



# FISCAL YEAR 2025-26 BUDGET

**SALT LAKE CITY COUNCIL**

May 6, 2025





# Outline

- Overview of Metropolitan Water District of Salt Lake & Sandy
- FY26 Tentative Budget
- Sources of Funds
- Uses of Funds



# Metropolitan Water District of Salt Lake & Sandy

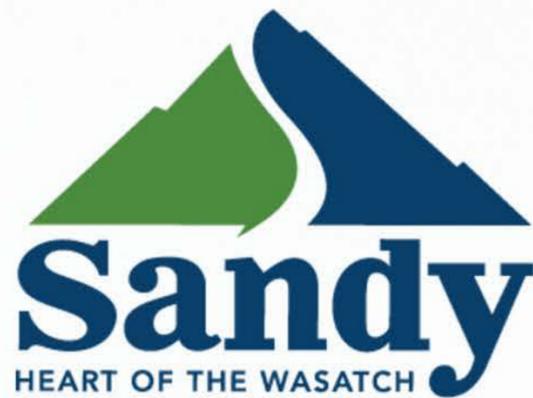
Established in August 1935  
Salt Lake City founding member



# Board of Trustees

Board members appointed by city councils

- Salt Lake City - 5 Trustees
- Sandy City - 2 Trustees



# Metro Water Supply



PROVO RIVER PROJECT  
Deer Creek Reservoir  
61,900 AF



LITTLE COTTONWOOD CREEK  
Salt Lake City and Sandy City Rights  
20,000 AF



CENTRAL UTAH PROJECT  
Jordanelle Reservoir  
20,000 AF

Other Water Sources: CUP/Utah Lake System, Ontario Drain Tunnel, Bell Canyon

Total Acre Feet

**108,700**

# KEY INFRASTRUCTURE

## WATER TREATMENT

- Little Cottonwood Water Treatment Plant
- Point of the Mountain Water Treatment Plant
- Jordan Valley Water Treatment Plant (2/7<sup>th</sup> owner)

## WATER CONVEYANCE

- Salt Lake Aqueduct
- Point of the Mountain Aqueduct
- Jordan Aqueduct (2/7<sup>th</sup> owner)

## WATER STORAGE

- Terminal Reservoir
- JA Terminal Reservoir (2/7<sup>th</sup> owner)





# Sources of Funds

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	Budget 2025	Tentative 2026	\$ increase from FY25 Budget
<b>Sources of Funds</b>			
Water Sales			
Member Cities	\$ 24,493,357	\$ 25,718,025	\$ 1,224,668
Others	1,360,478	955,191	(405,287)
<b>Total Water Sales</b>	<b>25,853,835</b>	<b>26,673,216</b>	<b>819,381</b>
Property Taxes	22,061,830	22,686,248	624,418
Assessments	12,959,057	12,986,790	27,733
Miscellaneous			
Interest	2,061,809	3,963,199	1,901,390
Other	1,369,575	5,347,668	3,978,093
Salt Lake City SLAR-CC Reimbursement	12,829,236	9,356,897	(3,472,339)
<b>Total Miscellaneous</b>	<b>16,260,620</b>	<b>18,667,764</b>	<b>2,407,144</b>
Bond Proceeds	24,299,083	30,390,000	6,090,917
<b>Total Sources of Funds</b>	<b>\$ 101,434,425</b>	<b>\$ 111,404,018</b>	<b>\$ 9,969,593</b>

# Revenue Source - Water Rates

## Proposed FY26 Water Rate Increase

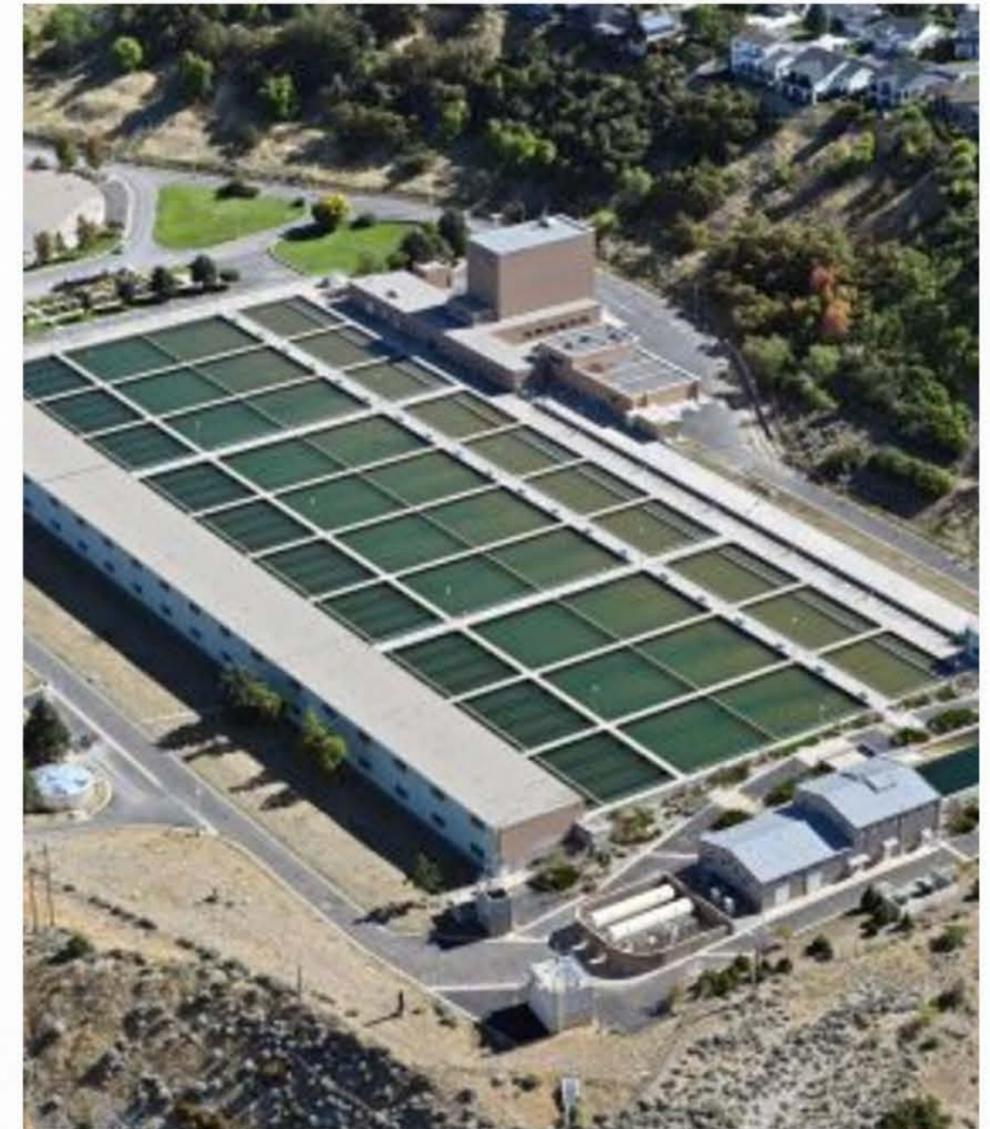
City	FY25 Water Sales Revenue	Percent Increase	Estimated FY26 Water Sales Revenue	Net Revenue Increase
Sandy City	\$6,858,140	5%	\$7,201,047	\$ 342,907
Salt Lake City	\$17,635,217	5%	\$18,516,978	\$ 881,761
Total Water Sales to Member Cities	\$24,493,357	5%	\$25,718,025	\$1,224,668

# Revenue Source - Property Taxes

City	FY25 Property Tax Revenue
Sandy City	\$5,671,562
Salt Lake City	\$17,014,686
Total Property Taxes to Member Cities	\$22,686,248

Certified Tax Rate in FY25 (2024 tax year) - 0.00035

Future evaluation of increase or re-establishment of the certified tax rate in FY28 for LCWTP rebuild and other costs



# Bonding

Issuance of ~\$37 M bonds in FY2026 for:

- FY26-28 design and construction costs
  - Little Cottonwood Conduit - Creek Intake and Replacement (\$10.3M)
  - Cottonwoods Connection Reach 1 and Phase 3 Lite (\$12M)
  - LCWTP rebuild design (\$14M)





# Uses of Funds

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	Budget 2025	Tentative 2026	\$ increase from FY25 Budget
<b>Uses of Funds</b>			
Operations and Maintenance	\$ 22,886,420	\$ 24,397,273	\$ 1,510,853
Provo River Water Users Association O&M	4,689,840	4,791,024	101,184
Non-Routine O&M	902,000	2,002,600	1,100,600
Salt Lake City SLAR-CC Reimbursement	12,829,236	9,356,897	(3,472,339)
Total Operations and Maintenance	41,307,496	40,547,794	(759,702)
Depreciation/Amortization	10,891,749	12,077,882	1,186,133
Total Capital Projects (includes capital to other agencies)	34,712,752	37,012,370	2,299,618
Debt Service			-
Principal	15,549,000	16,989,208	1,440,208
Interest	6,847,685	7,662,384	814,699
Total Debt Service	22,396,685	24,651,592	2,254,907
Net Funds To/(From) Reserves	3,017,492	9,192,262	6,174,770
<b>Total Uses of Funds</b>	<b>\$ 101,434,425</b>	<b>\$ 111,404,018</b>	<b>\$ 9,969,593</b>

# Operations & Maintenance Key Components

Budget Items	Budget FY25	Tentative Budget FY26	% increase from FY25 budget	\$ increase from FY25 budget
Total O&M (excludes depreciation and amortization, and SLC CC-1 reimbursement)	\$34,423,945	\$36,850,681	8.29%	\$2,426,736
Salary & Wages	\$7,645,697	\$8,120,486	6.21%	\$474,789
Interest Expense	\$6,847,686	\$7,662,384	11.90%	\$814,698
PRWUA	\$4,689,840	\$4,791,024	2.16%	\$101,184
Employee Benefits	\$3,136,401	\$3,319,550	5.84%	\$183,149
Chemicals	\$2,548,817	\$2,284,719	-10.36	-\$264,098
Contract Services	\$2,244,866	\$2,498,084	11.28%	\$253,218
Utilities	\$2,181,220	\$2,610,249	19.67%	\$429,029

# FY26 Capital Improvement Projects

<b>Routine Non-Capacity Improvement Projects</b>	
Salt Lake Aqueduct Replacement Reach 1	\$ 24,424,138
Salt Lake Aqueduct Replacement Reaches 2 and 3	\$ 500,000
Salt Lake Aqueduct Hardening	\$ 1,200,000
LCWTP Rebuild	\$ 1,750,000
LCC Replacement and Intake Modifications	\$ 300,000
LCWTP Administration Campus Improvements	\$ 1,050,000
Fleet Replacement Program	\$ 50,000
Little Dell Dam Improvements	\$ 1,175,000
Repair and Replace	\$ 1,081,000
<b>Subtotal</b>	<b>\$ 31,530,138</b>
<b>Capacity Improvement Projects</b>	
	\$0
<b>Other Capital Improvement Projects</b>	
Jordan Aqueduct System and 150th South Pipe	\$ 2,851,809
Central Utah Project (CUP) Capital	\$ 3,815,423
<b>Subtotal</b>	<b>\$ 6,667,232</b>
<b>Total Projects</b>	<b>\$ 38,197,370</b>

# Costs from Other Agencies

- Central Utah Water Conservancy District
  - Total annual CUWCD cost is approximately **\$5.5M**
  - 20,000 acre feet M&I and 3,100 acre feet ULS
- Jordan Valley Water Conservancy District
  - O&M costs will increase approximately 3.8%
  - Capital Projects total **\$2.8M**, an 80% increase
- Provo River Water Users Association
  - Total annual PRWUA cost is approximately **\$4.8M**
  - Deer Creek Intake Project (\$100M project)\
- Utah Lake Water Users Association
  - Metro's portion of the Turner Diversion repairs and upgrades is **\$482,600** based on the \$2,748,000 engineers estimate



# QUESTIONS?

Thank you!

