

# Sewer Rates

\*\* ATTENTION \*\*

## SEWER RATE INCREASE EFFECTIVE SEPTEMBER 1, 2010 BILLING.

As a result of rising costs and depreciation, the Hermantown City Council and Utility Commission have adopted the following change to the sewer rate effective September 1, 2010 billing.

### SEWER RATES

	Old	New
Charge Per 1,000 Gallons	\$5.93	\$7.40

The new sewer rate reflects a 24.78% increase due to the need to increase revenues to cover the costs of operations and depreciation of the existing sewer utilities. As stated in the City financial statements for the years 2008 and 2009, the sewer disposal fund has operated in the deficit. At the August 2, 2010 meeting, the city auditor stated that the user fees have not been covering the operating expenses.

The City of Hermantown and its residents have spent over \$21 million dollars to build the existing sewer system and it won't last forever. The depreciation costs provide a method to cover these repairs and maintenance needed by the aging sewer system.

Should you have any questions concerning these changes, please contact:

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