

NOTICE TO PROVO CITY UTILITY CUSTOMERS

State law requires that Provo City provide an annual disclosure of funds transferred from the utility enterprise funds to other funds. The following paragraphs explain the various transfers from enterprise funds to other funds in the proposed 2027 budget.

Historically, Provo has budgeted for the transfer of utility fund revenues to the General Fund as a “dividend” to Provo taxpayers as the result of the taxpayers’ investment in the City’s utility infrastructure. These funds are used each year to help cover the costs of important City services like police, fire, parks and recreation, and other city functions. The utility transfer, together with franchise fees, helps keep property taxes in Provo low. If City utility services were provided by private utility owners, these dividends would instead be paid to investor-owners. Because Provo taxpayers are the investor-owners, these dividends are used to offset what otherwise would be a significant increase in property tax rates. The transfer totals \$17,191,441 in the proposed 2027 budget.

It is more cost effective and operationally efficient for certain administrative functions such as legal, human resources, information technology and finance to be administered on a city-wide basis. Transfers from the funds receiving the benefit of these administrative services to the General Fund totaling \$1,919,836 have been included in the proposed 2027 budget.

This table outlines the transfers described above:

Transfer From	Transfer to General Fund		Total Transfer	Percent of Total Rev
	Transfer	Administrative Overhead		
Energy	\$ 9,875,316	\$ 637,267	\$ 10,512,583	12%
Water	2,408,000	504,447	2,912,447	13%
Wastewater	3,250,000	476,762	3,726,762	11%
Sanitation	890,625	198,332	1,088,957	14%
Storm Drain	767,500	103,028	870,528	13%
Total	\$ 17,191,441	\$ 1,919,836	\$ 19,111,277	12%

Public hearings regarding transfers from the enterprise funds to other funds for the fiscal year beginning July 1, 2026, and ending June 30, 2027, will be held during the Council Meeting on Tuesday, June 23, 2026. The meeting starts at 5:30 p.m. and will be held in the Council Chambers of the Provo City Hall Building, 445 W Center Street, Provo, Utah. The meeting will also be available to the public for live broadcast and on-demand viewing at: [youtube.com/provocitycouncil](https://www.youtube.com/provocitycouncil). Those who would like to participate in the meeting virtually may do so via Zoom. To join the Zoom meeting, visit zoom.us/join and enter Meeting ID 862 8479 1822 and Passcode 185104. To listen or comment via phone, dial 346-248-7799, enter Meeting ID 833 9747 5081 press #. Press # again for participant ID. Once connected, press *9 to indicate that you would like to comment.

Thank you for your support and involvement as a customer of Provo City’s utilities.