
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: May 23, 2006

SUBJECT: **BUDGET FOR THE METROPOLITAN WATER DISTRICT OF
SALT LAKE AND SANDY**

STAFF REPORT BY: Lehua Weaver

CC: Rocky Fluhart, Sam Guevara, Mike Wilson, Josh DeBry, LeRoy
Hooton, Susi Kontgis, DJ Baxter

The Metropolitan Water District of Salt Lake and Sandy is proposing an operating budget of \$12,505,611 for fiscal year 2006-07. The proposed operating budget represents an increase of \$2,008,222 or 21.7%. In addition, the Metropolitan Water District is proposing a budget for debt service of \$13,771,104 and a budget for capital improvements of \$58,414,277.

The Metropolitan Water District is proposing a property tax increase for fiscal year 2006-07 primarily due to lower than expected water sales, the new operating costs for the plant mentioned above, and more water purchased from the Central Utah Project. These impacts contribute to a forecasted revenue shortfall of \$3.5 to 4 million each year.

On May 15, 2006, the Metropolitan Water District held a public hearing on its budget. The Members of the Board are scheduled to consider adoption of the budget at their June board meeting.

(Note: The Council has traditionally received a briefing on the proposed budget for the Metropolitan Water District of Salt Lake and Sandy, but is not required to take any official action. Verbal feedback can be provided to representatives of the District at the briefing. The Council has on occasion also provided written comments to the Salt Lake City-appointed board members, of which there are five on the seven member board. Utah Code Annotated, §17A-1-502, provides that constituent entities of a special district can request a meeting with representatives of a district to discuss the budget. The law does not prevent the board of a special district from approving and implementing a budget over protests or objections of constituent entities.)

Metropolitan Water District of Salt Lake & Sandy
Proposed Budget for FY 2006-07

	2005-06	2006-07		
	Budget	Proposed Budget	Difference	Percent Change
Sources of Funds				
Water sales & other operating revenue	\$10,766,150	\$10,955,000	\$188,850	1.75%
Tax revenue	4,685,150	6,300,000	1,614,850	34.47%
Interest revenue	3,395,000	1,550,000	-1,845,000	-54.34%
Lab fees, power and miscellaneous	134,000	20,000	-114,000	-85.07%
Vehicle sales	250,000	15,000	-235,000	-94.00%
Assessments	12,670,407	12,531,336	-139,071	-1.10%
Other Revenues	345,268	1,775,802	1,430,534	414.33%
Bond Proceeds		34,000,000	34,000,000	
Use of prior bond proceeds/reserves	127,179,798	18,050,812	-109,128,986	-85.81%
Total sources of funds	\$159,425,773	\$85,197,950	(\$74,227,823)	-46.56%
Uses of Funds				
Operations				
Salaries, wages & benefits	\$4,219,370	\$4,386,747	\$167,377	3.97%
Professional & contractual services	980,440	1,327,896	347,456	35.44%
Utilities	664,650	914,181	249,531	37.54%
Repairs & maintenance	516,110	295,242	-220,868	-42.79%
Chemicals & supplies	1,104,620	1,248,074	143,454	12.99%
Property & liability insurance	365,675	382,220	16,545	4.52%
Water Treatment	1,050,240	2,210,835	1,160,595	110.51%
Other expenses	339,395	483,527	144,132	42.47%
Operating Expenses	9,240,500	11,248,722	2,008,222	21.73%
Provo River Water Users maintenance assessment	1,172,300	1,256,829	84,529	7.21%
Debt service (principal only)	3,702,788	3,432,788	-270,000	-7.29%
Interest expense	10,117,300	10,338,316	221,016	2.18%
Capital improvements	134,370,885	58,414,277	-75,956,608	-56.53%
Equipment Purchases	822,000	507,018	-314,982	-38.32%
Total uses of funds	\$159,425,773	\$85,197,950	(\$74,227,823)	-46.56%

KEY ELEMENTS

The major changes reflected in the District's proposed budget include:

Revenues

Tax Revenue (\$1,614,850 increase to \$6.3 million) – Tax revenues are proposed to increase by \$1,614,850 or 34.5% primarily due to a proposed tax increase to both Salt Lake City and Sandy residents. There has not been a tax increase since 1984.

The change in certified tax rate for Salt Lake City residents would be from 0.000264 to 0.00035. This increase would represent approximately a \$10.01 increase per year to Salt Lake City residents on a \$200,000 home. The District would hold a Truth in Taxation hearing regarding the proposed increase in August.

According to a letter sent by General Manager Mike Wilson on April 24, the purposes for the property tax increase are as follows:

- Finalize the Metro Water project - The Council may recall that the District is in the midst of \$250 million in capital improvement projects as approved by the Interlocal Agreement with Salt Lake and Sandy cities. These capital projects are on schedule to be completed by June 2007. The property tax increase would be partially used to cover operating expenses associated with the new Point of the Mountain Water Treatment Plant.
- Implement audit recommendations - As part of the budget discussions last year, the Council urged the District Board Members to conduct a management audit of staffing levels and efficiency opportunities. As a result of the audit, the District reduced its staffing increases over the past year.
- Correct forecasted revenue shortfalls over the next decade - Due to lower than expected water revenues, the new operating costs for the plant mentioned above, and increasing costs for the Central Utah Project all contribute to a forecasted revenue shortfall of \$3.5-4 million each year.
- Relieve strain in member city water funds - Since the last tax increase in 1984, the District has relied on water sales revenue from member cities. Water sales rates have increased annually for water purchased by the member cities, and that cost is passed on to the water customers of Salt Lake and Sandy through the municipal water rates.
- Maintain balance between tax revenues and District operating expenses - At one time, the District's tax revenues represented 87% of its operating budget, but that has declined to its current 46%.
- Revenue stability provided by tax revenues.

The District has voiced their intention to go through the Truth in Taxation process every year in order to maintain this .00035 rate. This would provide the District with an increase to tax revenue each year, because the static rate would yield higher revenues as the values of properties increase. By 2009, the revenues are anticipated to grow by an additional \$307,319 to \$6,607,319.

The Council may wish to ask whether this tax rate will meet the District's shortfall needs.

The Council may wish to ask the District what portion of future tax revenue would be used for ongoing expenses and to support capital improvements.

- Water Sale Revenue (\$92,000 increase) – The charge per acre foot of water is proposed to be increased from \$163 to \$175, but the amount of water expected to be purchased has decreased in recent years due to conservation and drought conditions.
- Interest revenue (\$1,845,000 decrease) – A reduction in the amount of bonding activity has led to an anticipated decrease compared to fiscal year 2005-06 interest revenue.
- Annual assessments to member cities – In fiscal year 2006-07, Salt Lake City's Department of Public Utilities will be assessed \$7 million for capital improvements of the Metropolitan Water District. The assessment will continue at the \$7 million level until the last assessment in fiscal year 2034-35, which will be \$3.5 million. Sandy City will also be making assessment payments.
- Little Dell Final payoff (\$1.2 million) – In 1986 the District entered into an agreement with Salt Lake City and the Army Corps of Engineers to build Little Dell Reservoir. The District paid approximately 22% of the cost. Once the project was completed it was determined that the amount contributed was too high, and the District anticipates receiving a reimbursement of approximately \$1.2 million.
- Vehicle sales (decrease of \$235,000) – only two service vehicles will be sold for replacement in this fiscal year.

Operating Expenses

- Salaries and benefits (\$167,377 increase) – At the prompting of the Board, and with the support of the member Cities, a management audit was conducted over the past year. The audit addressed the District's staffing levels and potential need for additional staff.

Compared to last year, the District staffing level would increase by ½ of an FTE. This would be the net increase after the following changes:

- Administrative staff - decrease of ½ of an FTE,
- Operations & Maintenance staff - a decrease of 2 FTEs,
- Engineering - a decrease of 3 FTEs,
- Information Systems staff increase of 5 FTEs
- Environmental Services staff increase of 1 FTE (This increase includes the addition of lab technicians to perform tests on drinking water. The Salt Lake City Department of Public Utilities briefed the Council on the option of closing the City's lab and consolidating with the District.)

The budget also proposes a 4.5% raise for employees, which would increase annual salary costs to \$3,191,767. For every ½ percent increase, the cost is \$15,272. Based on a survey of member cities' utility departments and water districts, the average pay increase in 2006 was 4.5%.

Benefits increase of \$19,940 - The Metropolitan Water District Board has been implementing changes to the benefits package for Metro employees, because the

benefits package may be considered generous compared to member cities and other utilities. The District provides full health coverage for each employee (including single, double, or family coverage), a Health Savings Account with a high deductible health plan, Dental coverage, and Life Insurance. The Health Savings Account was implanted in January of 2006, and the District anticipates that this plan will be more cost effective than the prior health benefits package.

At the time the budget proposal was prepared, the District had 69 employees. For those 69 employees receiving benefits, the monthly costs for these benefits were \$69,640 and annually \$835,676. The District is anticipating a 5% increase to medical premium amounts and a 1% increase to dental premiums, an annual increase of \$19,940. ***The Council may wish to ask about the status or outcome of the Board's review.***

- Water Treatment (\$1,160,595 increase) – The amount of water being purchased is increasing from 8,000 acre feet to 12,000 af. There will be a significant increase in costs (of approximately \$600,000) for this water from the Central Utah Project.
- Professional and contract services (\$347,456 increase) – The District has moved the annual charges related to the Provo River Water Users Association and Jordan Valley Water Conservancy District to contract services.
- Chemicals (\$143,454 increase) – The District is anticipating that the cost for 'Caustic Soda' (sodium hydroxide), fluoride and liquid oxygen will increase in fiscal year 2006-07.
- Tuition Aid Program (\$10,550 increase) - Employees have indicated an interest in a tuition reimbursement program. The total budget proposed for 2006-07 is \$21,300. The program is based on the fees for classes at the University of Utah and can cover tuition, books, and fees. There is a passing grade requirement.
- As discussed during the Council's briefing regarding the budget for the Department of Public Utilities, the District will be taking over some lab functions for the City. The District's budget includes an increase in staff (listed above on page 4 in Environmental Services) and costs for some lab modifications to accommodate this increase in lab testing. ***The Council may wish to ask what the budget implication will be for consolidating the lab functions, and whether there are any other opportunities to consolidate similar functions with member cities.***

Capital Improvement Projects

- Capital improvement master plan – Fiscal year 2006-07 will be the eighth year of the District's \$250 million capital improvement master plan. The major project is construction of a new water treatment plant near the Point of the Mountain at 300 West 15000 South (east of I-15) in Draper. The plant is expected to open in June of 2007. The master plan also includes expansion of the Little Cottonwood Water Treatment Plant and installation of an aqueduct from the Point of the Mountain Treatment Plant to the Little Cottonwood Treatment Plant.
To help fund the implementation of the master plan, the District secured a \$34 million revenue bond in 1999, \$20 million in 2003, \$90 million in 2004, and \$82 in 2005. The District anticipates issuing \$34 million in bonds in fiscal year 2006-07.

- Capital improvement projects – A complete list of proposed capital projects is contained in the tentative budget (attached). These projects are summarized as follows:
 - \$ 53,678,906 – Point of the Mountain Water Treatment Plant, Little Cottonwood Water Treatment Plant, and other capital improvements to increase water capacity
 - \$ 1,038,500 – Non-capacity capital improvements (i.e. rehabilitation and modifications of existing facilities)
 - \$ 2,735,870 – Capital improvements contingency (5%)
 - \$ 507,018 – Equipment
 - \$ 961,000 – Improvements of Jordan Valley Water Conservancy District (Metropolitan Water District is a 28.6% owner of the Jordan Valley Plant.)

The Council may wish to ask what other capital improvement projects are on the horizon.

BACKGROUND

In 1935, the voters of Salt Lake City created the Metropolitan Water District in order to enter into long-term agreements to build the Provo River Project including Deer Creek Reservoir. The Bureau of Reclamation built the project, and it was necessary to enter into repayment contracts to reimburse the federal government for the construction costs plus interest. The Metropolitan Water District is a 61.7% owner of the Provo River Project. The water rights for the Provo River Project consist of water diverted from the Duchesne and Weber Rivers conveyed through a tunnel and canal system from the two basins to the Provo River for use by the Metropolitan Water District and others. In order to reimburse the Federal Government for the cost of the Provo River Project and Deer Creek Reservoir, the residents of Salt Lake City have paid property taxes since 1935. The Metropolitan Water District continues to build dams and facilities such as Little Dell Reservoir.

In 1990, Sandy City became the second member of the District. Sandy City sought membership in the District to treat its approximately 34 percent water right in Little Cottonwood Creek. Sandy City's annexation in the District increased efficiencies by consolidating water supplies and delivery systems to most of eastern Salt Lake County. As part of the agreement, the District receives water purchase revenue and ad valorem tax revenue from Sandy City. Furthermore, as a part of the annexation Salt Lake City acquired additional water rights in Little Dell Reservoir and \$4 million in water transmission mains installed on the City's west side. Also, the 1990 agreement admitting Sandy City established conjunctive water management practices among Salt Lake City, Sandy City, Jordan Valley Water Conservancy District and the Metropolitan Water District.

In 1998, the Metropolitan Water District updated its capital improvement master plan and identified \$236 million in improvements and expansion of water capacity. In 2001, the District entered into an Interlocal Agreement with Sandy and Salt Lake City for implementation of the master plan. The major project is a new water treatment plant near the Point of the Mountain in the Draper area. The Metropolitan Water District owns additional water from the Provo River Project (in non-drought years) but hasn't been able to treat and convey the water to users. Additional water will also be available from the Central Utah Bonneville Unit (Jordanelle Reservoir) beginning in 2005.

The master plan improves redundancy in the event of a water treatment plant or aqueduct failure. Improvements include pipeline connections between the Little Cottonwood Water Treatment Plant, the Jordan Valley Water Treatment Plant, and the Point of the Mountain Water Treatment Plant. This will allow flexibilities in shifting water between major north-south pipelines.

Metropolitan Water District of Salt Lake & Sandy Fiscal Year 2007 Budget

Executive Summary

Last update: April 21, 2006

This document contains the budget information for the Metropolitan Water District of Salt Lake & Sandy (the "District") for Fiscal Year 2007. The District continues to be very active as it finalizes the completion of the Metro Water Project including expansion of the Little Cottonwood Water Treatment Plant facilities, construction of the new Point of the Mountain Water Treatment plant facilities, and installation of the Point of the Mountain Aqueduct that connects the two treatment plants.

With completion of these facilities scheduled for June 2007, the District is faced with finalizing the construction and gearing up for undertaking the operation and maintenance of these important public improvements. Staffing levels were increased during Fiscal Year 2006 in anticipation of the need to operate the new facilities. An Organizational, Staffing and Operational Review study was performed by EMA, Inc. to confirm the level of staffing needed and to identify other operational efficiencies. One result of the study was that the District is currently performing at a very high level of efficiency (top 1%). Nevertheless, there is still room for improvement. The recommendations from the study have been considered and are being implemented as deemed appropriate by the Board of Trustees and staff.

Significant analysis and discussion has taken place to determine the future expenditures and revenues of the District. When all is considered, the forecast for the next 10-15 years is that the District will be facing a \$3.5-4.0 million annual shortfall. To correct this situation, the District proposes to implement an increase of the certified property tax rate for the first time since 1984. Over the last couple of decades, the District has relied on water rates or capital assessments to fund increased operating costs and the implementation of the \$250 million Metro Water Project. Water rates and capital assessments that are charged by the District to the member cities (Salt Lake City and Sandy City) are paid for from water usage rates paid by the cities' customers. Rather than continue to strain the water fund budgets of the two cities, the District feels that it is appropriate to seek additional revenues from property taxes. This will help restore the historical balance between operating costs and property tax revenues.

The current District property tax on a \$200,000 home is estimated at \$27.28 annually or \$2.27 monthly (based on a "combined" certified tax rate of 0.000248). If the property tax is increased to 0.00035, the estimated property tax would be \$38.50 annually or \$3.21 monthly. This calculates to an increase of \$11.22 annually or \$0.94 monthly.

The District's operating budget is estimated to be nearly \$9.4 million. This includes expenses related to increased personnel (to a total of 71 positions), an average 4.5%

salary increase, increased water purchases from the Central Utah Project (total of 12,000 acre feet), and increased chemical and utility costs related to new facilities.

Revenues are projected to be approximately \$33 million. This includes \$11 million in water sales, \$6.3 million in property taxes, \$13 million in special assessments (capital and water supply), and \$3 million in miscellaneous revenues.

The District plans to implement the final phase of bonds related to the Metro Water Project during this fiscal year. The amount of the bond is currently estimated to be \$34 million.

The District continues to undergo significant change as the Metro Water Project is completed and implemented. This budget reflects some of these changes. We encourage you to carefully review the attached information. As always, we are prepared to review and respond to any questions you may have.

Sincerely,



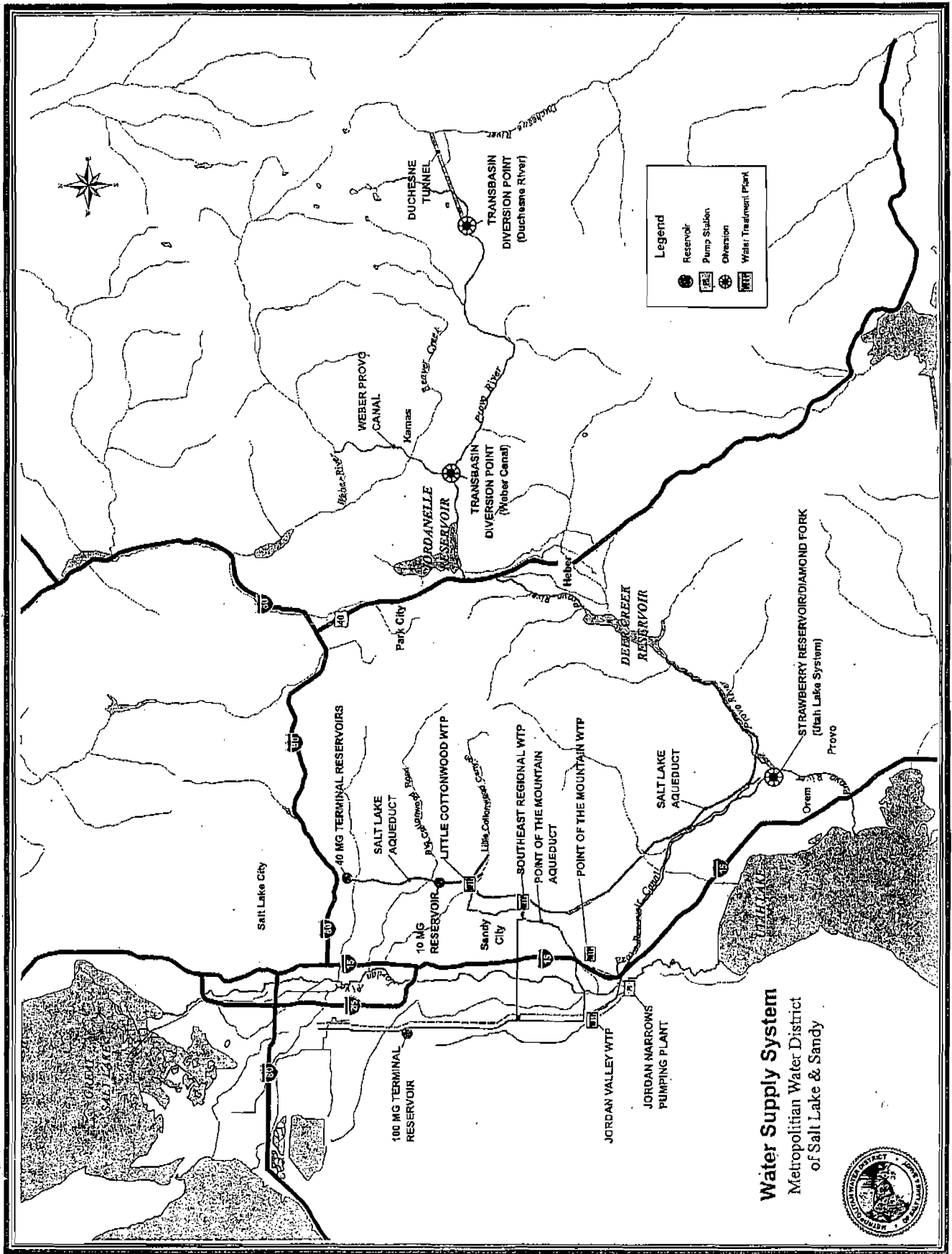
Michael L. Wilson
General Manager



W. Reed Jensen
Controller

P.S. A few notes about the format of this document:

- In prior years the District has had multiple cost centers related to the Maintenance Department (e.g., Salt Lake Aqueduct, 10 MG Reservoir, Terminal Reservoir, etc.) and the Environmental Services Department (e.g., Laboratory, Pilot Plant, Emergency Response Team, etc.). As part of the budgeting process this year, several cost centers related to each of these departments have been consolidated. Each cost center for the District has a separate section in this binder which includes a summary sheet for the cost center with backup documentation related to the cost center. In addition, there is a summary sheet reflecting the Total District expenditures.
- Some information has been presented to the Board of Trustees in prior meetings. In general, each section should be dated to indicate the last time the information was updated. This may help you as you prioritize your time in reviewing the most recent information.



METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY

2006-07 TENTATIVE BUDGET

REVENUE COMPARISON

Last Update: April 18, 2006

	2005-06 Adopted Budget	Estimated Actuals 6/30/2006	2006-07 Tentative Budget
REVENUES			
Operating Revenues			
Water Sales			
Salt Lake City	\$7,661,000	\$7,422,857	\$7,700,000
44,000 a.f. @ \$175.00/a.f.			
Sandy City	\$3,097,000	\$2,707,593	\$3,150,000
18,000 a.f. @ \$175.00/a.f.			
Treatment Charges			
Taylorsville-Bennion/West Jordan	\$8,150	\$7,500	\$105,000
600 a.f. @ \$175.00/a.f.			
Total Operating Revenues	\$10,766,150	\$10,137,950	\$10,955,000
Other Revenues			
Tax Revenues			
Salt Lake City	\$3,249,000	\$3,425,000	\$4,835,301
Sandy City	\$923,400	\$969,000	\$1,464,699
Fees in Lieu of Taxes	\$337,750	\$332,000	\$0
Prior Years' Tax Revenue	\$175,000	\$155,000	\$0
Interest	\$3,395,000	\$4,000,000	\$1,550,000
Laboratory Fees	\$14,000	\$13,000	\$0
Miscellaneous Revenue	\$120,000	\$20,000	\$20,000
Vehicle Sales	\$250,000	\$0	\$15,000
Capital Assessments			
Salt Lake City	\$7,021,892	\$7,021,892	\$7,021,892
Sandy City	\$4,210,322	\$4,210,322	\$4,210,322
Sandy City New Water Supply Assessment	\$863,193	\$863,193	\$691,466
Sandy City Supplemental Capital Assessment (Property Acq.)	\$575,000	\$624,715	\$607,656
Homeland Security Grant	\$45,268	\$1,966	\$43,302
Aquifer Storage & Recovery-BOR	\$300,000	\$150,000	\$150,000
Aquifer Storage & Recovery-State of Utah		\$50,000	\$50,000
Aquifer Storage & Recovery-Sandy City			\$232,500
Jordan Narrows Facilities Cathodic Protection			\$100,000
Little Dell Final Payoff			\$1,200,000
Total Other Revenues	\$21,479,825	\$21,009,407	\$22,192,138
Total Revenue	\$32,245,975	\$31,147,357	\$33,147,138

FEE SCHEDULE FY 2007

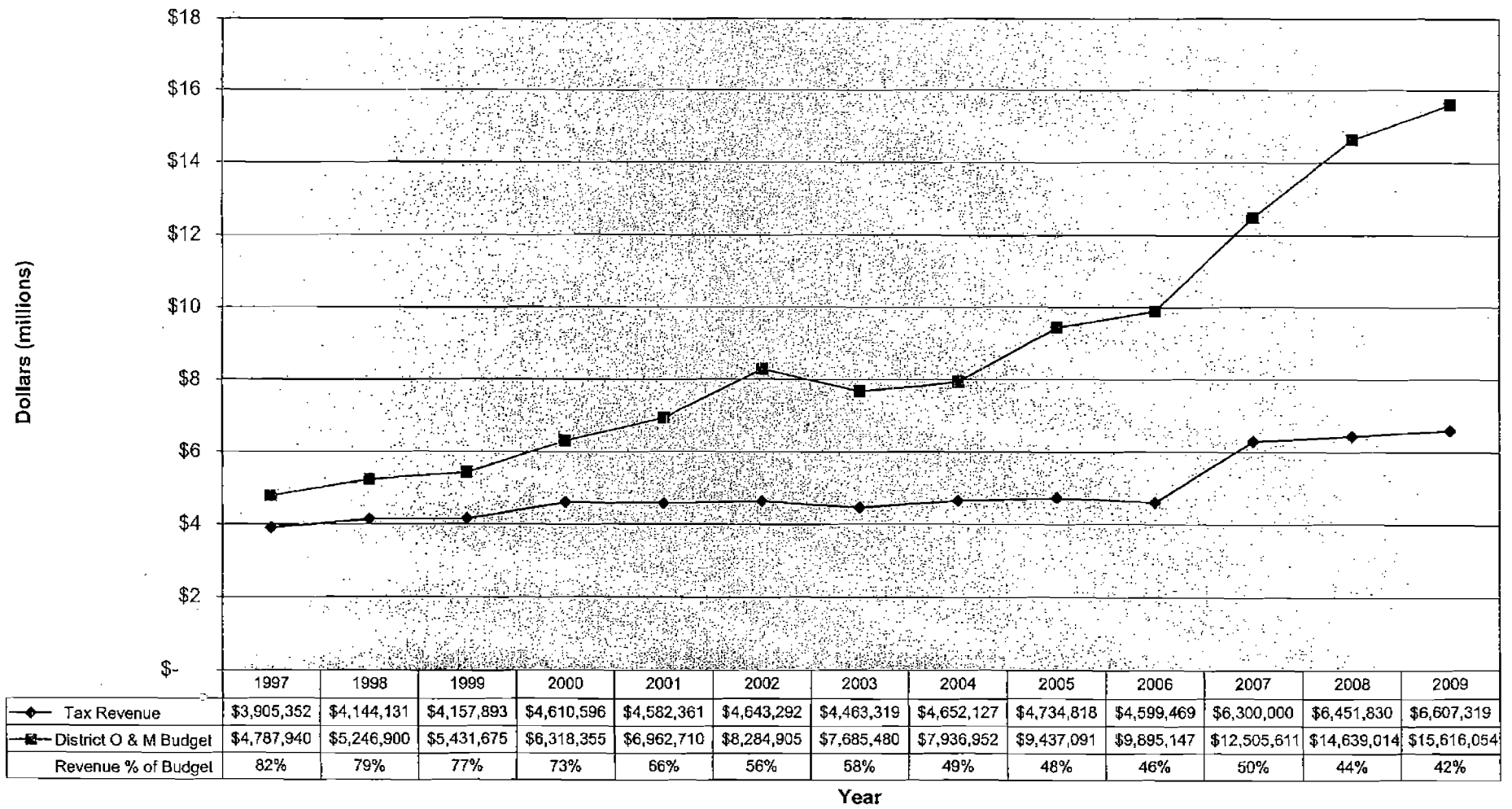
Last update: April 12, 2006

Description	2006 Approved	2007 Proposed
Treated Water (per acre foot)	\$163	\$175
Untreated Water (per acre foot)	\$50	\$50
Lab Fees (per sample)		
<u>Metals</u>		
Aluminum	\$12	\$12
Antimony	\$12	\$12
Arsenic	\$12	\$12
Barium	\$12	\$12
Beryllium	\$12	\$12
Cadmium	\$12	\$12
Chromium	\$12	\$12
Molybdenum	\$12	\$12
Nickel	\$12	\$12
Selenium	\$12	\$12
Silver	\$12	\$12
Thallium	\$12	\$12
Zinc	\$12	\$12
Combined Metals (Aluminum, Antimony, Arsenic, Barium, Beryllium, Cadmium, Chromium, Copper Lead, Molybdenum, Nickel, Selenium, Silver, and Zinc)	\$100	\$150
<u>Lead & Copper</u>		
Copper	\$12	\$12
Lead	\$12	\$12
<u>Organics</u>		
Trihalomethanes	\$70	\$80
Haloacetic acids	\$115	\$130
<u>Inorganics</u>		
Alkalinity	\$8	\$8
Bromide	\$12	\$12
Bromate	\$12	\$12
Calcim hardness	\$10	\$10
Chloride	\$12	\$12
Chlorine (residual) by DPD Colorometric Method	\$6	\$6
Conductivity	\$6	\$6
Fluoride	\$12	\$12
Hardness (Total)	\$10	\$10
pH	\$5	\$5
Phosphate (as Ortho-phosphate)	\$12	\$12
TOC	\$14	\$14
DOC	\$14	\$14
Total Suspended Solids	\$14	\$14
Turbidity	\$7	\$7
UV-254	\$7	\$7
<u>Nitrate</u>		
Nitrate	\$14	\$14

Fee Schedule Cont'd

Description	2006 Approved	2007 Proposed
<u>Nitrite</u>		
Nitrite	\$12	\$12
<u>Sulfate</u>		
Sulfate	\$12	\$12
<u>Bacteriologic</u>		
Colilert (Total & E. Coli)	\$9	\$10
Heterotrophic Plate Count (Simplate method)	\$9	\$10
Rights-of-Way Encroachment		
Application Fee	\$300	\$400
Processing Fee (General)	N/A	\$1,100
Processing Fee (Subdivision)	N/A	\$2,600
Right of use	N/A	varies
GRAMA		
Copy Reproduction Fee (per copy)	\$0.25	\$0.25
Research Fee (hourly)	\$25	\$25

District Tax Revenues vs. O & M Budget



Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

TOTAL DISTRICT
Last Update: April 11, 2006

Account	Description	Budget 2006	Actuals at Dec. 31, 2005	FY06 Est. Actuals	Budget 2007
Salaries and Wages		\$3,064,005.00	\$1,078,730.14	\$2,648,805.00	\$3,180,279.97
5110	Salary & Wage Exp.	\$2,379,700	\$778,885	\$2,000,000	\$2,831,885
5120	Overtime Premium	\$59,500	\$25,926	\$58,750	\$63,998
5130	Vacation	\$161,320	\$64,432	\$138,000	\$8,691
5131	Sick Leave	\$120,720	\$75,581	\$150,000	\$31,713
5132	Holiday	\$65,820	\$36,639	\$62,500	
5133	Personal Leave/Funeral Leave	\$21,930	\$7,536	\$21,600	
5140	Personnel Training	\$18,800	\$9,173	\$18,000	
5160	Vehicle Allowance	\$7,800	\$3,150	\$7,000	\$6,000
5170	Emergency Response Pay	\$12,840	\$4,375	\$11,955	\$10,790
5190	Other	\$2,000	\$406	\$1,000	\$1,000
5210	Payroll Taxes	\$213,575	\$72,627	\$180,000	\$226,143
Employee Benefits		\$1,155,365	\$483,570	\$998,000	\$1,206,527
5310	Retirement Plan	\$336,555	\$142,246	\$300,000	\$373,121
5320	Medical Insurance Premiums	\$731,945	\$299,228	\$625,000	\$725,608
5330	Tuition Aid Program	\$10,750	\$1,149	\$3,000	\$21,300
5340	Meetings & Seminars	\$58,225	\$32,981	\$55,000	\$39,918
5350	Insurance Premiums	\$17,890	\$7,967	\$15,000	\$46,580
Transportation		\$82,400	\$27,666	\$61,050	\$107,065
5410	Business Travel	\$56,000	\$11,294	\$35,000	\$79,490
5430	Vehicle O & M	\$26,200	\$16,349	\$26,000	\$27,575
5440	Parking	\$200	\$24	\$50	
Professional Services		\$980,440	\$192,993	\$520,000	\$1,327,896
5510	Legal	\$200,000	\$15,427	\$100,000	\$150,000
5520	Accounting	\$20,000	\$15,000	\$15,000	\$18,700
5530	Contract Services	\$749,940	\$160,301	\$400,000	\$1,074,196
5540	Other	\$10,500	\$2,265	\$5,000	\$85,000
Utilities		\$664,650	\$394,484	\$781,500	\$974,181
5610	Telephone	\$72,050	\$21,967	\$50,000	\$38,625
5620	Electricity	\$410,600	\$285,149	\$450,000	\$530,040
5630	Natural Gas	\$161,000	\$83,764	\$275,000	\$324,996
5640	Radio Communications	\$15,000	\$780	\$2,000	\$15,000
5650	Water	\$6,000	\$2,823	\$4,500	\$5,520
Repairs and Maintenance		\$516,110	\$174,222	\$451,000	\$295,242
5710	Bldgs & Grounds	\$34,700	\$624	\$20,000	\$83,290
5720	Machinery & Equipment	\$315,410	\$121,258	\$265,000	\$211,952
5730	Canal Maintenance	\$166,000	\$52,340	\$166,000	
Chemicals and Supplies		\$1,104,620	\$523,077	\$1,135,000	\$1,248,074
5810	General Supplies	\$22,800	\$9,419	\$25,000	\$13,100
5820	Office Supplies	\$38,000	\$7,911	\$20,000	\$20,000
5830	Materials	\$138,920	\$39,510	\$110,000	\$138,501
5840	Chemicals	\$816,500	\$450,654	\$900,000	\$1,004,791

Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

TOTAL DISTRICT
Last Update: April 11, 2006

Account	Description	Budget 2006	Actuals at Dec. 31, 2005	FY06 Est. Actuals	Budget 2007
5850	Computer & Instr. Supplies	\$88,400	\$15,582	\$80,000	\$71,682
	Other Expenses	\$12,962,510	\$6,486,712	\$13,416,409	\$14,564,662
5901	General Insurance	\$365,675	\$192,098	\$380,000	\$382,220
5902	Administrative Fees-PRWUA	\$1,172,300	\$558,899	\$1,169,215	\$1,256,829
5903	Water Stock Assessment	\$0	\$0	\$2,000	\$2,166
5904	Rent Exp.	\$2,800	\$615	\$1,400	\$1,800
5905	Miscellaneous	\$12,560	\$3,901	\$11,000	\$99,500
5906	Postage & Freight Exp.	\$3,600	\$1,492	\$2,000	\$5,000
5907	Contributions & Events	\$72,500	\$59,691	\$70,000	\$176,530
5910	Interest Exp.	\$10,117,300	\$4,874,413	\$10,115,000	\$10,338,316
5911	Laundry	\$8,085	\$230	\$5,200	\$6,965
5912	Associated Canals	\$45,000	\$20,528	\$40,000	
5913	Safety	\$47,730	\$10,796	\$25,000	\$27,175
5914	Subscriptions & Publications	\$6,400	\$2,882	\$6,000	\$6,624
5915	Outside Printing	\$4,500	\$779	\$800	\$500
5916	Dues & Memberships	\$53,820	\$12,431	\$50,000	\$50,202
5999	Treatment Costs/Related Chgs.	\$1,050,240	\$747,957	\$1,538,494	\$2,210,835
Total Expenses		\$20,530,100	\$9,361,454	\$20,011,464	\$22,843,868
Less: PRWUA-Admin. Fees					\$ (1,256,829)
Interest Expense					\$ (10,338,316)
CUP Water					\$ (1,860,535)
					<u>\$ 9,388,188</u>

Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

ADMINISTRATIVE
Last Update: April 7, 2006

Account	Descr	Budget 2006	Actual 31-Dec-05	Budget 2007
Salaries and Wages		446,700.00	452,609.38	281,139.00
5110	Salary & Wage Exp.	\$367,100.00	\$123,070.38	\$253,006.00
5130	Vacation	29,000.00	9,415.08	1,168.00
5131	Sick Leave	17,500.00	12,774.37	5,533.00
5160	Vehicle Allowance	1,800.00	900.00	1,500.00
5190	Other	200.00	405.69	
5210	Payroll Taxes	31,100.00	6,043.78	19,932.00
Employee Benefits		219,300.00	58,453.75	32,112.00
5310	Retirement Plan	53,550.00	19,118.04	35,282.00
5320	Medical Insurance Premiums	58,000.00	19,439.99	50,112.00
5340	Meetings & Seminars	7,200.00	16,924.47	3,250.00
5350	Insurance Premiums	2,480.00	970.95	3,468.00
Transportation		19,700.00	2,185.14	19,650.00
5410	Business Travel	16,000.00	2,185.14	19,650.00
5430	Vehicle O & M	3,500.00	1,949.76	
5440	Parking	200.00	24.00	
Professional Services		42,500.00	15,426.62	150,000.00
5510	Legal	200,000.00	15,426.62	150,000.00
5520	Accounting	20,000.00	15,000.00	18,700.00
5530	Contract Services	192,500.00	12,396.06	35,000.00
Utilities		16,500.00	12,799.13	1,800.00
5610	Telephone	40,000.00	12,799.13	1,800.00
5630	Natural Gas	6,500.00	2,409.94	
Repairs and Maintenance		2,300.00	581.51	9.00
5710	Bldgs & Grounds	300.00	201.89	
5720	Machinery & Equipment	2,000.00	379.62	
Chemicals and Supplies		1,200.00	1,084.12	3,000.00
5810	General Supplies	200.00	626.02	3,000.00
5820	Office Supplies	1,000.00	1,084.12	
Other Expenses		11,422,980.00	5,514,154.12	76,394.00
5901	General Insurance	16,830.00	10,114.13	
5902	Administrative Fees-PRWUA	1,172,300.00	558,899.16	
5904	Rent Exp.		615.09	
5905	Miscellaneous	6,000.00	2,343.55	7,000.00
5906	Postage & Freight Exp.	500.00	745.94	
5907	Contributions and Events	58,000.00	55,000.00	66,500.00
5910	Interest Exp.	10,117,300.00	4,874,413.06	
5911	Laundry	200.00		
5913	Safety	350.00	110.00	170.00
5914	Subscriptions & Publications	1,500.00	1,741.88	2,024.00
5915	Outside Printing	2,000.00	25.00	
5916	Dues & Memberships	48,000.00	10,146.38	700.00
Total Expenses		12,473,110.00	5,787,699.24	677,795.00

Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

GENERAL

Last Update: April 4, 2006

Account	Descr	Budget 2006	Actual 31-Dec-05	Budget 2007
	Salary and Wages	0.00	0.00	1000.00
5190	Other			1000.00
	Employee Benefits	0.00	0.00	25,800.00
5330	Tuition Aid Program	\$0.00	\$0.00	21,300.00
5340	Meetings & Seminars	\$0.00	\$0.00	4,500.00
	Transportation	0.00	0.00	27,575.00
5430	Vehicle O & M	\$0.00	\$0.00	27,575.00
	Professional Services	52,000.00	43,155.53	664,000.00
5530	Contract Services	\$52,000.00	\$43,155.53	589,000.00
5540	Other	\$0.00	\$0.00	75,000.00
	Utilities	303,000.00	159,102.50	875,796.00
5610	Telephone	\$0.00	\$1,439.97	15,240.00
5620	Electricity	\$150,000.00	\$76,643.85	530,040.00
5630	Natural Gas	\$150,000.00	\$78,488.13	324,996.00
5650	Water	\$3,000.00	\$2,530.55	5,520.00
	Repairs and Maintenance	393,000.00	153,400.00	0.00
5710	Bldgs & Grounds	\$25,000.00	\$0.00	
5720	Machinery & Equipment	\$200,000.00	\$100,760.00	0.00
5730	Canal Maintenance	\$166,000.00	\$52,340.00	0.00
	Chemicals and Supplies	14,000.00	4,608.88	0.00
5810	General Supplies	\$10,000.00	\$4,608.88	
5830	Materials	\$4,000.00	\$0.00	
	Other Expenses	1,273,040.00	858,257.06	14,362,798.42
5901	General Insurance	\$208,300.00	\$107,550.10	382,220.00
5902	Administrative Fees-PRWUA	\$0.00	\$0.00	1,256,829.00
5903	Water Stock Assessment	\$0.00	\$0.00	2,166.42
5905	Miscellaneous	\$0.00	\$60.00	64,000.00
5907	Contributions & Events	\$0.00	\$0.00	42,530.00
5910	Interest Expense	\$0.00	\$0.00	10,338,316.00
5913	Safety	\$14,500.00	\$2,689.85	15,500.00
5914	Subscriptions & Publications	\$0.00	\$0.00	1,000.00
5915	Outside Printing	\$0.00	\$0.00	500.00
5916	Dues & Memberships	\$0.00	\$0.00	48,902.00
5999	Treatment Costs/Related Chgs.	\$1,050,240.00	\$747,957.11	2,210,835.00
	Total Expenses	2,033,040.00	1,218,223.97	15,956,969.42

Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

OPERATIONS
Last Update: April 7, 2006

Account	Descr	Budget 2006	Actual 31-Dec-05	Budget 2007
Salaries and Wages		510,850.00	187,210.31	510,872.62
5110	Salary & Wage Exp.	\$354,600.00	\$120,679.62	\$418,872.74
5120	Overtime Premium	50,000.00	22,270.28	49,998.00
5130	Vacation	25,000.00	8,999.20	1,196.00
5131	Sick Leave	18,300.00	9,951.66	4,030.00
5132	Holiday	15,540.00	9,283.75	
5133	Personal Leave/Funeral Leave	5,180.00	2,022.96	
5140	Personnel Training	8,000.00	472.77	
5170	Emergency Response Pay			3,120.00
5190	Other	1,000.00		
5210	Payroll Taxes	33,230.00	13,531.07	33,627.88
Employee Benefits		199,900.00	82,566.37	170,242.52
5310	Retirement Plan	53,550.00	25,265.30	56,563.00
5320	Medical Insurance Premiums	129,390.00	55,633.28	105,121.20
5330	Tuition Aid Program	1,000.00		
5340	Meetings & Seminars	7,000.00	330.00	1,378.00
5350	Insurance Premiums	2,960.00	1,337.79	7,180.32
Transportation		9,200.00	626.03	6,600.00
5410	Business Travel	8,000.00		6,600.00
5430	Vehicle O & M	1,200.00	626.03	
Professional Services		2,500.00	195.00	3,000.00
5530	Contract Services	2,000.00	195.00	3,000.00
5540	Other	500.00		
Utilities		3,000.00	564.23	2,012.00
5610	Telephone	3,000.00	564.23	2,012.00
Repairs and Maintenance		2,000.00	1,852.00	1,002.00
5720	Machinery & Equipment	2,000.00	1,852.00	1,002.00
Chemicals and Supplies		786,500.00	436,611.75	944,640.00
5810	General Supplies	1,000.00		
5820	Office Supplies	1,500.00		
5830	Materials	4,000.00	1,911.72	1,250.00
5840	Chemicals	780,000.00	436,611.75	944,640.00
Other Expenses		8,550.00	1,080.30	3,810.00
5905	Miscellaneous	750.00		
5906	Postage & Freight Exp.	400.00		
5911	Laundry	1,800.00		1,150.00
5913	Safety	4,100.00	824.70	1,910.00
5914	Subscriptions & Publications	1,000.00	255.60	750.00
5916	Dues & Memberships	500.00		
Total Expenses		1,516,500.00	712,618.71	1,643,401.14

Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

MAINTENANCE
Last Update: April 7, 2006

Account	Descr	Budget 2006	Actual 31-Dec-05	Budget 2007
Salaries and Wages				
5110	Salary & Wage Exp.	\$815,100.00	\$277,345.31	\$827,728.72
5120	Overtime Premium	\$4,000.00	\$2,967.36	8,000.00
5130	Vacation	\$52,800.00	\$23,467.89	3,386.00
5131	Sick Leave	\$40,700.00	\$23,826.26	11,335.00
5132	Holiday	\$30,800.00	\$17,311.42	
5133	Personal Leave/Funeral Leave	\$10,250.00	\$3,151.79	
5140	Personnel Training	\$3,000.00	\$7,196.54	
5170	Emergency Response Pay			5,070.00
5190	Other	\$500.00		
5210	Payroll Taxes	\$73,450.00	\$25,287.83	66,489.24
Employee Benefits				
5310	Retirement Plan	\$111,730.00	\$49,275.37	106,739.62
5320	Medical Insurance Premiums	\$298,720.00	\$119,113.93	235,702.32
5340	Meetings & Seminars	\$5,500.00	\$1,864.00	2,690.00
5350	Insurance Premiums	\$7,525.00	\$3,199.56	14,715.36
Transportation				
5410	Business Travel	\$6,500.00	\$952.12	7,600.00
5430	Vehicle O & M	\$21,000.00	\$13,608.46	
Professional Services				
5530	Contract Services	\$127,100.00	\$55,289.53	39,800.00
Utilities				
5610	Telephone	\$6,400.00	\$2,357.48	2,000.00
5620	Electricity	\$260,600.00	\$208,505.42	
5630	Natural Gas	\$4,500.00	\$2,865.99	
5640	Radio Communications	\$15,000.00	\$780.00	
5650	Water	\$3,000.00	\$292.37	
Repairs and Maintenance				
5710	Bldgs & Grounds	\$9,400.00	\$422.41	83,290.00
5720	Machinery & Equipment	\$58,600.00	\$13,085.30	52,005.00
Chemicals and Supplies				
5810	General Supplies	\$5,400.00	\$2,570.67	5,500.00
5820	Office Supplies	\$500.00		
5830	Materials	\$59,500.00	\$28,599.09	54,691.00
5840	Chemicals and Supplies	\$0.00	\$0.00	7,440.80
Other Expenses				
5901	General Insurance	\$140,545.00	\$74,434.19	
5904	Rent Exp.	\$2,800.00	\$0.00	1,800.00
5905	Miscellaneous	\$1,000.00	\$29.00	
5906	Postage & Freight Exp.	\$500.00	\$0.00	
5911	Laundry	\$4,000.00	\$96.27	3,415.00
5912	Associated Canals	\$45,000.00	\$20,527.75	
5913	Safety	\$3,000.00	\$1,421.58	3,725.00
5914	Subscriptions & Publications	\$200.00	\$0.00	100.00
5916	Dues & Memberships	\$500.00	\$49.60	
Total Expenses		2,229,120.00	979,894.49	1,543,223.06

Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

INFORMATION SYSTEMS
Last Update: April 7, 2006

Account	Descr	Budget 2006	Actual 31-Dec-05	Budget 2007
Salaries and Wages		310,170.00	72,386.88	631,773.00
5110	Salary & Wage Exp.	\$239,400.00	\$44,910.86	\$576,082.00
5120	Overtime Premium	1,500.00	96.03	5,000.00
5130	Vacation	14,300.00	5,377.25	568.00
5131	Sick Leave	14,900.00	7,163.80	2,826.00
5132	Holiday	9,270.00	5,036.48	
5133	Personal Leave/Funeral Leave	3,090.00	1,139.95	
5140	Personnel Training	4,000.00		
5160	Vehicle Allowance	1,500.00		1,500.00
5190	Other	300.00		
5210	Payroll Taxes	21,910.00	8,662.51	45,797.00
Employee Benefits		133,630.00	44,060.18	250,371.48
5310	Retirement Plan	33,650.00	11,492.54	74,568.00
5320	Medical Insurance Premiums	77,630.00	27,389.56	148,919.64
5330	Tuition Aid Program	6,000.00	1,148.77	
5340	Meetings & Seminars	15,000.00	3,436.00	17,700.00
5350	Insurance Premiums	1,350.00	593.31	9,183.84
Transportation		8,500.00	1,391.33	25,400.00
5410	Business Travel	8,500.00	1,227.06	25,400.00
5430	Vehicle O & M		164.27	
Professional Services		297,340.00	31,584.85	297,138.46
5530	Contract Services	287,340.00	29,319.71	287,138.46
5540	Other	10,000.00	2,265.14	10,000.00
Utilities		12,350.00	3,337.60	22,900.00
5610	Telephone	12,350.00	3,337.60	7,900.00
5640	Radio Communications			15,000.00
Repairs and Maintenance		37,610.00	2,099.31	141,445.00
5720	Machinery & Equipment	37,610.00	2,099.31	141,445.00
Chemicals and Supplies		119,800.00	17,583.50	104,692.00
5810	General Supplies	1,500.00	1,045.95	2,600.00
5830	Materials	29,900.00	2,755.28	24,900.00
5840	Chemicals			5,710.00
5850	Computer & Instr. Supplies	88,400.00	13,782.27	71,682.00
Other Expenses		2,410.00	710.75	3,800.00
5905	Miscellaneous	500.00	129.41	
5906	Postage & Freight Exp.	200.00	17.89	
5911	Laundry			1,100.00
5913	Safety	400.00	407.85	1,100.00
5914	Subscriptions & Publications	1,000.00	155.60	1,000.00
5916	Dues & Memberships	310.00		600.00
Total Expenses		921,810.00	173,154.40	1,477,719.94

Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

ENVIRONMENTAL SERVICES
Last Update: April 11, 2006

Account	Descr	Budget 2006	Actual 31-Dec-05	Budget 2007
Salaries and Wages		610,865.00	223,238.60	645,258.93
5110	Salary & Wage Exp.	\$480,800.00	\$164,157.29	\$582,850.84
5120	Overtime Premium	\$3,500.00	\$592.55	1,000.00
5130	Vacation	\$34,520.00	\$14,704.22	2,192.00
5131	Sick Leave	\$22,520.00	\$18,506.07	7,300.00
5132	Holiday	\$6,070.00	\$2,966.32	
5133	Personal Leave/Funeral Leave	\$2,030.00	\$669.25	
5140	Personnel Training	\$3,000.00	\$1,198.12	
5160	Vehicle Allowance	\$3,000.00	\$1,500.00	3,000.00
5170	Emergency Response Pay	\$12,840.00	\$4,375.00	2,600.00
5190	Other	\$0.00	\$0.00	
5210	Payroll Taxes	\$42,585.00	\$14,569.78	46,316.09
Employee Benefits		209,085.00	89,987.14	228,025.88
5310	Retirement Plan	\$66,475.00	\$28,938.51	79,544.92
5320	Medical Insurance Premiums	\$116,450.00	\$50,411.41	126,823.92
5330	Tuition Aid Program	\$1,750.00	\$0.00	
5340	Meetings & Seminars	\$21,725.00	\$9,194.31	8,000.00
5350	Insurance Premiums	\$2,685.00	\$1,436.91	8,657.04
Transportation		15,200.00	5,894.54	15,840.00
5410	Business Travel	\$15,200.00	\$5,894.54	15,840.00
Professional Services		89,000.00	19,945.16	112,680.00
5530	Contract Services	\$89,000.00	\$19,945.16	112,680.00
Utilities		9,700.00	1,322.19	9,073.00
5610	Telephone	\$9,700.00	\$1,322.19	9,073.00
Repairs and Maintenance		15,200.00	2,645.68	17,500.00
5720	Machinery & Equipment	\$15,200.00	\$2,645.68	17,500.00
Chemicals and Supplies		83,720.00	22,400.78	105,660.00
5810	General Supplies	\$700.00	\$0.00	1,000.00
5820	Office Supplies	\$5,000.00	\$314.24	
5830	Materials	\$41,520.00	\$6,244.24	57,660.00
5840	Chemicals	\$36,500.00	\$14,042.48	47,000.00
5850	Computer & Instr. Supplies	\$0.00	\$1,799.82	
Other Expenses		40,810.00	8,834.02	75,900.00
5905	Miscellaneous	\$2,810.00	\$56.06	
5906	Postage & Freight Exp.	\$2,100.00	\$3.85	1,500.00
5907	Contributions & Events	\$0.00	\$0.00	67,500.00
5911	Laundry	\$1,935.00	\$133.28	1,300.00
5913	Safety	\$24,955.00	\$5,175.24	4,600.00
5914	Subscriptions & Publications	\$2,500.00	\$586.50	1,000.00
5915	Outside Printing	\$2,500.00	\$754.09	
5916	Dues & Memberships	\$4,010.00	\$2,125.00	
Total Expenses		1,073,580.00	374,262.11	1,204,937.81

Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

OFFICE SERVICES
Last Update: April 3, 2006

Account	Descr	Budget 2006	Actual 31-Dec-05	Budget 2007
Salaries and Wages		154,820.00	162,729.65	189,088.00
5110	Salary & Wage Exp.	\$122,700.00	\$48,721.44	\$174,174.00
5120	Overtime Premium	500.00		
5130	Vacation	5,700.00	2,468.66	181.00
5131	Sick Leave	6,800.00	3,359.20	689.00
5132	Holiday	4,140.00	2,040.80	
5133	Personal Leave/Funeral Leave	1,380.00	552.00	
5140	Personnel Training	800.00	305.84	
5160	Vehicle Allowance	1,500.00	750.00	
5210	Payroll Taxes	11,300.00	4,531.71	14,044.00
Employee Benefits		74,045.00	37,056.47	88,080.00
5310	Retirement Plan	17,600.00	8,155.80	20,520.00
5320	Medical Insurance Premiums	51,755.00	27,240.22	62,340.00
5330	Tuition Aid Program	2,000.00		
5340	Meetings & Seminars	1,800.00	1,231.87	2,400.00
5350	Insurance Premiums	890.00	428.58	2,820.00
Transportation		2,300.00	1,034.65	4,400.00
5410	Business Travel	1,800.00	1,034.65	4,400.00
5430	Vehicle O & M	500.00		
Professional Services		0.00	0.00	3,252.00
5530	Contract Services			3,252.00
Utilities		600.00	146.79	600.00
5610	Telephone	600.00	146.79	600.00
Repairs and Maintenance		0.00	435.99	0.00
5720	Machinery & Equipment		435.99	
Chemicals and Supplies		34,000.00	7,080.99	21,000.00
5810	General Supplies	4,000.00	566.99	1,000.00
5820	Office Supplies	30,000.00	6,513.01	20,000.00
Other Expenses		19,275.00	7,120.92	32,920.00
5905	Miscellaneous	1,500.00	1,283.10	28,500.00
5906	Postage & Freight Exp.	2,000.00	728.05	3,500.00
5907	Contributions & Events	14,500.00	4,690.87	
5911	Laundry	150.00		
5913	Safety	425.00	166.90	170.00
5914	Subscriptions & Publications	200.00	142.00	750.00
5916	Dues & Memberships	500.00	110.00	
Total Expenses		285,040.00	115,604.47	339,340.00

METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY
FY 2007 Capital Budget

CAPACITY IMPROVEMENT PROJECTS

LC011--LCWTP Expansion	\$	625,000
LC020--LCWTP Onsite Improvements	\$	6,787,000
PM009--POMA Finished Water Pipeline	\$	11,337,000
PM010--POMA Raw Water Pipeline	\$	6,409,000
PM019--15000 South Extension	\$	245,000
PM015--Sandy City Pipelines	\$	945,000
PM005--POMWTP Project	\$	18,422,800
PM007--POMFWP Project	\$	4,869,600
PM008--POMFWR	\$	654,300
PM011--POMRWR Project	\$	502,070
PM006--UTA Bridge Project	\$	30,622
PM013--POM Off-Site Civil Project	\$	34,712
PM016--Draper Permitting Issues	\$	712,350
PM020--Land Acquisition for POMWTP	\$	175,467
Engineering Department (cc-25)	\$	1,928,986
Subtotal		\$ 53,678,906

NON-CAPACITY IMPROVEMENT PROJECTS

Title Transfer	\$	151,000
Little Dell Capital Improvement Projects	\$	85,000
LCWTP Laboratory Remodel	\$	390,500
Jordan Narrows Facilities Cathodic Protection	\$	135,000
Provo Reservoir Canal Penstock Flow Measurement	\$	15,000
Aquifer Storage and Recovery Pilot Project	\$	262,000
Subtotal		\$ 1,038,500

CONTINGENCIES

5% Project Contingency	\$	2,735,870
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EQUIPMENT PURCHASES

Structure Cover Lids	\$	21,492
Replace Field Service Vehicles	\$	61,890
Spare Equalization Pump	\$	7,500
Sluice Gate and Operators	\$	42,636
Document Management System	\$	30,500
Laboratory Information Management System	\$	155,000
LCWTP POMA Fiber Communications Equipment	\$	60,000
Storage Area Network (SAN) Server Data System	\$	50,000
Filter Actuator Replacements	\$	66,000
Terminal Reservoir Actuator for Gate Seven	\$	12,000
Subtotal		\$ 507,018

JVWCD	\$	961,000
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TOTAL		\$ 58,921,295
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Metropolitan Water District of Salt Lake & Sandy
Fiscal Year 2007

PROJECT ENGINEERS
Last Update: April 7, 2006

Account	Descr	Budget 2006	Actual 31-Dec-05	Budget 2007
Salaries and Wages		766,220.00	632,494.66	400,717.00
5110	Salary & Wage Exp.	\$602,700.00	\$260,586.49	\$359,892.00
5120	Overtime Premium	4,000.00	422.81	2,000.00
5130	Vacation	41,500.00	18,567.47	2,150.00
5131	Sick Leave	38,000.00	21,931.89	8,280.00
5132	Holiday	16,900.00	7,443.45	
5133	Personal Leave/Funeral Leave	5,620.00	1,294.41	
5140	Personnel Training	3,000.00		
5210	Payroll Taxes	54,500.00	22,248.44	28,395.00
Employee Benefits		291,550.00	133,428.73	146,047.80
5310	Retirement Plan	97,750.00	42,990.41	48,958.00
5320	Medical Insurance Premiums	181,140.00	83,006.94	91,406.76
5330	Tuition Aid Program	4,100.00	1,586.54	
5340	Meetings & Seminars	5,500.00	4,114.00	600.00
5350	Insurance Premiums	3,060.00	1,725.84	5,083.08
Transportation		26,700.00	4,269.84	14,700.00
5410	Business Travel	12,000.00	738.52	6,650.00
5430	Vehicle O & M	14,700.00	3,531.32	8,050.00
Professional Services		876,300.00	119,769.26	719,600.00
5510	Legal	276,000.00	35,420.95	60,000.00
5530	Contract Services	600,300.00	84,048.31	659,600.00
Utilities		4,300.00	1,219.19	3,900.00
5610	Telephone	4,300.00	1,219.19	3,900.00
Chemicals and Supplies		31,600.00	15,836.59	2,300.00
5810	General Supplies	16,600.00	2,293.59	2,300.00
5850	Computer & Instr. Supplies	15,000.00	13,543.00	
Other Expenses		7,265.00	1,210.70	632,420.00
5905	Miscellaneous			630,000.00
5906	Postage & Freight Exp.	3,000.00		
5911	Laundry	500.00		310.00
5913	Safety	765.00	861.70	510.00
5914	Subscriptions & Publications	800.00	69.00	500.00
5915	Outside Printing	800.00		
5916	Dues & Memberships	1,400.00	480.00	1,100.00
Total Expenses		2,003,935.00	608,124.27	1,919,684.84

METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY

2006-07 DEBT SERVICE

Last Update: April 3, 2006

ANNUAL LONG-TERM DEBT PAYMENTS (PRINCIPAL ONLY)

	<u>FY 2005-06</u>	<u>FY 2006-07</u>
PRWUA	\$112,788	\$112,788
Series 2002B	\$710,000	\$735,000
Series A-3	\$200,000	\$200,000
Series 2003A	\$395,000	\$405,000
Series 2004A	\$1,635,000	\$1,655,000
Series 2005A	\$650,000	\$325,000
	<u>\$3,702,788</u>	<u>\$3,432,788</u>

Metropolitan Water District of Salt Lake and Sandy

Debt Service Coverage on Outstanding Bonds

Last Update: April 18, 2006

Budgeted Revenues		\$33,147,138
Budgeted O & M Expenses	\$22,843,868	
Less: Interest Expense	<u>\$10,338,316</u>	
Adjusted O & M Expense		<u>\$12,505,552</u>
Funds Available for Debt Service Payments		\$20,641,586
Debt Service Payments		\$13,771,104
Coverage		1.50
Minimum Coverage		1.25

METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY

RESERVE FUNDS

Last Update: April 12, 2006

FUND	EXISTING	PROPOSED
Operations and Maintenance Reserve (as of 2/28/06)	\$17,020,111	\$12,431,510
Capital Projects Reserve	\$650,000	\$4,013,756
Self-Insurance/Contingency Reserve	\$0	\$2,000,000
Jordan Aqueduct Reserve	\$35,208	\$36,570
JWWTP O & M Reserve	\$0	\$20,000
Interest Rate Stabilization Reserve	\$938,898	\$938,898
Drought Mitigation Reserve	\$0	\$0

Staffing and Compensation Plan

I. Staffing Levels:

The EMA Organizational, Staffing, and Operational Review that took place in fiscal year 2006 was effective in guiding and directing the District in its future staffing and workforce needs. The District is in the process of implementing the recommendations and anticipates July 1, 2006 to be the projected date for all approved positions to be filled. The following chart reflects these staffing levels. Note that the fiscal year 2006 numbers were projections in the budget. The actual total of employees was capped at 69. Current discussions regarding expansion of the lab to facilitate additional testing for Salt Lake City would lead to an adjusted total of 71 FTEs.

Staffing Levels:

Department	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Administration	4	4	4.5	4	4
O&M Department	27.5	27.5	34	32	32
Information Systems	5	5	7	12	13
Environmental Services	10	10	11	12	12
Office Services	4	5	5	5	5
Engineering	7	9	9	6	5
Totals	57.5	60.5	70.5	71	71

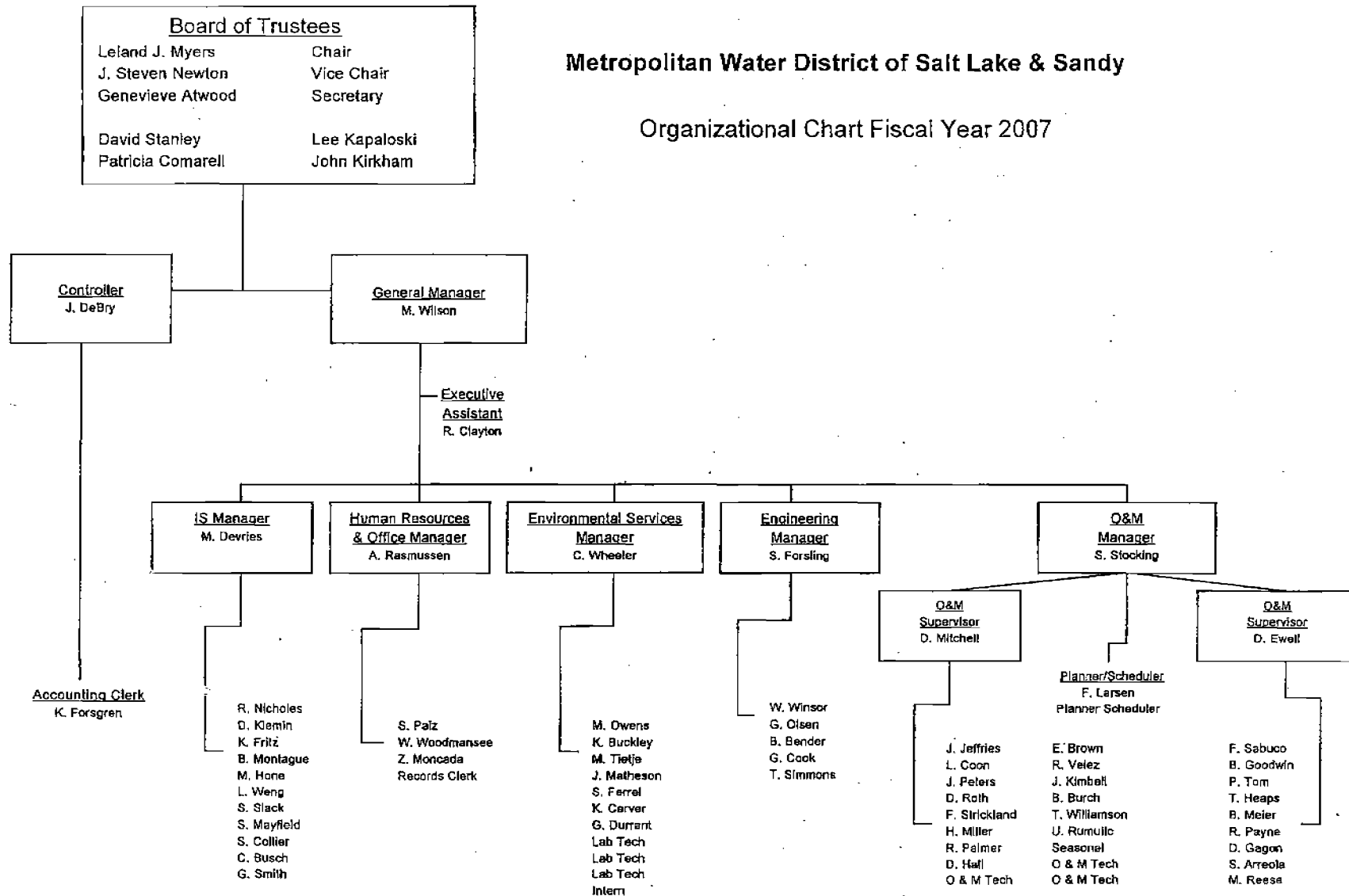
II. Organizational Charts:

A. Fiscal Year 2007 Organizational Chart- Attachment A

Attachment A

Metropolitan Water District of Salt Lake & Sandy

Organizational Chart Fiscal Year 2007



Staffing and Compensation Plan

II. Benefits

The District offers employees a benefits package. This benefits package requires a significant financial contribution on the part of the District. For more information regarding the specific plans, please refer to the Metropolitan Water District of Salt Lake City & Sandy Employee Manual.

In addition to those mandated by law, the District voluntarily provides the following benefits:

- 401(k) Savings Plan and Matching Program
- Cafeteria Plan (Medical and Child Care Expenses)
- Dental Insurance
- Educational Assistance
- Health Insurance
- Life Insurance
- Long-term Disability
- Personal Leave
- Retirement Program (Utah Retirement Systems)
- Sick Leave
- Vacation Leave
- Employee Assistance Program
- Accidental Death and Dismemberment
- Health Savings Accounts

The following tables reflect calendar year 2006 group insurance benefit facts.

A. District Insurance Facts – See Attachment A.

Attachment A

Insurance Information

Last update: April 4, 2006

Current Enrollment: Medical	Single	Family	Double	Total Enrolled	Enrolled
IHC Care Plus	7	31	15	53	77%
New Hires/Open Positions	0	15	0	15	22%
Employees Without	0	1	0	1	1%
Total	7	47	15	69	100%
IHC Insurance Premiums (monthly)	Single	Family	Double	Total Monthly	
IHC Care Plus	\$ 192.60	\$ 539.20	\$ 398.60		
Multiplied by enrollment status	\$ 1,348.20	\$ 24,803.20	\$ 5,979.00		\$ 32,130
Health Savings Account	Single	Family	Double	Total Monthly	
Monthly Amount	\$ 216.67	\$ 429.17	\$ 429.17		
Multiplied by enrollment status	\$ 1,516.67	\$ 19,741.67	\$ 6,437.50		\$ 27,695
Current Enrollment: Dental	Single	Family	Double	Total Enrolled	Enrolled
Traditional Dental	0	3	0	3	4%
Preferred Dental	6	27	17	50	72%
New Hires/Open Positions	0	15	0	15	22%
Employees Without	0	1	0	1	1%
Total	6	46	17	69	100%
Dental UICG Premiums (monthly)	Single	Family	Double	Total Monthly	
Traditional Dental (District portion is maximum of \$91.93)	\$ 55.22	\$ 102.13	\$ 70.13		
Preferred Dental	\$ 49.72	\$ 91.93	\$ 63.14		
Multiplied by enrollment status	\$ 298.32	\$ 4,136.85	\$ 1,073.38		\$ 5,509
Life Insurance AD&D, LTC, LTD, EAP, Other				Total Monthly	
Total Employees	69				
Basic Life (\$50,000)	\$ 13.50				
Basic AD&D (\$50,000)	\$ 3.00				
Additional AD&D (\$250,000)	\$ 9.50				
Long-term care	\$ 8.61				
Long-term disability (average amount)	\$ 25.77				
APS Health Care (Employee Assistance Program)	\$ 2.01				
Monthly Amount	\$ 62.39				\$ 4,305
Monthly Totals Medical/HSA/Dental/Other				\$	69,640
Annual Total Expenses				\$	835,676
Annual Expenses with Estimated 5% Increase in Medical Premiums, 1% increase in Dental Premiums				\$	71,301
Annual Total Expenses				\$	855,616

Staffing and Compensation Plan

III. Job Grades & Salary Ranges:

A. Proposed Job Grades & Salary Ranges- Attachment A

Attachment A reflects a 2.0% salary range adjustment. The information is based on the Wells Fargo Wasatch Front cost of living index.

In order to maintain employee wage ranges that are competitive with other comparable Wasatch Front communities including Salt Lake City and Sandy City, the District conducts an annual wage and benefits survey of relevant communities. A classification analysis is used for any positions that do not have a comparable match with such communities. This analysis is based on: level of education, experience requirements, supervisory and financial responsibilities, level of risk in position, and the analytical requirements of the position.

B. Salary Survey Recommendations:

<u>Job Title</u>	<u>FLSA Status</u> <u>Current</u>	<u>FLSA Status</u> <u>Recommendation</u>	<u>Current</u> <u>Grade</u>	<u>Grade</u> <u>Recommended</u>
Procurement Analyst	Non Exempt	No Change	Grade 12	Grade 13
Systems Administrator	Non Exempt	Exempt (Salary)	Grade 16	Grade 17

C. EMA Recommendations:

<u>New Job Title</u>	<u>FLSA Status</u> <u>Current</u>	<u>FLSA Status</u> <u>Recommendation</u>	<u>Current</u> <u>Grade</u>	<u>Grade</u> <u>Recommended</u>
Accounting Clerk	Does not exist	Non Exempt	Does not exist	Grade 11
Executive Assistant	Does not exist	Non Exempt	Does not exist	Grade 12
Human Resources Administrator (AP, Payroll)	Exempt	Reclassified	Grade 17	Reclassified
Human Resources/ Office Manager	Does not exist	Exempt	Does not exist	Grade 17
Controller	Exempt	No Change	Grade 22	Grade 19

Attachment A

JOB GRADES AND SALARY RANGES

Fiscal Year 2007

Effective July 1, 2006

Last updated: April 4, 2006

Grade	Position Description	E/N	Monthly Salary Range			Annual Salary Range		
			Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
10	O&M 1	N	1,661	2,235	2,802	19,938	26,717	33,496
	Receptionist	N	1,661	2,226	2,791	19,938	26,717	33,496
	Security Guard	N	1,661	2,226	2,791	19,938	26,717	33,496
11	O&M 2	N	2,027	2,685	3,344	24,321	32,225	40,129
	Records Clerk	N	2,027	2,685	3,344	24,321	32,225	40,129
	Accounting Clerk	N	2,027	2,685	3,344	24,321	32,225	40,129
12	O&M 3	N	2,453	3,176	3,900	29,434	38,118	46,801
	Executive Assistant	N	2,453	3,176	3,900	29,434	38,118	46,801
	Aqueduct Inspector	N	2,453	3,176	3,900	29,434	38,118	46,801
13	O&M 4	N	2,772	3,534	4,297	33,263	42,411	51,558
	Procurement Analyst	N	2,772	3,534	4,297	33,263	42,411	51,558
	Control Systems Technician	N	2,772	3,534	4,297	33,263	42,411	51,558
	Lab Technician	N	2,772	3,534	4,297	33,263	42,411	51,558
14	Planner-Estimator	N	3,077	3,924	4,770	36,928	47,084	57,239
	GIS Technician	N	3,077	3,924	4,770	36,928	47,084	57,239
15	IT Analyst	N	3,385	4,316	5,247	40,619	51,789	62,959
16	Journeyman Electrician	N	3,724	4,748	5,772	44,687	56,976	69,265
	Maintenance Supervisor	E	3,724	4,748	5,772	44,687	56,976	69,265
	Operations Supervisor	E	3,724	4,748	5,772	44,687	56,976	69,265
	Project Manager III	E	3,724	4,748	5,772	44,687	56,976	69,265
	Environmental Services Administrator III	E	3,724	4,748	5,772	44,687	56,976	69,265
17	Systems Administrator	E	4,097	5,223	6,350	49,158	62,677	76,195
	Human Resources/Office Manager	E	4,097	5,223	6,350	49,158	62,677	76,195
	Project Manager II	E	4,097	5,223	6,350	49,158	62,677	76,195
	Environmental Services Administrator II	E	4,097	5,223	6,350	49,158	62,677	76,195
18	Project Manager I	E	4,465	5,693	6,921	53,579	68,313	83,047
	Environmental Services Administrator I	E	4,465	5,693	6,921	53,579	68,313	83,047
19	Senior Project Manager	E	4,822	6,148	7,474	57,861	73,773	89,685
	Operations & Maintenance Manager	E	4,822	6,148	7,474	57,861	73,773	89,685
	Controller	E	4,822	6,148	7,474	57,861	73,773	89,685
20	Environmental Services Manager	E	5,208	6,640	8,072	62,496	79,683	96,869
	Engineering Manager	E	5,208	6,640	8,072	62,496	79,683	96,869
	Information Systems Manager	E	5,208	6,640	8,072	62,496	79,683	96,869
25	General Manager	E	7,305	9,314	11,323	87,661	111,768	135,874

Staffing and Compensation Plan

IV. Wage and Salary Statistics:

2006 Salary Review Comparison:

Entity	2005 Total	2006 Total	Merit	COLA	Date Applied
Salt Lake City	3.5%	3.7%	1.5%	2.2%	*Proposed FY 06
Sandy City	7%	5%+	5%	-	*Awaiting market Survey
Jordan Valley Water Conservancy District	3.9%	4%	2%	2%	*Proposed for July 1, 2006
Weber Basin Water Conservancy District	4%	4.25%	1.25%	3%	COLA - Jan. 2006 Merit given April 2006
Provo River Water Users Association	3%	3%	-	-	Approved FY 07 Nov. - Oct.
Central Utah Water Conservancy District	4%	4%	4%	-	Proposed for July 1, 2006
Metropolitan Water District of Salt Lake & Sandy	4.5%	4.5%			Proposed FY 07

*Salary ranges adjust with Market

Cost of Living:

Source (Jan. 1 - Dec. 31)	2005
Kiplinger National	3.40%
Wells Fargo National	3.40%
Wells Fargo Wasatch	2.00%
World at Work National	4.00%
World at Work Western Region Public Administration	2.00%

MWDS	Current Annual Salary
	\$3,054,322.40
Salary Increase	Annual Salary Amount
4%	\$3,176,495.30
4.5%	\$3,191,766.91
5%	\$3,207,038.52