



## PUBLIC HEARING

### Payson City Budget Transfers and Administrative Fees Fiscal Year 2020

In accordance with Utah State Law and Payson City budgeting practices, Payson City will hold a **public hearing** on **June 5, 2019 at 6:00 pm** in the Payson City Council Chambers located at **439 West Utah Avenue, Payson Utah**, to discuss proposed transfers from enterprise funds and administrative fees charged to enterprise funds. Anyone desiring to address the Payson Municipal Council on this issue is invited to this public hearing.

A transfer is the movement of cash or other resources from one fund to another. Payson City has utilized transfers from enterprise funds as a General Fund financing mechanism for many years. If budgeted and planned for correctly, transfers from enterprise funds can help to defray the cost of services such as public safety, public works, parks and recreation and general governmental services, and consequently, keep property taxes low.

If City utility services were provided by private utility companies, dividends would be paid to investor-owners. Because Payson taxpayers are the investor-owners, dividends are paid to the taxpayers in the form of a transfer to the general fund. Without the transfers, Payson City would either have to significantly raise property taxes or significantly cut services.

Indirect Service charges are not the same as transfers. While transfers are a movement of cash or resources without compensation, indirect services are charges for centralized services provided by the general fund to the other funds of the City. Such services include but are not limited to utility billing, accounting, payroll, legal, human resources, facility management, vehicle maintenance, and information systems service. Administrative fees are allocated by the finance department in a reasonable and rational manner.

Following are the proposed Fiscal Year 2020 transfers and administrative fees from the enterprise funds:

<b>Fund</b>	<b>Proposed Total Expenditures FY2020</b>	<b>Transfer To</b>	<b>Amount of Transfer</b>	<b>% of Total Expenditures</b>	<b>Indirect Services</b>	<b>% of Total Expenditures</b>
Electric	\$ 11,689,493	General	\$ 1,147,500	9.8%	\$ 566,751	4.8%
Solid Waste	2,522,904	General	194,386	7.7%	552,957	21.9%
Solid Waste	2,522,904	Capital Projects	70,000	2.8%	-	-
Waste Water	5,984,799	General	229,500	3.8%	411,251	6.9%
Water	9,464,097	General	320,998	3.4%	401,230	4.2%
Ambulance	916,425	General	67,680	7.4%	58,038	6.3%
Golf	1,022,983	General	-	-	57,441	5.6%
Storm	681,786	General	-	-	170,834	25.1%

Please visit our city web page [paysonutah.org](http://paysonutah.org) to view the full tentative budget. Thank you for your support and involvement as a customer of Payson City's utilities.