

Water District No.1 of Midland County is changing the Readiness-To-Serve (RTS) charges for customer billings beginning with the first bills mailed in 2015. The new charges are based on meter size using American Water Works Association multiplier, as follows:

QUARTERLY RTS CHARGE

<u>Meter size</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
5/8"	\$7.00	\$15.75	\$16.75
1"	\$9.00	\$17.33	\$18.43
1-1/2"	\$15.40	\$28.35	\$30.15
2"	\$20.20	\$45.68	\$48.58
3"	\$29.80	\$173.25	\$184.25

Over the past several years three additional Townships have been added to the system. New connection permits in those Townships provided additional revenue which delayed the need to adjust RTS charges or water rates. Because the water system expansion is nearly complete, the number of new connection permits will quickly decrease. A thorough financial analysis of income and expenses indicated a clear need to replace the declining connection permit revenue. The above changes are intended to cover rising operating costs and build a sufficient reserve fund for capital and maintenance items such as buildings, tanks and water system repairs.

Changes to the Readiness-To-Serve charge bring our billing system more in line with standard water utility billing practices. Other charges remain unchanged.

Water District No.1 of Midland County is an independent Water Authority funded entirely by money collected from water customers. The money generated from water bills is used exclusively to operate and maintain the water system.