

Table 1. Current Rates

Fixed Charges		
Customer Class	Meter Size	Monthly Fee
Residential	1"	\$40.34
	1 1/2"	\$44.66
	2"	\$71.26

Variable Charges		
Customer Class	Tier - Width	Unit Cost
Residential	Tier 1 - 2.99 hcf	\$2.46
	Tier 2 - All Additional hcf	\$4.36

Proposed Rates

The recommendations outlined below are based on cost of service principles which are required under California Proposition 218. To allow the District to best accomplish its goals, RDN designed the financial plan which will be described in this report. **Table 2** shows the proposed revenue adjustments and resulting cumulative rate increases.

Table 2. Proposed Revenue Adjustments FY 2024 to FY 2028

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Recommended Adjustment	85.0%	10.0%	8.0%	8.0%	8.0%
Multiplier	1.85	2.04	2.20	2.37	2.56
Cumulative Adjustment	85.0%	103.5%	119.8%	137.4%	156.4%

Table 3 shows the proposed fixed and variable rates under the revenue adjustment schedule.

Table 3. Proposed Rates Under Revenue Adjustment Schedule

Fixed Charges		
	Meter Size	FY 2024
Residential		
	1"	\$80.11
	1 1/2"	\$91.33
	2"	\$160.23

Variable Charges		
Tier	Width	FY 2024
Tier 1	0-7 hcf	\$2.32
Tier 2	8-29 hcf	\$5.92
Tier 3	All Additional	\$11.25

Figure 2 and **Figure 3** show the water fund balances if no action is taken and under the proposed financial plan through the 10-year planning period, respectively.