

Wastewater Utility Increase Proposal

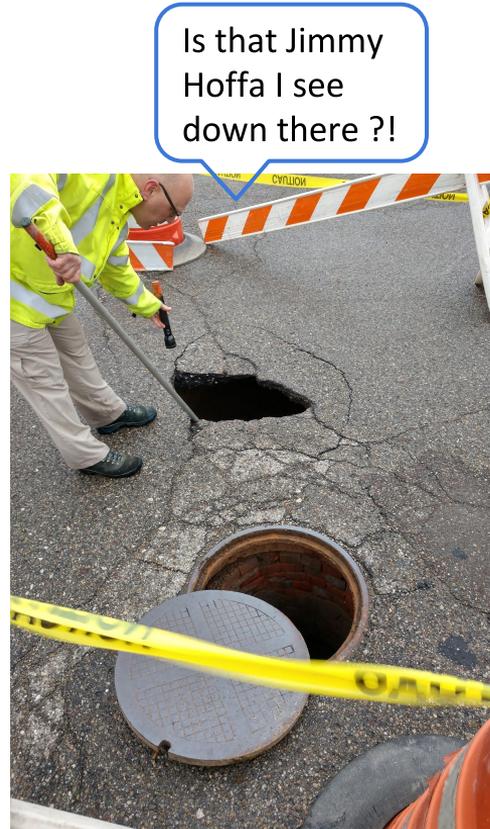
Nov 23, 2020

Section 1: A look into the system

It is key to increase the rates so that system improvements can proactively be made



Wastewater treatment plant



Rebuilding of infrastructure

An increase in rates will ensure that when issues arise they can be addressed

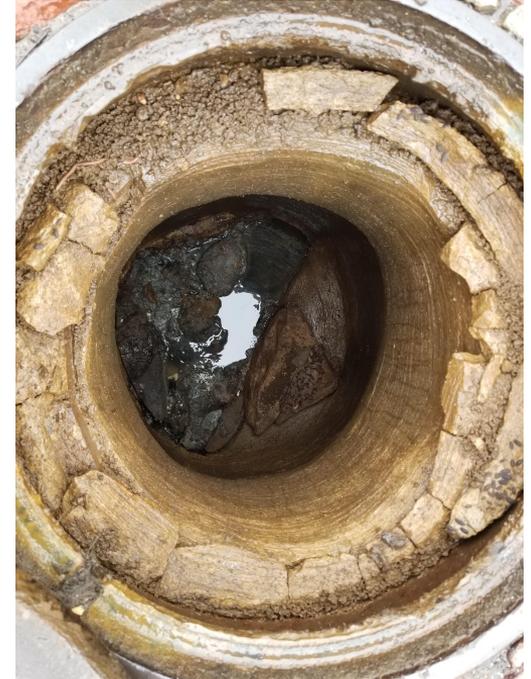
Liberty and Howard



Liberty and Pennsylvania



Park and Vine



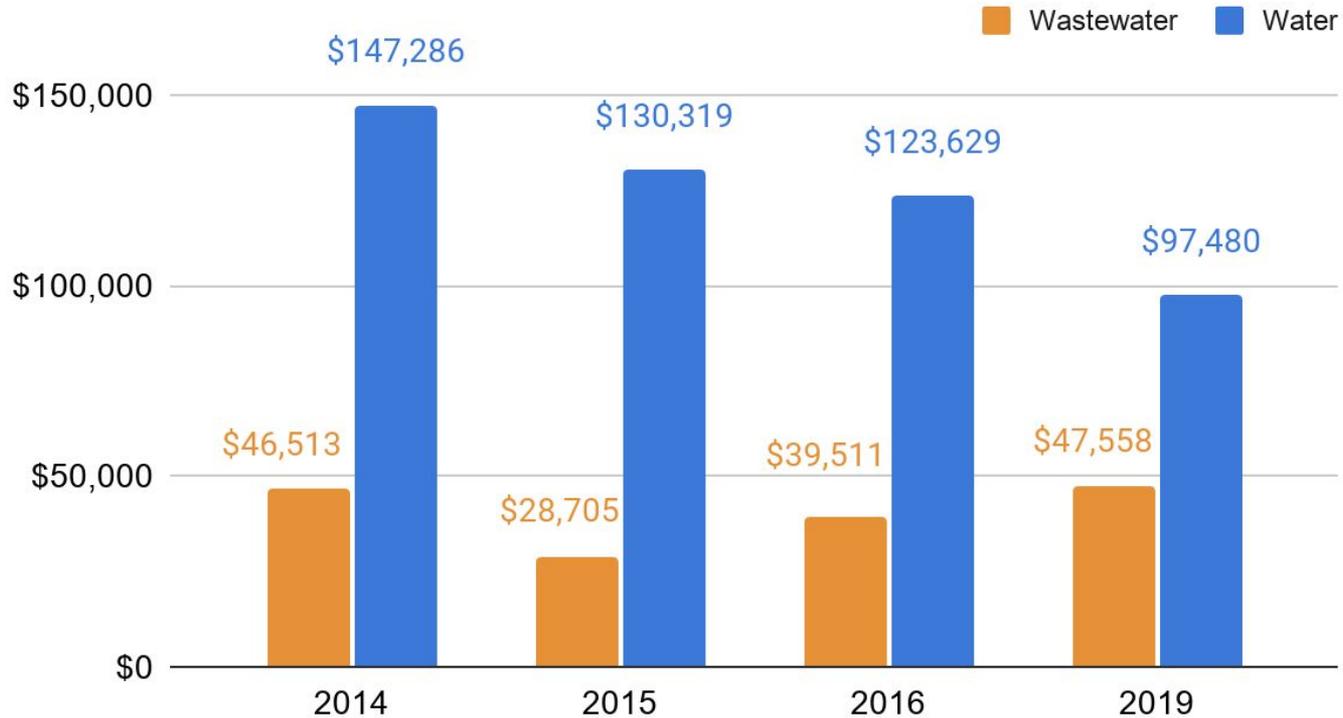
This broken digester is a great example of an issue that may arise due to other system complications

Broken Digester



The Siemens plant is an example of a customer with high annual costs contributing greatly to the department revenue

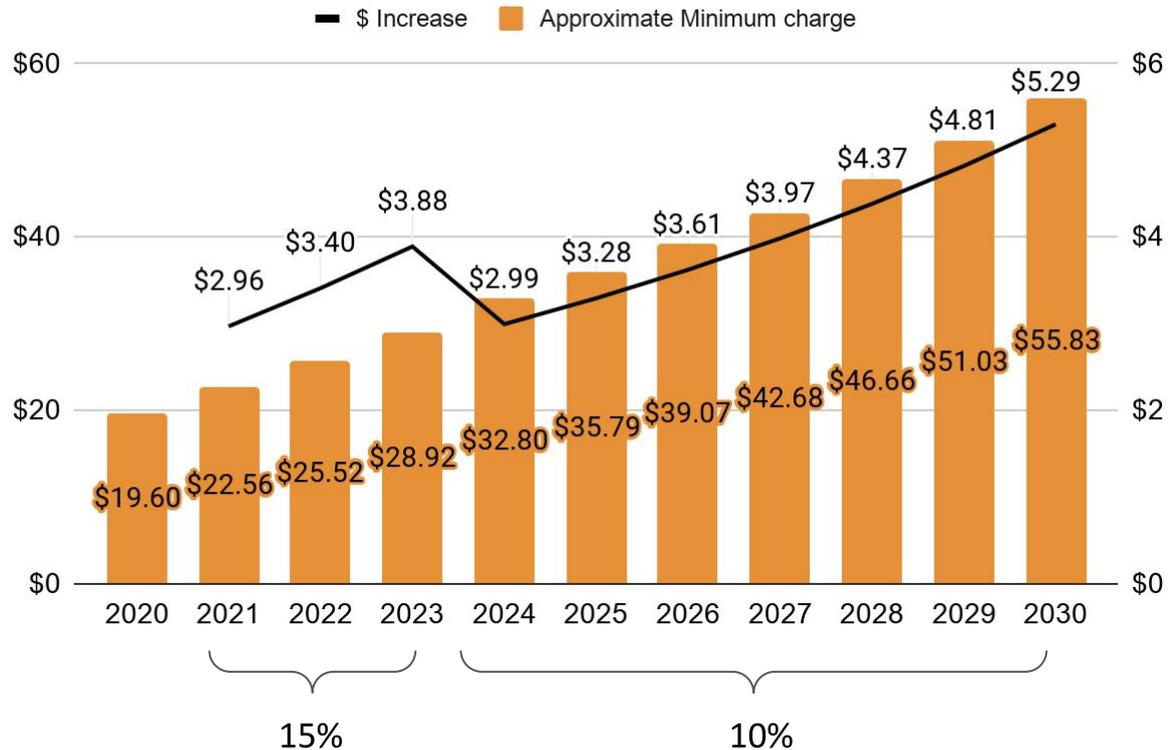
Siemens Annual Wastewater and Water Costs



Section 2: Review of proposed increase and financials

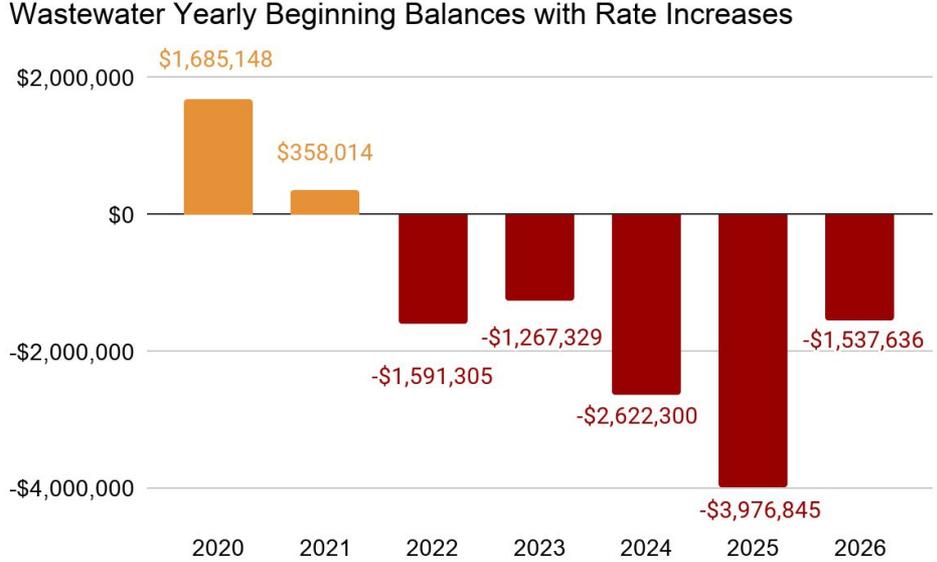
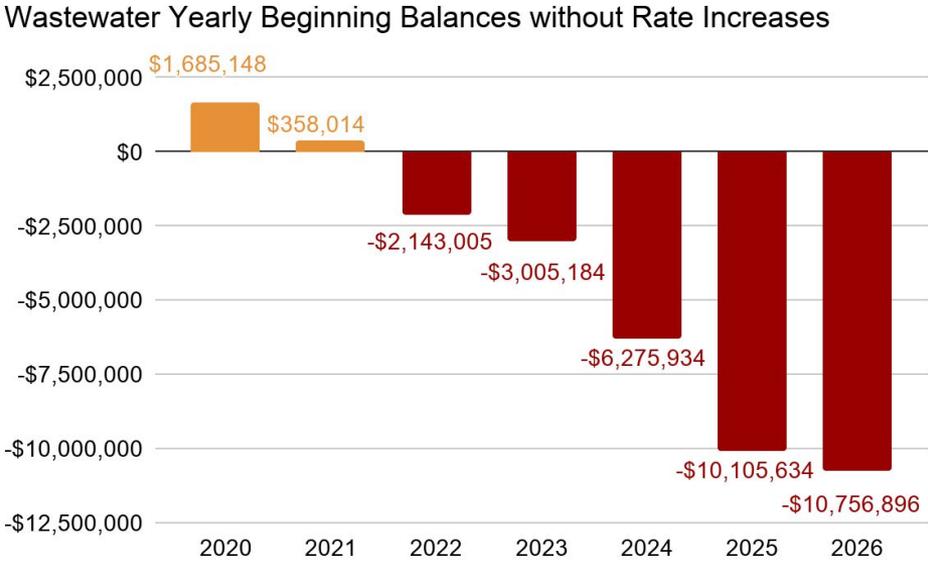
The Wastewater Utility Commission is proposing an annual increase to wastewater utility bills

Minimum Wastewater Bill with Proposed Increase



Rates based on 400 cu. ft. minimum @ \$4.90 per 100 cu. ft. for 2020

This increase is needed in order to prevent a deeper deficit in the Water and Wastewater Department funds



The Water and Wastewater Department has a high debt ratio which is will increase if funds are needed through loans

2020 debt:

\$ 1,080,730.48

2020 Retained
earnings:

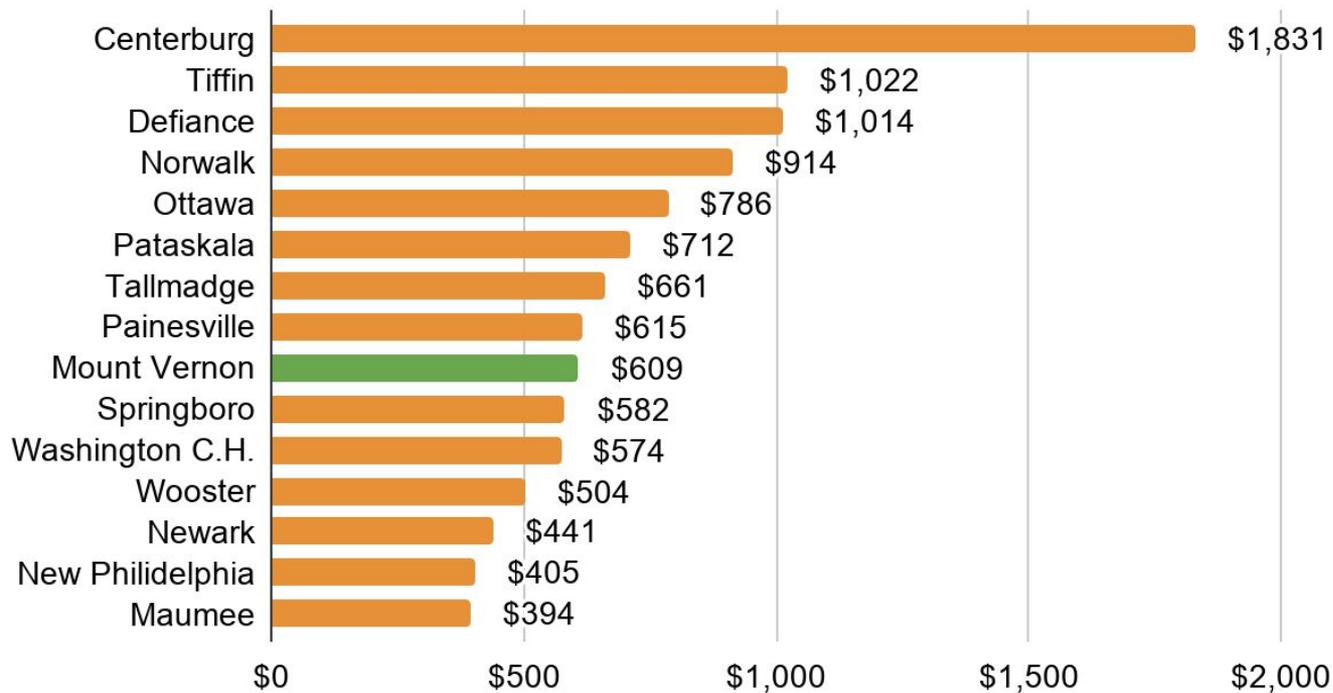
\$ 358,014.14

D/E ratio of
3.02

Section 3: Rate comparisons across cities and other bills/products

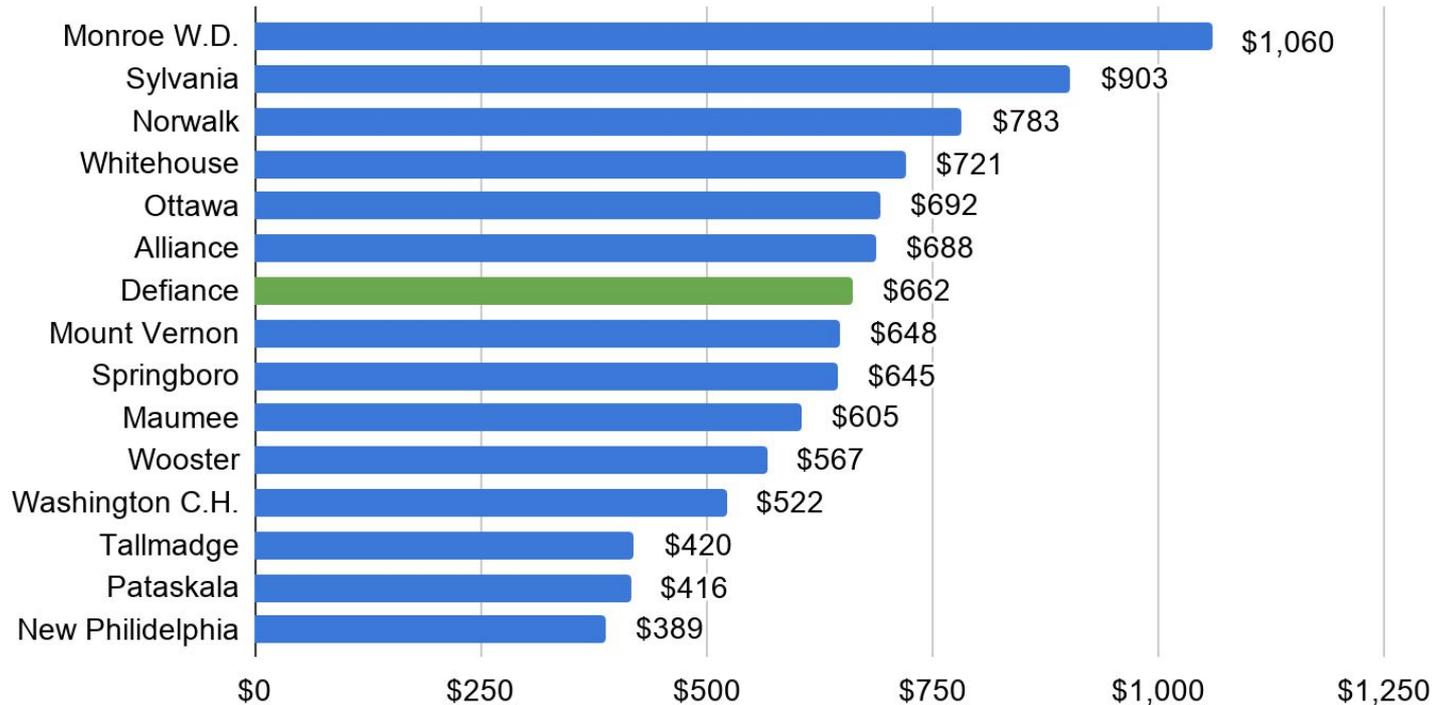
Mount Vernon is #9 in wastewater utility rates among 14 comparable cities

2018 Annual Wastewater Utility Rates



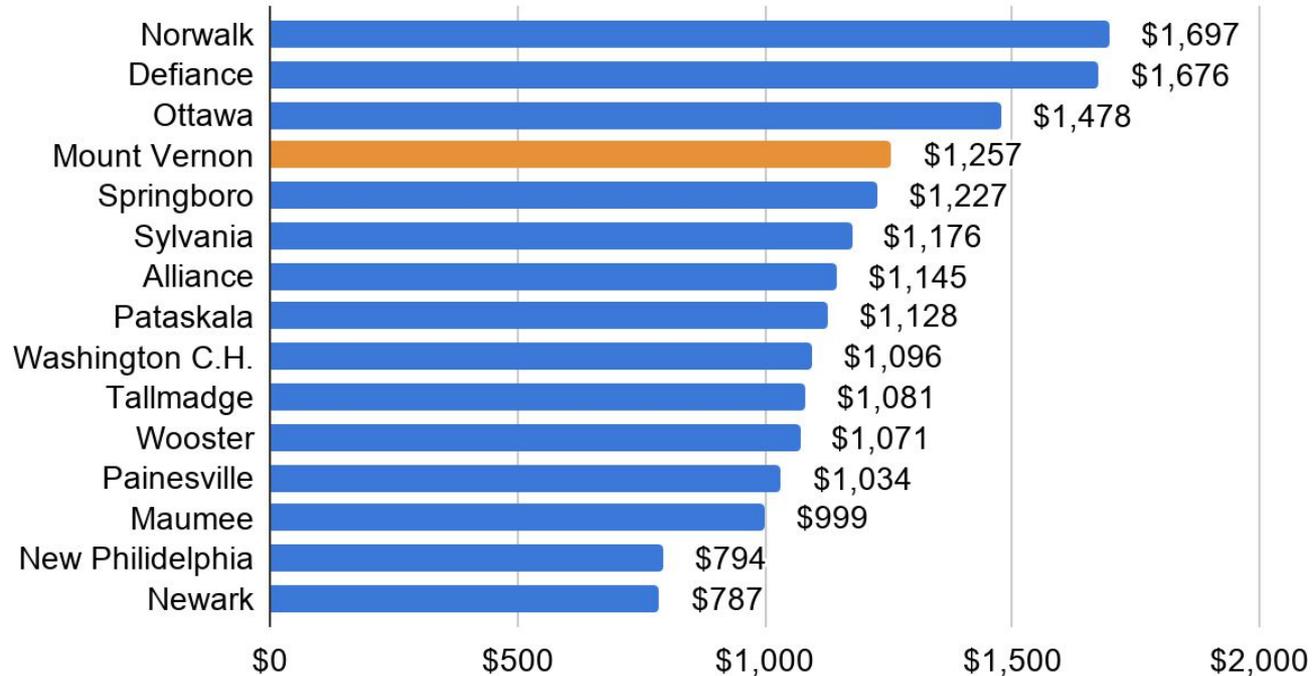
Mount Vernon is #7 in water utility rates among 14 comparable cities

2018 Annual Water Utility Rates



Mount Vernon is #3 in for combined utility rates among 10 comparable cities

2018 Combined Annual Utility Rates



When compared to other bills, Mount Vernon's current wastewater and water bills are some of the least expensive

Annual Costs of Common Bills for Ohioans



There is value in drinking city water

Cost of water per gallon in Mount Vernon with increase in 2021= \$0.008

2 liters of soda from Kroger=
\$1.69

2 liters of soda from Walmart=
\$1.00

Gallon of milk from Kroger=
\$1.79

Gallon of milk from Walmart=
\$2.24

Gallon of milk from Aldi= **\$2.19**

Gallon of water from Kroger=
\$0.89

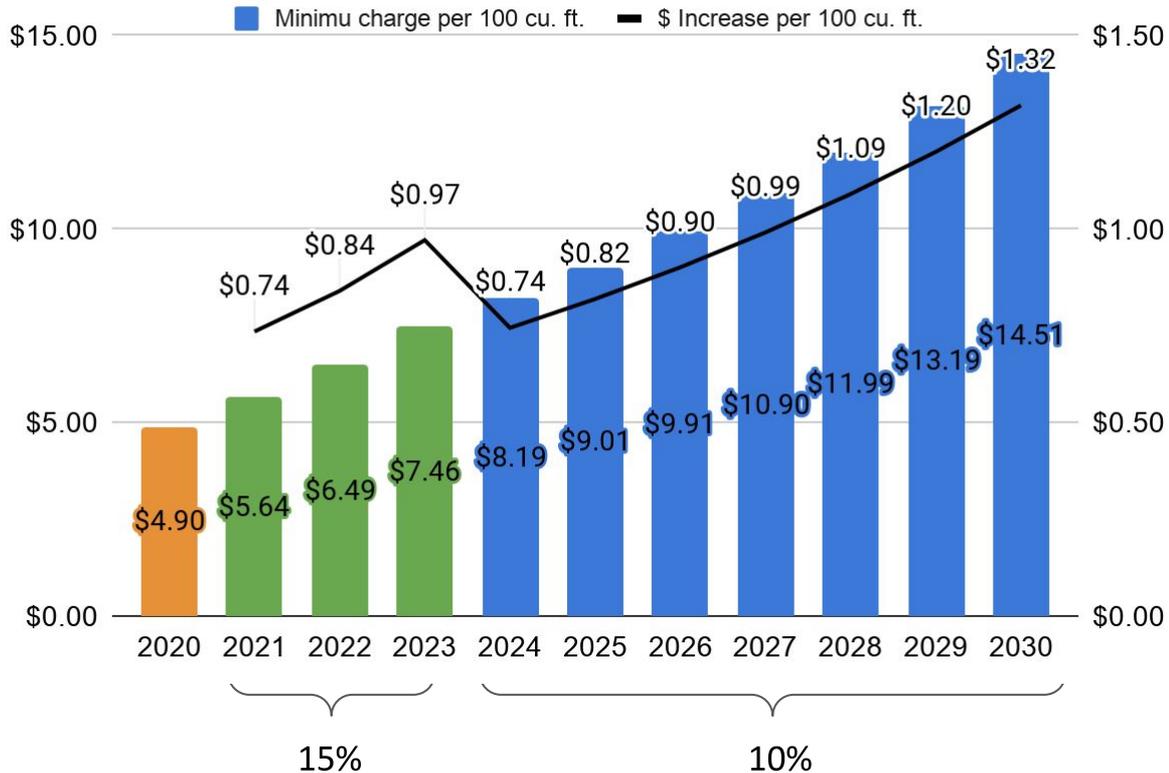
Gallon of water from Walmart=
\$0.80

It is clear that Mount Vernon's water, even with an increase, is the best bang for your buck!!!!

Appendix

The Wastewater Utility Commission is proposing an annual increase to wastewater utility bills

Minimum Wastewater Bill with Proposed Increases



Rates based on 100 cu. ft. minimum @ \$4.90 per 100 cu. ft. for 2020