

## **FP 19: Utility Rate and Fee Management Policy**

### ***The County will annually review and set its Utility Rates***

The County is committed to ensuring that the revenues of the utilities are adequate to provide for the proper operation of the related programs, servicing of related debt at prescribed levels, maintenance of the capital plan, and adequate reserves. The County will utilize the following guidelines in setting the utility rates:

1. The rate structure should encourage consumers to conserve natural resources while providing a stable and predictable revenue base for the proper management of the utility.
2. The rates shall strive to be equitable among the classes (general types) of rate payers.
3. The revenue target of the utility rates should maintain a minimum of 1.5 times the debt service payments for the utility in each ensuing year.
4. Rates should be set using an assumption of 95% of the average water consumption for the five previous years.
5. A complete rate analysis shall be conducted every five to ten years.