



Notice of Adoption of Fiscal Year 2020-2021 Budget Unbilled Utility Services

Purpose: Notification of adoption of the proposed fiscal year 2020-2021 budget and non-reciprocal transfers for unbilled utility services from the Electric, Water, and Sewer Funds to other City Funds.

Background: The City of St. George, Utah held its public hearings on June 4, 2020 to review and take public comment regarding the proposed fiscal year 2020-2021 budget and non-reciprocal transfers from unbilled utility services. On June 18, 2020 the Council approved the adoption of the unbilled utility services from the Electric, Water, and Sewer Funds to other City Funds.

The City of St. George has funds that operate as business-type funds, providing water, energy, and sewer collection and treatment services to customers and charging fees based upon consumption (usage) at rates established by the St. George City Council. Most city-owned facilities are charged for these services, but some services are provided at no cost to the City. For example, the Water Fund provides water and irrigation water to some city parks, landscaping, city facilities, golf courses, and right-of-ways. Similarly, the Electric Fund provides power to city wells and pump stations used by the Water Fund to distribute water to customers.

The costs indicated in this notice are already included in the rates utility customers are currently paying, and we estimate that each customer is billed an average of \$1.80 per month for these costs. This notice is for informational purposes only and this practice of unbilled utility services does not result in a proposed increase in the water, electric, or sewer rates. However, the 2020-2021 budget does include approved rate increases due to increased costs from suppliers and other infrastructure needs. The approved water increase incorporates a passthrough of a \$0.10 per 1,000 gallons increase in wholesale rates from the Washington County Water Conservancy District; the approved electric increase is \$1.00 per month to the base rate for our residential customers; and the approved sewer increase is \$3.50 per month per equivalent residential unit.

For next fiscal year 2020-2021, the amount of unbilled utility services are budgeted as follows:

Fund Receiving Service	Unbilled Electricity	Unbilled Water & Irrigation	Unbilled Sewer
General Fund	\$ 37,000	\$ 1,020,000	\$ 41,000
Water Fund	\$ 930,000	\$ 31,000	\$ 2,500
Energy Fund	\$ 47,000	\$ 2,000	\$ 4,000
Regional Wastewater Treatment	\$ 0	\$ 37,000	\$ 0
Public Transit Fund	\$ 0	\$ 500	\$ 500
Total Unbilled Amount	\$ 1,014,000	\$ 1,090,500	\$ 48,000

For questions or comments regarding this public notice, please contact the following individuals at 435-627-4000.

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