

Memo

To: Village Board

Fr: Julie Beauchamp, Finance Director

Re: Water Rate Case 2021

Date: February 25, 2021

At its February 22, 2021, meeting, the Finance/Personnel Ad Hoc Committee moved to recommend to the Village Board the approval of a full water rate case study. As noted in the committee minutes, the Village completed a full water rate case study, known as a conventional rate case (CRC) in 2016. The Village also completed a simplified rate case (SRC) which provides for a 3% increase, effective 02/01/2020.

Central Brown County Water Authority (CBCWA) charges account for 64% of the budgeted 2021 water utility operating expenses. CBCWA charges were \$2,024,868 in 2017, decreased to \$1,829,655 in 2018; but have steadily increased since 2018 with a 2021 budget of \$2,012,445. In addition, debt service of \$596,053 in 2017 has increased over time to \$768,357 for 2021. (The 2021 borrowing will result in an additional increase in debt service costs in 2022.) These increased costs are resulting in negative cash flows. While the Village would qualify for another 3% SRC, it is recommended that a CRC be done which is much more in depth and will allow for rate adjustments based on cost recovery and affordability as well as other factors.

The water utility is regulated by the Public Service Commission (PSC) of Wisconsin which sets the rates we charge for water use. It is being proposed that the Village hire a consultant to perform the water rate case study as has been done in the past.

One of the questions asked at the committee level was how our rates compare to our neighbors. While there are many factors that affect water rates charged, attached are quarterly water bill comparisons for Brown County for both residential and commercial customers.

PSC of Wisconsin - Quarterly Water Bill Comparison for Brown County - **Residential** Customer Class

Utility ID	Utility Name	Rate Schedule	County	Utility Class	Minimum Quarterly Bill (0.625 inch meter)	6000 GAL	12000 GAL	15000 GAL	18750 GAL	75000 GAL	Effective Date	Footnote
70	Village of Allouez Water Department	Mg-1R	Brown	AB	\$ 33.99	\$ 67.35	\$ 110.61	\$ 132.24	\$ 159.28	\$ 680.94	2/1/2020	3
255	Ashwaubenon Water And Sewer Utility	Mg-1	Brown	AB	\$ 24.00	\$ 44.28	\$ 64.56	\$ 74.70	\$ 87.38	\$ 277.50	6/1/2006	1
430	Bellevue Water Utility	Mg-1	Brown	AB	\$ 28.74	\$ 64.32	\$ 99.90	\$ 117.69	\$ 139.93	\$ 473.49	7/20/2015	1, 3
1600	Denmark Municipal Water Utility	Mg-1	Brown	D	\$ 30.30	\$ 56.10	\$ 81.90	\$ 94.80	\$ 110.93	\$ 334.30	3/15/2013	1
1610	De Pere Water Department	Mg-1	Brown	AB	\$ 30.00	\$ 74.76	\$ 119.52	\$ 141.90	\$ 169.88	\$ 558.50	1/1/2021	
1615	Ledgeview Sanitary District No 2	Mg-1	Brown	C	\$ 38.19	\$ 74.37	\$ 110.55	\$ 128.64	\$ 151.25	\$ 490.44	9/17/2020	1, 3
2350	Green Bay Water Utility	Mg-1	Brown	AB	\$ 20.40	\$ 41.68	\$ 62.96	\$ 73.60	\$ 86.90	\$ 286.40	6/1/2020	
2573	Village of Hobart Water Utility	Mg-1	Brown	C	\$ 30.00	\$ 56.10	\$ 82.20	\$ 95.25	\$ 111.56	\$ 356.25	6/29/2011	3
2575	Town of Holland Sanitary District #1	Mg-1	Brown	D	\$ 15.00	\$ 39.42	\$ 63.84	\$ 76.05	\$ 91.31	\$ 320.25	3/31/2010	
2620	Village of Howard Water Department	Mg-1R	Brown	AB	\$ 50.70	\$ 91.80	\$ 132.90	\$ 153.45	\$ 179.14	\$ 564.45	1/20/2021	
3095	Town of Lawrence Water Utility	Mg-1	Brown	C	\$ 27.06	\$ 60.48	\$ 93.90	\$ 110.61	\$ 131.50	\$ 427.53	8/1/2016	1, 3
4890	Pulaski Water Department	Mg-1	Brown	C	\$ 22.28	\$ 43.40	\$ 64.52	\$ 75.08	\$ 88.28	\$ 286.28	12/18/2020	
5296	Town of Scott Water Utility	Mg-1	Brown	D	\$ 30.00	\$ 71.40	\$ 112.80	\$ 133.50	\$ 159.38	\$ 522.50	12/23/2020	
5795	Suamico Water Utility	Mg-1	Brown	C	\$ 27.75	\$ 49.77	\$ 71.79	\$ 82.80	\$ 96.56	\$ 303.00	12/17/2019	
6800	Village of Wrightstown Water Utility	Mg-1	Brown	C	\$ 42.00	\$ 85.80	\$ 129.60	\$ 151.50	\$ 178.88	\$ 587.25	6/6/2016	1, 3
6810	Town of Wrightstown Sanitary District 1	Mg-1	Brown	D	\$ 37.50	\$ 70.20	\$ 102.90	\$ 119.25	\$ 139.69	\$ 412.50	12/18/2013	
							\$ 94.03	Quarterly average - all communities				
							\$ 111.23	Quarterly average - CBCWA communities				

12000 GAL Including PFP Charge	
PFP Charge	12000 GAL Total
\$ 22.11	\$ 132.72
\$ 9.69	\$ 74.25
\$ 26.43	\$ 126.33
\$ 17.85	\$ 99.75
\$ 27.81	\$ 147.33
\$ 10.02	\$ 120.57
\$ 7.35	\$ 70.31
\$ -	\$ 82.20
\$ -	\$ 63.84
\$ 16.89	\$ 149.79
\$ 7.77	\$ 101.67
\$ 14.48	\$ 79.00
\$ 19.20	\$ 132.00
\$ -	\$ 71.79
\$ 10.23	\$ 139.83
\$ -	\$ 102.90
	\$ 105.89
	\$ 129.74

Footnote ID/Footnote Description

- 1
- Bills do not include Public Fire Protection (**PFP**) which the municipality has chosen to direct charge to customers.
- 2
- To the extent Public Fire Protection is provided, the charge is included as part of the general service rates.
- 3
- Bills include any applicable Purchased Water Adjustments.

PSC of Wisconsin - Quarterly Water Bill Comparison for Brown County - **Commercial** Customer Class

Utility ID	Utility Name	Rate Schedule	County	Utility Class	Minimum Quarterly Bill (1 inch meter)	10000 GAL	30000 GAL	50000 GAL	75000 GAL	100000 GAL	Effective Date	Footnote
70	Village of Allouez Water Department	Mg-1NR	Brown	AB	\$ 58.71	\$ 128.71	\$ 268.71	\$ 408.71	\$ 583.71	\$ 758.71	2/1/2020	3
255	Ashwaubenon Water And Sewer Utility	Mg-1	Brown	AB	\$ 36.00	\$ 69.80	\$ 137.40	\$ 205.00	\$ 289.50	\$ 374.00	6/1/2006	1
430	Bellevue Water Utility	Mg-1	Brown	AB	\$ 63.66	\$ 122.96	\$ 241.56	\$ 360.16	\$ 508.41	\$ 656.66	7/20/2015	1, 3
1600	Denmark Municipal Water Utility	Mg-1	Brown	D	\$ 42.10	\$ 85.10	\$ 171.10	\$ 257.10	\$ 346.10	\$ 435.10	3/15/2013	1
1610	De Pere Water Department	Mg-1	Brown	AB	\$ 46.89	\$ 121.49	\$ 270.69	\$ 419.89	\$ 575.39	\$ 730.89	1/1/2021	
1615	Ledgeview Sanitary District No 2	Mg-1	Brown	C	\$ 47.74	\$ 108.04	\$ 228.64	\$ 349.24	\$ 499.99	\$ 650.74	9/17/2020	1, 3
2350	Green Bay Water Utility	Mg-1	Brown	AB	\$ 30.60	\$ 66.06	\$ 137.00	\$ 207.94	\$ 296.60	\$ 381.93	6/1/2020	
2573	Village of Hobart Water Utility	Mg-1	Brown	C	\$ 36.00	\$ 79.50	\$ 166.50	\$ 253.50	\$ 362.25	\$ 471.00	6/29/2011	3
2575	Town of Holland Sanitary District #1	Mg-1	Brown	D	\$ 24.00	\$ 64.70	\$ 146.10	\$ 227.50	\$ 329.25	\$ 431.00	3/31/2010	
2620	Village of Howard Water Department	Mg-1NR	Brown	AB	\$ 75.00	\$ 151.00	\$ 303.00	\$ 451.00	\$ 636.00	\$ 821.00	1/20/2021	
3095	Town of Lawrence Water Utility	Mg-1	Brown	C	\$ 35.01	\$ 90.71	\$ 199.23	\$ 304.23	\$ 435.48	\$ 566.73	8/1/2016	1, 3
4890	Pulaski Water Department	Mg-1	Brown	C	\$ 31.83	\$ 67.03	\$ 137.43	\$ 207.83	\$ 295.83	\$ 383.83	12/18/2020	
5296	Town of Scott Water Utility	Mg-1	Brown	D	\$ 39.00	\$ 108.00	\$ 246.00	\$ 384.00	\$ 531.50	\$ 679.00	12/23/2020	
5795	Suamico Water Utility	Mg-1	Brown	C	\$ 37.50	\$ 74.20	\$ 147.60	\$ 221.00	\$ 312.75	\$ 404.50	12/17/2019	
6800	Village of Wrightstown Water Utility	Mg-1	Brown	C	\$ 60.00	\$ 133.00	\$ 279.00	\$ 424.00	\$ 605.25	\$ 786.50	6/6/2016	1, 3
6810	Town of Wrightstown Sanitary District 1	Mg-1	Brown	D	\$ 62.40	\$ 116.90	\$ 225.90	\$ 319.90	\$ 437.40	\$ 554.90	12/18/2013	
							\$ 206.62	Quarterly average - all communities				
							\$ 251.97	Quarterly average - CBCWA communities				

30000 GAL Including PFP Charge	
PFP Charge	30000 GAL Total
\$ 55.32	\$ 324.03
\$ 24.30	\$ 161.70
\$ 65.82	\$ 307.38
\$ 44.64	\$ 215.74
\$ 67.98	\$ 338.67
\$ 25.14	\$ 253.78
\$ 18.30	\$ 155.30
\$ -	\$ 166.50
\$ -	\$ 146.10
\$ 42.00	\$ 345.00
\$ 19.42	\$ 218.65
\$ 36.12	\$ 173.55
\$ 48.30	\$ 294.30
\$ -	\$ 147.60
\$ 25.50	\$ 304.50
\$ -	\$ 225.90
	\$ 236.17
	\$ 297.92

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- Bills include any applicable Purchased Water Adjustments.

