



## **FOLLOW-UP NOTICE TO BOUNTIFUL CITY UTILITY CUSTOMERS**

State law requires that the City provide a follow-up disclosure on any approved City budgets, or budget amendments, that include transfers out of any utility Enterprise Fund. This document is that notice which alerts the public of the following actions taken by the City Council.

On Tuesday, June 11, 2019, the City Council approved the Fiscal Year (FY) 2020 budget after a public hearing. This budget included a transfer of \$2,490,000 from the Power Fund to the General Fund, and transfer of \$240,485 from the Landfill Fund to the Recycling Fund. The following two paragraphs provide more detail regarding these transfers:

### **FY 2020 Budget – \$2,490,000 Transfer from Light & Power Fund to the General Fund**

Historically, Bountiful has budgeted for the transfer of 10% of Electric Metered Sales from the Light & Power Fund to the General Fund. The approved FY2020 transfer of \$2,490,000 represents 7.9% of total budgeted expenditures in the Light & Power Fund.

The transferred funds are used each year to help cover the costs of important services like police, street maintenance and snow removal, fire and emergency medical services, parks, and similar City services. The utility transfer helps keep property taxes in Bountiful low. The transfers also provide a means for reimbursement of the General Fund for services provided to non-property tax paying groups such as non-profit organizations, churches, and governmental entities.

### **FY 2020 Budget – \$240,485 Transfer from Landfill Fund to the Recycling Fund**

This approved transfer of \$240,485 from the Landfill Fund to the Recycling Fund is made to subsidize operations of the City's recycling operations in order to avoid user fee increases to customers during a period of a difficult global recycling market. It is anticipated that the recycling market will stabilize in the near future and a subsidy transfer will not be necessary, until such time, this transfer ensures continued recycling services while not increasing customer rates. The FY 2020 transfer of \$240,485 represents 10.8% of total budgeted expenditures in the Landfill Fund.

On Tuesday, June 25, 2019, the City Council held a public hearing on the FY2019 transfer of \$120,000 from the Landfill Fund to the Recycling Fund. The following paragraph provides more detail regarding this transfer:

### **FY2019 Budget Amendment – \$120,000 Transfer from Landfill Fund to the Recycling Fund**

This approved budget amendment included a transfer of \$120,000 from the Landfill Fund to the Recycling Fund. This transfer was made to subsidize operations of the City's recycling operations in order to avoid user fee increases to customers during a period of a difficult global recycling market. The FY 2019 transfer of \$120,000 represents 8.7% of total budgeted expenditures in the Landfill Fund.

Thank you for your support and involvement as a customer of Bountiful City's utilities.