

Exhibit "D"



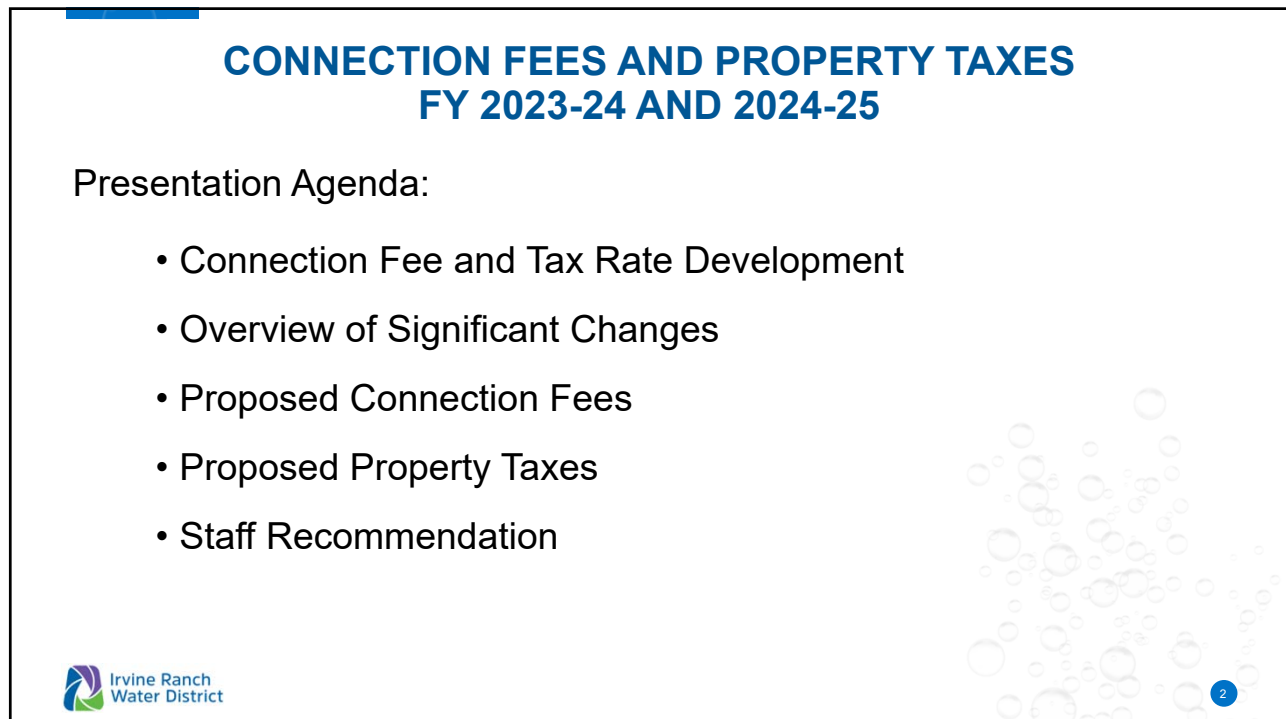
**FY 2023-24 & 2024-25
CONNECTION FEES
AND PROPERTY TAXES**

IRWD BOARD OF DIRECTORS MEETING

JULY 24, 2023

 Irvine Ranch
Water District


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**CONNECTION FEES AND PROPERTY TAXES
FY 2023-24 AND 2024-25**

Presentation Agenda:

- Connection Fee and Tax Rate Development
- Overview of Significant Changes
- Proposed Connection Fees
- Proposed Property Taxes
- Staff Recommendation

 Irvine Ranch
Water District

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CONNECTION FEE AND PROPERTY TAX RATE DEVELOPMENT

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CONNECTION FEE AND PROPERTY TAX DEVELOPMENT

Process:

- Request input from local developers and incorporate changes.
- Update IRWD Connection Fee and Property Tax model.
- Set connection fees and property tax to share costs equally between developers and property owners (through 2050).
- Recommend Board approval of connection fees and property tax rates for FY 2023-24 and FY 2024-25.

Staff will revisit connection fees and rates at mid-cycle and update the Committee on any changes that could affect tax rates and fees.



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OVERVIEW OF SIGNIFICANT CHANGES

Updated critical components of the rate setting model:

- Increases associated with ENR
 - ✓ FY 2023-24 = 13.0% (net)
 - ✓ FY 2024-25 = 3.5% (estimate)
- Capital Improvement Projects: \$375 million increase (35%)
 - ✓ New Capital: \$259 million
 - ✓ Replacements: \$116 million
 - ✓ New capital includes increase for Syphon: \$150 million
- Interest Earnings: 1% increase (from 3.0% to 4.0%)
- Cost of Debt: 1% increase (from 2.5% to 3.5%)



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PROPOSED CONNECTION FEES AND TAX RATES



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PROPOSED CONNECTION FEES

Improvement District	FY 2022-23	FY 2023-24	FY 2024-25
111/222	\$10,283	\$13,368	\$13,836
112/212	\$6,426	\$7,711	\$7,981
113/213	\$9,219	\$10,417	\$10,781
125/225	\$6,198	\$8,058	\$8,341
153/253	\$3,145	\$3,554	\$3,678
185/285	\$5,200	\$6,932	\$7,175
188/288	\$4,582	\$5,177	\$5,358

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PROPOSED TAX RATES

Improvement District	FY 2022-23	FY 2023-24	FY 2024-25
112/212	\$ 0.0475	\$ 0.0475	\$ 0.0475
113/213	\$ 0.0990	\$ 0.0990	\$ 0.0990
125/225/240	\$ 0.0280	\$ 0.0280	\$ 0.0280
153/253	\$ 0.0220	\$ 0.0220	\$ 0.0220
185/285	\$ 0.0218	\$ 0.0218	\$ 0.0218
188/288	\$ 0.0394	\$ 0.0394	\$ 0.0394

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STAFF RECOMMENDATION

That the Committee recommend Board approval of the Fiscal Year 2023-24 and Fiscal Year 2024-25 connection fees and property taxes.

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