



JORDAN VALLEY WATER
CONSERVANCY DISTRICT

**TENTATIVE FINANCIAL PLAN
FOR THE
2021/2022 BUDGET**

July 1, 2021 through June 30, 2022



PARAMETERS FOR 2021/2022 BUDGET PREPARATION

Preparation of the fiscal year 2021/2022 budget will be based upon the following budget parameters, derived from the document Establishing a Level of Service for Preparation of Fiscal Year 2021/2022 Budget

WATER DELIVERIES:

The budget preparation is based on the wholesale and retail water deliveries listed below. Budgeted water deliveries do not include an adjustment for minimum purchase contracts either missed or carried over, as historically those adjustments have been immaterial.

Budgeted Water Deliveries (acre-feet)	2021/2022	2020/2021
Wholesale deliveries	95,200	91,000
Retail deliveries	8,800	8,500
Total	104,000	99,500

WATER RATE ADJUSTMENTS:

A water rate study update will be completed by HDR Engineering, including the calculated revenue requirement and any needed water rate adjustment. A transfer from the Revenue Stabilization Fund can be included in the budget, at the desired amount, to offset a portion of the water rate adjustment. Proposed updated water rates for wholesale member agencies and retail customers will be calculated by HDR Engineering. The Board may approve these rates on a tentative basis during the April board meeting, when approving the tentative budget.

Estimated average water rate adjustment needed (including use of funds available from the Revenue Stabilization Fund) 0% - 3%

REVENUE STABILIZATION FUND:

The Revenue Stabilization Fund is funded by year-end annual transfers of PayGo Capital from operations, which exceeded what was budgeted. The District intends to use the Revenue Stabilization Fund, when available, as a source of funds when budgeting and calculating water rates.

Revenue Stabilization Fund balance as of 1/31/2021 \$11.0 million
 Estimated need from the Revenue Stabilization Fund \$5.0 – \$8.8 million

PROPERTY TAX RATE:

By State statute, the District may levy a maximum property tax rate of 0.0004 for operation and maintenance expenses. The District has sought to maintain its tax rate at or near the maximum, holding Truth in Taxation public hearings when needed.

The District will reserve the date of its August 2021 Board meeting for a possible hearing, pending receipt of the actual certified tax rate, and decision by the Board.

	2020 Certified Tax Rate	Estimated 2021 Certified Tax Rate	Estimated Property Tax Revenue for FY 2021/2022
Projected property tax rate and revenue *	0.000366	0.000350	\$21.3 million *

* without tax increase, net of RDA outlays and including new growth



PARAMETERS FOR 2021/2022 BUDGET PREPARATION

RESERVE FUND BALANCES:

The following reserve funds will be maintained:	<u>Reserve as of 1/31/2021</u>
Operation & Maintenance Fund minimum balance of three-months working capital (required by bond covenants)	\$7.0 million
Revenue Fund minimum balance of 25% of annual debt service amount (required by bond covenants)	\$5.7 million
Emergency Reserve/Self-Insurance Fund to be maintained at \$5 million (set by Board resolution)	\$4.8 million

OPERATION AND MAINTENANCE EXPENSES:

Budgeted operation and maintenance expenses will be based on level of service with inflationary increases and cost increases related to higher water demands.

Preliminary personnel compensation adjustments are estimated at 3% – 3.5%

Two proposed new personnel positions:

- Pipeline Maintenance Worker I
- Systems Administrator

CAPITAL PROJECT EXPENDITURES:

An estimated \$28.2 million of net capital project expenditures will be budgeted.

Major projects include: New booster pump station, PRWUC canal enclosure assessment, Zone D chemical feed facility, JVVTP sed basins mechanical equipment replacement, transmission facilities rehabilitation, distribution pipeline replacements, and administration site improvements.

	<u>Budget Amount</u>
CP1: Major rehabilitation or replacement of existing facilities	\$14.5 million
CP2: New facilities needed for compliance or functional upgrades (no new capacity)	\$7.4 million
CP3: New water supply, treatment, conveyance, or storage facilities (new capacity)	\$6.1 million
CP4: Projects to serve lands currently outside current boundaries	\$0.3 million

Note: CP1 projects are funded by the Replacement Reserve Fund through annual PayGo Capital transfers (see below). All other capital projects are funded by either new bonds issued or fund balances available in the Capital Projects Fund.

PAYGO CAPITAL FROM OPERATIONS:

An estimated \$16.6 million surplus from operations of PayGo Capital will be budgeted for a year-end funding transfer to the following funds:

- Replacement Reserve Fund
- Development Fee Fund
- General Equipment Fund
- Emergency Reserve/Self-Insurance Fund
- Operation & Maintenance and Revenue Funds minimum reserve requirements



JORDAN VALLEY WATER
CONSERVANCY DISTRICT

Financial Plan for the 2021/2022 Budget

OVERVIEW - 2021/2022 BUDGET

SOURCES OF FUNDS	2019/2020	2020/2021	2021/2022	Budget to Budget	
	Actual	Budget	Budget	\$ Variance	% Var.
Water Sales - Wholesale	\$ 51,305,372	\$ 48,684,357	\$ 51,303,595	\$ 2,619,238	5.4%
Water Sales - Retail	7,115,527	7,093,070	7,514,783	421,713	5.9%
Property Tax Revenue	20,281,934	20,452,900	23,109,200	2,656,300	13.0%
Investment Income	1,900,885	1,313,700	548,900	(764,800)	-58.2%
Connection Fees	474,389	341,000	407,000	66,000	19.4%
Other	1,871,210	1,545,000	1,605,000	60,000	3.9%
Subtotal	82,949,317	79,430,027	84,488,478	5,058,451	6.4%
Revenue Stabiliz. Fund (rates)	1,345,760	4,699,127	7,013,406	2,314,279	49.2%
Capital Projects (net)	31,028,162	21,903,889	28,234,690	6,330,801	28.9%
Capital Projects (reimb.)	1,235,989	1,780,626	2,281,758	501,132	28.1%
JVCGF Contributions	140,100	50,000	-	(50,000)	-100.0%
Total Sources	\$ 116,699,328	\$ 107,863,669	\$ 122,018,332	\$14,154,663	13.1%
USES OF FUNDS					
Operation and Maintenance	\$ 44,001,460	\$ 48,544,730	\$ 51,175,368	\$ 2,630,638	5.4%
Bond Principal and Interest	22,003,217	22,587,923	23,660,075	1,072,152	4.7%
Transfers to Reserve Funds:					
• Replacement Reserve Fund	6,060,262	10,810,901	14,540,541	3,729,640	34.5%
• Development Fee Fund	474,389	341,000	407,000	66,000	19.4%
• General Equipment Fund	679,400	700,000	700,000	-	0.0%
• Emergency Reserve Fund	300,000	200,000	200,000	-	0.0%
• Interest Allocated to Funds	1,249,681	644,600	318,900	(325,700)	-50.5%
• Revenue Stabilization Fund	9,126,668	-	-	N/A	N/A
• Revenue Fund	100,000	100,000	300,000	200,000	200.0%
• Operation & Maint. Fund	300,000	200,000	200,000	-	0.0%
Total Transfers	18,290,400	12,996,501	16,666,441	3,669,940	28.2%
Subtotal	84,295,077	84,129,154	91,501,884	7,372,730	8.8%
Capital Projects (gross)	32,264,151	23,684,515	30,516,448	6,831,933	28.8%
JVCGF Contrib. Projects	140,100	50,000	-	(50,000)	-100.0%
Total Uses	\$ 116,699,328	\$ 107,863,669	\$ 122,018,332	\$ 14,154,663	13.1%

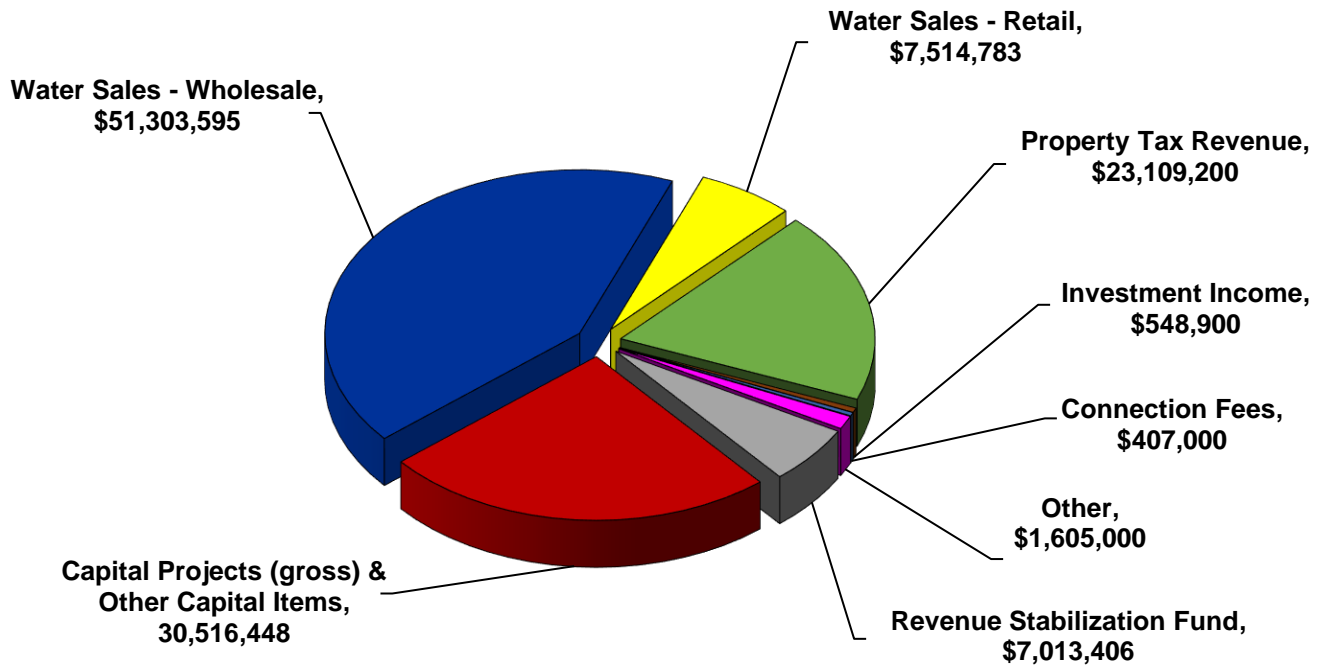
Non-Operating and Non-Cash Expenses and Accruals*					
Depreciation & amortization	\$ 8,704,693	\$ 8,500,000	\$ 8,800,000	\$ 300,000	3.5%
Net pension expense	(172,531)	54,256	88,000	33,744	62.2%
OPEB expense	462,391	347,000	384,000	37,000	10.7%
Self Insurance Claims	62,195	100,000	100,000	-	0.0%
Bond Issuance Costs	-	-	350,000	350,000	N/A
	\$ 9,056,748	\$ 9,001,256	\$ 9,722,000	\$ 720,744	8.0%

* These are non-operating and non-cash expenses and accruals, not included in the operating budget, but disclosed here for reference. The operating budget is prepared on a modified accrual basis.

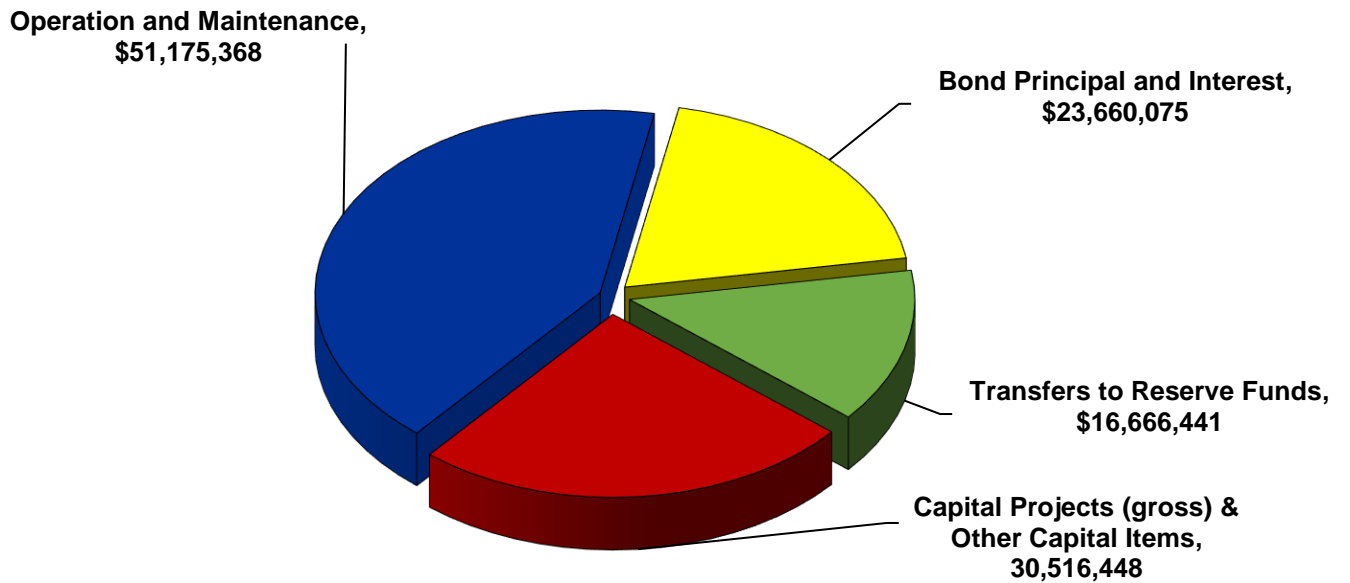


OVERVIEW - 2021/2022 BUDGET (SOURCES & USES)

SOURCES



USES





JORDAN VALLEY WATER
CONSERVANCY DISTRICT

Financial Plan for the 2021/2022 Budget

REVENUE DETAIL - 2021/2022 BUDGET

	<u>Deliveries AF</u>	<u>Rate per AF</u>	<u>Budgeted Revenues</u>	<u>Total</u>
WATER SALES - WHOLESALE				
Wholesale Deliveries	95,134	\$537.30	\$ 51,115,498	
Flat Rate Charges			188,097	\$ 51,303,595
WATER SALES - RETAIL				
Retail Deliveries	8,866	796.86	7,064,961	
Meter Base Charges			387,000	
Other Fees			25,022	
Fire Line Charges			37,800	7,514,783
PROPERTY TAX REVENUE (S.L. & Utah Co.)	<u>Prop. Valuation</u>			
2020 Real and Personal Property Value	\$53,716,064,137			
x Collection Rate (97.55%)	52,400,020,566			
x 2020 Adopted Tax Rate (0.000366)			\$19,178,400	
New Growth x Collection Rate (3-year avg.)	1,589,148,814			
New Growth x 2021 Estimated Certified Rate (0.000350)			556,200	
<u>Truth In Taxation (CTR of 0.000350 to 0.000380)</u>				
Tax Increase on 2020 Taxable Value	733,600			
Tax Increase on 2021 Est. Reappraisal (3-yr avg.)	<u>1,031,000</u>			
Total from Tax Increase x Collection Rate	1,764,600		1,764,600	
+ Vehicles Flat Tax (2020=\$1,260,571)			1,275,000	
+ Redemptions (2020=\$297,281)			300,000	
+ Interest (2020=\$33,982)			35,000	23,109,200
INVESTMENT INCOME	<u>Average Bal.</u>			
Revenue Fund	\$12,170,000	0.42%	\$51,500	
Operation & Maintenance Fund	12,700,000	0.48%	60,500	
General Equipment Fund	600,000	0.50%	3,000	
Emg. Reserve/Self Insurance Fund	4,800,000	0.50%	24,000	
Other Maintenance Reserve Funds	376,000	0.50%	1,900	
Revenue Stabilization Fund	7,000,000	0.50%	35,000	
Capital Projects and R&R Funds	16,000,000	0.50%	80,000	
Bond Projects Fund	35,000,000	0.50%	175,000	
Bond Debt Service Reserve Funds	7,516,000	1.57%	118,000	548,900
RETAIL CONNECTION FEES				
Retail Connection Fees (3/4" to 8" size) - Restricted to Development Fee Fund				
5-Year Average Connection Fee Revenue				407,000
OTHER				
Operation & Maintenance Cost Sharing			\$750,000	
Land Leases/Home Rentals/Conserv. Bldg Rental/Easements			220,000	
Site Leases (Cell Towers)			200,000	
Miscellaneous Water Sales			100,000	
Grant Revenue			80,000	
Sale of Assets/Scrap/Surplus			55,000	
Lab Services			30,000	
Board Service/Other			170,000	1,605,000
TOTAL REVENUES				\$ 84,488,478



JORDAN VALLEY WATER
CONSERVANCY DISTRICT

Financial Plan for the 2021/2022 Budget

REVENUE DETAIL

REVENUE SOURCE	2019/2020	2020/2021	2021/2022	Budget to Budget	
	Actual	Budget	Budget	\$ Variance	% Var.
Water Sales					
Wholesale Deliveries	\$ 51,117,698	\$ 48,499,357	\$ 51,115,498	\$ 2,616,141	5.4%
Wholesale Meter Flat Charge	187,674	185,000	188,097	3,097	1.7%
Retail Deliveries	6,680,087	6,651,670	7,064,961	413,291	6.2%
Retail Meter Charges	379,956	380,000	387,000	7,000	1.8%
Other Fees	18,601	25,000	25,022	22	0.1%
Fire Line Charges	36,883	36,400	37,800	1,400	3.8%
	58,420,899	55,777,427	58,818,378	3,040,951	5.5%
Property Tax Revenue	20,281,934	20,452,900	23,109,200	2,656,300	13.0%
Interest Income	1,900,885	1,313,700	548,900	(764,800)	-58.2%
Connection Fees - Retail System	474,389	341,000	407,000	66,000	19.4%
Miscellaneous Revenue					
O&M Cost Sharing	558,437	770,000	750,000	(20,000)	-2.6%
Other Revenues	1,312,773	775,000	855,000	80,000	10.3%
	1,871,210	1,545,000	1,605,000	60,000	3.9%
Total Revenues	\$ 82,949,317	\$ 79,430,027	\$ 84,488,478	\$ 5,058,451	6.4%



JORDAN VALLEY WATER
CONSERVANCY DISTRICT

Financial Plan for the 2021/2022 Budget

OPERATION AND MAINTENANCE DETAIL

Obj No.	Description	2019/2020	2020/2021	2021/2022	Budget to Budget	
		Actual	Budget	Budget	\$ Variance	% Var.
5110	Employee Salaries & Benefits	\$15,823,243	\$17,247,776	\$17,949,637	\$ 701,861	4.1%
5170	General Admin & Uniforms	175,250	195,500	192,955	(2,545)	-1.3%
5180	Tuition Reimbursement	16,056	45,000	45,000	-	0.0%
5210	Insurance	756,261	747,172	876,114	128,942	17.3%
5220	Office Supplies	52,071	44,496	45,096	600	1.3%
5230	Computer Equipment	678,168	745,557	828,026	82,469	11.1%
5250	Mailing	96,517	105,200	104,500	(700)	-0.7%
5260	Safety	60,116	76,722	85,274	8,552	11.1%
5270	Public Relations	140,429	209,500	194,635	(14,865)	-7.1%
5280	Prof Consulting	213,956	255,098	276,000	20,902	8.2%
5282	Prof Consulting - Audit	19,100	24,900	39,900	15,000	60.2%
5284	Prof Consulting - Legal	303,657	416,750	442,750	26,000	6.2%
5286	Bond and Bank Fees	439,787	412,800	409,500	(3,300)	-0.8%
5290	Training & Education	165,473	337,335	342,723	5,388	1.6%
5310	Tools & Equipment	197,262	267,628	257,794	(9,834)	-3.7%
5320	Lubricants	13,361	10,944	8,744	(2,200)	-20.1%
5330	Parts - General Equip	111,089	94,555	92,145	(2,410)	-2.5%
5340	Fuel	124,959	151,000	143,690	(7,310)	-4.8%
5350	Buildings & Grounds Maint	412,857	505,708	398,254	(107,454)	-21.2%
5360	Scheduled Maintenance	211,875	389,342	557,766	168,424	43.3%
5380	Repair & Replacement	637,910	1,184,569	1,194,680	10,111	0.9%
5390	Utility Location	23,105	28,050	28,050	-	0.0%
5400	General Property	71,152	148,450	153,406	4,956	3.3%
5410	Electrical Power	3,639,024	4,240,788	4,930,260	689,472	16.3%
5420	Heat	162,605	169,812	166,970	(2,842)	-1.7%
5430	Sewer	40,477	35,634	36,821	1,187	3.3%
5440	Water	41,211	40,220	41,120	900	2.2%
5450	Phone & Telemetry	16,988	16,824	21,816	4,992	29.7%
5530	Lease	43,225	44,086	53,326	9,240	21.0%
5670	Conservation Programs	837,652	821,200	970,200	149,000	18.1%
5710	Chemicals	1,678,800	2,074,031	2,028,470	(45,561)	-2.2%
5720	Lab	130,136	155,643	160,966	5,323	3.4%
5750	Water Quality - Field	1,662	20,370	17,670	(2,700)	-13.3%
5770	Water Quality - Analysis	318,790	407,978	408,559	581	0.1%
5810	Water Purchases	15,344,062	15,844,755	16,656,830	812,075	5.1%
5820	Water Stock Assessments	1,003,174	1,029,337	1,015,721	(13,616)	-1.3%
Total Expenses		\$44,001,460	\$48,544,730	\$51,175,368	\$ 2,630,638	5.4%



OPERATING FUNDS - CASH FLOW PROJECTIONS

	Revenue Fund	Operation & Maintenance Fund	General Equipment Fund
Beginning Balance July 1, 2021	\$12,000,000	\$11,500,000	\$100,000
SOURCES OF FUNDS:			
Water Sales	58,818,378		
Property Tax Receipts		23,109,200	
Transfer from Revenue Stabilization Fd	7,013,406		
Transfer from DSRF's (Interest Income)	118,000		
Transfer from Revenue Fund		26,200,000	
PayGo Capital Transfer from 2020/2021			700,000
Conservation Garden Park Fundraising			0
Connection Fees / Miscellaneous	2,012,000		
Interest Income	51,500	60,500	3,000
Total Sources	68,013,284	49,369,700	703,000
USES OF FUNDS:			
Debt Service Payments	(23,660,075)		
Operation and Maintenance Expenses		(51,175,368)	
General Equipment Fund Purchases			(727,510)
Transfer to O&M Fund	(26,000,000)		
Transfer to O&M Reserve	(200,000)		
Transfer to Replacement Reserve Fund	(10,810,901)		
Transfer to Development Fee Fund	(341,000)		
Transfer to General Equipment Fund	(700,000)		
Transfer to Self Ins./ Emer. Reserve Fd	(200,000)		
Transfer to Revenue Stabilization Fund	(5,000,000)		
Total Uses	(66,911,976)	(51,175,368)	(727,510)
Ending Balance June 30, 2022	\$13,101,308	\$9,694,332	\$75,490



CAPITAL FUNDS - CASH FLOW PROJECTIONS

	Capital Projects Fund	Replacement Reserve Fund	Development Fee Fund
Beginning Balance July 1, 2021	\$9,000,000	\$5,500,000	\$0
SOURCES OF FUNDS:			
PayGo Capital Transfer from 2020/2021		10,810,901	341,000
Transfer from Bond Project Funds	14,000,000		
Transfer from Bond DSRF	0		
Reimbursement - from other agencies	1,160,827	619,799	
Interest Income	60,000	20,000	0
Total Sources	15,220,827	11,450,700	341,000
USES OF FUNDS:			
CP1 Capital Projects (gross)		(16,275,868)	
CP2 Capital Projects (gross)	(7,911,145)		
CP3 Capital Projects (gross)	(5,738,535)		
CP4 Capital Projects (gross)	(249,900)		
Development Fee Fund expenditures			(341,000)
Total Uses	(13,899,580)	(16,275,868)	(341,000)
Ending Balance June 30, 2022	\$10,321,247	\$674,832	\$0



RESERVE FUNDS - CASH FLOW PROJECTIONS

	Emg. Reserve/ Self Insurance Fund	Maintenance Reserve Funds	Revenue Stabilization Fund
Beginning Balance July 1, 2021	\$4,680,000	\$376,000	\$12,074,497
SOURCES OF FUNDS:			
PayGo Capital Transfer from 2020/2021	200,000		5,000,000
Interest Income	24,000	1,900	35,000
Total Sources	224,000	1,900	5,035,000
USES OF FUNDS:			
Self Insurance claims	(100,000)		
Transfer to Revenue Fund			(7,013,406)
Transfer to Capital Projects Fund			
Transfer to General Equipment Fund			
Other expenditures			
Total Uses	(100,000)	0	(7,013,406)
Ending Balance June 30, 2022	\$4,804,000	\$377,900	\$10,096,091

REVENUE STABILIZATION FUND TRANSFER FOR JULY 1, 2021

Transfer to Revenue Fund - Prior Year Unspent O&M Funds ¹	\$2,586,721
Transfer to Revenue Fund - Additional Transfer for CP1 Projects ¹	4,426,685
Transfer to Capital Projects Fund ²	0
Transfer to General Equipment Fund ³	0
	\$7,013,406

¹Transfer amount determined by the Board to be used as an operating source to reduce the water rate adjustment

²Transfer amount determined by the Board to be used as an additional source to fund the Capital Projects Fund or Replacement Reserve Fund

³Transfer any additional amount needed to fund general equipment items



RESTRICTED FUNDS - CASH FLOW PROJECTIONS

	2008 B-1 DSR Fund	2009C DSR Fund	2011A DSR Fund	2013A DSR Fund
Beginning Balance July 1, 2021	\$4,830,000	\$161,000	\$1,655,000	\$865,000
SOURCES OF FUNDS:				
New Money Bond Issue				
Transfer from Other Fund				
Interest Income	75,900	2,500	26,000	13,600
Total Sources	75,900	2,500	26,000	13,600
USES OF FUNDS:				
Bond Issuance Costs				
Transfer to Capital Projects Fund				
Transfer Interest to Revenue Fund	(75,900)	(2,500)	(26,000)	(13,600)
Transfer to Bond Fund				
Total Uses	(75,900)	(2,500)	(26,000)	(13,600)
Ending Balance June 30, 2022	\$4,830,000	\$161,000	\$1,655,000	\$865,000



RESTRICTED FUNDS - CASH FLOW PROJECTIONS (Continued)

	2021A Bond Project Fund
Beginning Balance July 1, 2021	\$0
SOURCES OF FUNDS:	
New Money Bond Issue	45,350,000
Transfer from Other Fund	
Interest Income	175,000
Total Sources	45,525,000
USES OF FUNDS:	
Bond Issuance Costs	(350,000)
Transfer to Capital Projects Fund	(14,000,000)
Transfer Interest to Revenue Fund	
Transfer to Bond Fund	
Total Uses	(14,350,000)
Ending Balance June 30, 2022	\$31,175,000



SUMMARY OF FUND PURPOSES

OPERATING FUNDS

REVENUE FUND

<i>Purpose</i>	<i>Balance</i>
Established by bond covenants in 1982. All cash receipts, except property tax receipts and O&M reimbursements, are deposited into this fund. Money is transferred from this fund to the Principal and Interest Funds to make debt service payments and to the O&M Fund to pay operating expenses. At year-end, PayGo Capital from operations may be transferred to the Capital Projects Fund and other reserve funds, or used for other purposes as authorized by the Board.	Bond covenants require that a minimum balance of 25% of total annual debt service (currently defined in the 2021/2022 budget as \$5,915,019) be maintained in the fund at all times. (Master Resolution 6.12(ii))

OPERATION & MAINTENANCE FUND

<i>Purpose</i>	<i>Balance</i>
Established by bond covenants in 1982. All operation and maintenance expenses are paid from this fund. Property tax receipts, O&M reimbursements, and transfers from the Revenue Fund are the sources of funding.	Bond covenants require that a minimum balance of three months working capital (currently defined as \$7,000,000) be maintained in the fund at all times. (Master Resolution 5.05e)
In accordance with Utah law, including but not limited to Utah Code Ann. (1953) § 17B-1-642, and with the internal policies and practices of the District, all expenditures exceeding \$50,000 shall be brought to the Board for approval, with the exception of routine and budgeted expenditures exceeding that dollar amount that involve payroll, payroll-related expenses, insurance premiums, utilities, debt service and related bond expenses, supplies, materials, chemicals, water purchases, and software maintenance.	

GENERAL EQUIPMENT FUND

<i>Purpose</i>	<i>Balance</i>
Established by the Board in 1993, this fund facilitates the budgeting and funding of vehicles and other depreciable assets over \$10,000. Items under \$10,000 are budgeted and expensed from the O&M Fund. Expenditures from the fund are approved according to the procurement policy.	The maximum balance will be determined by the cost of designated general equipment purchases approved by the Board in the 2021/2022 budget.

CAPITAL FUNDS

CAPITAL PROJECTS FUND

<i>Purpose</i>	<i>Balance</i>
Established in 1989 in conjunction with the 1990 budget. Capital projects authorized by the Board are paid from this fund. Bond proceeds and capital reimbursements are transferred into the fund as projects are completed. At year-end, PayGo Capital from operations may be transferred from the Revenue Fund, when approved by the Board.	The maximum balance will be determined by the cost of designated projects approved by the Board. This fund has a target balance of approximately one to two years future project costs. Interest earnings accrue in the fund.

REPLACEMENT RESERVE FUND

<i>Purpose</i>	<i>Balance</i>
Established in 2016 to ensure a sustainable ongoing source of funding to rehabilitate and replace capital assets, as required by a new Utah Legislature enacted policy. The goal is to fund all replacements of qualified capital assets.	Upon Board approval, PayGo Capital from operations may be transferred from the Revenue Fund or Revenue Stabilization Fund at the end of each fiscal year.

DEVELOPMENT FEE FUND

<i>Purpose</i>	<i>Balance</i>
Established by the Board in 1992 to receive retail connection fees that will be used to fund expansion or improvements of the retail system. For example, the 5600 West Pipeline Project loan from the Board of Water Resources was repaid from this fund, also well development and other new water sources.	The balance in this fund is determined by connection and development fees collected. Fees collected in the 2021/2022 budget period will be transferred to this fund from the Revenue Fund, upon Board approval.



SUMMARY OF FUND PURPOSES

RESERVE FUNDS

EMERGENCY RESERVE / SELF-INSURANCE FUND

<i>Purpose</i>	<i>Balance</i>
Established by the Board in 1987. All self-insured claims and deductibles are paid from this fund. In addition, this fund will be used to begin repairs in the case of catastrophic events.	Interest will be allowed to accumulate, when possible, to a maximum balance of \$5,000,000.

BOND RENEWAL AND REPLACEMENT FUND

<i>Purpose</i>	<i>Balance</i>
Established by bond covenants in 1982. Separate funds are maintained for bond issues and the Jordan Aqueduct Repayment Contract. This fund is used in the case of extraordinary O&M expenses or major repairs not covered by insurance.	Bond covenants require a balance of \$100,000, subject to the periodic revision by a qualified engineer. Interest earnings have continued to accrue in the fund.

JORDAN AQUEDUCT MAINTENANCE FUND

<i>Purpose</i>	<i>Balance</i>
Established by contract with the U.S. Bureau of Reclamation in 1986. Separate funds are maintained for bond issues and the Jordan Aqueduct Repayment Contract. This fund is used in the case of extraordinary O&M expenses or major repairs not covered by insurance.	The current balance for the Jordan Aqueduct Repayment contract portion is approximately \$120,000. Interest earnings continue to accrue in the fund.

JVWTP MAINTENANCE FUND

<i>Purpose</i>	<i>Balance</i>
Established by the Operation and Maintenance Agreement for the JVWTP and Terminal Reservoir in 1993, through a contract between JVWCD, MWDSL&S, and CUWCD. This fund is used to cover unforeseen extraordinary O&M expenses and repair & maintenance costs at the treatment plant.	The District added \$10,000 annually to its portion of the fund until the fund reached a balance of \$50,000. Interest earnings have continued to accrue in the fund.

REVENUE STABILIZATION FUND

<i>Purpose</i>	<i>Balance</i>
Established by the Board in 2019. Used to fund the Replacement Reserve Fund and Capital Projects Fund, General Equipment Fund, to reduce water rate adjustments, pay off debt, or other purpose approved by the Board.	Upon Board approval, PayGo Capital from operations (in excess of budgeted) may be transferred from the Revenue Fund at the end of the fiscal year.

PRINCIPAL AND INTEREST FUNDS

<i>Purpose</i>	<i>Balance</i>
Established by bond covenant in 1982. Semiannual debt service payments are paid from these funds after money is transferred from the Revenue Fund.	The balance is generally \$0. Funds are deposited and dispersed on April 1st and October 1st.

DEBT SERVICE RESERVE FUNDS

<i>Purpose</i>	<i>Balance</i>
Established by bond covenants for each applicable bond issue. Maintained as a reserve, in case revenues are not sufficient to meet debt service payments.	The balance must equal the average aggregate debt service payment.

BOND PROJECT CONSTRUCTION FUNDS

<i>Purpose</i>	<i>Balance</i>
Established through the issuance of bonds. The fund holds the bond proceeds until they are transferred to the Capital Projects Fund for payment of project costs.	The balance in the fund is the remaining amount of bond proceeds from the bond issue.

RESTRICTED FUNDS



SUMMARY OF FEES

Approved fees charged by the District are included and described in the District's Administrative Policy and Procedures Manual, Rules and Regulations for Wholesale Water Service, and Rules and Regulations for Retail Water Service documents. The following is a summary of those fees.

GRAMMA REQUEST FEES

Copies:	Paper	\$0.25 per sheet
	Audio Tape	\$20 per tape
	Compact Disc	\$10 per disc
Personnel time:		
First 15 minutes		No fee
Charged in 15 minute increments	Secretary	\$15 per hour
	Records Manager	\$20 per hour
	Consultant	Actual cost
Conversion and mailing costs		Actual cost

COMMUTING VALUATION FEE

Employees assigned District vehicles to commute to and from work have a "Commuting Valuation" fee added to their semi-monthly paycheck (set by I.R.S.)	\$1.50 each one-way
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ENCROACHMENT FEES

Processing fee for the following easement encroachment applications:	\$300
Southwest Aqueduct Reaches 1 & 2	
150th South Pipeline	
134th South Pipeline	
5600 West Pipeline	
Central Pipeline	
Wasatch Front Regional Pipeline right-of-way	

JORDAN AQUEDUCT LICENSE AGREEMENT FEES

Processing fee for all Jordan Aqueduct easement encroachments:	
District fee	\$150
U.S. Bureau of Reclamation fee	\$100

SUMMARY OF FEES (CONTINUED)

WHOLESALE AND RETAIL WATER RATES AND FIRE LINES

WHOLESALE AND RETAIL WATER RATES

Wholesale and retail water rates are reviewed and updated annually by a water rate consultant performing a comprehensive water rate study. The updated wholesale and retail water rates for the budgeted fiscal year proposed in this financial plan are included in a separate accompanying document.

METER BASE CHARGE/FLAT FEES

Meter base charges/flat fees are based on meter capacity and charged monthly to wholesale member agencies and retail customers for each active meter, regardless of the actual volume of water taken through the meter. Meter base charges/flat fees for the budgeted fiscal year proposed in this financial plan are included in a separate

FEE IN LIEU OF TAX

A fee approximating property tax is charged to customers outside the District's boundaries

FIRE HYDRANTS, FIRE LINES, AND DETECTOR CHECK SYSTEMS

Installation and materials cost	Actual cost paid by customer	
Inspecting and maintaining fire lines:		
Initial installation inspection fee		\$100.00
Annual fire line charges	2"	5.35
	4"	33.10
	6"	96.15
	8"	204.89
	10"	368.46

RETAIL CONNECTION FEES

<u>Meter Size</u>	<u>Impact Fee</u>	<u>Meter Fee</u>	<u>Installation Fee</u>	<u>Inspection Fee</u>
3/4"	\$4,153	\$311	\$100	\$100
1"	8,305	379	100	100
1-1/2"	16,611	673	100	100
2"	26,577	881	100	100
3"	64,782	(a)	(a)	100
4"	118,767	(a)	(a)	100
6"	237,533	(a)	(a)	100
8"	472,575	(a)	(a)	100

Note: An impact fee for non-standard use can be calculated by the District using the following formula:

$$\text{Estimated Peak Usage (gpm)} \times \$4,153 = \text{Impact Fee}$$

a) Meters larger than 2" are purchased independently by and installed by a contractor.

SUMMARY OF FEES (CONTINUED)

OTHER RETAIL CUSTOMER FEES

TEMPORARY CONNECTIONS

Temporary Connection Fee	Actual charge for services rendered, cost of District's labor and materials, plus ten percent
Current fee calculation	\$217
Deposit (if meter provided by customer)	\$300
Deposit (if meter provided by District)	\$1,500

LINE EXTENSION

Cost of extending facilities	Applicant pays for all expenses
Deposit from applicant	2% of the cost

UPGRADING CONNECTION SIZE

(Refer to Connection Fees listing for amounts)

New connection fee	Based on size of meter
Existing meter credit	Impact fee based on size of meter

PAST DUE INTEREST FEES

18% on past due balance

COLLECTION CHARGE FOR PAST DUE SERVICE FEES

\$20

SERVICE CHARGE FOR DISHONORED CHECKS

\$20

SERVICE RESTORATION FEE

\$50

DAMAGE TO EXISTING CONNECTION

\$50 plus cost of labor and materials to replace

THEFT OF SERVICES

\$100 plus usage



GENERAL EQUIPMENT FUND OVERVIEW

Beginning Balance July 1, 2021 \$ 100,000

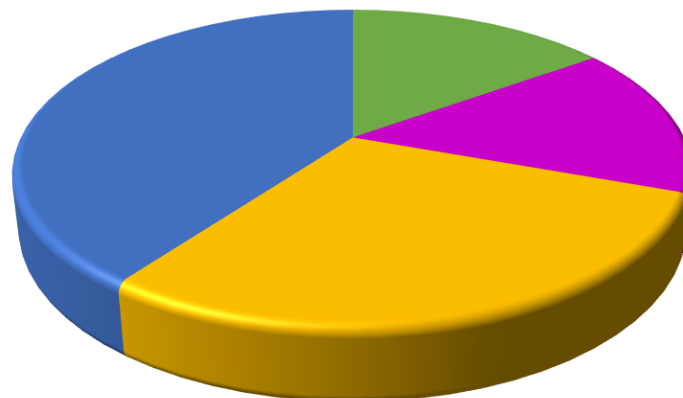
SOURCES OF FUNDS:

PayGo Capital Transfer from 2020/2021	700,000
Conservation Garden Park fundraising	0
Interest Income	3,000
Total Sources	\$ 703,000

USES OF FUNDS:

Account	Description	Budgeted 2020/2021	Budgeted 2021/2022	Budget to Budget	
				\$ Variance	% Var.
140 6010	Conservation Assets	\$ 75,000	\$ 110,000	\$ 35,000	46.7%
190 6010	IS Equipment	82,000	112,000	30,000	36.6%
192 6010	Office Equipment	67,000	0	(67,000)	N/A
194 6010	Telemetry Equipment	0	0	0	N/A
196 6010	General Equipment	149,000	215,510	66,510	44.6%
198 6010	New Vehicles	267,000	290,000	23,000	8.6%
Total Uses		\$ 640,000	\$ 727,510	\$ 87,510	13.7%

Ending Balance June 30, 2022 \$ 75,490





GENERAL EQUIPMENT FUND DETAIL

<u>Account</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Amount</u>
<u>140 6010</u>	<u>Conservation Assets</u>				
	Conservation Garden Park frontage design	1	LS	\$ 50,000	\$ 50,000
	Deck walkway renovations	1	LS	\$ 60,000	60,000
					<u>\$ 110,000</u> *
<u>190 6010</u>	<u>IS Equipment</u>				
	Servers	2	EA	\$ 22,000	\$ 44,000
	Security camera video server	1	LS	38,000	38,000
	Upgrade Education Center AV system	1	LS	30,000	30,000
					<u>\$ 112,000</u>
<u>192 6010</u>	<u>Office Equipment</u>				
					\$ -
					<u>\$ -</u>
<u>196 6010</u>	<u>General Equipment</u>				
	Surface scatter high range turbidimeter (JVWTP)	2	EA	\$ 6,000	\$ 12,000
	Chemical flow meter for filter aid (JVWTP)	4	EA	5,000	20,000
	Floor scrubber for filter gallery (SERWTP)	1	LS	12,000	12,000
	TOC analyzer (SERWTP)	1	LS	46,010	46,010
	Online calcium hardness analyzer (SWGWTP)	1	EA	14,500	14,500
	Autoclave (Lab)	1	LS	18,000	18,000
	Water purification system (Lab)	1	LS	20,000	20,000
	Dump trailer (PROJ & FLEET)	1	EA	11,500	11,500
	Trimble R12i GPS unit (PROJ & FLEET)	2	EA	30,750	61,500
					<u>\$ 215,510</u>
<u>198 6010</u>	<u>New Vehicles</u>				
	Light duty pickup truck (PROJ & FLEET)	5	EA	\$ 34,000	\$ 170,000
	3/4 ton pickup truck & attachments (PROJ & FLEET)	2	EA	44,000	88,000
	Mid-size SUV (PROJ & FLEET)	1	EA	32,000	32,000
					<u>\$ 290,000</u>
Total General Equipment Fund Purchases					<u>\$ 727,510</u>

* Fundraising donations will be applied to garden exhibits.



DEBT SERVICE SCHEDULE & LONG-TERM DEBT SUMMARY

Debt Service Payment Due:				October 1, 2021		April 1, 2022		Total
	<u>Orig. Issue Amount</u>	<u>Maturity Date</u>	<u>Outstanding Bal. 7/1/2021</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2008 B1 Ref. Bonds*	64,665,000	10/1/37	57,265,000	\$ 2,400,000	\$ 850,000	\$ -	\$ 850,000	\$ 4,100,000
2009C Bonds (Utah Brd of Wtr Res)	3,600,000	10/1/34	2,185,000	157,000	-	-	-	157,000
2011A Ref. Bonds ^a	16,945,000	10/1/25	7,500,000	1,400,000	175,650	-	140,650	1,716,300
2013A Ref. Bonds	6,700,000	10/1/22	2,595,000	850,000	51,900	-	34,900	936,800
2014A Bonds & Refunding Bonds ^a	50,000,000	10/1/44	26,395,000	210,000	621,650	-	616,400	1,448,050
2016A&B Bonds & Refunding Bonds ^a	63,920,000	10/1/46	59,245,000	2,110,000	1,481,125	-	1,428,375	5,019,500
2017A Ref. Bonds	9,880,000	10/1/28	7,605,000	815,000	172,850	-	156,550	1,144,400
2017B Ref. Bonds	77,140,000	10/1/41	76,555,000	2,530,000	1,659,150	-	1,595,900	5,785,050
2019A Bonds	29,030,000	10/1/49	28,590,000	460,000	706,900	-	697,700	1,864,600
2021A Bonds (New Issue)	40,500,000	10/1/51	-	-	-	-	1,488,375	1,488,375
TOTAL			\$267,935,000	\$ 10,932,000	\$ 5,719,225	\$ -	\$ 7,008,850	\$ 23,660,075
				\$16,651,225		\$7,008,850		

* Variable rate debt, interest paid monthly

^a The Series 2011A Bonds and a portion of the Series 2014A and 2016A Bonds are being considered for a refunding in July 2021. Savings from this refunding would reduce the debt service payments listed on this schedule.



SUMMARY OF CAPITAL PROJECT EXPENDITURES BUDGET

<p>CP1 Category: Major rehabilitation or replacement of existing facilities.</p> <p>Example Projects: Distribution pipeline replacement, transmission vault restoration, JWWTTP sedimentation basins equipment replacement, storage reservoir rehabilitation, well improvements, admin site paving upgrades, and normal extraordinary replacement activities.</p>	<p>\$ 16,275,869</p> <p>(1,735,328) *</p> <hr/> <p>14,540,541</p>
<p>CP2 Category: New facilities needed for compliance or functional upgrades, but provide no new system capacity.</p> <p>Example Projects: Zone D chemical feed facility, JWWTTP reclaim water and solids handling improvements, southeast collection system upgrades, vehicle/water trailer storage buildings, and site modifications.</p>	<p>7,911,144</p> <p>(546,430) *</p> <hr/> <p>7,364,714</p>
<p>CP3 Category: New water supply, treatment, conveyance, or storage facilities which provide new system capacity.</p> <p>Example Projects: 10200 South 3600 West new booster pump station, 5200 West 6200 South new storage reservoir, water right purchases.</p>	<p>6,079,535</p> <p>- *</p> <hr/> <p>6,079,535</p>
<p>CP4 Category: Projects to serve lands currently outside current District boundaries.</p> <p>Example Projects: WFRP right-of-way acquisition</p>	<p>249,900</p> <p>- *</p> <hr/> <p>249,900</p>
<p>TOTAL OF ALL CATEGORIES (GROSS)</p>	<hr/> <p>\$ 30,516,448</p>
<p>*amounts shown in red are reimbursements (MWDSLs, grants, etc.)</p>	<p>\$ (2,281,758)</p>
<p>TOTAL OF ALL CATEGORIES (NET)</p>	<hr/> <p>\$ 28,234,690</p>



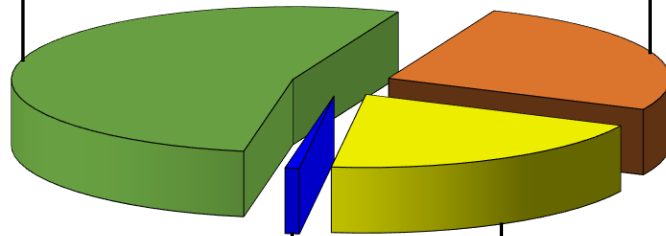
SUMMARY OF CAPITAL PROJECT EXPENDITURES BUDGET

CAPITAL PROJECT EXPENDITURES

Gross Total \$30,516,448

CP1: Existing Facilities
Replacement, \$16,275,869

CP2: New Facilities / No New
Capacity, \$7,911,144



CP4: Outside District
Boundaries, \$249,900

CP3: New Facilities / New
Capacity, \$6,079,535