



Public Fire Protection Conversion

Village of Hortonville, WI

Public Fire Protection (PFP) Conversion

- Current PFP structure:
 - ✓ \$168,554 funded by levy (municipal charge)
- Opportunity to convert from levy to 100% direct charge:
 - ✓ Eliminates General Fund Expenditure, freeing up \$168K in levy capacity
 - No negative adjustment required on levy limit worksheet!
 - ✓ Requires resolution to be adopted prior to PSC public hearing – *can wait to adopt resolution until updated PFP is known following PSC Revenue Requirement, as part of CRC*
- Conversion can only occur as a part of a Conventional Rate Case (CRC), or up to 5 years following the last CRC

Other Customers to Consider in PFP Direct Charge

- Direct Charge ensures all water customers pay for PFP, including tax-exempt properties (i.e. City/Village/Town Hall property, Schools, Churches)
 - ✓ Further reduces impact to each user – **more equitable**
- Option to incorporate **Non-Customers** – including any parcels in PFP service area that do not currently receive a water bill
- **Adjacency Clause:** option to allow any person who owns two or more parcels next to one another to be charged one direct PFP charge, as if adjacent parcels were one parcel (i.e. tree farm)

PFP Municipal Charge Conversion (\$168K) Estimated Impact

Meter Size	Average Number of Customers by Meter Size							EQ meters Ratio	Equivalent Meters	PFP Costs	Quarterly Rate	Annual PFP Rev
	Residential	Multifamily Residential	Commercial	Industrial	Public Authority	Non-Customers	Totals			Annual Rate		
5/8"	1,018	0	73	25	14	0	1,130	1	1130	\$ 119.50	\$ 29.87	\$ 135,034.40
3/4"	0	0	0	0	0		0	1	0	\$ 119.50	\$ 29.87	\$ -
1"	0	0	10	5	0		15	2.5	37.5	\$ 298.75	\$ 74.69	\$ 4,481.23
1 1/4"	0	0	0	0	0		0	3.7	0	\$ 442.15	\$ 110.54	\$ -
1 1/2"	0	16	4	0	3		23	5	115	\$ 597.50	\$ 149.37	\$ 13,742.44
2"	0	5	2	3	6		16	8	128	\$ 956.00	\$ 239.00	\$ 15,295.93
									1410.5	\$ 119.50 Base Rate		\$ 168,554.00

Notes:

- 1) Currently charge on tax bill. Current PFP Mill Rate is \$.46.
- 2) An average assessed RES property of \$273,000 pays \$125.73 annually for PFP. Based on 2025 assessments.
- 3) This does not consider non-water customer properties.

- Adds a \$29.87 charge to an average quarterly Residential water bill or \$119.50 annually
- Currently, average Residential Assessed Value of 273K pays \$31.43 quarterly, or \$125.73 annually, for PFP on the tax levy
- Subject to changes for PFP costs reviewed during CRC

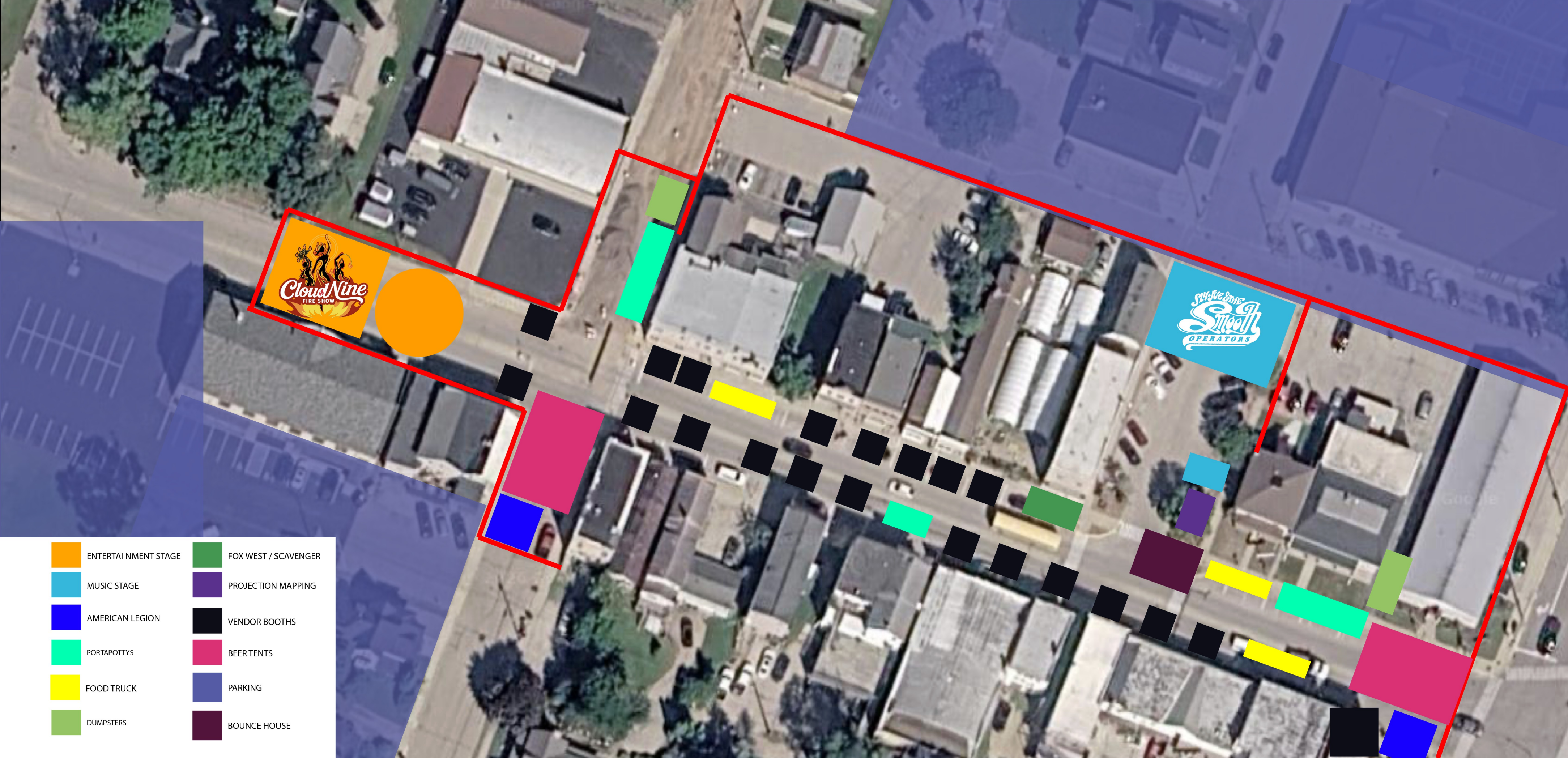
PFP Impact to Cost of Water for Sample Residential Water Bill

Monthly Cost of Water Comparison		
	Current with PFP on Levy	CRC Estimate w/ PFP Conversion (pending PSC review and approval)
Quarterly Water Bill (Current Rates)	\$80.80	
Quarterly Water Bill (after est. CRC Increase*)		\$117.81
Water Bill PFP	\$0.00	\$29.87
Water Bill Charges	\$80.80	\$147.69
<i>\$ over Current Water Bill</i>		\$66.88
<i>% over Current Water Bill</i>		83%
Quarterly Levy PFP^	\$31.43	\$0.00
Cost of Water	\$112.24	\$147.69
<i>\$ over Current Cost of Water</i>		\$35.45
<i>% over Current Cost of Water</i>		32%
*Estimated CRC increase is 45.85%		
^Currently, charged annually on Village portion of tax bill, but shown as quarterly charge for comparison purposes		

- 5/8" meter, assumes 12,000 gallons/quarter as average residential usage.
- Levy PFP is based on PFP Mill Rate applied to a \$273K Residential Property.

Public Fire Protection FAQ

- What is Public Fire Protection?
 - ✓ *A charge to recover the cost for providing water to fight fires, including additional capacity built into the system to be able to rapidly deliver a large volume of water to a fire in the utility's water service area.*
 - ✓ *It is NOT paying for the fire department's operating costs/fire fighters/etc.*
- What is proposed to change?
 - ✓ *As a part of the Conventional Rate Case, the method for how PFP is collected can change from a municipal charge (paid for by the levy, on your tax bill), to a direct charge (paid for directly on your water bill).*
- What does that mean?
 - ✓ *Regardless of the change to overall user rates, your water bill will increase due to PFP being entirely on the water bill, rather than collected on the tax bill.*
- Why does this matter?
 - ✓ *Removing PFP from a charge on the tax bill frees up that levy capacity (\$168K) for other Village expenditures. This helps with levy limit restraints the Village faces.*
- What about other rate increases?
 - ✓ *The utility is also facing an overall user rate increase (PSC will determine that increase, but the increase requested in the application was 45.80% to total user revenues).*



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| ENTERTAINMENT STAGE | FOX WEST / SCAVENGER |
| MUSIC STAGE | PROJECTION MAPPING |
| AMERICAN LEGION | VENDOR BOOTHS |
| PORTAPOTTYS | BEER TENTS |
| FOOD TRUCK | PARKING |
| DUMPSTERS | BOUNCE HOUSE |