

Tab 1

METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY

RESOLUTION NO. 1924

WHEREAS, on April 18, 2022 this District duly adopted a tentative budget for the fiscal year beginning July 1, 2022; and

WHEREAS, pursuant to appropriate public notice, on May 16, 2022, at 6:00 p.m., a public hearing was held by this District regarding: 1) the budget of this District for the fiscal year beginning July 1, 2022; and, 2) the purposes and necessities of taxation for use for District purposes; and 3) the purposes and necessities of increasing this District's general wholesale water rates and other fees; and

WHEREAS, on June 13, 2022, the Board of Trustees adopted Resolution No. 1922, adopting the April 18, 2022, tentative budget as amended in that resolution; and

WHEREAS, the District's auditors have since opined that Provo River Project costs should be classified as operation and maintenance expenses rather than capital expenditures; and

WHEREAS, the District's interest expenses have increased by \$815,000; and

WHEREAS, the District's capital budget for Jordan Aqueduct System and 150th South Pipeline has increased by \$325,807; and

WHEREAS, the District's capital budget for Repair and Replace has increased by \$15,000.

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

The final budget of this District for the fiscal year beginning on July 1, 2022, is amended as follows:

1. The \$2,306,401 budgeted for Provo River Project Capital is moved to General Operating Expenses, with General Operating Expenses for Provo River Water Users Association now totaling \$4,094,023.
2. The budget for Interest Expense is increased by \$815,000 to \$5,249,740.
3. The budget for Jordan Aqueduct System and 150th South Pipeline is increased by \$325,807 to \$3,211,499.
4. The budget for Repair and Replaced is increased by \$15,000 to \$934,000.

The net increase to the adopted budget is \$1,155,807.

ADOPTED by the Board of Trustees of the Metropolitan Water District of Salt Lake &

Sandy on this 12th day of June, 2023.

Patricia Comarell, Trustee	aye	nay	abstain
Cindy Cromer, Trustee	aye	nay	abstain
Joan Degiorgio, Trustee	aye	nay	abstain
Tom Godfrey, Trustee	aye	nay	abstain
John Kirkham, Trustee	aye	nay	abstain
John H. Mabey, Jr., Trustee	aye	nay	abstain
Donald Milne, Trustee	aye	nay	abstain

METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY

RESOLUTION NO. 1925

WHEREAS, on April 17, 2023 this District duly adopted a tentative budget for the fiscal year beginning July 1, 2023; and

WHEREAS, pursuant to appropriate public notice, on May 15, 2023, at 6:00 p.m., a public hearing was held by this District regarding: 1) the budget of this District for the fiscal year beginning July 1, 2023; and, 2) the purposes and necessities of taxation for use for District purposes; and 3) the purposes and necessities of increasing this District's general wholesale water rates and other fees.

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

1. The tentative budget as adopted on April 17, 2023 and as amended on June 12, 2023, is adopted as the final budget of this District for the fiscal year beginning on July 1, 2023. Amendments to the tentative budget are as follows:
 - a. Increase of \$51,698 for employee benefits for a total FY2024 budget amount of \$3,148,552.
 - b. Increase of \$13,127 for salary and wages for a total FY2024 budget amount of \$7,252,756.
 - c. Decrease \$12,885,900 to the Salt Lake Aqueduct Replacement – Cottonwoods Conduit non-capacity capital improvement project for a total FY 2024 budget amount of \$0.
 - d. Decrease \$6,575,500 to the Salt Lake Aqueduct Replacement – Cottonwoods Conduit capacity capital improvement project for a total FY 2024 budget amount of \$0.
 - e. Increase of \$100,000 to SCS Hardware and Software Replacement for a total FY 2024 budget amount of \$100,000.
 - f. Increase of \$2,722,721 to Managed Aquifer Recharge Design and Construction capacity capital improvement project for a total FY 2024 budget amount of \$7,272,721.
 - g. Increase of \$180,373 to Repair and Replace non-capacity capital improvement project for a total FY 2024 budget amount of \$850,873.
 - h. Increase of \$130,000 to Non-Routine O&M for a total FY 2024 budget amount of \$965,443.
 - i. Decrease of \$1,855,908 to Jordan Aqueduct System and 150th South Pipeline for a total FY 2024 budget amount of \$2,974,643
 - j. Decrease of \$6,885,556 to Tax Revenues for a total FY2024 budget amount of \$11,536,709.
 - k. Decrease of \$34,450,000 to Bonds Proceeds for a total FY2024 budget amount of \$0.
 - l. The net change to the tentative budget is a reduction of \$47,911,056.
2. The rate of taxation on all taxable property within this District during the 2023 tax year for use for District purposes during the fiscal year beginning July 1,

2023 is hereby fixed and levied at the certified tax rate of 0.000212 as established by the Salt Lake County auditor for the taxable property within Salt Lake City and 0.000221 for the taxable property within Sandy City. The amount of money to be derived from the area of this District lying within Salt Lake City is the minimum sum of \$8,174,348 for property taxes. The amount of money to be derived from the area of this District lying within Sandy City is the minimum sum of \$2,687,854.

3. For the fiscal year beginning July 1, 2023, the District's fees are adopted as outlined in the District's fee schedule.
4. For the fiscal year beginning July 1, 2023, the District elects to take a formal action regarding employer "pick-up" elections (member contributions paid by employer). The District provides a matching contribution up to a maximum of 3% to 401(k) accounts.

ADOPTED by the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy on this 12th day of June, 2023.

Patricia Comarell, Trustee	aye	nay	abstain
Cindy Cromer, Trustee	aye	nay	abstain
Joan Degiorgio, Trustee	aye	nay	abstain
Tom Godfrey, Trustee	aye	nay	abstain
John Kirkham, Trustee	aye	nay	abstain
John H. Mabey, Jr., Trustee	aye	nay	abstain
Donald Milne, Trustee	aye	nay	abstain

Metropolitan Water District of Salt Lake & Sandy
Board Meeting Information
Last Update: May 27, 2023

Agenda Item: Consider approval of Resolution 1926 to update Zions Signature Card

Background: With the pending retirement of Mike DeVries, General Manager, the account agreement with Zions Banks needs to be updated. Staff recommends that the board approve adding Wayne Winsor as the second employee authorized to enter into an Account Agreement and Signature Card with Zions Bank for all Zions Bank accounts in the name of the District.

Committee Activity: Finance Committee discussed resolution 1926 at the May 23, 2023 meeting and recommend approval by the full board.

Recommendation: Recommend approval of Resolution 1926.

METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY

RESOLUTION NO. 1926

WHEREAS, the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy hereby determines that the interest of this District and the public interest and necessity require that this District enter into an Account Agreement and Signature Card with Zions First National Bank (Zions Bank) for all Zions Bank accounts held in the name of this District.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY RESOLVED that the two district employees named below are authorized by this District to enter into an Account Agreement and Signature Card with Zions Bank for all Zions Bank accounts in the name of this District:

- | | |
|-------------------|---------------------------|
| 1) Annalee Munsey | General Manager |
| 2) Wayne Winsor | Assistant General Manager |

IT IS RESOLVED FURTHER, that until Zions Bank receives written notice of revocation of this Resolution:

1. Zions Bank may rely upon the actions of the above named District employees regarding District Zions Bank accounts, (including, but not limited to, the signing of checks, drafts, withdrawal orders, bills of exchange, and telephone transfers from the described accounts), and the actions of the above named District employees shall for all purposes of Zions Bank be deemed authorized; and
2. Zions Bank shall be held harmless by this District from liability or loss resulting from the reliance of Zions Bank (to the extent that such reliance is consistent with lawful bank practices) upon the actions of the above named District employees regarding District Zions Bank accounts.

IT IS RESOLVED FURTHER, that this resolution is intended to protect Zions Bank, but is not intended to modify any duties or obligations the above named District employees owe to the District as described by applicable Utah law, policies, procedures and regulations of this District, and instructions and resolutions of this District's Board of Trustees.

This **RESOLUTION** adopted by a vote of the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy on the 12th day of June, 2023.

Patricia Comarell	-aye	-nay	-abstain
Cindy Cromer	-aye	-nay	-abstain
Joan Degiorgio	-aye	-nay	-abstain
Tom Godfrey	-aye	-nay	-abstain
John Kirkham	-aye	-nay	-abstain
John Mabey	-aye	-nay	-abstain
Donald Milne	-aye	-nay	-abstain

Metropolitan Water District of Salt Lake & Sandy
Board Meeting Information
Last Update: June 5, 2023

Agenda Item: Consider approval of Resolution 1927 authorizing individuals to administer the Public Treasurer's Investment Fund (PTIF) for the District

Background: The Utah State Treasurer prepared the attached resolution which authorizes two District employees to make deposits and withdrawals from the account. The District currently has nearly \$34.1 Million in the PTIF.

In June of 2018, the District authorized Mike DeVries, General Manager and Annalee Munsey, Assistant General Manager as the individuals authorized to make deposits and withdrawals from the account.

Staff proposes listing Annalee Munsey, General Manager and Wayne Winsor, Assistant General Manager/Chief Administrative Officer as the two authorized individuals on the PTIF account.

Committee Activity: None

Recommendation: Recommend approval of Resolution 1927.

Metropolitan Water District of Salt Lake & Sandy
Board Meeting Information
Last Update: June 1, 2023

Agenda Item: Consider approval to authorize Treasurer and Assistant Treasurer to act on behalf of the District's investments

Background: The District entered into an agreement with Zions Capital Advisors ("Zions") for investment advisor services in 2021. Zions provides investment advice, account review, and ensures that all investments meet the requirements of the most recent version of the State Money Management Act. The District currently has nearly \$30 Million in investments.

Currently, Mike DeVries and Annalee Munsey are authorized to act on behalf of the District and work with the investment advisor.

Staff proposes updating Annalee Munsey, Treasurer and Wayne Winsor, Assistant Treasurer as the two authorized representatives to act on behalf of the District and work with the investment advisor.

Committee Activity: The Finance Committee discussed investment account authorization during the May 23, 2023 meeting.

Recommendation: Recommend approval by the full board.

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary
As of April 30, 2023
83.33% of Budget Completed

ASSETS	<u>04/30/23</u>	<u>03/31/23</u>	<u>04/30/22</u>
Current Assets:			
1 Accounts Receivable	\$ 4,058,154	\$ 5,960,437	\$ 4,830,178
2 Inventories	442,477	433,234	326,690
3 Prepaid Expenses	281,443	378,868	276,433
Reserve Funds:			
4 Operations & Maintenance Fund	25,424,810	22,517,867	28,716,100
5 Renewal and Replacement Reserve	650,000	650,000	650,000
6 Interest Rate Stabilization Reserve	3,284,866	3,284,866	3,284,866
7 Capital Projects Reserve	6,047,413	6,047,413	5,808,007
8 ASR Reserve	682,216	682,216	3,232,507
9 Self Insurance/Contingency Reserve	2,000,000	2,000,000	2,000,000
10 Jordan Aqueduct Reserve	44,325	44,325	44,108
11 JVWTP O&M Agreement	20,000	20,000	20,000
12 150th South Pipeline Agreement	36,362	36,362	36,183
13 TOTAL CURRENT ASSETS	42,972,066	42,055,588	49,225,072
Restricted Assets:			
2012 Series Bond			
14 Bond Fund Account 2012A	-	-	6,364,692
15 Bond Fund Account 2012B	653,813	586,072	1,116,123
2015 Series Bond			
16 Bond Fund Account 2015A	292,417	254,112	285,203
2016 Series Bond			
17 Bond Fund Account 2016A	658,203	493,589	653,500
2020 Series Bond			
18 Bond Fund Account 2020A	8,808,039	7,862,065	1,429,795
2021 Series Bond			
19 Bond Fund Account 2021A	683,705	512,713	678,843
20 Bond Fund Account 2021B	55,154	41,360	54,762
21 TOTAL RESTRICTED ASSETS	11,151,331	9,749,911	10,582,918
Fixed Assets:			
22 Land & Right-of-Way	22,023,773	22,023,773	22,028,673
23 Buildings & Improvements	287,740,831	287,740,831	287,621,596
24 Machinery & Equipment	18,572,423	18,559,756	16,800,945
25 Furniture & Fixtures	60,173	60,173	60,173
26 Transportation Equipment	1,394,778	1,394,778	1,273,116
27 Aqueduct & Appurtenances	111,991,784	111,991,784	111,974,338
28 Water Rights - PRWUA	18,188,008	18,188,008	33,565,711
29 Investment in Surface Water	135,189,064	135,189,064	58,349,684
Construction in Progress:			
30 CIP - Jordan Aqueduct System	1,596,511	1,596,511	705,705
31 CIP - Provo River Project	-	-	3,614,328
32 CIP - Central Utah Project	3,815,423	3,815,423	2,971,200
33 CIP - CUP ULS New Supply Assessment	-	-	844,223
34 CIP - Aquifer Storage & Recovery	1,068,650	762,694	100,584
35 CIP - Other	1,017,375	898,435	822,447
36 TOTAL FIXED ASSETS	602,658,793	602,221,230	540,732,723
37 Less: Accumulated Depreciation	<u>(188,827,974)</u>	<u>(187,913,098)</u>	<u>(177,752,799)</u>
38 NET FIXED ASSETS	413,830,819	414,308,132	362,979,924
Other Assets:			
39 Investment in ULWUA	-	-	2,372,689
40 Investments	30,510,127	30,462,675	20,264,437
41 Net Pension Asset	<u>2,500,167</u>	<u>2,500,167</u>	<u>-</u>
42 TOTAL OTHER ASSETS	33,010,294	32,962,842	22,637,126
43 TOTAL ASSETS	\$ 500,964,510	\$ 499,076,473	\$ 445,425,040

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary
As of April 30, 2023
83.33% of Budget Completed

	04/30/23	03/31/23	04/30/22
Deferred Outflow of Resources:			
44 Refinance Term Costs - 2021A	\$ 488,508	\$ 491,580	\$ 525,376
45 Refinance Term Costs - 2021B	9,688,363	9,799,724	11,024,689
46 Deferred Amount on Refunding - 2002B	10,656	14,208	53,279
47 Deferred Amount on Refunding - 2004	38,713	51,617	193,563
48 Deferred Amount on Refunding - 2005A	396,593	423,033	713,868
49 Deferred Amount on Refunding - 2009A	3,395,876	3,430,178	3,807,497
50 Deferred Bond Refunding - 2021A	1,836,697	1,848,249	1,975,316
51 Deferred Bond Refunding - 2021B	471,307	476,725	536,315
52 Deferred Outflows Relating to Pensions	1,081,526	1,081,526	782,721
53 TOTAL DEFERRED OUTFLOW OF RESOURCES	17,408,239	17,616,840	19,612,624
54 TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 518,372,749	\$ 516,693,313	\$ 465,037,664
LIABILITIES AND NET ASSETS			
Current Liabilities:			
55 Accounts Payable	\$ 587,636	\$ 533,142	\$ 440,808
56 Interest Payable - Bonds	1,749,913	1,312,435	1,877,016
57 Vacation Payable	573,035	567,989	481,741
58 Sick Leave Payable	88,243	88,243	89,786
59 Deferred Revenue	3,750,732	3,750,732	936,018
60 Bonds Payable, Current	10,435,000	10,435,000	10,125,000
61 CUP Water Supply Payable-CP	2,971,200	2,971,200	-
62 TOTAL CURRENT LIABILITIES	20,155,759	19,658,741	13,950,369
Long-Term Liabilities:			
63 Bonds Payable - Series 2012A	-	-	7,510,000
64 Bonds Payable - Series 2012B	770,000	770,000	2,075,000
65 Bonds Payable - Series 2015A	4,225,000	4,225,000	4,495,000
66 Bonds Payable - Series 2016A	59,200,000	59,200,000	59,200,000
67 Bonds Payable - Series 2020A	64,625,000	64,625,000	65,975,000
68 Bonds Payable - Series 2021A	43,340,000	43,340,000	43,340,000
69 Bonds Payable - Series 2021B	12,240,000	12,240,000	12,240,000
70 Reoffering Premium - 2012A	-	-	347,363
71 Reoffering Premium - 2012B	29,856	39,808	149,280
72 Reoffering Premium - 2015A	452,527	455,879	492,751
73 Reoffering Premium - 2016A	3,173,682	3,205,740	3,558,371
74 Reoffering Premium - 2021A	14,367,661	14,458,023	15,452,012
75 Net Pension Liability	-	-	220,100
76 CUP Water Supply Payable	68,337,600	68,337,600	-
77 Less Bonds Payable, Current	(10,435,000)	(10,435,000)	(10,125,000)
78 TOTAL LONG-TERM LIABILITIES	260,326,326	260,462,050	204,929,877
79 TOTAL LIABILITIES	280,482,085	280,120,791	218,880,246
Deferred Inflow of Resources:			
80 Deferred Bond Refunding - 2012A (2019)	839,274	859,257	1,079,066
81 Deferred Bond Refunding - 2012A (2020)	1,656,000	1,717,334	2,392,000
82 Deferred Inflows Relating to Pensions	3,418,975	3,418,975	1,615,894
83 TOTAL DEFERRED INFLOW OF RESOURCES	5,914,249	5,995,566	5,086,960
84 TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES	286,396,334	286,116,357	223,967,206
Net Assets:			
85 Invested in Capital Assets, Net of Related Debt	221,423,109	221,891,981	156,074,233
Restricted Assets:			
86 Future Debt Service	11,151,331	9,749,911	10,582,918
87 Operations & Maintenance Restriction	5,699,658	4,659,163	4,435,938
88 Renewal and Replacement	650,000	650,000	650,000
89 150th South Pipeline Agreement	36,362	36,362	36,183
90 JWTP O&M Agreement	20,000	20,000	20,000
91 Jordan Aqueduct Reserve	44,325	44,325	44,108
92 Unrestricted	(7,048,370)	(6,474,786)	69,227,078
93 TOTAL NET ASSETS	231,976,415	230,576,956	241,070,458
94 TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET ASSETS	\$ 518,372,749	\$ 516,693,313	\$ 465,037,664

METROPOLITAN WATER DISTRICT
Capital Report
For the Month Ending April 30, 2023
83.33% of Budget Complete

Account Name	Account Number	Current Month	Year to Date	Total Budget	Amount Remaining	% of Budget Used
CAPACITY IMPROVEMENT PROJECTS						
1	Managed Aquifer Recharge Design and Construction	1865	\$ 305,956.20	\$ 912,250.60	\$ 5,000,000.00	\$ 4,087,749.40 18.25 %
2	Capacity Improvement Projects		305,956.20	912,250.60	5,000,000.00	4,087,749.40 18.25%
NON-CAPACITY IMPROVEMENT PROJECTS						
3	LCWTP Standby Generator Replacement	1845	-	18,024.00	25,000.00	6,976.00 72.10%
4	PC/S Hardware Replacement	1845C	-	-	200,000.00	200,000.00 0.00%
5	SCS Hardware and Software Replacement	1845F	-	105,794.55	600,000.00	494,205.45 17.63%
6	Salt Lake Aqueduct Replacement - Cottonwoods Conduit	1802C	-	-	100,000.00	100,000.00 0.00%
7	Fleet Replacement Program	1848	59,287.01	195,582.60	215,000.00	19,417.40 90.97%
8	Little Dell Dam Improvements	1840	-	-	476,920.00	476,920.00 0.00%
9	Repair and Replace		72,320.30	535,693.24	972,000.00	436,306.76 55.11 %
10	Non-Capacity Improvement Projects		131,607.31	855,094.39	2,588,920.00	1,733,825.61 33.03%
OTHER CAPITAL IMPROVEMENT PROJECTS						
11	Jordan Aqueduct System and 150th South Pipeline	1599	-	-	2,885,643.00	2,885,643.00 0.00 %
12	Other Capital Improvement Projects		0.00	0.00	2,885,643.00	2,885,643.00 0.00 %
INVESTMENTS IN WATER SOURCES						
13	Provo River Project (PRP) Capital*	1852	-	-	2,306,481.00	2,306,481.00 0.00%
14	Central Utah Project (CUP) Capital	1751	-	3,815,423.00	3,815,423.00	- 100.00 %
15	Investments in Water Sources		0.00	3,815,423.00	6,121,904.00	2,306,481.00 62.32 %
16	GRAND TOTAL		\$ 437,563.51	\$ 5,582,767.99	\$ 16,596,467.00	\$ 11,013,699.01 33.64 %

* Provo River Project costs are now being accounted for in their entirety as Operations and Maintenance expenses.

METROPOLITAN WATER DISTRICT
Revenue Statement
For the Month Ending April 30, 2023
83.33% of Budget Complete

	Current Month	Year to Date	Total Budget	% of Budget Used	Prior YTD Actual	Prior Year Total	% Prior Year Use	Average 3 Years	Average 3 YTD (Actual Dollars)	
OPERATING REVENUE										
Water Sales:										
1	Salt Lake City	\$ 1,385,240.25	\$ 13,852,402.50	\$ 16,622,883.00	83.33%	\$ 13,448,935.00	\$ 16,138,722.00	83.33%	83.33%	\$ 13,187,790.53
2	Sandy City	538,704.58	5,387,045.80	6,464,455.00	83.33%	5,230,140.80	6,276,168.96	83.33%	83.33%	5,128,584.73
3	Water Sales for Others	40,397.55	1,084,619.53	1,516,011.00	71.54 %	696,930.18	1,290,843.14	53.99 %	73.77 %	819,406.99
4	TOTAL OPERATING REVENUE	1,964,342.38	20,324,067.83	24,603,349.00	82.61%	19,376,005.98	23,705,734.10	81.74%	82.87%	19,135,782.26
OPERATING EXPENSES										
5	Administrative	102,965.89	1,372,804.79	1,772,430.00	77.45%	1,374,055.83	1,683,078.17	81.64%	75.46%	1,400,579.50
6	General	211,484.47	8,579,551.10	5,227,548.00	164.12%	3,791,929.58	8,202,507.56	46.23%	57.53%	3,393,239.98
7	Operations	225,978.93	2,799,143.57	4,087,959.00	68.47%	2,465,926.34	3,178,017.38	77.59%	78.56%	2,512,018.16
8	Maintenance	210,119.82	2,340,036.02	3,122,836.00	74.93%	1,983,478.18	2,470,252.42	80.29%	80.76%	1,877,655.16
9	Information Technology	134,385.82	1,442,590.16	2,017,921.00	71.49%	1,393,492.73	1,771,806.95	78.65%	79.12%	1,475,236.43
10	Engineering	124,347.47	1,077,827.58	1,473,485.00	73.15%	1,235,730.55	1,546,302.81	79.92%	79.45%	1,155,358.63
11	Instrumentation & Electrical	98,234.64	1,125,104.02	1,419,704.00	79.25%	1,047,638.15	1,270,249.55	82.47%	78.89%	652,722.62
12	Lab	82,771.27	782,256.06	924,127.00	84.65%	712,531.39	870,583.66	81.85%	81.27%	662,937.14
13	Non-Routine O&M	67,531.31	655,111.11	965,000.00	67.89 %	0.00	0.00	0.00 %	0.00 %	0.00
14	TOTAL OPERATING EXPENSES	1,257,819.62	20,174,424.41	21,011,010.00	96.02%	14,004,782.75	20,992,798.50	66.71%	71.99%	13,129,747.61
15	Revenue from Operations before Depreciation/Amortization	706,522.76	149,643.42	3,592,339.00	4.17%	5,371,223.23	2,712,935.60	197.99%	123.80%	6,006,034.65
16	Depreciation Expense	914,875.26	9,239,924.73	11,198,000.00	82.51%	9,201,117.29	11,047,486.91	83.29%	83.32%	9,076,959.66
17	Amortization Expense	(8,440.92)	(200,196.90)	(217,080.00)	92.22 %	(1,242,286.60)	(1,490,743.92)	83.33 %	83.33 %	(1,171,253.78)
18	Total Expenses	906,434.34	9,039,727.83	10,980,920.00	82.32%	7,958,830.69	9,556,742.99	83.28%	83.31%	7,905,705.88
19	REVENUE (LOSS) FROM OPERATIONS	(199,911.58)	(8,890,084.41)	(7,388,581.00)	120.32%	(2,587,607.46)	(6,843,807.39)	37.81%	40.96%	(1,899,671.23)
NON-OPERATING REVENUE										
20	General Property Taxes	690,719.80	11,225,900.02	11,096,818.00	101.16%	10,822,055.14	11,444,267.53	94.56%	95.05%	10,739,805.42
21	Fees in Lieu of Taxes	38,125.26	360,267.36	407,231.00	88.47%	370,977.20	445,979.96	83.18%	83.99%	375,208.76
22	Interest Revenue	219,521.29	1,823,650.19	411,387.00	443.29%	258,053.75	362,256.75	71.24%	83.57%	506,330.97
23	Prior Year Tax Collections	44,676.52	31,020.04	200,342.00	15.48%	181,694.63	392,958.55	46.24%	65.47%	172,939.93
24	Special Assessment Revenue	1,005,393.33	10,798,156.30	12,701,368.00	85.02%	10,222,779.99	11,386,541.99	89.78%	87.66%	10,429,417.97
25	Encroachment Applications	0.00	41,604.39	0.00	0.00%	24,762.10	24,762.10	100.00%	76.14%	21,445.91
26	Miscellaneous	32,694.24	113,634.24	208,117.00	54.60%	125,380.98	130,533.79	96.05%	97.87%	104,511.32
27	Gain/(Loss) on Disposal of Fixed Assets	0.00	15,649.50	0.00	0.00%	11,039.27	(14,907.38)	-74.05%	141.18%	13,043.56
28	Grant Funding	0.00	41,667.55	0.00	0.00%	2,850,000.00	60,567.82	4705.47%	4705.47%	950,000.00
29	Gain/(Loss) on PRWUA	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%	0.00%	0.00
30	Net Change of Investments	5,720.93	17,468.53	0.00	0.00 %	2,859.08	(486,922.76)	(0.59)%	(10.06)%	10,165.86
31	TOTAL NON-OPERATING REVENUE	2,036,851.37	24,469,018.12	25,025,263.00	97.78%	24,869,602.14	23,746,038.35	104.73%	101.49%	23,322,869.69
NON-OPERATING EXPENSE										
32	Interest Expense	437,478.28	4,374,782.37	4,434,740.00	98.65%	4,778,057.91	5,716,566.22	83.58%	83.82%	5,636,560.13
33	TRRP Contractual Obligations	0.00	0.00	0.00	0.00%	0.00	0.00	0.00%	0.00%	0.00
34	Benefit Expense	0.00	0.00	0.00	0.00%	0.00	(951,826.00)	0.00%	0.00%	0.00
35	Actuarial Calculated Pension Expense	0.00	0.00	0.00	0.00 %	0.00	(264,165.00)	0.00 %	0.00 %	0.00
36	TOTAL NON-OPERATING EXPENSE	437,478.28	4,374,782.37	4,434,740.00	98.65 %	4,778,057.91	4,500,575.22	106.17 %	92.11 %	5,636,560.13
37	NET NON-OPERATING REVENUE (LOSS)	1,599,373.09	20,094,235.75	20,590,523.00	97.59 %	20,091,544.23	19,245,463.13	104.40 %	104.90 %	17,686,309.56
38	TOTAL DISTRICT NET REVENUE (LOSS)	\$ 1,399,461.51	\$ 11,204,151.34	\$ 13,201,942.00	84.87 %	\$ 17,503,936.77	\$ 12,401,655.74	141.14 %	129.16 %	\$ 15,786,638.33

MWDSLS Non-Capital Purchases over \$10,000

April 2023

Vendor	Invoice #	Check #	Amount	Description
BP Energy Company	various	79485	37,104.47	Natural Gas
Elwell Consulting Group	2022-001-12	79490	35,665.00	Multi-Hazard Mitigation Plan
Rocky Mountain Power	various	79503	16,862.41	Electrical Services - February/March/April 2023
Bowen, Collins & Associates	31031	79515	15,489.75	Engineering Services - Little Cottonwood Conduit Study
CRS Engineers	various	79520	12,226.51	Engineering Services - SLA Surveys, Sheep Ranch Annexation
Graymont	4-404463 RI	79525	10,638.50	Chemicals
Linde	various	79530	11,214.63	Chemicals
Rocky Mountain Power	various	79536	34,267.91	Electrical Services - March/April 2023
Thatcher Company	various	79539	90,566.67	Chemicals
Health Equity		ACH	23,090.61	H.S.A. Contributions - April 2023
Paylocity		ACH	69,182.61	Payroll Taxes 4/13/23
Paylocity		ACH	67,552.23	Payroll Taxes 4/27/23
Utah Retirement Systems		ACH	68,776.91	Retirement Contributions 3/30/23 Payroll
Utah Retirement Systems		ACH	69,254.41	Retirement Contributions 4/13/23 Payroll
Paylocity		ACH	160,433.23	Net Payroll 4/13/23
Paylocity		ACH	155,684.46	Net Payroll 4/27/23
Select Health		ACH	98,504.20	Medical Insurance Premiums - May 2023
Zions Bank		ACH	205,131.23	Zions Visa Commercial Card Payment - statement closing date 3/31/23
Zions Bank		ACH	65,610.42	2012B Bond Payment Transfer
Zions Bank		ACH	37,416.66	2015A Bond Payment Transfer
Zions Bank		ACH	163,245.83	2016A Bond Payment Transfer
Zions Bank		ACH	917,538.62	2020A Bond Payment Transfer
Zions Bank		ACH	169,570.83	2021A Bond Payment Transfer
Zions Bank		ACH	13,679.25	2021B Bond Payment Transfer

METROPOLITAN WATER DISTRICT
Balance Sheet - Summary Comparisons
As of April 30, 2023

	4/30/23	3/31/23	Difference
1 Accounts Receivable	4,058,154	5,960,437	(1,902,283)

Explanation: As of March 31st, water payments from Salt Lake City for the prior month were still outstanding, whereas they are current at the end of April.

	4/30/23	4/30/22	Difference
1 Accounts Receivable	4,058,154	4,830,178	(772,024)

Explanation: Water payments from Salt Lake City for the prior month were still outstanding at the end of April 2022, whereas they are now current. Conversely, water payments from Sandy City for the prior month were still outstanding at the end of April 2023, whereas they were current at the end of April last year.

	4/30/23	3/31/23	Difference
4 Operations & Maintenance Fund	25,424,810	22,517,867	2,906,943

Explanation: The collection of old receivables accounts for most of the increase over the prior month. Additionally, the annual RDA reimbursement from Salt Lake City was received in April, totaling \$331k.

	4/30/23	4/30/22	Difference
4 Operations & Maintenance Fund	25,424,810	28,716,100	(3,291,290)

Explanation: There have been two transfers made during the last year to the Investments account of \$5 million each, which has caused an overall decrease in the O&M Fund. There would otherwise have been a sizeable increase, as there has been a steady, positive net cash flow. Reference line 40, Investments.

	4/30/23	4/30/22	Difference
8 ASR Reserve	682,216	3,232,507	(2,550,291)

Explanation: This decrease in the ASR Reserve was the result of a capital budget transfer to help fund the advancement of work to be completed on the ASR project in FY 2023.

	4/30/23	4/30/22	Difference
31 CIP - Provo River Project	-	3,614,328	(3,614,328)

Explanation: In connection with the FY 2022 audit, it was determined that the District should record payments to Provo River Water Users Association as O&M expenses rather than capital items as done previously.

	4/30/23	4/30/22	Difference
40 Investments	30,510,127	20,264,437	10,245,690

Explanation: Two \$5 million transfers have been made from the O&M Fund account within the last year in order to generate greater interest revenue. Reference line 4, Operations & Maintenance Fund.

METROPOLITAN WATER DISTRICT
Revenue Statement Comparisons
For the Month Ending April 30, 2023

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
6 General (Operating Expenses)	8,579,551.10	3,393,239.98	5,186,311.12

Explanation: Most of this difference is the result of recording our annual payment to Provo River Water Users Association as O&M expenses rather than capital as we have in years past. This change in accounting methods was dictated by the FY 2022 audit. The payment to PRWUA totaled approximately \$3.9 million. Additionally, we paid \$1,386,000 to CUWCD for 2022 Central Utah Project M&I Water, which was about \$362k higher than the three-year average. A third contributing factor to this large difference is a significant rate increase in the price of natural gas. Current year-to-date natural gas expenditures are \$685k above the three-year average.

	Year to Date	Average 3 YTD (Actual Dollars)	Difference
28 Grant Funding (Non-Operating Revenue)	41,667.55	950,000.00	(908,332.45)

Explanation: This difference is the result of billing for the ARPA grant funding in January of last year. The grant funding revenue was initially recognized at the time of billing, but the bulk of this revenue was deferred at year end.

Metropolitan Water District of Salt Lake & Sandy
Board Meeting Information
Last Update: May 31, 2023

Agenda Item: Consider approval of liability insurance coverage

Objective: Consider changes to insurance policies and carriers for FY2024

Background: The District entered into an agreement with Utah Local Governments Trust (“Trust”) for insurance broker services in 2021. The Trust has the capacity to place coverage within the commercial market or provide exclusive coverage through their propriety forms. The Fiscal Year 2024 tentative budget considers the following insurance coverages:

General Liability,
Automobile Liability,
Public Officials/Management Liability,
Excess Liability,
Property,
Workers Compensation,
Pollution/Environmental Liability,
Employee Dishonestly/Crime,
Identity Fraud, and
Public Officials Bond - Treasurer.

The Trust proposed two options for insurance carriers/coverages to the Finance Committee. The Committee and staff prefer option #2. Highlights of option #2 include:

- Comprehensive Liability (General, Auto, Excess, Pubic Officials): Change to Trust
- Cyber Security: Change to Cowbell/Houston Specialty Insurance Co.
- Pollution/Environmental Liability: Change to Chubb and cover all District locations
- Crime: Increase limit to \$1.5M and deductible to \$2.5k; drop Public Officials bond coverage because it will be covered under the crime policy.

Renewal premiums for option #2 are within the FY2024 budget and represent an increase of \$79,000 or 9.5% from FY2023 premiums.

Committee Activity: The Finance Committee discussed insurance coverages at its May 23rd meeting and recommend option #2.

Recommendation: Approve insurance policy/coverages of option #2 to begin July 7, 2023.

Attachments:

- ULGT Insurance options #1 & #2

2023–2024 PREMIUM SUMMARY 1

LINE	CARRIER	PREMIUM	CHANGE
Workers Compensation (Emod up 1.7% to .60 Payroll up 4%)	Trust	\$37,924	+5%
Comprehensive Liability & Auto PD	Glatfelter National Union Fire	\$125,272	+3%
Cyber Security	Glatfelter American Alternative	Included	0%
Property (Underwriter Trended Values by 8%)	Affiliated FM	\$752,707	+16%
Pollution / Environmental Liability (Without TRIA)	Beazley (3 Locations*) Chubb (All Locations)	\$18,838 \$22,154	+20% +41%
Crime Option 1 (Travelers with \$300K Limit)	Travelers (\$500 Deductible)	\$1,978	0%
Crime Option 2 (Travelers with \$1.5M Limit)	Travelers (\$2.5K Deductible)	\$3,440	n/a
PO Bond/Treasurer (\$1.5M Limit)	Travelers (\$0 Deductible)	~\$3,300	0%
Identity Fraud	Travelers	Prepaid to 2025	0%
2023 RENEWAL PREMIUM		\$941,497	+14% or \$114K

*Little Cottonwood Water Treatment Plant; Terminal Reservoir; Point of the Mountain Reservoir.

This proposal is for illustration purposes only. Coverage and limits governed by policy terms and conditions, subject to underwriting and loss verification.



2023–2024 PREMIUM SUMMARY 2

LINE	CARRIER	PREMIUM	CHANGE
Workers Compensation (Emod up 1.7% to .60 Payroll up 4%)	Trust	\$37,924	+5%
Comprehensive Liability & Auto PD	Trust	\$63,357	-30%
Cyber Security	Cowbell Houston Specialty	\$27,306	
Property (Underwriter Trended Values by 8%)	Affiliated FM	\$752,707	+16%
Pollution / Environmental Liability (Without TRIA)	Beazley (3 Locations*)	\$18,838	+20%
	Chubb (All Locations)	\$22,154	+41%
Crime Option 1 (Travelers with \$300K Limit)	Travelers (\$500 Deductible)	\$1,978	0%
Crime Option 2 (Travelers with \$1.5M Limit)	Travelers (\$2.5K Deductible)	\$3,440	n/a
PO Bond/Treasurer (\$1.5M Limit)	Travelers (\$0 Deductible)	~\$3,300	0%
Identity Fraud	Travelers	Prepaid to 2025	0%
2023 RENEWAL PREMIUM		\$906,888	+9.5% or \$79K

*Little Cottonwood Water Treatment Plant; Terminal Reservoir; Point of the Mountain Reservoir.

This proposal is for illustration purposes only. Coverage and limits governed by policy terms and conditions, subject to underwriting and loss verification.



Metropolitan Water District of Salt Lake & Sandy
Board Meeting Information
Last Update: June 2, 2023

Agenda Item: Property tax position statement

Background: In 2015, Zions Public Finance completed a review of property tax alternatives for the District. After which the board approved a property tax position statement. Based on feedback from the board, the statement was updated in March of 2022.

In 2023, Zions Public Finance completed an update of the property tax alternatives. The 2023 report and the 2022 property tax position statement are included.

Committee Activity: During the May 23, 2023 Finance Committee meeting, Johnathan Ward, Zions Public Finance, shared the results of the “Updated Review of Property Tax Alternatives.”

Recommendation: Board discussion on the need, if any, to provide an updated property tax position statement.

Attachments:

- Property Tax Position Statement Revised March 3, 2022
- April 2023 Updated Review of Property Tax Alternatives

Metropolitan Water District of Salt Lake & Sandy
Property Tax Position Statement
Approved on January 25, 2016
Revised on March 3, 2022

The Metropolitan Water District of Salt Lake & Sandy Board of Trustees believes, after an independent study, that it is proper to maintain property tax as an option for funding of District responsibilities. A balanced approach to financing the District has proven effective and necessary in the past. We anticipate that it will remain so in the future. A balanced approach is reasonable and preferred in conjunction with other tools such as revenues from water sales and assessments.

Key concepts that led to this position include:

- Property tax is a stable, predictable source of revenue. Most District costs of doing business are fixed and do not change based on sales volume. On the other hand, wholesale water sales can vary yearly and are less predictable.
- Property tax provides a mechanism for revenue fairness. Property taxes allow the District to collect from the owners of properties that benefit more from available system supplies and system capacity and less from the amount of water currently being delivered (e.g., high flows for fire protection). The District's expenditures on infrastructure add value to the properties to be developed or redeveloped in the future.
- Property tax is a tool to provide revenue for critical infrastructure when water sales revenue is not available from such infrastructure. Necessary infrastructure includes new capacity for future growth and situations where a catastrophic event prevents water delivery for extended periods (e.g., earthquakes, wildfires).
- When the certified tax rate is not being levied at its maximum level, the ability to generate additional revenue via property taxes can be used to mitigate funding needs for unanticipated emergencies. Thus, the property tax can act as a virtual reserve fund and mitigate the need for larger actual reserves.
- Bond rating agencies assess bond issuers based on their ability to repay the principal loaned them. In addition, the assessment analyzes the entity's stability and ability to generate revenue. For these reasons, the District's ability to levy a property tax bolsters good bond ratings
- District revenues are currently structured such that most revenues (75% or so) come directly or indirectly from water sales. Approximately 25% of revenues come from property taxes. Salt Lake City and Sandy City do not levy a property tax for water. Shifting all revenue generation to water sales has pros and cons.
 - Cons:
 - Current water users bear a more considerable burden of developing supplies and building and rehabilitating infrastructure.
 - For the District and its member cities, higher rates for surface water provided by the District promotes more groundwater use, and less surface water use contrary to the idea of better conjunctive use of groundwater and surface water. When surface water is available, particularly direct flow water or water from full or near full surface reservoirs, generally, that water should be used in preference to groundwater. Higher rates may accelerate the depletion of groundwater reserves which are less affected by short-term drought conditions.
 - Pros:

- A stronger (or higher) price signal at the retail level will likely be more effective at reducing water consumption, especially in the long term.
 - Establishing conservation-based price signals such as tiered block unit pricing at the retail level (by the cities) will lead to more efficient water use.
 - Less consumption reduces or delays the need for significant capital expenditures to develop water systems.
- District review indicates that reducing or eliminating property tax as a source of revenue for the District will lead to a shift of costs among various users:
 - Property tax-exempt or partially exempt entities (schools, government, hospitals, churches, and certain non-profit organizations) will pay more via water rates.
 - High value, low water using properties (commercial and industrial) will see savings due to a greater reduction in property tax than the increased cost from water rates.
 - Residential users with lower -valued properties will see a relatively greater increase in burden than residential users with higher valued properties or the owners of second homes with less tax exemption.
- The District encourages water conservation efforts and other sustainable practices. The objectives of the District’s Environmental Mission Statement reinforce the long term sustainable development and wise use of water.
- A Redevelopment Agency is created to undertake or promote project area development. The agency receives a percentage of the property tax revenue to fund the project area. However, the agency could not collect the tax increment from an ineligible tax entity or water district that did not have taxing authority.

The District desires to perform its role for its member cities by providing for elements of each city’s health, safety, and welfare. As each member city continues to make choices and provide direction for their overall development, the ability to count on a stable, predictable water supply in the most balanced, reasonable manner seems to be a good ideal.

Attachments:

1. Property tax analysis final report (provided as a separate document)



Metropolitan Water District of Salt Lake & Sandy

Updated Review of Property Tax Alternatives

April 2023



Background

In 2015 the Metropolitan Water District of Salt Lake & Sandy (“MWDSLS” or the “District”) completed a comprehensive and detailed analysis of the potential impacts of the elimination of property tax revenues for the District. The 2015 analysis considered the history and mechanics of property tax as a funding tool for water projects in Utah, a discussion on the philosophical benefits and drawbacks of property taxes and water related topics, financial impacts on bond ratings, the impact to wholesale rates for the District, the financial impacts and potential rate increases necessary for Salt Lake City and Sandy City customers, as well as specific impacts to a variety of customer classes.

MWDSLS currently receives approximately \$11.5 million¹ in property tax revenues with roughly 75 percent of those revenues coming from Salt Lake City and 25 percent originating in Sandy City. Property taxes represented about 24 percent of the District’s revenues of \$49 million in 2022.

Generally speaking, the District’s financial projections have conservatively assumed that property tax revenues would remain constant in the future; thus, property taxes decline as a percentage of future revenues. Under this scenario, by 2030, property tax revenues represent only 20 percent of District revenues and 17 percent by 2040. Given this situation, the District is planning for a property tax rate increase to 0.00035 in 2024.

The purpose of this updated property tax alternatives analysis is to:

- 1) assess the financial impacts to the District if property tax revenues were to be eliminated entirely as currently contemplated by certain legislators;
- 2) evaluate the potential rate increases necessary for Salt Lake City and Sandy City to make up for the lost property tax revenues from those entities and the accompanying increase in wholesale water rates to the cities; and
- 3) consider the varying impacts to various types of customers to see which land use types will pay more and which will pay less.

Our report first evaluates future financial projections provided by the District, including property tax revenues, discussing the basic components and assumptions for each revenue and expenditure type. The analysis then considers the amount of tax revenues that would be lost if property taxes were no longer flowing to the District. If Salt Lake City and Sandy City were each to “make up” for the lost property tax revenues, then an overall percentage increase in rates is calculated for each of those two entities. Finally, the study evaluates the potential impacts on various customer classes and land use types to see the relative advantages and disadvantages of changing the existing revenue structure away from the use of property taxes.

Executive Summary

If property taxes were to be eliminated in year 1, the District would see a loss of \$11.7 million in property tax revenues and would need to raise its wholesale rates accordingly. If the District were to “recover” a loss of \$8,778,293 from Salt Lake City revenues and \$2,926,098 from Sandy City revenues, the proportionate share of total taxes received by the District, it would need to increase wholesale rates by 53 percent and 45 percent respectively for the two entities.

¹ \$11.7 million in property tax revenues is forecasted for 2023.

Salt Lake City and Sandy City would then need to increase their rates, or identify another funding source, in order to cover the increased cost of wholesale water purchases. Salt Lake City would need to increase its rates, overall, by 8.9 percent while Sandy City would need to increase its rates by 13.4 percent. This analysis does not address other shortfalls in revenue derived from conservation efforts in the respective cities.

The analysis shows that some classes of customers would benefit from eliminating property taxes as a source of revenue while others would be disadvantaged by the move. In general, those customers with low taxable values or that are tax exempt would pay more in water costs while customers with higher taxable values and lower usage would benefit from the change.

The elimination of property taxes introduces a more narrow revenue base from which the District operates which has implications for bond ratings and does negatively impact financial covenants made in outstanding bond documents.

Cash Flow Analysis

The cash flow analysis is based on a revenue sufficiency model which means that all expenses (operating costs, debt service and capital improvement costs) are considered first. Then, revenues are calculated to ensure that revenues are sufficient to cover expenses while maintaining sufficient debt service coverage ratios and days cash on hand. A detailed cash flow model is included in the Appendix and is based on information provided by the District. Each of the elements of the model are discussed in more detail in the following sections.

Operating Expenses

Operating expenses are projected to grow at an average annual rate of 4.6 percent over the 19-year period between 2022 and 2040. Some years are projected with higher, and others with lower increases than the average annual rate but the overall average is 4.6 percent. Of note is the anticipated operating cost increase of 22 percent in 2023 followed by much lower percentage increases thereafter. Given the current inflationary trends in the market, this is not surprising and is typical of what is occurring in other utilities across the State.

Debt Service Coverage Ratios

The District has six outstanding bonds for which it must maintain by Board policy a debt service coverage ratio of at least 1.25 times net operating revenues to annual debt payments. The legal requirement is slightly lower at 1.15x. The outstanding bonds are as follows:

- Series 2012B through 2023
- Series 2015A through 2034
- Series 2016A through 2031
- Series 2020A through 2037
- Series 2021A through 2036
- Series 2021B through 2030

TABLE 1: TOTAL BOND PAYMENTS

Year	Bond Payments
2023	\$16,404,740
2024	\$17,031,648

Year	Bond Payments
2025	\$19,120,496
2026	\$19,147,282
2027	\$19,343,146
2028	\$19,172,444
2029	\$19,160,360
2030	\$16,942,060
2031	\$16,998,557
2032	\$14,013,135
2033	\$14,102,225
2034	\$14,093,009
2035	\$8,199,221
2036	\$8,174,027
2037	\$4,641,242

Capital Costs

Capital costs have been identified by the District for the Central Utah Project (CUP) Municipal & Industrial System, CUP Utah Lake System, the Ontario Drain Tunnel, the Jordan Aqueduct System and other capital costs. Between now and 2041, non-capacity capital projects including the CUP M&I System and the Jordan Aqueduct System and others will average about \$14.9 million per year.²

Revenue Sources

Major revenue sources include property tax revenues, wholesale water sales and assessments for specific capital projects. This study analyzes the impacts if property tax revenues to the District were to end. Estimated revenues to MWDSLS from property tax revenues have ranged between \$11 and \$12 million over the past few years. The District has conservatively projected revenues of roughly \$11.7 million in the future.

TABLE 2: PROPERTY TAX REVENUE PROJECTIONS

	2021 Property Value	2021 Tax Rate	2021 Revenue Calculation	District Projections Going Forward
Sandy	\$10,598,307,234	0.000253	\$2,681,371	\$2,926,098
Salt Lake City	\$37,489,721,125	0.000253	\$9,484,899	\$8,778,253

Source: Utah Property Tax Commission; MWDSLS; ZPFI

Because of Utah's certified tax rate system, property tax revenues from *existing* development should remain constant without any rate increases (which require a public hearing). As property values appreciate, certified tax rates are calculated (downwards) so that the impact to property owners should remain constant. New construction is then added into the equation so that entities may see their revenues grow – but not from appreciation unless they enact a rate increase.

Without the projected property tax revenues, MWDSLS would need an additional \$2.9 million in revenues from Sandy City and nearly \$8.8 million from Salt Lake City. The District will need to raise its wholesale water rates to these two cities in order to make up the \$11.7 million in lost property tax revenues.

² Excludes PRWUA, CUP Utah Lake System, ODT.

Wholesale water sales to Sandy City are estimated at \$6,464,455 in 2023. Sales would need to increase by \$2,926,098 (the amount of lost property tax revenues) to a total of \$9,390,553, or an increase of 45 percent in the District's rates.

Wholesale water sales to Salt Lake City are estimated at \$16,622,883 in 2023. Sales would need to increase by \$8,778,293 (the amount of lost property tax revenues) to a total of \$25,401,176, or an increase of 53 percent in the District's rates.

The revenue sources currently available to the District include water sales revenue, capital assessments and property tax. Each revenue provides financial stability. We investigated the specific impact on the District's bond ratings through multiple conversations with rating analysts at both S&P Global and Fitch Ratings. Surprisingly, neither agency differentiated revenues in their models and therefore the rating outcome was generally indifferent when it came to property tax revenue versus user rate revenue. However, it was a matter of discussion in their committees. Revenue diversification provides stability and is considered a credit positive in those committee discussions. Although it cannot be determined conclusively to what extent it helps improve or maintain the rating, all else equal, two credits reviewed, one with a diversity of revenue sources and one with a single revenue source, the one with the diverse revenue base is in our opinion the better credit.

The District should be mindful of the provision in its Master Bond Resolution requiring use of property tax together with other revenues available to pay Operations and Maintenance Costs as defined therein and subject to Utah laws and tax limits. See Sections 5.05, 6.19, and 6.20 of the Master Bond Resolution for a more complete discussion. Presumably bond investors and rating agencies have reviewed this financial covenant and the historic practice of imposing taxes to cover these costs. Modifications of such security features could require notice to bond market participants under SEC Rule 15c2-12.

Impacts to Salt Lake City and Sandy City

Sandy City Impacts

Sandy City's Water Department budget for 2023 assumes a total of \$22,166,374 in revenue, with 98.5 percent of revenues (\$21,841,974) coming from utility charges. To increase utility revenues by \$2,962,098 (total utility charge revenues of \$24,768,072) **would require that Sandy City enact a rate increase of 13.4 percent.** This analysis does not include any other rate increases that Sandy City may require to cover inflationary costs, cover debt service, to make needed capital improvements or to keep sufficient days cash on hand to meet its policy requirements. In addition, it should be noted that, due to conservation, the drought, and water restrictions, water sales revenues were significantly less than projected for both Salt Lake City and Sandy City and adjustments outside of the scope of this analysis will likely need to be made to compensate for the losses.

In the prior study completed in 2015, it was calculated that Sandy City would need various rate increases depending on whether property tax revenues were phased out in year 1, year 5 or year 10. If the phaseout were to occur in year 1, a rate increase of 16 percent was calculated. Phaseout of property taxes in years 5 or 10 resulted in rate increases of only 5 percent in the initial year. This updated analysis only considers phaseout in year 1 due to current legislative activity.

The final extent of the impact upon the retail users' bills of particular users would be decided by Sandy City. The City can adjust how much rates might change for certain classes of users as compared with others. The City could also affect the timing of its own retail rate increases by delaying capital projects or other expenses.

Salt Lake City Impacts

Salt Lake City's Water Department budget for 2023 assumes a total of \$132,752,815 in revenue, with 75 percent of revenues (\$99,155,990) coming from utility charges. To increase utility revenues by \$8,778,253 (total utility charge revenues of \$107,934,283) **would require that Salt Lake City enact a rate increase of 8.9 percent.** This analysis does not include any other rate increases that Salt Lake City may require to cover inflationary costs, cover debt service, to make needed capital improvements, to compensate for conservation efforts as mentioned above or to keep sufficient days cash on hand to meet its policy requirements.

In the prior study completed in 2015, it was calculated that Salt Lake City would need various rate increases depending on whether property tax revenues were phased out in year 1, year 5 or year 10. If the phaseout were to occur in year 1, a rate increase of 16 percent was calculated. Phaseout of property taxes in years 5 or 10 resulted in rate increases of only 5 percent in the initial year. This updated analysis only considers phaseout in year 1 due to current legislative activity.

The final extent of the impact upon the retail users' bills of particular users would be decided by Salt Lake City. The City can adjust how much rates might change for certain classes of users as compared with others. The City could also affect the timing of its own retail rate increases by delaying capital projects or other expenses.

Impacts on Water Users

Impacts on water users will depend on two factors: 1) taxable value and the amount of property taxes currently paid; and 2) amount of water usage. For example, non-profit entities will see an increase in their annual water costs as they currently pay no taxes and therefore the removal of property taxes does not positively benefit them. On the other hand, they will see rates for water usage increase. Conversely, entities with high taxable values and low water usage should benefit if such a change in structure occurs.

Due to the limited timeframe and scope of this updated analysis, much of the information used in the 2015 report was used to evaluate impacts on customer classes of ratepayers. Specifically, we relied on the 2015 taxable value data provided in the prior report and then updated the taxable values by applying an overall percentage increase to account for the significant appreciation in values between 2015 and 2022. Details of how the percentage increase was determined are shown in the following "Property Tax Analysis" section.

We also relied on 2015 usage numbers for each of the customer classes. Usage rates, however, were updated for this analysis based on current fee schedules for Salt Lake City and Sandy City.

Property Tax Analysis

The 2015 report gathered samples of properties from a variety of land use types and analyzed their average taxable values. As stated, this report simply assumes an overall average taxable value increase between 2015 and 2022 which was calculated at 117 percent for Sandy City and 112 percent for Salt Lake

City. This is based on the following research of increasing (“appreciating”) values for residential units in the two cities. Comparable commercial data was not obtainable within the timeframe of this study but is considered to have similar increases.

TABLE 3: MARKET VALUE INCREASES OF RESIDENTIAL UNITS, 2015 - 2022

Jurisdiction	2015	2022	% Increase
Sandy 84070	\$248,750	\$547,000	120%
Sandy 84092	\$370,000	\$816,250	121%
Sandy 84093	\$382,000	\$812,400	113%
Sandy 84094	\$265,000	\$569,500	115%
Sandy City Average Increase			117%
Salt Lake City 84102	\$323,500	\$699,500	116%
Salt Lake City 84103	\$427,950	\$851,500	99%
Salt Lake City 84104	\$157,000	\$410,000	161%
Salt Lake City 84105	\$363,000	\$695,000	91%
Salt Lake City 84106	\$278,000	\$600,000	116%
Salt Lake City 84108	\$423,000	\$797,000	88%
Salt Lake City 84109	\$355,987	\$730,000	105%
Salt Lake City 84111	\$239,950	\$477,000	99%
Salt Lake City 84116	\$191,200	\$450,000	135%
Salt Lake City Average Increase			112%

Source: Salt Lake Tribune

An analysis of property tax revenues generated for MWDSLS by similar units in 2015 and 2022 shows there is not a significant difference in property tax revenues. This is due to the fact that the District’s 2015 tax rate of 0.000406 declined to 0.000212 in 2022 due to truth-in-taxation requirements for certified tax rates in the absence of any public hearings for rate increases.

TABLE 4: COMPARISON OF DISTRICT PROPERTY TAX REVENUES 2015 - 2022

Salt Lake Tribune Average Home Prices	2015	2022	% Increase	2015 Tax Revenues	2022 Tax Revenues ³
Sandy 84070	\$248,750	\$547,000	120%	\$55.55	\$63.78
Sandy 84092	\$370,000	\$816,250	121%	\$82.62	\$95.17
Sandy 84093	\$382,000	\$812,400	113%	\$85.30	\$94.73
Sandy 84094	\$265,000	\$569,500	115%	\$59.17	\$66.40
Salt Lake City 84102	\$323,500	\$699,500	116%	\$72.24	\$81.56
Salt Lake City 84103	\$427,950	\$851,500	99%	\$95.56	\$99.28
Salt Lake City 84104	\$157,000	\$410,000	161%	\$35.06	\$47.81
Salt Lake City 84105	\$363,000	\$695,000	91%	\$81.06	\$81.04
Salt Lake City 84106	\$278,000	\$600,000	116%	\$62.08	\$69.96
Salt Lake City 84108	\$423,000	\$797,000	88%	\$94.46	\$92.93
Salt Lake City 84109	\$355,987	\$730,000	105%	\$79.49	\$85.12
Salt Lake City 84111	\$239,950	\$477,000	99%	\$53.58	\$55.62
Salt Lake City 84116	\$191,200	\$450,000	135%	\$42.69	\$52.47

³ Increases between 2015 and 2022 include new growth.

Base Fees and Usage Analysis

If property taxes were to be eliminated, the cities would be charged the amount of lost property tax revenues so that the District can maintain financial viability. The cities could increase their rates in a wide variety of ways, such as increases to base fees only, increases to usage rates only, higher increases for higher usage tiers, etc. For the sake of simplicity, and as a means of comparison of relative impacts, this study assumes that increases to base rates and usage rates will have the same percentage increase.

Sandy City

Base rates in Sandy City are based on meter size. The following table shows current rates as well as base rates increased by 13.4 percent.

TABLE 5: BASE FEES BY METER SIZE

Meter Size	2022 Current Base	Increased Base
3/4"	\$14.43	\$16.36
1"	\$18.78	\$21.30
1.5"	\$23.14	\$26.24
2"	\$35.12	\$39.82
3"	\$123.34	\$139.86
4"	\$156.01	\$176.91
6"	\$232.25	\$263.36
8"	\$319.39	\$362.18
10"	\$439.19	\$498.03

Source: Sandy City; ZPFI

Usage rates are structured as follows with rates increased by 13.4 percent to account for additional wholesale water costs to the City.

TABLE 6: USAGE FEES PER 1,000 GALLONS

Sandy City Water Usage Rates	<6,000 Gallons	6000-25,000	25,000-50,000	50,000-75,000	75,000+
2022 Rates	\$1.64	\$2.31	\$2.98	\$3.82	\$5.08
Potential Increase	\$1.86	\$2.62	\$3.38	\$4.33	\$5.76

The following analysis evaluates the comparative impacts on different land uses from replacing property taxes with higher rates.⁴ The current annual water cost estimates are based on current property tax rates, current base rates and current usage fees. The property tax revenues are estimated based on information provided in the 2015 report regarding average taxable values. These values have been updated to 2022 taxable values using research showing the average increase in values between 2015 and 2022 as shown in Table 4.

⁴ Various meter sizes were assumed for different types of development. These meter sizes may vary substantially within a given land use category thereby impacting the comparative impacts.

Usage by category is taken from the 2015 report; usage is then multiplied by the usage fees charged in 2022. The proposed water costs are calculated as an increase of 13.4 percent in base and usage fees. No property tax revenues are included in the proposed water costs.

As the table below demonstrates, some categories will see increased water rates and other categories will see a decrease.

TABLE 7: COMPARISON OF ANNUAL WATER COSTS

SANDY CITY SUMMARY TABLE	Average Taxable Value 2022	Gallons Usage	Current Annual Water Cost	Proposed Annual Water Cost	Difference	Average % Change
SF 5/8"	\$268,876	247,000	\$752.49	\$788.66	\$36.17	5%
SF 3/4"	\$324,717	188,000	\$628.04	\$634.11	\$6.07	1%
SF 1"	\$738,598	316,000	\$1,074.38	\$1,040.75	(\$33.63)	-3%
SF 1 1/2"	\$1,472,471	220,000	\$1,049.80	\$836.46	(\$213.34)	-20%
SF 2"	\$1,853,326	1,044,208	\$4,231.68	\$4,353.04	\$121.36	3%
SF 4"	\$2,558,442	1,664,300	\$8,981.91	\$9,570.14	\$588.23	7%
10-19 Unit Apt	\$2,783,151	876,000	\$3,604.55	\$3,418.37	(\$186.18)	-5%
20-49 Unit Apt	\$1,979,013	1,592,000	\$8,491.79	\$9,153.65	\$661.86	8%
3-4 Unit Apt	\$381,458	267,000	\$874.76	\$900.24	\$25.49	3%
50-98 Unit Apt	\$8,306,365	1,073,000	\$8,111.55	\$7,201.37	(\$910.18)	-11%
5-9 Unit Apt	\$604,746	381,000	\$1,239.71	\$1,260.40	\$20.70	2%
Bank	\$2,581,352	896,000	\$3,638.17	\$3,505.00	(\$133.17)	-4%
Church	\$0	885,000	\$3,048.90	\$3,457.35	\$408.45	13%
Condo Unit	\$266,851	289,000	\$849.08	\$898.68	\$49.60	6%
Convenience Store	\$1,989,921	803,000	\$3,157.52	\$3,102.15	(\$55.38)	-2%
Day Care Center	\$1,183,758	422,000	\$1,484.64	\$1,398.95	(\$85.68)	-6%
Duplex	\$283,221	198,000	\$694.54	\$719.50	\$24.96	4%
Fast Food Restaurant	\$1,583,491	738,000	\$2,679.30	\$2,657.56	(\$21.74)	-1%
Golf Course	\$1,254,669	463,000	\$1,817.93	\$1,759.85	(\$58.08)	-3%
Hospital	\$272,090	2,282,000	\$11,635.12	\$13,128.43	\$1,493.31	13%
Hotel	\$27,475,708	6,559,000	\$40,044.33	\$38,803.75	(\$1,240.58)	-3%
Medical Office	\$2,708,186	1,318,000	\$7,254.46	\$7,575.26	\$320.81	4%
Office	\$12,091,853	1,396,000	\$8,189.35	\$6,379.56	(\$1,809.79)	-22%
Other Exempt	\$0	3,678,000	\$17,218.44	\$19,525.14	\$2,306.70	13%
Public	\$0	2,090,000	\$9,151.40	\$10,377.38	\$1,225.98	13%
Regional Mall	\$16,010,280	968,660	\$8,299.85	\$5,562.87	(\$2,736.98)	-33%
Restaurant	\$2,811,217	1,442,000	\$6,455.54	\$6,644.55	\$189.01	3%
Retail Mixed	\$1,394,012	439,000	\$1,579.87	\$1,456.40	(\$123.47)	-8%
Retail Store	\$2,680,344	530,000	\$2,123.75	\$1,763.91	(\$359.85)	-17%
Retirement Home	\$6,275,965	1,944,000	\$11,190.90	\$11,181.37	(\$9.54)	0%
School	\$0	4,685,000	\$23,784.68	\$26,971.04	\$3,186.36	13%
Service Garage	\$1,467,365	271,000	\$1,114.21	\$910.72	(\$203.49)	-18%
Storage Warehouse	\$1,546,384	327,000	\$1,226.21	\$1,018.73	(\$207.48)	-17%

SANDY CITY SUMMARY TABLE	Average Taxable Value 2022	Gallons Usage	Current Annual Water Cost	Proposed Annual Water Cost	Difference	Average % Change
Trailer Park	\$2,621,532	11,589,000	\$59,412.76	\$66,741.88	\$7,329.11	12%

Salt Lake City

Base rates in Salt Lake City are based on meter size. The following table shows current rates as well as base rates increased by 8.9 percent.

TABLE 8: BASE FEES BY METER SIZE

SALT LAKE CITY	2022 Current Base	Increased Base
3/4"	\$11.53	\$12.55
1"	\$15.09	\$16.43
1/1/2"	\$23.97	\$26.09
2"	\$34.64	\$37.71
3"	\$63.05	\$68.63
4"	\$95.01	\$103.42
6"	\$183.86	\$200.14
8"	\$290.44	\$316.15
10"	\$752.36	\$818.97

Usage rates in Salt Lake City vary during the summer and winter months. During the winter, the usage rate is \$1.70 per CCF for most residential development. The rate increases to \$1.85 per CCF for residential development of 4-plexes and larger in size and for all non-residential development.

During the summer months rates are based on levels of usage. Usage by varying tiers was not available during the short timeframe of this study. Therefore, “average” year-round rates of \$2.00 and \$2.25 per CCF were used in this analysis to give a general idea of the relative impacts by land use category.

The following analysis evaluates the comparative impacts on different land uses from replacing property taxes with higher rates.⁵

TABLE 9: COMPARISON OF ANNUAL WATER COSTS

SALT LAKE CITY SUMMARY TABLE	Average Taxable Value 2022	Annual Usage CCF	Current Annual Water Cost	Proposed Annual Water Cost	Difference	Average % Change
SF 5/8"	\$135,400	128	\$456.66	\$429.27	(\$27.38)	-6%
SF 3/4"	\$142,301	166	\$535.83	\$512.00	(\$23.83)	-4%
SF 1"	\$302,618	320	\$960.31	\$893.77	(\$66.54)	-7%
SF 1 1/2"	\$745,189	835	\$2,509.24	\$2,358.18	(\$151.06)	-6%
SF 2"	\$853,985	1,396	\$3,949.59	\$3,871.55	(\$78.03)	-2%

⁵ Various meter sizes were assumed for different types of development. These meter sizes may vary substantially within a given land use category thereby impacting the comparative impacts.

SALT LAKE CITY SUMMARY TABLE	Average Taxable Value 2022	Annual Usage CCF	Current Annual Water Cost	Proposed Annual Water Cost	Difference	Average % Change
SF 4"	\$1,178,892	2,225	\$6,688.76	\$6,690.51	\$1.75	0%
10-19 Unit Apt	\$576,587	886	\$2,674.46	\$2,640.47	(\$33.99)	-1%
20-49 Unit Apt	\$1,231,554	1,916	\$6,017.74	\$5,983.09	(\$34.64)	-1%
3-4 Unit Apt	\$192,644	1,251	\$2,728.99	\$2,880.10	\$151.11	6%
50-98 Unit Apt	\$3,053,342	3,764	\$12,080.11	\$11,715.98	(\$364.14)	-3%
5-9 Unit Apt	\$335,656	482	\$1,420.01	\$1,385.47	(\$34.54)	-2%
Bank	\$939,006	1,030	\$3,165.20	\$2,993.15	(\$172.05)	-5%
Church	\$0	4,866	\$11,364.18	\$12,388.26	\$1,024.08	9%
Condo Unit	\$125,290	3,027	\$7,006.75	\$7,570.31	\$563.55	8%
Convenience Store	\$802,103	1,149	\$3,369.96	\$3,284.61	(\$85.36)	-3%
Day Care Center	\$492,713	4,509	\$10,553.02	\$11,248.37	\$695.35	7%
Duplex	\$241,141	739	\$1,770.03	\$1,813.80	\$43.78	2%
Fast Food Restaurant	\$683,086	926	\$2,813.46	\$2,738.44	(\$75.02)	-3%
Golf Course	\$8,742	614	\$1,801.20	\$1,974.29	\$173.09	10%
Hospital	\$19,752,250	10,653	\$35,263.27	\$28,588.47	(\$6,674.80)	-19%
Hotel	\$32,321,410	16,205	\$53,538.14	\$42,186.39	(\$11,351.76)	-21%
Medical Office	\$3,325,289	4,759	\$13,377.78	\$12,946.15	(\$431.63)	-3%
Office	\$15,243,166	3,975	\$17,097.01	\$11,025.98	(\$6,071.03)	-36%
Other Exempt		13,063	\$29,807.43	\$32,464.29	\$2,656.86	9%
Public		4,871	\$11,375.43	\$12,400.50	\$1,025.07	9%
Regional Mall	\$7,377,300	1,295	\$7,448.05	\$4,462.15	(\$2,985.90)	-40%
Restaurant	\$813,930	2,801	\$7,092.41	\$7,330.68	\$238.27	3%
Retail Mixed	\$2,345,240	1,248	\$4,068.09	\$3,261.55	(\$806.54)	-20%
Retail Store	\$1,370,753	1,335	\$3,815.49	\$3,474.63	(\$340.86)	-9%
Retirement Home	\$3,099,920	5,203	\$14,273.09	\$14,033.59	(\$239.50)	-2%
School		5,516	\$13,551.12	\$14,800.19	\$1,249.07	9%
Service Garage	\$1,911,297	996	\$3,301.44	\$2,644.35	(\$657.09)	-20%
Storage Warehouse	\$1,640,633	616	\$2,279.19	\$1,665.31	(\$613.88)	-27%
Trailer Park	\$3,616,975	9,734	\$24,705.73	\$25,130.88	\$425.15	2%



APPENDIX A – CASH FLOW ANALYSIS

APPENDIX A	2022	2023	2024	2025	2026	2027	2028	2029
REVENUES								
Salt Lake City Taxes	\$8,639,372	\$8,778,293	\$13,816,698	\$13,816,698	\$13,816,698	\$13,816,698	\$13,816,698	\$13,816,698
Sandy City Taxes	\$2,879,791	\$2,926,098	\$4,605,566	\$4,605,566	\$4,605,566	\$4,605,566	\$4,605,566	\$4,605,566
Total Taxes	\$11,519,163	\$11,704,391	\$18,422,265	\$18,422,265	\$18,422,265	\$18,422,265	\$18,422,265	\$18,422,265
Water Sales Revenues								
Member Cities								
Water Sales to Salt Lake City	\$16,138,722	\$16,622,883	\$17,121,570	\$17,635,217	\$18,164,274	\$18,709,202	\$19,457,570	\$20,235,873
Water Sales to Sandy City	\$6,276,169	\$6,464,455	\$6,658,388	\$6,858,140	\$7,063,884	\$7,275,801	\$7,566,833	\$7,869,506
Water Sales to Member Cities	\$22,414,891	\$23,087,338	\$23,779,958	\$24,493,357	\$25,228,158	\$25,985,003	\$27,024,403	\$28,105,379
Other Water Sales Revenues								
Water Sales to Others	\$921,842	\$1,308,436	\$1,333,278	\$87,000	\$87,000	\$87,000	\$87,000	\$87,000
JSSD ODT Revenues	\$204,442	\$207,575	\$209,081	\$121,608	\$112,157	\$227,454	\$276,766	\$327,414
TOTAL Water Sales Revenues	\$23,541,175	\$24,603,349	\$25,322,317	\$24,701,965	\$25,427,315	\$26,299,457	\$27,388,169	\$28,519,793
Assessments	\$12,896,023	\$12,701,368	\$19,297,039	\$25,988,449	\$12,874,632	\$14,818,837	\$14,809,114	\$14,795,592
Miscellaneous Revenues	\$84,700	\$208,117	\$34,689,246	\$120,242	\$121,268	\$122,325	\$126,318	\$127,439
Interest Income	\$974,175	\$411,387	\$866,291	\$1,298,852	\$820,355	\$680,165	\$588,815	\$480,528
TOTAL REVENUES	\$49,015,236	\$49,628,612	\$98,597,157	\$70,531,773	\$57,665,835	\$60,343,049	\$61,334,680	\$62,345,617
OPERATING EXPENSES								
Regular Operating Expenses	\$17,366,149	\$20,447,633	\$24,639,224	\$25,378,401	\$26,139,753	\$26,923,946	\$27,731,664	\$28,563,614
District Non-Routine O&M	\$0	\$965,000	\$835,443	\$781,000	\$896,000	\$872,000	\$910,000	\$875,000
Water (CUP M&I O&M Cost)	\$1,100,000	\$1,200,000	\$1,300,000	\$1,400,000	\$1,500,000	\$1,588,600	\$1,682,400	\$1,781,800
CUP ULS Water (O&M Cost)	\$170,500	\$186,000	\$201,500	\$217,000	\$232,500	\$246,233	\$260,772	\$276,179
Total Operating Expenses	\$18,636,649	\$22,798,633	\$26,976,167	\$27,776,401	\$28,768,253	\$29,630,779	\$30,584,836	\$31,496,593
Ontario Drain Tunnel (For Information Purposes)	\$1,024,028	\$832,506	\$854,183	\$882,620	\$910,352	\$969,854	\$1,009,443	\$1,046,569
DEBT SERVICE								
Existing and Future Debt								
2012A	\$7,810,400							
2012 B	\$1,387,575	\$787,325	\$0	\$0	\$0	\$0	\$0	\$0
2015 A	\$449,800	\$449,000	\$452,800	\$451,000	\$448,800	\$451,200	\$448,000	\$449,400
2016 A	\$1,958,950	\$1,958,950	\$5,883,950	\$9,787,700	\$9,786,450	\$9,965,200	\$10,000,675	\$10,012,925
2020 A	\$2,260,324	\$10,195,464	\$8,495,897	\$4,457,795	\$4,476,276	\$4,484,668	\$4,276,852	\$4,246,382
2021A	\$2,113,983	\$2,034,850	\$2,034,850	\$2,034,850	\$2,034,850	\$2,034,850	\$2,034,850	\$2,034,850
2021 B	\$170,535	\$164,151	\$164,151	\$2,389,151	\$2,400,906	\$2,407,229	\$2,412,067	\$2,416,803
2023/24			\$2,276,800	\$2,276,800	\$2,276,800	\$2,276,800	\$2,276,800	\$2,276,800
Total Outstanding Debt	\$8,341,167	\$15,589,740	\$19,308,448	\$21,397,296	\$21,424,082	\$21,619,946	\$21,449,244	\$21,437,160
DEBT SERVICE COVERAGE RATIO*	3.64	1.72	1.92	2.00	1.35	1.42	1.43	1.44
CAPITAL COSTS								
CUP M&I Total Petition Repayment	\$2,971,200	\$2,971,200	\$2,971,200	\$2,971,200	\$2,971,200	\$2,971,200	\$2,971,200	\$2,971,200
Total CUP ULS Petition Repayment	\$844,223	\$844,223	\$844,223	\$844,223	\$844,223	\$844,223	\$844,223	\$844,223
Non-Capacity Total Expenditures	\$2,861,500	\$2,589,000	\$15,006,400	\$24,198,100	\$5,444,500	\$3,807,120	\$3,670,700	\$4,592,000
Jordan Aqueduct System	\$2,203,759	\$2,885,643	\$4,830,551	\$9,997,384	\$6,952,757	\$5,164,433	\$6,564,898	\$6,950,649
New Capacity	\$0	\$900,000	\$11,125,500	\$13,176,000	\$0	\$2,000,000	\$2,000,000	\$2,000,000
TOTAL Capital Improvements	\$8,880,682	\$10,190,066	\$34,777,874	\$51,186,907	\$16,212,680	\$14,786,976	\$16,051,021	\$17,358,072
Total Expenses - Revenue Requirements	\$35,858,498	\$48,578,439	\$81,062,489	\$100,360,604	\$66,405,015	\$66,037,701	\$68,085,101	\$70,291,825
NET REVENUES	\$13,156,738	\$1,050,173	\$17,534,669	(\$29,828,830)	(\$8,739,180)	(\$5,694,652)	(\$6,750,420)	(\$7,946,208)
Cash on Hand	\$62,383,651	\$63,433,824	\$80,968,493	\$51,139,662	\$42,400,482	\$36,705,830	\$29,955,410	\$22,009,202
Days Cash on Hand	1,222	1,016	1,096	672	538	452	357	255