



REPORT TO WEST JORDAN CITY COUNCIL REGARDING A PROPOSED PROPERTY TAX RATE INCREASE FOR 2023

July 26, 2023

Jordan Valley Water Conservancy District is proposing a property tax increase for its fiscal year 2023/2024 budget.

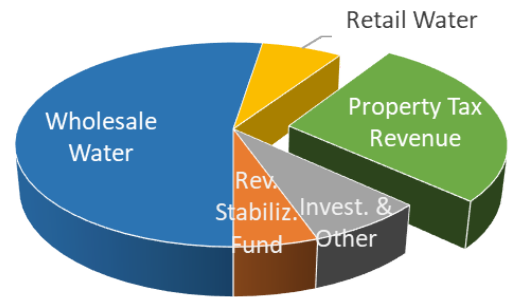
A public hearing is scheduled for August 9, 2023, at 6:00 p.m., where citizens will be able to attend and ask questions or make comments.

A growing service area and increasing water demands require additional water supplies and infrastructure, costing millions of dollars.

Summary information regarding Jordan Valley's proposed property tax increase:

FROM JORDAN VALLEY'S 2023/2024 TENTATIVE BUDGET:

Total budgeted revenue	\$98.7 million
Property tax revenue as a percentage of total budgeted revenue	29%
Amount of additional revenue from the proposed property tax increase	\$2.3 million
Percent increase in property tax revenue	9.3%
Percent increase in property tax revenue to the total annual cost of water (average residence)	1.8%



PROPERTY TAX INCREASE AMOUNT FOR A HOME OR BUSINESS:

	\$400,000		\$550,000		\$700,000	
	Home	Business	Home	Business	Home	Business
Current annual property tax	\$68.64	\$124.80	\$94.38	\$171.60	\$120.12	\$218.40
New annual property tax	\$75.02	\$136.40	\$103.15	\$187.55	\$131.29	\$238.70
Annual property tax increase	\$6.38	\$11.60	\$8.77	\$15.95	\$11.17	\$20.30

PURPOSE FOR ADDITIONAL PROPERTY TAX REVENUE:

Major capital projects and debt needs over the next five years, which property tax helps support.

Treatment plant upgrades and expansion	\$69.6 million
Two new storage reservoirs	\$40.0 million
New Southwest Aqueduct segment	\$35.0 million
New wells and groundwater development	\$10.3 million
Debt service from \$190 million of new bonds to be issued	\$30.0 million