

Danny Crowe
Lawrence Flynn
Eric Shytle



Reflections on Azar

Enterprise Fund Transfers

KOMPLET

Ways to Transfer from the Enterprise Fund

2

- Direct Transfers**
For economic development, community programming, or otherwise.
- Indirect Cost Recovery**
For example, an allocation for a percentage of administrative time
- Discretionary Transfers**
Transfers from profit of the system
- Other Structured Transactions**
Franchise fees, payments in lieu of taxes, voluntary exactions



KOMPLET

So what does Azar say about direct transfers?

Such revenues "must be used to pay costs related to the provision of the service or program for which the fee was paid."

Economic Development?
Is adding new customers sufficient?

Enterprise Fund

Community Outbreak?

What about a water bill subsidy program?

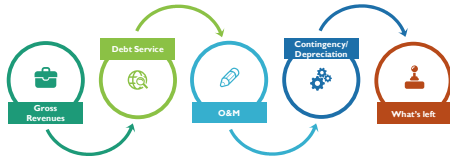
Parks, Gardens, Other Assets?
Should you create a legislative finding for every "related" expenditure you make?

KOMPLET

3

What about discretionary transfers?

Cash Flow of the Enterprise System



Under Azar, only "surplus revenues" can leave the system.

Are There Alternatives?