



NOTICE TO BOUNTIFUL CITY UTILITY CUSTOMERS

State law requires that the City provide an annual disclosure on amounts transferred from utility Enterprise Funds to the General Fund. Historically, Bountiful has budgeted for the transfer of 10% of Electric Metered Sales. These 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 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. Viewed in another way, these transfers are a “dividend” to Bountiful taxpayers as the result of the taxpayers’ original investment in the City’s power infrastructure. If City utility services were provided by private utility customers, these dividends would instead be paid to investor-owners; because Bountiful taxpayers are the investor-owners, these dividends are used to offset what otherwise would be a significant increase in property tax rates.

Amended Transfer from Light & Power Fund to the General Fund (Fiscal Year 2024-2025)

Bountiful originally estimated transferring \$ 3,072,651 from the Light & Power Fund to the General Fund. Due to higher-than-expected power consumption, this transfer is proposed for amendment in the amount of \$150,000 (total of \$3,222,651 after amendment). The amended transfer still represents 10% of elected metered sales and 8.1% of total budgeted expenditures in the Light & Power Fund.

	Dollar Amount	% of Expenditures
Transfer from the Power Fund to the General Fund	\$ 3,222,651	8.1%

Transfer from Light & Power Fund to the General Fund (Fiscal Year 2025-2026)

Bountiful City intends to transfer 10% of Electric Metered Sales (\$3,164,831) from the Light & Power Fund to the General Fund in Fiscal Year 2026. This transfer represents 7.2% of total budgeted expenditures in the Light & Power Fund.

	Dollar Amount	% of Expenditures
Transfer from the Power Fund to the General Fund	\$3,164,831	7.2%

A public hearing for each of these transfers will be held separately on Tuesday, June 10, 2025, at the City Council meeting beginning at 7:00 p.m. in the Council Chambers, Bountiful City Hall, 795 South Main, Bountiful. The public hearing will be to discuss the Fiscal Year 2024-2025 amended transfer and the Fiscal Year 2025-2026 transfer from the Power Fund to the General Fund. All interested parties are invited to attend.

Utility Rate Adjustments to Support Infrastructure Improvements in Bountiful City

Beginning **July 2025**, Bountiful City plans to implement several utility rate adjustments to fund essential infrastructure improvements. These changes are necessary to ensure reliable utility services and to prepare the city for long-term sustainability.

- A **3% increase in power rates** will address rising costs for materials, construction, and energy production. The proposed budget supports upgrading and replacing aging infrastructure and includes funding to **rebuild a nearly 50-year-old substation** in the northwest part of the city. This critical project will modernize Bountiful City's electrical grid and improve reliability.
- A **20% increase in water rates** will also address the rising construction and materials costs and support the replacement of aging water infrastructure. The first priority is the **Millcreek Reservoir**, which is nearly 100 years old and holds 3 million gallons. It is the **first of three planned reservoir replacements** over the next decade. Due to the foresight of past city leaders, Bountiful holds **strong water rights**, with more than enough supply for the future. A **fourth major project** will develop one of these secured sources to further ensure long-term water security.
- A **\$0.50 increase in the monthly Storm Water Utility Fee per equivalent residential unit (ERU)** will help fund **repairs and replacements to the City's extensive and vital storm drain system**. This infrastructure plays a key role in protecting property and the environment during heavy rainfall and snowmelt.

These strategic investments reflect Bountiful City's commitment to providing high-quality, sustainable utility services for generations to come. For more information, please visit www.bountifulutah.gov.

A public hearing on the budget will be held on Tuesday, June 10, 2025, at the City Council meeting beginning at 7:00 p.m. in the Council Chambers, Bountiful City Hall, 795 South Main, Bountiful. All interested parties are invited to attend.

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