

Victoria, Minnesota User Charge Analysis



Victoria, MN <http://www.ci.victoria.mn.us/> is unique: suburban, right next to Minneapolis; but in a gorgeous wooded setting bounded by sky-blue lakes. Being such a desirable place, it is growing rapidly. Partly because of that growth the city needed to increase its water and sewer rates. The city also needed to make its rates fairer to the ratepayers. The city hired Carl Brown Consulting to analyze rates and propose adjustments.

The finance director gathered information and e-mailed it to me. We discussed it. I prepared draft models of their situation. We discussed it some more. Eventually we arrived at final financial and rate goals for the city's systems and I prepared final analyses and a report to detail them.



The final output included a cover letter <http://carlbrownconsulting.com/VictoriaCoverLetter.pdf>, a rate analysis report <http://carlbrownconsulting.com/VictoriaReport.pdf>, and a sewer rate analysis <http://carlbrownconsulting.com/VictoriaSewerAnalysis.pdf>. It also included several water rate analyses because the city wanted seasonal conservation rates. The averaged water rate analysis <http://carlbrownconsulting.com/VictoriaWaterAnalysis.pdf> depicts the average of the rates that ratepayers will pay throughout the year.



In October, 2007, I traveled to Victoria to present my findings and recommendations to the city council. Having viewed them previously, the council had several questions and requests, but for the most part, they knew what needed to be done and they set about doing

it. Subsequently, in December, 2007 the council adopted rates as proposed to become effective January 1, 2008. Thus, the council has placed their water and sewer systems, and their city, on an even more successful track.

No one likes to pay higher rates, and certainly no city council or district board wants to raise rates. But when done right, it works out just fine.

