



Legislation Text

File #: 54962, Version: 2

..Fiscal Note

The proposed resolution amends the 2019 Adopted Operating Budget and sets the 2019 rate amounts for the Sewer Utility and Stormwater Utilities.

For the average residential customer of the Sewer Utility, the rate increase is projected to be approximately 6%, or an annual increase of approximately \$19.37. The 2019 Adopted Operating Budget anticipated a 3% increase; the primary drivers of increased rate change are increased payments to the Madison Municipal Sewage District (\$1.8m increase) and adding to the Utility's Contingent Reserve (\$0.4m).

For the average residential customer of the Stormwater Utility, the rate increase is projected to be approximately 10.1%, or an annual increase of approximately \$9.60. The 2019 Adopted Operating Budget anticipated a 4% increase; the primary driver of the increase rate change is adding additional funding to the Utility's Contingent Reserve based on future year debt service projections. The increased debt service projection is attributed to capital expenditures added via amendments to the 2019 Adopted Capital Budget.

Overall, the average residential customer's annual bill for Sewer and Stormwater charges is projected to increase about 6.8% or \$28.97 in 2019.

Revenues and expenses consistent with these charges have been built into the 2019 Operating Budgets of the Sewer Utility and the Stormwater Utility, although some levy-neutral budget adjustments will need to be made (detailed out in the attached pdf).

SUBSTITUTE - Amending the 2019 Operating Budget and Setting the 2019 Rates for the Sewer and Stormwater. (City Wide)

WHEREAS, the Sewer Utility and the Stormwater Utility are entirely self sufficient and therefore require no property tax levy support; and

WHEREAS, consistent with the standards set forth in Wis. Stat. § 66.0821(4), the City Engineer sets utility rates each year; and

WHEREAS, now that the 2019 City Operating Budget has been adopted, the Madison Metropolitan Sewerage District rates for 2019 have been set and the operating results of 2018 are known, it is now possible for the associated rates to be formally adopted for 2019.

NOW, THEREFORE, BE IT RESOLVED that the 2019 Rate Schedules for the Sewer Utility and the Stormwater Utility are hereby adopted; and

BE IT FURTHER RESOLVED, that the 2019 Adopted Budget is amended to incorporate the appropriations outlined in the 2019 Budget Amendment template; and,

BE IT FURTHER RESOLVED that Sewer rates shall go into effect on bills generated after May 1, 2019 for April usage; and

BE IT FINALLY RESOLVED that Stormwater rates shall go into effect on bills generated after April 1, 2019.

