.00 %
15	Investments in Water Sources		0.00	0.00	3,815,423.00	3,815,423.00	0.00 %
16	GRAND TOTAL		\$ 336,223.85	\$ 2,541,622.54	\$ 34,712,752.00	\$ 32,171,129.46	7.32 %

METROPOLITAN WATER DISTRICT
Revenue Statement
For the Month Ending August 31, 2024
16.67% of Budget Complete

		Current Month	Year to Date	Total Budget	% of Budget Used	Prior YTD Actual	Prior Year Total	% Prior Year Use	Average 3 Years	Average 3 YTD (Actual Dollars)
OPERATING REVENUE										
Water Sales:										
1	Salt Lake City	\$ 1,469,601.42	\$ 2,939,202.84	\$ 17,635,217.00	16.67%	\$ 2,853,595.00	\$ 17,121,570.00	16.67%	16.67%	\$ 2,771,287.50
2	Sandy City	571,511.67	1,143,023.34	6,858,140.00	16.67%	1,109,731.34	6,658,388.04	16.67%	16.67%	1,077,722.89
3	Water Sales for Others	144,342.92	251,564.80	1,360,478.00	18.49 %	164,601.36	875,109.72	18.81 %	22.02 %	247,519.16
4	TOTAL OPERATING REVENUE	2,185,456.01	4,333,790.98	25,853,835.00	16.76%	4,127,927.70	24,655,067.76	16.74%	16.92%	4,096,529.54
OPERATING EXPENSES										
5	Administrative	211,793.72	293,258.41	2,517,481.00	11.65%	257,766.57	2,485,978.64	10.37%	9.89%	196,998.11
6	General	395,766.16	548,529.93	10,795,374.00	5.08%	460,444.03	9,043,114.41	5.09%	5.01%	441,599.91
7	Operations	601,023.75	1,047,517.92	4,161,745.00	25.17%	867,872.74	4,321,975.03	20.08%	19.77%	738,808.44
8	Maintenance	325,232.27	507,695.48	3,298,354.00	15.39%	555,030.46	3,057,969.67	18.15%	16.44%	461,612.99
9	Information Technology	216,567.54	351,639.32	2,464,188.00	14.27%	280,569.02	2,107,551.23	13.31%	12.86%	246,842.04
10	Engineering	117,412.90	173,018.26	1,514,319.00	11.43%	177,263.34	1,200,741.15	14.76%	11.86%	163,625.22
11	Instrumentation & Electrical	174,766.64	293,271.42	1,885,517.00	15.55%	215,116.30	1,690,244.09	12.73%	12.00%	175,335.19
12	Lab	88,115.47	144,024.11	954,231.00	15.09%	131,539.72	971,263.15	13.54%	13.26%	123,161.37
13	Non-Routine O&M	8,240.00	11,950.00	902,000.00	1.32 %	18,680.00	781,730.76	2.39 %	12.92 %	69,941.81
14	TOTAL OPERATING EXPENSES	2,138,918.45	3,370,904.85	28,493,209.00	11.83%	2,964,282.18	25,660,568.13	11.55%	11.10%	2,617,925.08
15	Revenue from Operations before Depreciation/Amortization	46,537.56	962,886.13	(2,639,374.00)	-36.48%	1,163,645.52	(1,005,500.37)	-115.73%	229.75%	1,478,604.46
16	Depreciation Expense	953,866.76	1,907,931.43	11,361,926.00	16.79%	1,880,994.05	11,124,876.91	16.91%	16.95%	1,879,812.02
17	Amortization Expense	(41,384.62)	(56,329.89)	(470,177.00)	11.98 %	(23,385.62)	(172,836.12)	13.53 %	21.51 %	(134,837.49)
18	Total Expenses	912,482.14	1,851,601.54	10,891,749.00	17.00%	1,857,608.43	10,952,040.79	16.96%	16.67%	1,744,974.52
19	REVENUE (LOSS) FROM OPERATIONS	(865,944.58)	(888,715.41)	(13,531,123.00)	6.57%	(693,962.91)	(11,957,541.16)	5.80%	2.71%	(266,370.06)
NON-OPERATING REVENUE										
20	General Property Taxes	55,254.39	361,880.76	21,400,079.00	1.69%	107,193.22	11,900,010.07	0.90%	1.16%	134,539.63
21	Fees in Lieu of Taxes	43,861.16	80,345.64	396,511.00	20.26%	74,917.54	445,185.08	16.83%	17.85%	78,767.08
22	Interest Revenue	462,111.49	1,071,729.23	2,061,809.00	51.98%	536,279.65	3,817,552.86	14.05%	11.97%	264,367.11
23	Prior Year Tax Collections	6,556.51	(159,130.48)	265,239.00	-60.00%	(146,864.32)	207,699.68	-70.71%	-13.24%	(37,038.92)
24	Special Assessment Revenue	1,009,569.50	2,019,139.00	13,803,280.00	14.63%	2,014,399.50	11,875,272.00	16.96%	17.28%	2,022,631.03
25	Encroachment Applications	3,643.02	3,643.02	0.00	0.00%	4,335.38	33,043.91	13.12%	8.49%	2,819.01
26	Miscellaneous	1,389.98	7,080.18	25,668,658.00	0.03%	8,466.02	137,448.71	6.16%	6.79%	8,739.53
27	Gain/(Loss) on Disposal of Fixed Assets	0.00	0.00	0.00	0.00%	0.00	29,151.32	0.00%	8.44%	2,666.67
28	Grant Funding	0.00	0.00	0.00	0.00%	0.00	1,579,536.24	0.00%	0.00%	0.00
29	Net Change of Investments	0.00	1,041.57	0.00	0.00 %	4,807.07	358,634.38	1.34 %	0.09 %	(84.67)
30	TOTAL NON-OPERATING REVENUE	1,582,386.05	3,385,728.92	63,595,576.00	5.32%	2,603,534.06	30,383,534.25	8.57%	9.05%	2,477,406.48
NON-OPERATING EXPENSE										
31	Interest Expense	523,442.13	1,046,884.26	6,847,686.00	15.29%	861,107.90	5,498,016.01	15.66%	16.42%	901,026.09
32	Benefit Expense	0.00	0.00	0.00	0.00%	0.00	(1,104,128.00)	0.00%	0.00%	0.00
33	Actuarial Calculated Pension Expense	0.00	0.00	0.00	0.00 %	0.00	870,955.00	0.00 %	0.00 %	0.00
34	TOTAL NON-OPERATING EXPENSE	523,442.13	1,046,884.26	6,847,686.00	15.29 %	861,107.90	5,264,843.01	16.36 %	18.60 %	901,026.09
35	NET NON-OPERATING REVENUE (LOSS)	1,058,943.92	2,338,844.66	56,747,890.00	4.12 %	1,742,426.16	25,118,691.24	6.94 %	7.00 %	1,576,380.39
36	TOTAL DISTRICT NET REVENUE (LOSS)	\$ 192,999.34	\$ 1,450,129.25	\$ 43,216,767.00	3.36 %	\$ 1,048,463.25	\$ 13,161,150.08	7.97 %	10.32 %	\$ 1,310,010.33

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary Comparisons
As of August 31, 2024

	8/31/24	7/31/24	Difference
1 Accounts Receivable	4,298,171	3,203,587	1,094,584

Explanation: As of August 31st, water payments from Sandy City for the prior month were outstanding, whereas they were current at the end of July.

	8/31/24	8/31/23	Difference
1 Accounts Receivable	4,298,171	3,101,837	1,196,334

Explanation: As of August 31, 2024, water payments from Sandy City for the prior month were outstanding, whereas they were current as of August 31, 2023.

	8/31/24	7/31/24	Difference
7 Operations & Maintenance Fund	13,617,572	17,850,025	(4,232,453)

Explanation: A significant amount was paid towards capital projects during the month, totaling approximately \$3 million. Additionally, the Accounts Receivable balance is higher than last month by about \$1 million, which results in less cash on hand.

	8/31/24	8/31/23	Difference
7 Operations & Maintenance Fund	13,617,572	6,815,109	6,802,463

Explanation: Most of this difference can be explained by the change in the Capital Projects Reserve balance. It was approved by the Board to retain a lower Capital Projects Reserve balance in order to have more cash on hand for the major projects that are underway. The difference in that balance is approximately \$6.4 million.

	8/31/24	8/31/23	Difference
10 Capital Projects Reserve	10,000,000	16,444,144	(6,444,144)

Explanation: The Capital Projects Reserve was decreased in order to have more cash on hand for major projects that are underway.

	8/31/24	8/31/23	Difference
55 Accounts Payable	3,911,961	2,170,097	1,741,864

Explanation: There are invoices from a few vendors that make up a majority of this balance, COP Construction (\$1,140k) and Whitaker Construction (\$605k), who are involved in the SLAR-Cottonwoods Connection project, and Utah Local Governments Trust (\$844k), who supplies risk insurance. These invoices were dated in July and August and paid in September and October.

METROPOLITAN WATER DISTRICT
Revenue Statement Comparisons
For the Month Ending August 31, 2024

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
7 Operations (Operating Expenses)	1,047,517.92	738,808.44	308,709.48

Explanation: This difference is the result of higher chemicals expenses, mostly attributed to a need to use more chemicals in the treatment process. This is a result of higher turbidity and a higher content of organics in the water. There has also been higher demand this year, and a larger volume of water to be treated. Additionally, chemical prices have increased over time.

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
22 Interest Revenue (Non-Operating Revenue)	1,071,729.23	264,367.11	807,362.12

Explanation: Interest rates have continued to remain high over the last couple years, causing a continual increase in interest revenue over the prior 3-year average.

	Year to Date	Total Budget	Difference
23 Prior Year Tax Collections	(159,130.48)	265,239.00	(424,369.48)

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

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary
As of September 30, 2024
25.00% of Budget Completed

ASSETS	09/30/24	08/31/24	09/30/23
Current Assets:			
1 Accounts Receivable	\$ 6,557,749	\$ 4,298,171	\$ 6,056,670
2 Other Receivable	-	179,354	-
3 Leases Receivable - Current	63,243	63,243	62,247
4 Bonds Receivable	17,493,000	17,493,000	-
5 Inventories	357,356	382,320	403,376
6 Prepaid Expenses	895,757	956,214	792,936
Reserve Funds:			
7 Operations & Maintenance Fund	12,162,469	13,617,572	5,061,782
8 Renewal and Replacement Reserve	650,000	650,000	650,000
9 Interest Rate Stabilization Reserve	-	-	3,284,866
10 Capital Projects Reserve	10,000,000	10,000,000	13,344,144
11 ASR Reserve	183,535	283,332	4,960,487
12 Self Insurance/Contingency Reserve	2,000,000	2,000,000	2,000,000
13 Jordan Aqueduct Reserve	48,437	48,437	45,979
14 JWWT O&M Agreement	20,000	20,000	20,000
15 150th South Pipeline Agreement	39,735	39,735	37,719
16 TOTAL CURRENT ASSETS	50,471,281	50,031,378	36,720,206
Restricted Assets:			
2012 Series Bond			
17 Bond Fund Account 2012B	-	-	228
2015 Series Bond			
18 Bond Fund Account 2015A	114,526	76,752	114,936
2016 Series Bond			
19 Bond Fund Account 2016A	2,472,111	1,652,386	1,477,463
2020 Series Bond			
20 Bond Fund Account 2020A	1,150,702	777,246	2,172,916
2021 Series Bond			
21 Bond Fund Account 2021A	344,076	343,228	513,617
22 Bond Fund Account 2021B	598,759	398,688	41,433
2024 Series Bond			
23 Bond Fund Account 2024A	130,335	86,761	-
24 Project Fund Account 2024A	4,608,461	4,418,603	-
25 Bond Fund Account 2024B	884,588	699,703	-
26 Project Fund Account 2024B	30,792,490	33,448,617	-
27 TOTAL RESTRICTED ASSETS	41,096,048	41,901,984	4,320,593
Fixed Assets:			
28 Land & Right-of-Way	22,023,773	22,023,773	22,023,773
29 Buildings & Improvements	292,511,675	292,511,675	289,067,980
30 Machinery & Equipment	20,940,316	20,940,316	19,226,887
31 Furniture & Fixtures	60,173	60,173	60,173
32 Transportation Equipment	1,426,476	1,485,970	1,488,243
33 Aqueduct & Appurtenances	112,074,873	112,074,873	112,001,329
34 Water Rights - PRWUA	18,188,008	18,188,008	18,188,008
35 Investment in Surface Water	135,189,064	135,189,064	135,189,064
Construction in Progress:			
36 CIP - Jordan Aqueduct System	1,151,848	1,151,848	4,069,592
37 CIP - Aquifer Storage & Recovery	8,316,012	8,216,215	3,921,639
38 CIP - Other	7,206,147	6,812,640	1,129,407
39 TOTAL FIXED ASSETS	619,088,365	618,654,555	606,366,095
40 Less: Accumulated Depreciation	(204,451,996)	(203,588,399)	(193,431,422)
41 NET FIXED ASSETS	414,636,369	415,066,156	412,934,673
Other Assets:			
42 Investments	32,878,977	32,696,246	30,881,749
43 Leases Receivable - Long-Term	404,835	404,835	468,078
44 TOTAL OTHER ASSETS	33,283,812	33,101,081	31,349,827
45 TOTAL ASSETS	\$ 539,487,510	\$ 540,100,599	\$ 485,325,299

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary
As of September 30, 2024
25.00% of Budget Completed

	09/30/24	08/31/24	09/30/23
Deferred Outflow of Resources:			
46 Refinance Term Costs - 2021A	\$ 436,277	\$ 439,350	\$ 473,146
47 Refinance Term Costs - 2021B	7,795,235	7,906,595	9,131,561
48 Deferred Amount on Refunding - 2005A	-	-	264,395
49 Deferred Amount on Refunding - 2009A	2,812,746	2,847,048	3,224,367
50 Deferred Bond Refunding - 2021A	1,640,321	1,651,872	1,778,939
51 Deferred Bond Refunding - 2021B	379,213	384,630	444,221
52 Deferred Outflows Relating to Pensions	1,978,898	1,978,898	1,498,300
53 TOTAL DEFERRED OUTFLOW OF RESOURCES	15,042,690	15,208,393	16,814,929
54 TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 554,530,200	\$ 555,308,992	\$ 502,140,228
LIABILITIES AND NET ASSETS			
Current Liabilities:			
55 Accounts Payable	\$ 2,678,299	\$ 3,911,961	\$ 741,755
56 Interest Payable - Bonds	1,901,695	1,378,253	1,291,662
57 Vacation Payable	564,615	560,560	550,147
58 Sick Leave Payable	108,683	112,327	134,517
59 Deferred Revenue	999,261	999,261	2,577,469
60 Bonds Payable, Current	11,865,000	11,865,000	11,155,000
61 CUP Water Supply Payable-CP	2,971,200	2,971,200	2,971,200
62 TOTAL CURRENT LIABILITIES	21,088,753	21,798,562	19,421,750
Long-Term Liabilities:			
63 Bonds Payable - Series 2015A	3,650,000	3,650,000	3,945,000
64 Bonds Payable - Series 2016A	55,275,000	55,275,000	59,200,000
65 Bonds Payable - Series 2020A	46,875,000	46,875,000	54,520,000
66 Bonds Payable - Series 2021A	43,340,000	43,340,000	43,340,000
67 Bonds Payable - Series 2021B	12,240,000	12,240,000	12,240,000
68 Bonds Payable - Series 2024A	22,000,000	22,000,000	-
69 Bonds Payable - Series 2024B	33,000,000	33,000,000	-
70 Reoffering Premium - 2015A	395,542	398,894	435,766
71 Reoffering Premium - 2016A	2,628,707	2,660,764	3,013,395
72 Reoffering Premium - 2021A	12,831,496	12,921,858	13,915,847
73 Net Pension Liability	1,094,592	1,094,592	841,947
74 CUP Water Supply Payable	62,395,200	62,395,200	65,366,400
75 Less Bonds Payable, Current	(11,865,000)	(11,865,000)	(11,155,000)
76 TOTAL LONG-TERM LIABILITIES	283,860,537	283,986,308	245,663,355
77 TOTAL LIABILITIES	304,949,290	305,784,870	265,085,105
Deferred Inflow of Resources:			
78 Deferred Revenue - Long-Term	404,835	404,835	468,078
79 Deferred Bond Refunding - 2012A (2019)	499,568	519,551	739,360
80 Deferred Bond Refunding - 2012A (2020)	613,333	674,667	1,349,333
81 Deferred Inflows Relating to Pensions	5,033	5,033	10,253
82 TOTAL DEFERRED INFLOW OF RESOURCES	1,522,769	1,604,086	2,567,024
83 TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES	306,472,059	307,388,956	267,652,129
Net Assets:			
84 Invested in Capital Assets, Net of Related Debt	194,351,514	194,739,917	235,552,600
Restricted Assets:			
85 Future Debt Service	41,096,048	41,901,984	4,320,593
86 Operations & Maintenance Restriction	7,123,302	7,123,302	6,760,248
87 Renewal and Replacement	650,000	650,000	650,000
88 150th South Pipeline Agreement	39,735	39,735	37,719
89 JWTP O&M Agreement	20,000	20,000	20,000
90 Jordan Aqueduct Reserve	48,437	48,437	45,979
91 Unrestricted	4,729,105	3,396,661	(12,899,040)
92 TOTAL NET ASSETS	248,058,141	247,920,036	234,488,099
93 TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET ASSETS	\$ 554,530,200	\$ 555,308,992	\$ 502,140,228

METROPOLITAN WATER DISTRICT
Capital Report
For the Month Ending September 30, 2024
25.00% of Budget Complete

	Account Name	Account Number	Current Month	Year to Date	Total Budget	Amount Remaining	% of Budget Used
CAPACITY IMPROVEMENT PROJECTS							
1	Managed Aquifer Recharge Design and Construction	1865	\$ 99,797.28	\$ 109,274.04	\$ 1,750,000.00	\$ 1,640,725.96	6.24 %
2	Capacity Improvement Projects		99,797.28	109,274.04	1,750,000.00	1,640,725.96	6.24%
NON-CAPACITY IMPROVEMENT PROJECTS							
3	Salt Lake Aqueduct Replacement Reach 1 - Cottonwood Conduits		318,827.36	2,571,692.56	23,049,083.00	20,477,390.44	11.16%
4	Salt Lake Aqueduct Replacement Reaches 2 and 3	1802D	-	-	200,000.00	200,000.00	0.00%
5	Salt Lake Aqueduct Hardening	1802A	36,584.14	51,286.28	1,333,333.00	1,282,046.72	3.85%
6	Little Cottonwood Conduit Replacement and Intake Modifications		9,626.25	38,251.22	1,000,000.00	961,748.78	3.83%
7	LCWTP Administration Campus Improvements		20,370.00	20,370.00	250,000.00	229,630.00	8.15%
8	Fleet Replacement Program	1848	8,098.62	152,430.52	185,000.00	32,569.48	82.39%
9	Little Dell Dam Improvements	1840	-	-	430,000.00	430,000.00	0.00%
10	Repair and Replace		-	91,621.57	1,122,000.00	1,030,378.43	8.17 %
11	Non-Capacity Improvement Projects		393,506.37	2,925,652.15	27,569,416.00	24,643,763.85	10.61%
OTHER CAPITAL IMPROVEMENT PROJECTS							
12	Jordan Aqueduct System and 150th South Pipeline	1599	-	-	1,577,913.00	1,577,913.00	0.00 %
13	Other Capital Improvement Projects		0.00	0.00	1,577,913.00	1,577,913.00	0.00 %
INVESTMENTS IN WATER SOURCES							
14	Central Utah Project (CUP) Capital	1853	-	-	3,815,423.00	3,815,423.00	0.00 %
15	Investments in Water Sources		0.00	0.00	3,815,423.00	3,815,423.00	0.00 %
16	GRAND TOTAL		\$ 493,303.65	\$ 3,034,926.19	\$ 34,712,752.00	\$ 31,677,825.81	8.74 %

METROPOLITAN WATER DISTRICT
Revenue Statement
For the Month Ending September 30, 2024
25.00% of Budget Complete

		Current Month	Year to Date	Total Budget	% of Budget Used	Prior YTD Actual	Prior Year Total	% Prior Year Use	Average 3 Years	Average 3 YTD (Actual Dollars)
OPERATING REVENUE										
Water Sales:										
1	Salt Lake City	\$ 1,469,601.42	\$ 4,408,804.26	\$ 17,635,217.00	25.00%	\$ 4,280,392.50	\$ 17,121,570.00	25.00%	25.00%	\$ 4,156,931.25
2	Sandy City	571,511.67	1,714,535.01	6,858,140.00	25.00%	1,664,597.01	6,658,388.04	25.00%	25.00%	1,616,584.33
3	Water Sales for Others	157,445.38	409,010.18	1,360,478.00	30.06 %	242,861.48	875,109.72	27.75 %	32.24 %	362,417.97
4	TOTAL OPERATING REVENUE	2,198,558.47	6,532,349.45	25,853,835.00	25.27%	6,187,850.99	24,655,067.76	25.10%	25.34%	6,135,933.55
OPERATING EXPENSES										
5	Administrative	191,715.33	484,973.74	2,517,481.00	19.26%	512,173.85	2,485,978.64	20.60%	19.61%	390,399.10
6	General	850,016.05	1,398,545.98	10,795,374.00	12.96%	1,181,328.58	9,043,114.41	13.06%	13.25%	1,166,634.07
7	Operations	533,987.22	1,581,505.14	4,161,745.00	38.00%	1,373,505.11	4,321,975.03	31.78%	31.41%	1,174,044.11
8	Maintenance	197,210.08	704,905.56	3,298,354.00	21.37%	761,978.88	3,057,969.67	24.92%	25.75%	722,944.34
9	Information Technology	150,227.55	501,866.87	2,464,188.00	20.37%	414,142.86	2,107,551.23	19.65%	20.77%	398,692.82
10	Engineering	103,002.33	276,020.59	1,514,319.00	18.23%	260,950.97	1,200,741.15	21.73%	20.26%	279,431.92
11	Instrumentation & Electrical	138,394.03	431,665.45	1,885,517.00	22.89%	338,877.99	1,690,244.09	20.05%	20.30%	296,560.33
12	Lab	76,292.76	220,316.87	954,231.00	23.09%	190,058.54	971,263.15	19.57%	21.85%	202,923.06
13	Non-Routine O&M	0.00	11,950.00	902,000.00	1.32 %	24,225.00	781,730.76	3.10 %	17.64 %	95,519.25
14	TOTAL OPERATING EXPENSES	2,240,845.35	5,611,750.20	28,493,209.00	19.70%	5,057,241.78	25,660,568.13	19.71%	20.05%	4,727,149.01
15	Revenue from Operations before Depreciation/Amortization	(42,286.88)	920,599.25	(2,639,374.00)	-34.88%	1,130,609.21	(1,005,500.37)	-112.44%	218.90%	1,408,784.53
16	Depreciation Expense	923,090.58	2,831,022.01	11,361,926.00	24.92%	2,792,019.68	11,124,876.91	25.10%	25.15%	2,789,579.52
17	Amortization Expense	(41,384.62)	(97,714.51)	(470,177.00)	20.78 %	(38,330.67)	(172,836.12)	22.18 %	29.36 %	(184,042.37)
18	Total Expenses	881,705.96	2,733,307.50	10,891,749.00	25.10%	2,753,689.01	10,952,040.79	25.14%	24.89%	2,605,537.15
19	REVENUE (LOSS) FROM OPERATIONS	(923,992.84)	(1,812,708.25)	(13,531,123.00)	13.40%	(1,623,079.80)	(11,957,541.16)	13.57%	12.18%	(1,196,752.62)
NON-OPERATING REVENUE										
20	General Property Taxes	20,433.28	382,314.04	21,400,079.00	1.79%	231,151.23	11,900,010.07	1.94%	1.73%	200,887.26
21	Fees in Lieu of Taxes	39,606.82	119,952.46	396,511.00	30.25%	117,356.26	445,185.08	26.36%	27.56%	121,626.08
22	Interest Revenue	475,269.06	1,546,998.29	2,061,809.00	75.03%	815,711.65	3,817,552.86	21.37%	18.49%	408,282.57
23	Prior Year Tax Collections	10,305.47	(148,825.01)	265,239.00	-56.11%	(139,050.84)	207,699.68	-66.95%	-10.15%	(28,390.32)
24	Special Assessment Revenue	1,009,569.50	3,028,708.50	13,803,280.00	21.94%	3,021,599.25	11,875,272.00	25.44%	25.92%	3,033,946.56
25	Encroachment Applications	0.00	3,643.02	0.00	0.00%	4,335.38	33,043.91	13.12%	11.51%	3,820.61
26	Miscellaneous	112.00	7,192.18	25,668,658.00	0.03%	8,466.02	137,448.71	6.16%	6.85%	8,818.31
27	Gain/(Loss) on Disposal of Fixed Assets	30,165.00	30,165.00	0.00	0.00%	20,350.00	29,151.32	69.81%	29.92%	9,450.00
28	Grant Funding	0.00	0.00	0.00	0.00%	0.00	1,579,536.24	0.00%	0.00%	0.00
29	Net Change of Investments	77.24	1,118.81	0.00	0.00 %	14,164.56	358,634.38	3.95 %	(5.51)%	5,035.28
30	TOTAL NON-OPERATING REVENUE	1,585,538.37	4,971,267.29	63,595,576.00	7.82%	4,094,083.51	30,383,534.25	13.47%	13.75%	3,763,476.35
NON-OPERATING EXPENSE										
31	Interest Expense	523,442.13	1,570,326.39	6,847,686.00	22.93%	1,291,661.85	5,498,016.01	23.49%	24.63%	1,351,539.13
32	Benefit Expense	0.00	0.00	0.00	0.00%	0.00	(1,104,128.00)	0.00%	0.00%	0.00
33	Actuarial Calculated Pension Expense	0.00	0.00	0.00	0.00 %	0.00	870,955.00	0.00 %	0.00 %	0.00
34	TOTAL NON-OPERATING EXPENSE	523,442.13	1,570,326.39	6,847,686.00	22.93 %	1,291,661.85	5,264,843.01	24.53 %	27.90 %	1,351,539.13
35	NET NON-OPERATING REVENUE (LOSS)	1,062,096.24	3,400,940.90	56,747,890.00	5.99 %	2,802,421.66	25,118,691.24	11.16 %	10.71 %	2,411,937.22
36	TOTAL DISTRICT NET REVENUE (LOSS)	\$ 138,103.40	\$ 1,588,232.65	\$ 43,216,767.00	3.68 %	\$ 1,179,341.86	\$ 13,161,150.08	8.96 %	9.57 %	\$ 1,215,184.60

MWDSLS Non-Capital Purchases Over \$10,000

September 2024

Vendor	Invoice #	Check #	Amount	Description
Thinkmate	2219502	81361	14,400.00	Supermicro Server Warranty Renewals
Utah Association of Special Districts	20240814	81363	13,838.00	2025 Membership Dues
Utah Local Governments Trust	1614945-2	81364	840,267.00	Insurance Premiums - FY 2025
Linde	various	81375	16,215.12	Chemicals
Thatcher Company	various	81380	96,463.77	Chemicals
Westech Equipment	0333233	81383	29,003.51	Fuel Spill Buckets and Overfill Valves Replacement - LCWTP
Rocky Mountain Power	various	81418	72,139.31	Electrical Services - August/September 2024
Squire	256701	81420	12,000.00	FY 2024 Auditing Services
Thatcher Company	various	81421	44,984.43	Chemicals
Fidelis Power Solutions, LLC	240828	81434	10,568.00	UPS Batteries for POMWTP Cabinet # 3
Jordan Valley Water Conservancy District	various	81442	607,285.84	Pipeline/Aqueduct Operations and Maintenance
Linde	various	81444	12,363.12	Chemicals
Thatcher Company	various	81450	54,199.84	Chemicals
Health Equity		ACH	22,240.46	H.S.A. Contributions - September 2024
Paylocity		ACH	71,984.84	Payroll Taxes 9/12/24
Paylocity		ACH	69,835.74	Payroll Taxes 9/26/24
Utah Retirement Systems		ACH	64,080.89	Retirement Contributions 8/29/24 Payroll
Utah Retirement Systems		ACH	65,925.01	Retirement Contributions 9/12/24 Payroll
Paylocity		ACH	178,834.20	Net Payroll 9/12/24
Paylocity		ACH	176,086.54	Net Payroll 9/26/24
Rocky Mountain Power		ACH	64,294.77	Electrical Services - July/August 2024
Rocky Mountain Power		ACH	71,630.77	Electrical Services - July/August 2024
Rocky Mountain Power		ACH	56,917.03	Electrical Services - July/August 2024
Select Health		ACH	96,384.60	Medical Insurance Premiums - October 2024
Utah Local Governments Trust		ACH	55,005.68	Insurance Premiums - FY 2025
Zions Bank		ACH	139,940.51	Zions Visa Commercial Card Payment - statement closing date 8/31/24
Zions Bank		ACH	37,583.34	2015A Bond Payment Transfer
Zions Bank		ACH	815,641.67	2016A Bond Payment Transfer
Zions Bank		ACH	371,482.88	2020A Bond Payment Transfer
Zions Bank		ACH	169,570.83	2021A Bond Payment Transfer
Zions Bank		ACH	199,095.92	2021B Bond Payment Transfer
Zions Bank		ACH	43,361.33	2024A Bond Payment Transfer
Zions Bank		ACH	182,456.17	2024B Bond Payment Transfer
Zions Bank		ACH	37,583.34	2015A Bond Payment Transfer
Zions Bank		ACH	815,641.67	2016A Bond Payment Transfer
Zions Bank		ACH	371,482.88	2020A Bond Payment Transfer
Zions Bank		ACH	169,570.83	2021A Bond Payment Transfer
Zions Bank		ACH	199,095.92	2021B Bond Payment Transfer
Zions Bank		ACH	43,361.33	2024A Bond Payment Transfer
Zions Bank		ACH	182,456.17	2024B Bond Payment Transfer

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary Comparisons
As of September 30, 2024

	9/30/24	8/31/24	Difference
1 Accounts Receivable	6,557,749	4,298,171	2,259,578

Explanation: As of September 30th, water payments from Salt Lake City and Sandy City for the prior month were outstanding, whereas Salt Lake City was current at the end of August.

	9/30/24	8/31/24	Difference
7 Operations & Maintenance Fund	12,162,469	13,617,572	(1,455,103)

Explanation: A significant amount was paid towards O&M expenses during the month, totaling approximately \$3.2 million. This included a payment of \$840K to Utah Local Governments Trust for property insurance and a payment of \$607k to Jordan Valley Water Conservancy District for our share of their pipeline and aqueduct O&M expenses.

	9/30/24	9/30/23	Difference
7 Operations & Maintenance Fund	12,162,469	5,061,782	7,100,687

Explanation: About half of this difference can be explained by the change in the Capital Projects Reserve balance. It was approved by the Board to retain a lower Capital Projects Reserve balance in order to have more cash on hand for the major projects that are underway. The difference in that balance is approximately \$3.3 million. Also, the Interest Rate Stabilization Reserve has been dissolved, which caused funds to be added back to the O&M Fund in the amount of \$3.3 million. Additionally, we have started to receive funds from the new bonds. Approximately \$2.8 million of bond proceeds were received in September.

	9/30/24	9/30/23	Difference
10 Capital Projects Reserve	10,000,000	13,344,144	(3,344,144)

Explanation: The Capital Projects Reserve was decreased in order to have more cash on hand for major projects that are underway.

	9/30/24	9/30/23	Difference
55 Accounts Payable	2,678,299	741,755	1,936,544

Explanation: Most of this difference is the result of payments being made in relation to the SLAR - Cottonwoods Connection project, to vendors such as COP Construction (\$1,233k), Whitaker Construction (\$110k), and Hazen and Sawyer (\$102k). These invoices were dated in July-September and paid in October.

	9/30/24	9/30/23	Difference
59 Deferred Revenue	999,261	2,577,469	(1,578,208)

Explanation: This difference represents the amount of grant revenue that was recognized in the last year. Most of the ARPA Grant funding was received at the onset of the Managed Aquifer Storage project, and the funds were recognized as revenue, proportionally, as project costs were incurred. The recognition of this revenue decreased the Deferred Revenue balance.

METROPOLITAN WATER DISTRICT
Revenue Statement Comparisons
For the Month Ending September 30, 2024

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
6 General (Operating Expenses)	1,398,545.98	1,166,634.07	231,911.91

Explanation: About half of this difference is the result of higher electricity expenses (\$112k). Additionally, general insurance premiums are higher by \$53k compared to the three-year average.

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
7 Operations (Operating Expenses)	1,581,505.14	1,174,044.11	407,461.03

Explanation: This difference is the result of higher chemicals expenses, mostly attributed to a need to use more chemicals in the treatment process. This is a result of higher turbidity and a higher content of organics in the water. There has also been higher demand this year, and a larger volume of water to be treated. Additionally, chemical prices have increased over time.

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
22 Interest Revenue (Non-Operating Revenue)	1,546,998.29	408,282.57	1,138,715.72

Explanation: Interest rates have continued to remain high over the last couple years, causing a continual increase in interest revenue over the prior 3-year average.

	Year to Date	Total Budget	Difference
23 Prior Year Tax Collections	(148,825.01)	265,239.00	(414,064.01)

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