



**VILLAGE OF HOBART - NOTICE OF PUBLIC HEARING**  
**June 2, 2026 (6:00 PM)**  
**2990 S. Pine Tree Rd. Hobart WI 54155**

The Hobart Village Board will hold a public hearing on June 2<sup>nd</sup> 2026 at 6:00 pm. at the Village Office, 2990 S. Pine Tree Rd, Hobart, WI for the purpose of receiving public input on the sewer volume rates in accordance with a Village policy put in place to address increased rates from the Green Bay Metropolitan Sewerage District, Village operating costs, debt service, budget increases, and capital projects.

The new sewer volume rate as calculated by the Local Annual Adjustment Policy is summarized as follows:

1. What is the GBMSD percentage rate passed on to Hobart customers and what is its effective date?
  - a. 6.34% increase effective January 1, 2026.
2. How much more money is required in 2026 to cover GBMSD costs, operating costs, debt service, and contingency?
  - a. (\$231,529.24)
3. What is the expected increase in 2026 revenue due to an increase in the projected billing volume?
  - a. (\$218,965.49)
4. What is the required Village utility volume rate needed to support the annual operations?
  - a. \$8.22/1,000 gallons used
  - b. There is a one (1) percent increase in the sewer rate being proposed.
5. What is the quarterly and annual financial impact, expressed as a dollar amount, for the average residential sewer utility customer?
  - a. Average quarterly residential consumption in 2025 was 12,000 gallons.
  - b. There is an estimated quarterly increase of \$0.96 (\$3.84 annually) for the average residence.
6. What is the date (quarter/year) the new local utility rates will go into effect?
  - a. Rates will go into effect beginning with the third quarter sewer billing of 2026, which begins July 1<sup>st</sup>.

All interested parties are invited to attend this hearing.

The Annual Adjustment Memorandum, including the above rate calculation method, will be available at the Village Office for public inspection starting May 11<sup>th</sup> 2026. Office hours are Monday through Thursday from 7:30 a.m. to 4:00 p.m. and Friday from 7:30 a.m. to 11:00 a.m. The Village Board will take comments from the public and may act on the proposed sewer rates immediately following the public hearing.

Published May 8<sup>th</sup> 2026  
Lisa Vanden Heuvel, Hobart Clerk

V I L L A G E O F  
**HOBART**  
 GREATNESS IS GROWING  
**MEMORANDUM**



**TO:** Village Board  
**FROM:** Aaron Kramer, Village Administrator  
**RE:** Annual Sewer Rate Adjustment  
**DATE:** May 5<sup>th</sup> 2026

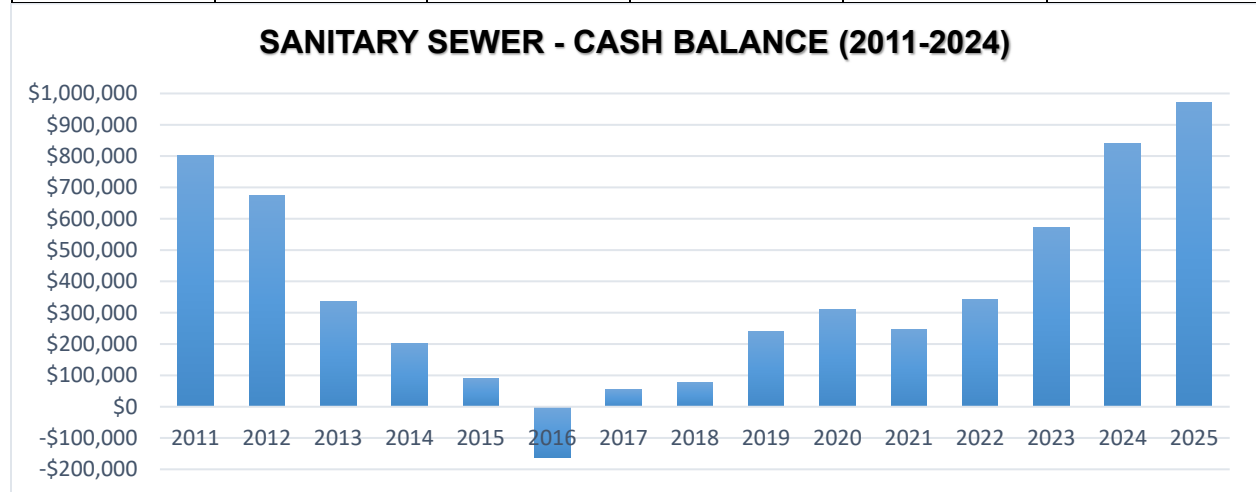
**BACKGROUND**

The Village uses a formula to determine if an adjustment is needed in the sewer rates for the Village. Staff reviews the formula each year and makes adjustments which we believe will provide a more accurate rate determination based on the rates of the Green Bay Metropolitan Sewage District (GBMSD), our current Sewer Utility (“the Utility”) annual operational costs and debt service, and projected volume for the coming budget year. At the same time, we aim to maintain a healthy cash reserve to keep the system financially self-sufficient.

**FUND CASH BALANCE**

Another measure of the Utility’s financial condition is the cash balance of the Fund, which has improved considerably.

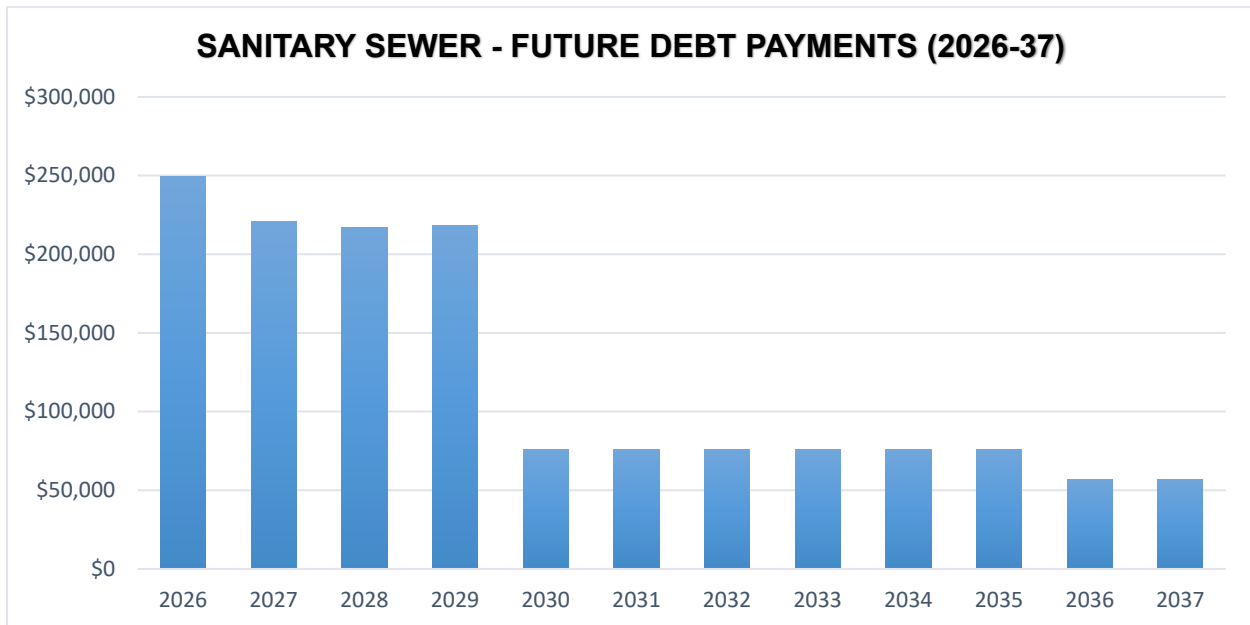
<b>CASH BALANCE AT END OF FISCAL YEAR – SANITARY SEWER (2011-2025)</b>					
<b>YEAR</b>	<b>Cash Balance</b>	<b>YEAR</b>	<b>Cash Balance</b>	<b>YEAR</b>	<b>Cash Balance</b>
2025	\$970,302	2020	312,161	2015	88,754
2024	\$840,719	2019	\$239,470	2014	\$200,574
2023	573,799	2018	76,044	2013	335,460
2022	341,305	2017	53,695	2012	673,230
2021	244,892	2016	(163,688)	2011	801,515



**SEWER FUND DEBT**

The current indebtedness of the Utility is displayed below. Debt payments remain relatively stable for the next two years, before a more significant decrease is projected in 2026. The majority of the Utility’s debt is to be paid off by the

end of the decade. In addition, with the overall improvement of the Sanitary Sewer fund's financial position, staff will be exploring possible options to pay down the utility's debt early in the next year or two.



EXISTING SANITARY SEWER UTILITY DEBT				
Debt Issue	Issuance	Interest Rate	Final Year	Principal (as of 1-1-2026)
Dutchman Creek Interceptor (\$895,539.33)	2022	2.70%	2041	732,660.35
G.O. Promissory Note, Series 2021A (\$4,425,000)	2021	1.050-2.000%	2026	30,000.00
G.O. Note, 2022 (\$8,460,000)	2022	2.750-3.000%	2029	540,000.00
G.O. Promissory Note 2025 (\$593,000)	2025	4.750%	2035	148,250.00
<b>TOTAL</b>				<b>\$1,450,910.35</b>

**RATE FORMULA**

The following formula is being utilized to determine the proposed rate change for 2026.

**EXPENDITURES**

- GBMSD rate increase, which shows we need to include a 6.65 percent rate increase.
- The second component is our day-to-day operations.
- The third component is the annual debt service, which shows a decrease.
- The fourth and fifth components are the annual sewer projects unique to our Utility - independent of the GBMSD's capital projects, and the continuing increase of our reserve (Contingency) fund for future early debt payments and larger pending replacement projects.

<b>Green Bay Metropolitan Sewer District Expenditure</b>		
	2025 Actual GBMSD Expenditures (003-00-62000-080)	\$ 844,735.07
	2026 GBMSD Rate Change	6.34%
	2026 <b>Change in GBMSD Expenditure</b>	<b>\$ 53,533.52</b>
<b>Sanitary Sewer Operating/Maintenance Budget Expenditure Increase</b>		
	2026 Sanitary Sewer Fund 003 Budget	\$ 1,273,541.89
Less:	2025 Sanitary Sewer Fund 003 Budget	\$ 1,234,867.76
Less:	Budgeted Increase in GBMSD Expenses	\$ -
	2026 <b>Budget Dollar Increase</b>	<b>\$ 38,674.13</b>
<b>Sanitary Sewer Debt Service:</b>		
	2026 Sanitary Sewer Debt Service	\$ 249,757.02
Plus:	2026 Transfer to General Fund	\$ -
Less:	2025 Sanitary Sewer Debt Service	\$ 395,560.99
Less:	2025 Transfer to General Fund	\$ -
		<b>\$ (145,803.97)</b>
<b>Capital Projects (Not Paid from Cash Reserves)</b>		
	2026 Sanitary Sewer Capital Projects	\$ -
<b>Contingency</b>		
	2026 Sanitary Sewer Contingency	\$ 284,855.56

## **REVENUES**

We are projecting an percent increase in our billing volume, which is based on recent historical trends:

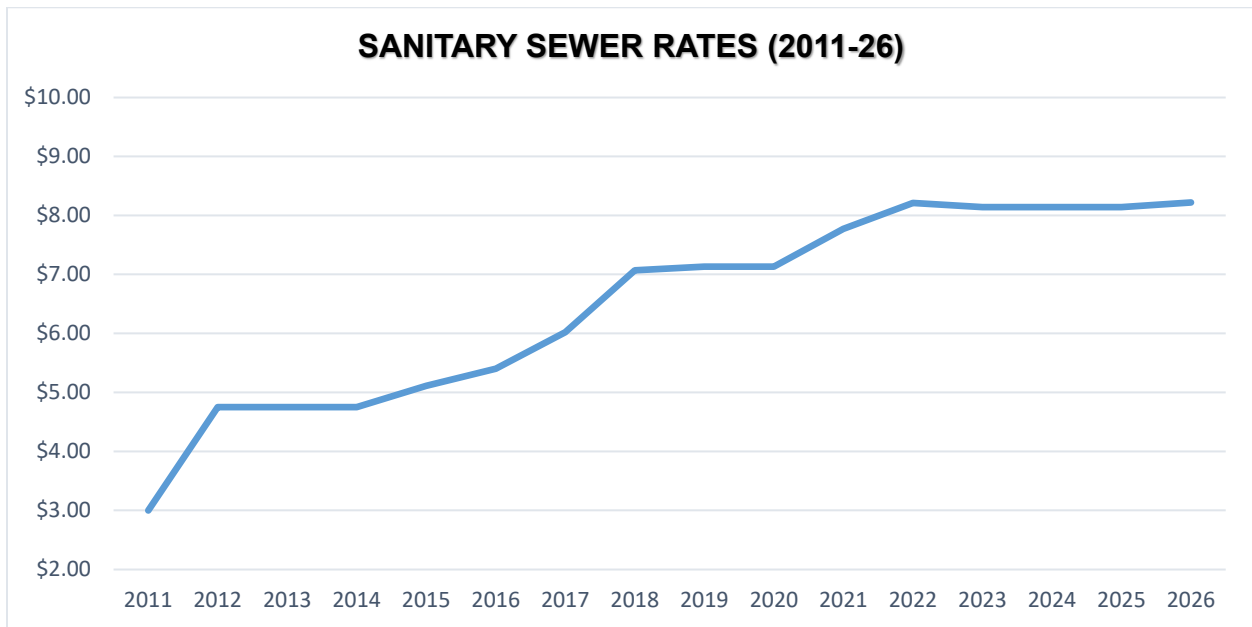
<b>USAGE VOLUME INCREASE</b>	<b><u>Sewer Volume Billings</u></b>		
		2025 Sewer Volume Billings (gallons):	
		Residential	83,474,809
		Commercial	9,614,268
		Industrial	92,678
		Public Authority	698,363
		Multi-Family	39,591,865
			133,471,983
		2025 Airport Sewer Volume Billings (gallons):	
		1st Quarter	6,418,000
		2nd Quarter	8,401,000
		3rd Quarter	0
		4th Quarter	0
		14,819,000	
	2025 Total Sewer Volume Billings (gallons):	148,290,983	
	2026 Projected Volume Billings Increase (Percentage):	2.16%	
	2026 <b>Projected Volume Billings (gallons):</b>	<b>151,173,978</b>	
<b>REVENUE INCREASE</b>	<b><u>Public Charges for Service Budget Increase</u></b>		
		2026 Public Charges for Service	\$ 1,838,997.72
	Less:	2025 Public Charges for Service	\$ 1,623,632.23
			<b>\$ 215,365.49</b>
	<b><u>Interest on Accounts Budget Increase</u></b>		
		2026 Interest on Accounts	\$ 6,000.00
	Less:	2025 Interest on Accounts	\$ 5,000.00
			<b>\$ 1,000.00</b>
	<b><u>Intergovernmental Charges for Services Budget Increase</u></b>		
		2026 Intergovernmental Charges for Services	\$ 21,100.00
Less:	2025 Intergovernmental Charges for Services	\$ 18,500.00	
		<b>\$ 2,600.00</b>	

**TOTAL IMPACT**

Adding all of the components together, we have determined the sewer rate for 2026 should be set at \$8.22 per 1,000 gallons, a one (1) percent increase over the current rate as we continue to increase the reserves of the fund for future replacement projects (without incurring additional debt) and paying off existing debt at a more rapid rate than scheduled.

<b>Additional Funding Needed</b>		
Total Expenditure Increase:	\$	(53,596.32)
Plus: Capital Projects	\$	-
Plus: Contingency	\$	284,855.56
Less: Total Revenue Increase	\$	218,965.49
		<u>\$ 12,293.75</u>
<b>Additional Revenue Collections Rate (per 1000 gallons)</b>		
Additional Funding Needed	\$	12,293.75
Divided By: Volume Billings Increase (Thousand Gallons)		151,174
		<u>\$ 0.08</u>
<b>Adjusted Sewer Rate</b>		
2025 Sewer Rate		8.14
Additional Revenue Collection Rate	\$	0.08
2026 <b>TOTAL ADJUSTED SEWER RATE</b>		<u><b>\$ 8.22</b></u>

The increase would be the first Sanitary Sewer rate increase since 2023.



**RECOMMENDED MOTION**

Staff is proposing the following motion for the Board to discuss and take action on (see attached public hearing notice):

- *To establish a public hearing on June 2<sup>nd</sup> to implement the 2026 Sewer Volume Rates, which is proposed to increase one (1) percent from the 2025 Sewer Volume Rates*