

March 1, 2023

RWD #16

RURAL WATER DISTRICT
CHEROKEE COUNTY

Dear Valued Customer,

Due to the increased expenses incurred by the district for the rising costs for chemicals, utilities, parts and supplies a comprehensive annual rate analysis was conducted by the Oklahoma Rural Water Association prior to the January 19, 2023, Board of Director's meeting. A rate adjustment was voted unanimously and approved to take effect on your April 2023 billing cycle. This adjustment is needed to cover the increased operation and maintenance expenses of the district, as well as allowing the district to set aside funds for system improvements and for the replacement of the district's assets as they wear and near their end of life. Setting this money aside will reduce the amount of debt incurred by the district to replace existing infrastructure in the future, thereby reducing interest paid.

A loan of \$1,000,000 for 30 years would cost the district approximately \$600,000.00 in interest alone, for the 30-year period. This is money that can be set aside for replacement of assets in the future.

Much of the districts infrastructure is nearing 50 years of service and will soon need major components replaced and/or upgraded.

Upgrades to an aging infrastructure are always necessary to keep up with demand, growth, and accuracy to ensure that we continue providing the best service possible for our customers today and for decades of future generations.

Thank you for your understanding and support.

Current Water Rates		
Monthly Minimum		\$ 41.50
Cost Per 1,000 Gallons		
From	To	Amount
0	10,000	\$ 12.00
10,000	+	\$ 12.55

New Water Rates		
Monthly Minimum		\$ 46.10
Cost Per 1,000 Gallons		
From	To	Amount
0	10,000	\$ 13.30
10,000	+	\$ 13.90