

Thank you for the opportunity to provide this report to the Council. The Metropolitan Water District of Salt Lake & Sandy has tentatively adopted a tentative budget that includes a proposed property tax that exceeds the certified rate that would normally apply for fiscal year 2025. Pat Comarell, Cindy Cromer, Joan Degiugio, and I represent a majority of the Trustees appointed by Salt Lake City to the Metro Board. We are providing this report under Utah Code Section 17B-1-1003.

The District's tentative budget includes a property tax of 0.00035, which is an increase from the current certified rate of 0.000200 for Salt Lake City. The proposed tax increase would generate \$8,639,514, between Salt Lake City and Sandy City. These additional funds will be used to meet the District's increased costs, including Cottonwoods Connection Project, Deer Creek Dam Intake Project, Jordan Aqueduct System Capital and O&M costs, and Central Utah Project OMR&R costs. The District's General Manager discussed these costs and the purpose of the property tax increase in more detail during the May 7th work session. The proposed property tax rate increase would generate approximately a 72% increase in the property tax revenue for the District, between Salt Lake City and Sandy City.

We are happy to answer any questions the Council has.