



JORDAN VALLEY WATER
CONSERVANCY DISTRICT

ADOPTED FINANCIAL PLAN FOR THE 2024/2025 BUDGET

July 1, 2024 through June 30, 2025



PARAMETERS FOR 2024/2025 BUDGET PREPARATION

Preparation of the fiscal year 2024/2025 budget will be based upon the following budget parameters, derived from the document Establishing a Level of Service for Preparation of Fiscal Year 2024/2025 Budget.

WATER DELIVERIES

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)	2023/2024	Preliminary 2024/2025	Final 2024/2025
Wholesale water deliveries	93,500	96,000	96,250
Retail water deliveries	8,500	8,000	7,750
Total budgeted water deliveries	102,000	104,000	104,000

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. Transfers from the Short-Term Operating Reserve and Revenue Stabilization Funds may be included in the budget, at the desired amount, to offset 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. Final water rates will be approved at the June board meeting.

BUDGETED WATER RATE ADJUSTMENT	2023/2024	Preliminary 2024/2025	Final 2024/2025
Average water rate adjustment	5.0%	4.5% - 6.0% *	6.00%

* range includes use of funds available from the Short-Term Operating Reserve and Revenue Stabilization Funds

SHORT-TERM OPERATING RESERVE AND REVENUE STABILIZATION FUNDS

The Short-Term Operating Reserve and Revenue Stabilization Funds are funded by year-end annual transfers of PayGo Capital from operations. The District intends to use amounts in those funds, when available, as a source of funds when budgeting and calculating water rates.

BUDGETED USE OF RESERVE FUNDS	Balance as of 11/30/2023	Preliminary reserves to use 2024/2025	Final reserves to use 2024/2025
Short-Term Operating Reserve Fund	\$ 3,386,936	\$ 3,386,936	\$ 3,386,936
Revenue Stabilization Fund	2,936,625	1.0 – 3.0 M	1,800,748

PROPERTY TAX RATE AND TAX REVENUE

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 2024 Board meeting for a possible hearing, pending receipt of the actual certified tax rate, and decision by the Board.

BUDGETED TAX RATE AND TAX REVENUE	2023/2024		Preliminary 2024/2025		Final 2024/2025	
	Tax Rate	Tax Revenue	Tax Rate	Tax Revenue	Tax Rate	Tax Revenue
Certified tax rate	0.000312	\$24,659,562	0.000334	\$ 27,600,000	Tax rates are not released until June	
Adopted tax rate	0.000341	26,951,637	0.000334	27,600,000		
Tax rate increase	9.3%	2,292,075	0.0%	0		

Note: Net of RDA outlays; includes new growth; excludes vehicle flat tax, redemptions, interest



PARAMETERS FOR 2024/2025 BUDGET PREPARATION

OTHER RESERVE FUND BALANCES

OTHER RESERVE FUND BALANCES TO BE MAINTAINED	Balance as of 11/30/2023	Preliminary 2024/2025	Final 2024/2025
Operation & Maintenance Fund minimum balance of three-months working capital (required by bond covenants)	\$ 7,600,000	\$ 7,800,000	\$ 7,800,000
Revenue Fund minimum balance of 25% of annual debt service amount (required by bond covenants)	6,351,419	7,123,625	7,123,625
Emergency Reserve/Self-Insurance Fund (proposed to be increased over the next several years)	5,400,602	5,750,000	5,750,000

OPERATION AND MAINTENANCE EXPENSES

Budgeted Operation and Maintenance expenses will be based on level of service with inflationary increases and cost variations related to changing water demands.

BUDGETED OPERATION AND MAINTENANCE EXPENSES	2023/2024	Preliminary 2024/2025	Final 2024/2025
Total Operation & Maint.	7.5%	5.0% - 8.0%	1.1%
Personnel compensation adj.	6.5%	4.0% - 6.0%	5.0%
New personnel positions	4 full-time	3 full-time	3 full-time
Maintenance Worker		2 Maintenance Workers	2 Maintenance Workers
2 Treatment Plant Operators		Maintenance Lead	Maintenance Lead
Water Quality Technician			

CAPITAL PROJECT EXPENDITURES

BUDGETED CAPITAL PROJECT EXPENDITURES (BY CATEGORY)	2023/2024	Preliminary 2024/2025	Final 2024/2025
CP1: Major rehabilitation or replacement of existing facilities	\$ 18,328,572	\$ 14,276,000	\$ 11,883,725
CP2: New facilities needed for compliance or functional upgrades (no new capacity)	10,445,086	12,585,000	6,270,576
CP3: New water supply, treatment, conveyance, or storage facilities (new capacity)	31,792,350	68,542,000	47,623,898
CP4: Projects to serve lands currently outside current boundaries	650,000	650,000	902,000
CP5: Landscape conversion projects	N/A	N/A	557,500
Total budgeted net capital project expenditures	\$ 61,216,008	\$ 96,053,000	\$ 67,237,699

Major projects include: JWVTP expansion and seismic upgrades, Southwest Aqueduct extension, two new storage reservoirs, four new wells, transmission facilities and terminal reservoir rehabilitation, and distribution pipeline replacements.

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

BUDGETED PAYGO CAPITAL TRANSFERS FROM OPERATIONS	2023/2024	Preliminary 2024/2025	Final 2024/2025
Amount generated from operations for PayGo Capital to be budgeted as a year-end funding transfer.	\$ 19,197,572	\$ 19,100,000	\$ 19,991,123

Funds to receive budgeted PayGo Capital funding transfer:

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



OVERVIEW - 2024/2025 BUDGET

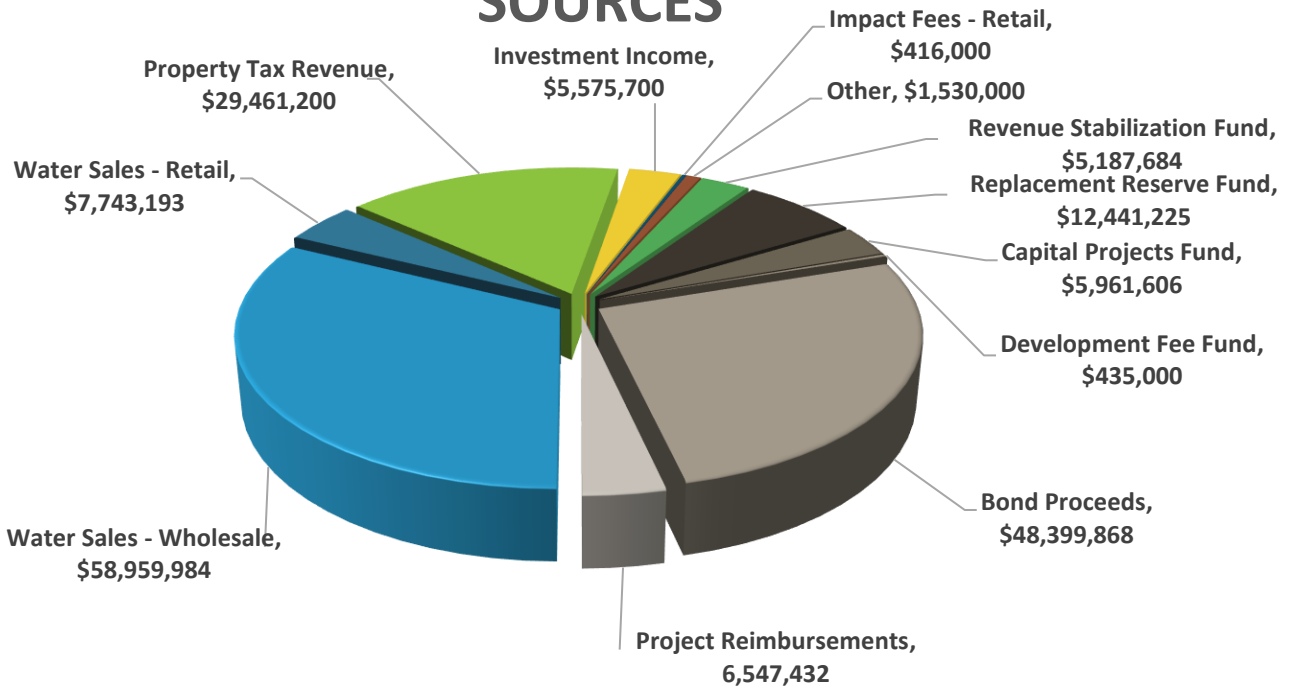
SOURCES OF FUNDS	2022/2023	2023/2024		2024/2025	Budget to Budget	
	Actual	Projected	Budget	Budget	\$ Variance	% Var.
Water Sales - Wholesale	\$ 50,208,938	\$ 54,569,335	\$ 54,767,689	\$ 58,959,984	\$ 4,192,295	7.7%
Water Sales - Retail	6,458,499	7,539,143	7,212,387	7,743,193	530,806	7.4%
Property Tax Revenue	26,373,984	29,041,870	28,731,637	29,461,200	729,563	2.5%
Investment Income	3,468,438	4,267,352	3,943,800	5,575,700	1,631,900	41.4%
Impact Fees - Retail	205,960	338,075	435,000	416,000	(19,000)	-4.4%
Other	3,571,066	2,091,889	3,575,000	1,530,000	(2,045,000)	-57.2%
Subtotal	90,286,885	97,847,664	98,665,513	103,686,077	5,020,564	5.1%
Short-Term Operating Res	-	-	-	3,386,936	3,386,936	N/A
Revenue Stabiliz. Fund	8,402,108	5,663,452	5,663,452	1,800,748	(3,862,704)	-68.2%
Capital Projects Fd. (net)	40,713,922	41,216,008	61,216,008	67,237,699	6,021,691	9.8%
Capital Projects (reimb.)	3,772,873	3,654,382	11,889,642	6,547,432	(5,342,210)	-44.9%
Total Sources	\$ 143,175,788	\$ 148,381,506	\$ 177,434,615	\$ 182,658,892	\$ 5,224,277	2.9%
USES OF FUNDS						
Operation and Maintenance	\$ 52,028,894	\$ 57,607,535	\$ 59,725,718	\$ 60,388,138	\$ 662,420	1.1%
Bond Principal and Interest	23,301,654	24,926,404	25,405,675	28,494,500	3,088,825	12.2%
Transfers to Reserve Funds:						
Replacement Reserve Fd.	14,155,949	13,141,648	14,328,572	13,703,323	(625,249)	-4.4%
Capital Projects Fund	1,554,301	-	-	-	-	N/A
Development Fee Fund	205,960	338,075	435,000	416,000	(19,000)	-4.4%
General Equipment Fund	900,000	900,000	900,000	700,000	(200,000)	-22.2%
Emergency Reserve Fund	100,000	200,000	300,000	200,000	(100,000)	-33.3%
Interest Allocated to Funds	2,355,299	2,800,000	2,734,000	3,971,800	1,237,800	45.3%
Short-Term Operating Res.	3,386,936	2,597,454	-	-	-	N/A
Revenue Stabilization Fd.	-	-	-	-	-	N/A
Revenue Fund	500,000	700,000	200,000	700,000	500,000	250.0%
Operation & Maint. Fund	200,000	300,000	300,000	300,000	-	0.0%
Total Transfers	23,358,445	20,977,177	19,197,572	19,991,123	793,551	4.1%
Subtotal	98,688,993	103,511,116	104,328,965	108,873,761	4,544,796	4.4%
Capital Projects (gross)	44,486,795	44,870,390	73,105,650	73,785,131	679,481	0.9%
Total Uses	\$ 143,175,788	\$ 148,381,506	\$ 177,434,615	\$ 182,658,892	\$ 5,224,277	2.9%
Non-Operating and Non-Cash Expenses and Accruals*						
Depreciation & Amortiz.	\$ 9,461,342	\$ 9,200,000	\$ 9,200,000	\$ 9,500,000	\$ 300,000	3.3%
Net Pension Expense	(824,870)	(960,000)	(960,000)	(1,000,000)	(40,000)	4.2%
OPEB Expense	407,579	430,000	430,000	440,000	10,000	2.3%
Self Insurance Claims	27,735	70,000	100,000	100,000	-	0.0%
Bond Issuance Costs	-	770,000	700,000	300,000	(400,000)	-57.1%
	<u>\$ 9,071,786</u>	<u>\$ 9,510,000</u>	<u>\$ 9,470,000</u>	<u>\$ 9,340,000</u>	<u>\$ (130,000)</u>	<u>-1.4%</u>

* 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.

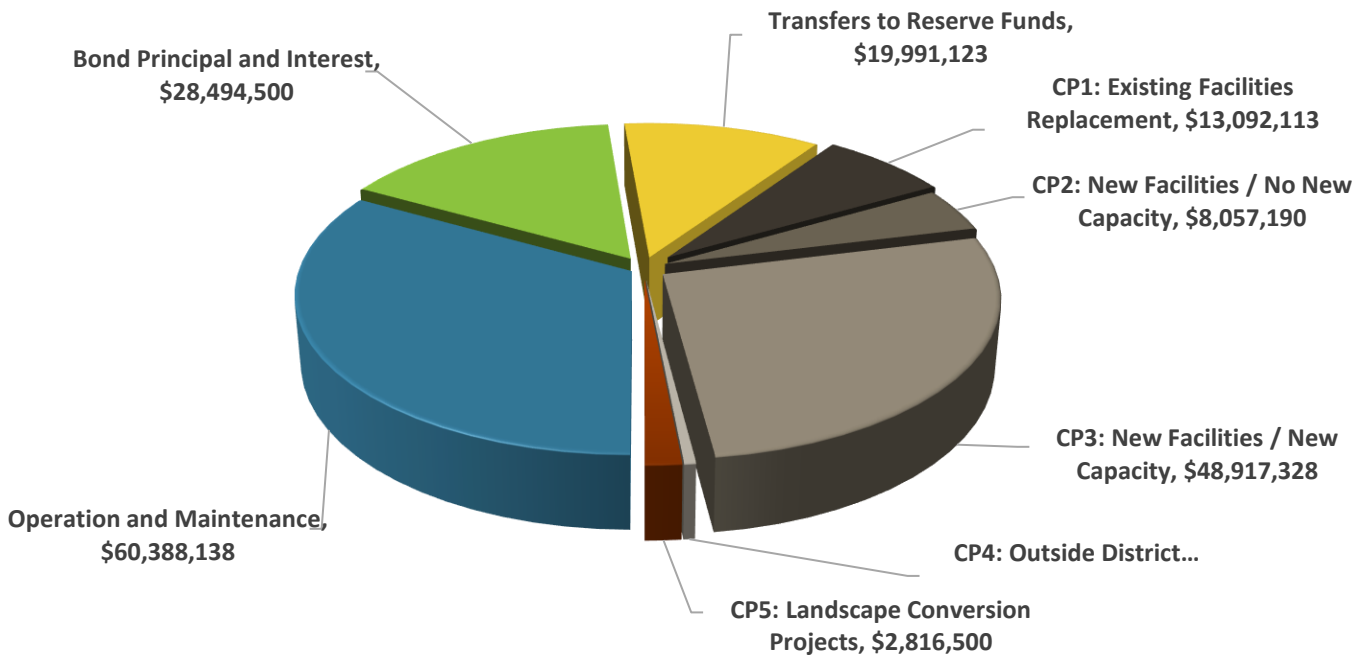


OVERVIEW - 2024/2025 BUDGET (SOURCES & USES)

SOURCES



USES





REVENUE DETAIL - 2024/2025 BUDGET

	<u>Deliveries AF</u>	<u>Rate per AF</u>	<u>Budgeted Revenues</u>	<u>Total</u>
WATER SALES - WHOLESALE				
Wholesale Deliveries	96,250	\$610.29	\$ 58,740,733	
Meter Base Charges			219,251	\$ 58,959,984
WATER SALES - RETAIL				
Retail Deliveries	7,750	940.45	7,288,467	
Meter Base Charges			386,000	
Other Fees			25,034	
Fire Line Charges			43,692	7,743,193
PROPERTY TAX REVENUE (S.L. & Utah Co.)	<u>Prop. Valuation</u>			
2023 Certified Tax Rate Value	\$80,981,867,145			
x Collection Rate (97.63%)	79,062,596,894			
x 2023 Certified Tax Rate (0.000341)			\$26,960,300	
2024 New Growth x Collection Rate	1,859,084,315			
New Growth x 2024 Estimated Certified Tax Rate (0.000334)			\$620,900	
<u>Truth In Taxation (CTR of 0.000334 to 0.000334)</u>				
No planned tax rate increase			\$0	
+ Vehicles Flat Tax (2023=\$1,345,908)			1,390,000	
+ Redemptions (2023=\$417,315)			420,000	
+ Interest (2023=\$69,986)			70,000	29,461,200
INVESTMENT INCOME	<u>Average Bal.</u>			
Revenue Fund	\$14,170,000	4.53%	\$641,300	
Operation & Maintenance Fund	16,000,000	4.72%	755,000	
General Equipment Fund	600,000	4.75%	28,500	
Emg. Reserve/Self Insurance Fund	5,500,000	4.75%	261,300	
Other Maintenance Reserve Funds	415,000	4.75%	19,700	
Revenue Stabilization Fund	3,000,000	4.75%	142,500	
Capital Projects and R&R Funds	24,100,000	4.75%	1,144,800	
Bond Projects Fund	50,000,000	4.75%	2,375,000	
Bond Debt Service Reserve Funds	5,064,000	4.10%	207,600	5,575,700
RETAIL IMPACT FEES				
Retail Impact Fees (3/4" to 8" size) - Restricted to Development Fee Fund				
5-Year Average Impact Fee Revenue				416,000
OTHER				
Operation & Maintenance Cost Sharing			\$720,000	
Site Leases (Cell Towers)			250,000	
Land Leases/Home Rentals/Conserv. Bldg Rental/Easements			150,000	
Grant Revenue			120,000	
Miscellaneous Water Sales			100,000	
Sale of Assets/Scrap/Surplus			100,000	
Board Service/Other			55,000	
Lab Services			35,000	1,530,000
TOTAL REVENUES				\$ 103,686,077



REVENUE DETAIL

REVENUE SOURCE	2022/2023	2023/2024		2024/2025	Budget to Budget	
	Actual	Projected	Budget	Budget	\$ Variance	% Var.
Water Sales						
Wholesale Deliveries	\$ 49,989,170	\$ 54,353,882	\$ 54,568,266	\$ 58,740,733	\$ 4,172,467	7.6%
Wholesale Meter Charges	219,768	215,453	199,423	219,251	19,828	9.9%
Retail Deliveries	6,014,874	7,087,267	6,758,775	7,288,467	529,692	7.8%
Retail Meter Charges	385,020	385,591	386,000	386,000	-	0.0%
Other Fees	23,246	24,453	24,820	25,034	214	0.9%
Fire Line Charges	35,359	41,832	42,792	43,692	900	2.1%
	<u>56,667,437</u>	<u>62,108,478</u>	<u>61,980,076</u>	66,703,177	4,723,101	7.6%
Property Tax Revenue	26,373,984	29,041,870	28,731,637	29,461,200	729,563	2.5%
Interest Income	3,468,438	4,267,352	3,943,800	5,575,700	1,631,900	41.4%
Impact Fees - Retail	205,960	338,075	435,000	416,000	(19,000)	-4.4%
Miscellaneous Revenue						
O&M Cost Sharing	666,610	694,047	700,000	720,000	20,000	2.9%
Grant Revenue	797,132	783,093	2,240,000	120,000	(2,120,000)	-94.6%
Other Revenues	<u>2,107,324</u>	<u>614,749</u>	<u>635,000</u>	690,000	55,000	8.7%
	<u>3,571,066</u>	<u>2,091,889</u>	<u>3,575,000</u>	1,530,000	(2,045,000)	-57.2%
Total Revenues	\$ 90,286,885	\$ 97,847,664	\$ 98,665,513	\$103,686,077	\$ 5,020,564	5.1%



OPERATION AND MAINTENANCE DETAIL

Obj No.	Description	2022/2023 Actual	2023/2024 Projected	2023/2024 Budget	2024/2025 Budget	Budget to Budget \$ Variance	% Var.
5110	Emp. Wages & Benefits	\$ 18,205,572	\$ 19,917,180	\$ 20,467,172	\$ 21,442,591	\$ 975,419	4.8%
5170	Gen. Admin. & Uniforms	226,714	244,438	236,910	411,005	174,095	73.5%
5180	Tuition Assistance	22,926	33,687	45,000	40,000	(5,000)	-11.1%
5210	Insurance	1,114,009	1,275,527	1,206,021	1,374,378	168,357	14.0%
5220	Office Supplies	41,044	52,192	53,171	51,076	(2,095)	-3.9%
5230	Computer Equipment	776,124	829,748	844,080	916,159	72,079	8.5%
5250	Mailing	90,069	95,084	100,300	104,700	4,400	4.4%
5260	Safety	90,724	101,117	104,379	106,163	1,784	1.7%
5270	Public Relations	113,460	157,631	202,964	185,500	(17,464)	-8.6%
5280	Prof Consulting	256,913	302,118	429,371	409,200	(20,171)	-4.7%
5282	Prof Consulting - Audit	18,600	17,143	38,900	35,900	(3,000)	-7.7%
5284	Prof Consulting - Legal	381,458	396,411	452,750	452,300	(450)	-0.1%
5286	Bond and Bank Fees	422,032	403,654	396,400	402,300	5,900	1.5%
5290	Training & Education	229,322	253,870	357,597	378,221	20,624	5.8%
5310	Tools & Equipment	300,640	323,044	338,269	362,490	24,221	7.2%
5320	Lubricants	6,397	6,576	9,540	9,290	(250)	-2.6%
5330	Parts - General Equip.	101,623	105,470	112,450	114,450	2,000	1.8%
5340	Fuel	207,099	197,262	200,660	201,660	1,000	0.5%
5350	Bldg. & Grounds Maint.	371,652	403,159	409,420	440,700	31,280	7.6%
5360	Scheduled Maint.	453,512	558,898	667,427	663,477	(3,950)	-0.6%
5380	Repair & Replacement	1,108,423	1,184,099	1,427,198	1,837,670	410,472	28.8%
5390	Utility Location	36,660	36,587	37,050	37,050	-	0.0%
5400	General Property	97,871	106,066	164,270	168,270	4,000	2.4%
5410	Electrical Power	4,056,973	4,587,199	4,725,415	4,566,568	(158,847)	-3.4%
5420	Heat	209,280	176,533	178,823	192,081	13,258	7.4%
5430	Sewer	31,170	35,917	35,467	36,353	886	2.5%
5440	Water	45,766	49,689	51,678	52,158	480	0.9%
5450	Phone & Telemetry	22,862	25,111	25,080	26,904	1,824	7.3%
5530	Lease	37,836	41,160	40,326	65,826	25,500	63.2%
5670	Conservation Programs	1,331,513	2,529,288	3,060,030	520,830	(2,539,200)	-83.0%
5710	Chemicals	2,239,679	3,094,430	3,171,672	3,611,101	439,429	13.9%
5720	Lab	138,279	151,297	190,180	201,660	11,480	6.0%
5750	Water Qual. - Field	4,695	8,693	15,120	15,170	50	0.3%
5770	Water Qual. - Analysis	293,715	319,706	480,741	467,516	(13,225)	-2.8%
5810	Water Purchases	17,716,462	18,266,675	18,194,022	19,082,090	888,068	4.9%
5820	Water stock assess.	1,227,820	1,320,876	1,255,865	1,405,331	149,466	11.9%
Total Expenses		\$ 52,028,894	\$ 57,607,535	\$ 59,725,718	\$ 60,388,138	\$ 662,420	1.1%



OPERATING FUNDS - CASH FLOW PROJECTIONS

	Revenue Fund	Operation & Maintenance Fund	General Equipment Fund
Beginning Balance July 1, 2024	\$13,000,000	\$14,800,000	\$350,000
SOURCES OF FUNDS:			
Water Sales	66,703,177		
Property Tax Receipts		29,461,200	
Transfer from Short-Term Operating Res	3,386,936		
Transfer from Revenue Stabilization Fd	1,800,748		0
Transfer from DSRF's (Interest Income)	207,600		
Transfer from Revenue Fund		28,300,000	
PayGo Capital Transfer from 2023/2024			900,000
Conservation Garden Park Fundraising			0
Connection Fees / Miscellaneous	1,946,000		
Interest Income	641,300	755,000	28,500
Total Sources	74,685,761	58,516,200	928,500
USES OF FUNDS:			
Debt Service Payments	(28,494,500)		
Operation and Maintenance Expenses		(60,388,138)	
General Equipment Fund Purchases			(981,000)
Transfer to O&M Fund	(28,000,000)		
Transfer to O&M Reserve	(300,000)		
Transfer to Replacement Reserve Fund	(14,328,572)		
Transfer to Development Fee Fund	(435,000)		
Transfer to General Equipment Fund	(900,000)		
Transfer to Self Ins./ Emer. Reserve Fd	(300,000)		
Transfer to Revenue Stabilization Fund	(3,000,000)		
Total Uses	(75,758,072)	(60,388,138)	(981,000)
Ending Balance June 30, 2025	\$11,927,689	\$12,928,062	\$297,500



CAPITAL FUNDS - CASH FLOW PROJECTIONS

	Capital Projects Fund	Replacement Reserve Fund	Development Fee Fund
Beginning Balance July 1, 2024	\$35,000,000	\$11,600,000	\$0
SOURCES OF FUNDS:			
PayGo Capital Transfer from 2023/2024		14,328,572	435,000
Transfer from Bond Project Fund	40,000,000		
Transfer from Capital Projects Fund			
Transfer from Bond DSR Funds	0		
Reimbursement - from other agencies	10,618,215	1,271,427	
Interest Income	583,848	538,056	22,896
Total Sources	51,202,063	16,138,055	457,896
USES OF FUNDS:			
Transfer to Replacement Reserve Fund			
CP1 Capital Projects (gross)		(13,092,114)	
CP2 Capital Projects (gross)	(8,057,189)		
CP3 Capital Projects (gross)	(48,459,432)		
CP4 Capital Projects (gross)	(902,000)		
CP5 Capital Projects (gross)	(2,816,500)		
Development Fee Fund expenditures			(457,896)
Total Uses	(60,235,121)	(13,092,114)	(457,896)
Ending Balance June 30, 2025	\$25,966,942	\$14,645,941	\$0



RESERVE FUNDS - CASH FLOW PROJECTIONS

	Emg. Reserve/ Self Insurance Fund	Maintenance Reserve Funds	Short-Term Operating Reserve Fund	Revenue Stabilization Fund
Beginning Balance July 1, 2024	\$5,500,000	\$413,000	\$3,386,936	\$3,167,000
SOURCES OF FUNDS:				
PayGo Capital Transfer from 2023/2024	300,000		3,000,000	
Interest Income	261,300	19,700		142,500
Total Sources	561,300	19,700	3,000,000	142,500
USES OF FUNDS:				
Self Insurance claims	(100,000)			
Transfer to Revenue Fund			(3,386,936)	(1,800,748)
Transfer to Capital Projects Fund				
Transfer to General Equipment Fund				
Other expenditures				
Total Uses	(100,000)	0	(3,386,936)	(1,800,748)
Ending Balance June 30, 2025	\$5,961,300	\$432,700	\$3,000,000	\$1,508,752

REVENUE STABILIZATION FUND TRANSFER FOR JULY 1, 2024

Transfer to Revenue Fund - Prior Year Unspent O&M Funds ¹	\$3,386,936	\$0
Transfer to Revenue Fund - Additional Transfer for CP1 Projects ¹	0	1,800,748
Transfer to Capital Projects Fund ²	0	0
Transfer to General Equipment Fund ³	0	0
	\$3,386,936	\$1,800,748

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

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

³ Transfer any additional amount needed to fund general equipment items



RESTRICTED FUNDS - CASH FLOW PROJECTIONS

	2008 B-1 DSR Fund	2009C DSR Fund	2024A Bond Project Fund
Beginning Balance July 1, 2024	\$4,940,000	\$163,000	\$78,600,000
SOURCES OF FUNDS:			
New Money Bond Issue			
Transfer from Other Fund			
Interest Income	200,900	6,700	2,375,000
Total Sources	200,900	6,700	2,375,000
USES OF FUNDS:			
Bond Issuance Costs			
Transfer to Capital Projects Fund			(40,000,000)
Transfer Interest to Revenue Fund	(200,900)	(6,700)	
Transfer to Bond Fund			
Total Uses	(200,900)	(6,700)	(40,000,000)
Ending Balance June 30, 2025	\$4,940,000	\$163,000	\$40,975,000



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 2024/2025 budget as \$6,351,419) 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 \$7,600,000) 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 \$75,000 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 2024/2025 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 impact 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 impact and development fees collected. Fees collected in the 2024/2025 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. Additional funding may be budgeted as needed.

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 \$132,000. 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	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.

SHORT-TERM OPERATING RESERVE FUND

<i>Purpose</i>	<i>Balance</i>
Established by the Board in 2023. Uses PayGo Capital generated by unspent budgeted expenditures from the prior year, to be used as a source of funds for the subsequent year.	Upon Board approval, funds may be transferred into this fund at the end of the fiscal year, and then transferred out at the beginning of the next fiscal year.

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.

RESTRICTED FUNDS

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	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	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 transferred to the Capital Projects Fund for payment of	The balance in the fund is the remaining amount of bond proceeds from the bond issue.

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.

	2023/2024 Fees	2024/2025 Fees
GRAMA REQUEST FEES		
Copies:		
Paper (per sheet)	\$ 0.25	\$ 0.25
Personnel time (charged in 15 minute increments):		
First 15 minutes	No fee	No fee
Administrative Assistant (per hour)	40.00	40.00
Records Manager (per hour)	40.00	40.00
Consultant	Actual cost	Actual cost
Conversion and mailing costs	Actual cost	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.)		
Commuting valuation fee (each one-way)	1.50	1.50
ENCROACHMENT FEES		
Processing fee for the following easement encroachment applications:	300.00	300.00
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	150.00	150.00
U.S. Bureau of Reclamation fee	100.00	100.00

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 this proposed budget and 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 this proposed budget and financial plan are included in a separate accompanying document.

FEE IN LIEU OF TAX

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

IN LIEU OF FEE

A fee enabling the District to acquire water in-lieu of water interest conveyance. Calculated when paid.

RETAIL IMPACT AND CONNECTION FEES

Meter Size	FISCAL YEAR 2023/2024				FISCAL YEAR 2024/2025			
	Impact Fee	Meter Fee	Install. Fee	Inspec. Fee	Impact Fee	Meter Fee	Install. Fee	Inspec. Fee
5/8"	\$ 2,907	\$ 370	\$ 200	\$ 200	\$ 2,907	\$ 370	\$ 200	\$ 200
3/4"	4,153	370	200	200	4,153	370	200	200
1"	8,305	456	200	200	8,305	456	200	200
1-1/2"	16,611	781	200	200	16,611	781	200	200
2"	26,577	841	200	200	26,577	841	200	200
3"	64,782	(a)	(a)	200	64,782	(a)	(a)	200
4"	118,767	(a)	(a)	200	118,767	(a)	(a)	200
6"	237,533	(a)	(a)	200	237,533	(a)	(a)	200
8"	472,575	(a)	(a)	200	472,575	(a)	(a)	200

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.

UPGRADING CONNECTION SIZE

(Refer to Connection Fees above for amounts)

New connection fee is based on meter size

Existing meter credit and impact fee are based on meter size

SUMMARY OF FEES (CONTINUED)

OTHER RETAIL CUSTOMER FEES

	2023/2024 Fees	2024/2025 Fees
TEMPORARY CONNECTIONS		
Temporary connection fee:		
Actual charges for services rendered, cost of District's labor and materials, plus ten percent	\$ 202.00	\$ 202.00
Deposit (if meter provided by customer)	300.00	300.00
Deposit (if meter provided by District)	1,500.00	1,500.00
LINE EXTENSION		
Cost of extending facilities	Applicant pays all exp.	Applicant pays all exp.
Deposit from applicant	2% of cost	2% of cost
FIRE HYDRANTS, FIRE LINES, AND DETECTOR CHECK SYSTEMS		
Installation and materials cost	Actual cost paid by cust.	Actual cost paid by cust.
Inspecting and maintaining fire lines:		
Initial installation inspection fee	200.00	200.00
Annual fire line charges by meter size		
2"	5.81	5.96
4"	35.97	36.90
6"	104.48	107.20
8"	222.64	228.44
10"	400.39	410.82
RETAIL CUSTOMER ACCOUNT FEES		
Past due interest fee	18%	18%
Collection charge for past due service fee	20.00	20.00
Service charge for dishonored checks	20.00	20.00
Service restoration fee	75.00	75.00
Damage to existing connection (fee plus cost of labor and materials)	75.00	75.00
Unauthorized use of services charge (fee plus water usage)	200.00	200.00
Water-efficient landscaping performance bond (per sq. foot)	2.00	2.00



GENERAL EQUIPMENT FUND OVERVIEW

Beginning Balance July 1, 2024 **\$ 350,000**

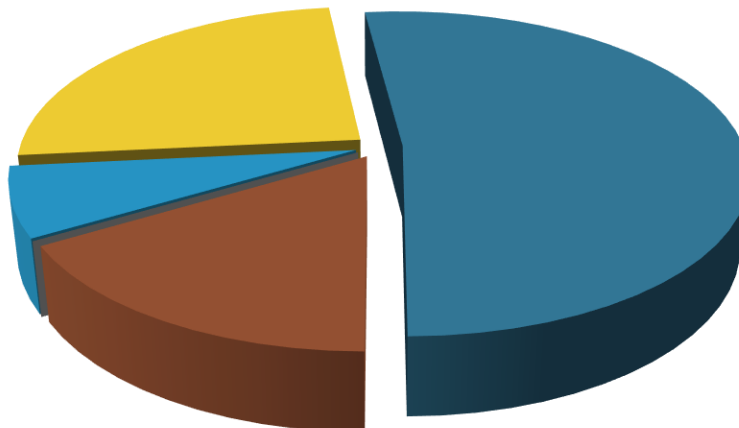
SOURCES OF FUNDS:

Transfer from Revenue Stabilization Fund	0
Budgeted PayGo Capital Transfer from 2023/2024	900,000
Conservation Garden Park fundraising	0
Interest Income	28,500
Total Sources	\$ 928,500

USES OF FUNDS:

Account	Description	Budgeted 2023/2024	Budgeted 2024/2025	Budget to Budget	
				\$ Variance	% Var.
140 6010	Conservation Assets	\$ 625,000	\$ -	\$ (625,000)	-100.0%
190 6010	IS Equipment	111,000	162,000	51,000	45.9%
192 6010	Office Equipment	0	0	0	N/A
194 6010	Telemetry Equipment	64,000	68,000	4,000	6.3%
196 6010	General Equipment	97,000	242,000	145,000	149.5%
198 6010	New Vehicles	526,000	509,000	(17,000)	-3.2%
Total Uses		\$ 1,423,000	\$ 981,000	\$ (442,000)	-31.1%

Ending Balance June 30, 2025 **\$ 297,500**





GENERAL EQUIPMENT FUND DETAIL

<u>Account</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Amount</u>
140 6010	<u>Conservation Assets</u>				
	MOVED TO CAPITAL PROJECTS BUDGET				\$ -
					<u>\$ - *</u>
190 6010	<u>IS Equipment</u>				
	Network servers	2	EA	\$ 31,000	\$ 62,000
	Storage server	1	LS	60,000	60,000
	UPS unit (East)	1	LS	40,000	40,000
					<u>\$ 162,000</u>
192 6010	<u>Office Equipment</u>				
					\$ -
					<u>\$ -</u>
194 6010	<u>Telemetry Equipment</u>				
	Circuit board replacement on drive for P3	1	EA	\$ 17,000	\$ 17,000
	Power monitors for JWTP and 2 booster sites	3	EA	17,000	51,000
					<u>\$ 68,000</u>
196 6010	<u>General Equipment</u>				
	Zeta meter system (JWTP and SERWTP)	2	EA	\$ 21,000	\$ 42,000
	Steam scrubber and flask scrubber (LAB)	2	EA	18,000	36,000
	Tractor for grounds (FLEET & EQUIP)	1	EA	98,000	98,000
	Flatbed trailer for excavation eq. (FLEET & EQUIP)	1	EA	40,000	40,000
	Pressure washer (FLEET & EQUIP)	1	EA	26,000	26,000
					<u>\$ 242,000</u>
198 6010	<u>New Vehicles</u>				
	Light duty pickup truck (FLEET & EQUIP)	4	EA	\$ 53,000	\$ 212,000
	Sport utility vehicle (FLEET & EQUIP)	2	EA	35,000	70,000
	Dump truck (FLEET & EQUIP)	1	EA	215,000	215,000
	Flatbed body for vehicle (FLEET & EQUIP)	1	EA	12,000	12,000
					<u>\$ 509,000</u>
Total General Equipment Fund Purchases					<u>\$ 981,000</u>

* Fundraising donations will be applied to garden exhibits.



DEBT SERVICE SCHEDULE & LONG-TERM DEBT SUMMARY

Debt Service Payment Due:				October 1, 2024		April 1, 2025		Total
	<u>Orig. Issue Amount</u>	<u>Maturity Date</u>	<u>Outstanding Bal. 7/1/2024</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2008 B1 Ref. Bonds*	\$64,665,000	10/1/37	\$48,865,000	\$ 3,800,000	\$ 900,000	\$ -	\$ 900,000	\$ 5,600,000
2009C Bonds (Utah Brd of Wtr Res)	3,600,000	10/1/34	1,714,000	157,000	-	-	-	157,000
2014A Bonds	37,750,000	10/1/44	24,745,000	-	580,400	-	580,400	1,160,800
2016A&B Bonds & Refunding Bonds	63,920,000	10/1/46	32,985,000	675,000	824,625	-	807,750	2,307,375
2017A Ref. Bonds	9,880,000	10/1/28	5,050,000	910,000	126,250	-	103,500	1,139,750
2017B Ref. Bonds	77,140,000	10/1/41	67,425,000	3,825,000	1,430,900	-	1,335,275	6,591,175
2019A Bonds	29,030,000	10/1/49	27,145,000	530,000	673,075	-	659,825	1,862,900
2021A Bonds & Refunding Bonds	61,855,000	10/1/51	55,190,000	2,810,000	1,196,250	-	1,126,000	5,132,250
2024A Bonds	90,865,000	10/1/54	90,865,000	-	2,271,625	-	2,271,625	4,543,250
								-
TOTAL			\$353,984,000	\$ 12,707,000	\$ 8,003,125	\$ -	\$ 7,784,375	\$ 28,494,500
				\$20,710,125		\$7,784,375		

* Variable rate debt, interest paid monthly

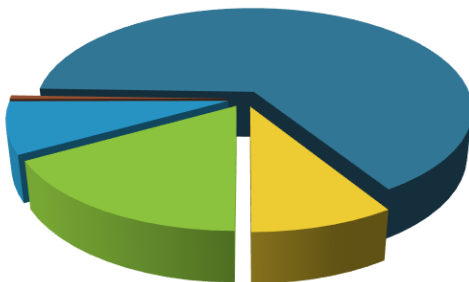
Note: The 2014A bonds are being monitored for possible refunding combined with the new bond issue.



SUMMARY OF CAPITAL PROJECT EXPENDITURES BUDGET

<p>CP1 Category: Major rehabilitation or replacement of existing facilities</p> <p>Example Projects: Distribution pipeline replacement, transmission system rehabilitation, storage reservoir rehabilitation, well rehabilitation, and normal extraordinary replacement activities.</p>	<p>\$ 13,092,113</p> <p>(1,208,388) *</p> <hr/> <p>\$ 11,883,725</p>
<p>CP2 Category: New facilities needed for compliance or functional upgrades, but provide no new system capacity</p> <p>Example Projects: JWVTP filter and chemical feed upgrades, JWVTP sed basin process and seismic improvements, vehicle/water trailer storage buildings, electric generators and site modifications.</p>	<p>8,057,190</p> <p>(1,786,614) *</p> <hr/> <p>6,270,576</p>
<p>CP3 Category: New water supply, treatment, conveyance, or storage facilities which provide new system capacity</p> <p>Example Projects: New storage reservoirs, Southwest Aqueduct extension, JWVTP filter and chemical feed upgrades, new wells and groundwater development.</p>	<p>48,917,328</p> <p>(1,293,430) *</p> <hr/> <p>47,623,898</p>
<p>CP4 Category: Projects to serve lands currently outside current District boundaries</p> <p>Example Projects: WFRP right-of-way acquisition.</p>	<p>902,000</p> <p>- *</p> <hr/> <p>902,000</p>
<p>CP5 Category: Landscape conversion projects</p> <p>Example Projects: Landscape conversion to water-wise.</p>	<p>2,816,500</p> <p>(2,259,000) *</p> <hr/> <p>557,500</p>
<p>TOTAL OF ALL CATEGORIES (GROSS)</p>	<p>\$ 73,785,131</p> <hr/>
<p>*amounts shown in red are reimbursements (MWDSLs, grants, etc.)</p>	<p>\$ (6,547,432)</p> <hr/>
<p>TOTAL OF ALL CATEGORIES (NET)</p>	<p>\$ 67,237,699</p> <hr/>

PROJECTED CAPITAL PROJECTS FUNDING



Replacement Reserve Fund	\$ 12,441,225	16.9%
Capital Projects Fund	5,961,606	8.1%
Development Fee Fund	\$435,000	0.6%
Bond Proceeds	48,399,868	65.6%
Project Reimbursements	6,547,432	8.9%
	\$ 73,785,131	100.0%



SUMMARY OF CAPITAL PROJECT EXPENDITURES BUDGET

CAPITAL PROJECT EXPENDITURES

Gross Total \$73,785,131

