

News Release – Water Rate Increase April 2018

The City of Higginsville has been providing reliable water service to its customers for over one hundred years. The aspects of utility infrastructure maintenance have costs and those costs are constantly rising, which brings us to an unfortunate reality. Periodic rate adjustments are unavoidable.

Higginsville's Water Fund must operate "in the black," without carrying debt or deferring debt to later years. This is the case with all self-sustaining funds, of which virtually every Utility Fund-type mechanism is based. Even with the Mayor, Board of Aldermen and staff's diligent attempt to keep costs down, there comes a time to adjust rates to pay for rising costs and future infrastructure. The City of Higginsville takes pride in being a progressive community that looks forward to the future and strives to maintain the City's high quality services.

With that said, the City of Higginsville had a rate study completed that included operating costs, capital improvement expenses and replacement schedule costs. The completed study was presented to the Mayor and Board of Aldermen on April 16, 2018, and the recommended rates were approved by Ordinance. It is important for the City of Higginsville to continue implementation of the water rate study recommendations to ensure the on-going viability of the City of Higginsville's water system. It will be the City's first step in progressive measures to maintain the quality of water service for the citizens of Higginsville and the other cities and district that we currently serve.

Rate increases are primarily driven by advanced planning of reinvestment in water infrastructure, which includes critical repairs, upgrades, and replacements, as well as unfunded federal and state regulatory mandates. The last increase to Higginsville water rates occurred twelve years ago in 2006. We believe we have achieved a proper balance to ensure adequate income to carry us into the future and allow necessary maintenance to be completed. An average water bill in the surrounding area is approximately \$50.10. This same water bill in Higginsville would be \$37.68. So, even with this increase, Higginsville will still remain one of the lowest rates amongst comparable municipalities.

The Utility Statement you receive on June 1, 2018, will reflect the new rates. It will be for the billing period of April 20 – May 20, 2018. For more information concerning these rate adjustments, please contact City Hall at 660-584-2106.

Your Higginsville city elected officials are mindful of the impact any rate change has on its residents, and will continue to look for innovative ways to manage these competing priorities and keep rates at a minimum, while providing high quality services to the residents of Higginsville, Missouri, and the surrounding contracted entities.

Jeanette Dobson
City Administrator
City of Higginsville