

PUBLIC HEARING
Logan Budget Transfers and Administrative Fees Fiscal Year 2020

In accordance with Utah State Law and Logan City budgeting practices, Logan City will hold a public hearing on June 4, 2019 at 5:30 pm in the Logan City Council Chambers located at 290 North 100 West, Logan Utah, to discuss proposed transfers from and administrative fees charged to enterprise funds. Anyone desiring to address the Logan 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. 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 be required 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 2020 transfers and administrative fees:

Fund	Proposed Expenditures		Transfer	% of		% of
	FY 2020	Transfer To		Expenditures	Admin Fees	
Water & Sewer	13,754,000	General Fund	953,330	6.9%	1,363,808	9.9%
Sewer Treatment	8,433,950	General Fund	458,917	5.4%	225,991	2.7%
Electric	36,048,000	General Fund	2,840,960	7.9%	1,440,961	4.0%
Electric	36,048,000	Capital Projects	286,000	0.8%	-	0.0%
Environmental Health	17,356,697	General Fund	1,072,080	6.2%	1,511,391	8.7%
Environmental Health	17,356,697	911 Fund	825,000	4.8%	-	0.0%
Golf Course	1,200,645	General Fund	-	0.0%	22,917	1.9%
Storm Water Management	2,769,123	General Fund	-	0.0%	532,835	19.2%

Please feel free to contact Rich Anderson, Logan City Finance Director at 435-716-9180 with any questions.