



Tap Water: How Your Water Bill is Allocated

Let's take a look at how each dollar of your monthly water bill is allocated towards the costs we incur to treat and deliver water to your door.



33¢

Production and Operating Costs:

This category includes energy, fuel, and chemicals needed to treat the water, as well as operations, maintenance, and administrative costs associated with running a utility. This also includes labor costs and related benefits.



35¢

System Improvements:

This category includes costs associated with upgrades to water treatment facilities, pipelines, storage tanks, raw water intakes and pumping stations to ensure that your drinking water meets all regulatory standards; as well as the related Public Service Commission-approved financing costs.



32¢

Taxes and Fees:

Approximately **three cents** of every dollar goes towards federal, state and local (excluding property) taxes, including income and payroll taxes. This fee is offset by a refund of taxes as a result of the 2017 Tax Cuts and Jobs Act.

Approximately **29 cents** of every dollar goes towards property taxes. This is a pass-through fee that is paid to towns, villages, school districts and other municipal services.

As a company, we strongly oppose the tax rate that we are required to collect from customers in the form of **Special Franchise Taxes (SFT)**. The SFT makes up approximately 25 percent of each customer's bill. The collection of this tax provides zero benefit to the Liberty water system. Liberty continues to meet with elected officials to explore the possibilities of having the SFT reduced or eliminated altogether. In addition, the company is working to secure eligibility for State grant funding that only municipal water suppliers currently have access to. As with the SFT, we continue to advocate with our State representatives to change the State law that would allow us to apply for infrastructure improvement grants you, as a Liberty water customer, are helping to fund.