

**CITY OF TWO RIVERS  
RESOLUTION ADJUSTING THE WATER UTILITY  
PROPERTY TAX EQUIVALENT**

**WHEREAS**, Wisconsin Public Service Commission (PSC) regulations permit municipal utilities to make an annual “property tax equivalent” payment to their municipality’s general fund and this is a common practice in most Wisconsin cities; and

**WHEREAS**, the City of Two Rivers has since 2003 kept the property tax payment made by its Water Utility frozen at \$145,426; and

**WHEREAS**, this “freeze” was first authorized by City Council resolution in 2003, based on the utility’s 2002 PSC report, and a 2017 resolution affirmed the same property tax equivalent until the City Council takes further action; and

**WHEREAS**, the City is within its discretionary authority to set the amount of the property tax equivalent, as long as it does not exceed the calculated Public Service Commission property tax equivalent, which is presently \$337,714; and

**WHEREAS**, the 2022 Budget of the City of Two Rivers was approved by City Council on December 6, 2021, increasing the property tax equivalent payment of \$245,246, based on the recommendation of the City Manager and the City Council Finance Committee and Utilities Committee; and

**WHEREAS**, the recommended 2023 Budget of the City of Two Rivers removes the property tax equivalent freeze and returns it to the calculation method approved by the Public Service Commission of Wisconsin, based on the recommendation of the City Manager and the City Council Finance Committee and Utilities Committee; and

**WHEREAS**, this increase in the utility’s property tax equivalent is appropriate, based on the significantly improved financial condition of the Water Utility and the funding needs of the City’s General Fund;

**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Two Rivers hereby removes the property tax equivalent freeze and returns it to the calculation method approved by the Public Service Commission of Wisconsin.

Adopted this 5th day of December 2022.

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Councilmember

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Gregory E. Buckley  
City Manager