

Announcement of Budget Adoption That Includes or is Based on a Transfer of Money From an Enterprise Fund to Another Fund of the City of Logan For Fiscal Year 2021

In accordance with Utah State Law and Logan City budgeting practices, Logan City announces the adoption of a budget that includes a transfer of money from an enterprise fund to another fund of the City of Logan.

A transfer is the movement of cash or other resources from one fund to another. Logan 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. But for transfers, Logan City would either have to raise property taxes significantly or cut services significantly. Where private sector utility companies are in business to provide a return on investment to its shareholders, Logan City's shareholders, its taxpayers and citizens, receive this return on investment as a transfer to the General Fund.

The transfer from the Environmental Health Fund to the 911 Fund is composed of the garbage can fees used to fund the 911 system and radio equipment. The transfer is simply the legal justification used to obtain the funding needed for the 911 system.

Administrative fees are not the same as transfers. While transfers are a movement of cash or resources without compensation, administrative fees 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, shops and garage, and facility management. Administrative fees are allocated by the finance department in a reasonable and rational manner.

The following are the Fiscal Year 2021 transfers and administrative fees:

Fund	Proposed Expenditures		Transfer	% of Expenditures	Admin Fees	% of Expenditures
	FY 2021	Transfer To				
Water & Sewer	14,427,500	General Fund	1,009,750	7.0%	1,371,201	9.5%
Sewer Treatment	9,125,000	General Fund	501,875	5.5%	236,652	2.6%
Electric	40,247,077	General Fund	2,849,120	7.1%	1,468,448	3.6%
Environmental Health	16,160,137	General Fund	1,225,760	7.6%	1,546,619	9.6%
Environmental Health	16,160,137	911 Fund	825,000	5.1%	-	0.0%
Golf Course	1,261,262	General Fund	-	0.0%	22,537	1.8%
Storm Water Management	2,402,203	General Fund	-	0.0%	537,203	22.4%