



HEATHER GLEN COMMUNITY SERVICES DISTRICT

NOTICE TO DISTRICT CUSTOMERS: 2025 FEE CHANGES EXPLAINED

Dear HGCSD Customers,

If you've noticed changes in your monthly bill this year and are unsure why they occurred, this notice will help clarify the reasons behind the 2025 service fee adjustments.

Earlier this year, the Heather Glen Community Services District (HGCSD) implemented several monthly fee increases **after reviewing the District's budget and identifying funding gaps in multiple service areas**. These changes were **publicly discussed and approved** during Brown Act-compliant meetings of the HGCSD Board.

Summary of 2025 Fee Changes

Fee Type	Previous Rate	New Rate	Effective	Notes
Admin & Management Fee (combined)	\$20	\$34	May 2025 Invoice	Two line items combined & renamed "District Operations" for clarity
Roadway Services Fee (Heather Glen Estates Only)	\$7	\$18	May 2025 Invoice	Increased to match actual maintenance costs
Sewer & Wastewater Fee (Heather Glen Estates Only)	\$18	\$21	May 2025 Invoice	Adjusted for rising lease and utility expenses
PCWA Raw Water Charge	\$3	\$7	September 2025 Invoice	Covers actual raw water costs from PCWA

Why Were These Fees Increased?

For years, service rates remained unchanged, despite rising contractor fees, inflation, and other operating expenses. A comprehensive financial review in early 2025 revealed that **the District was not collecting enough revenue to cover the actual cost of services**, which is inconsistent with sound **fund accounting practices**.



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Key Financial Findings from 2024:

- **Admin & Operations**
 - Collected: \$35,535
 - Spent: \$45,023
 - *Includes: personnel salaries (General Manager, Bookkeeper), audits, legal fees, insurance, memberships, etc.*
- **Roadway Services (Heather Glen Estates Only)**
 - Collected: \$6,804
 - Spent: \$33,574 (includes ~\$17,000 used towards road maintenance in 2024)
- **Sewer & Wastewater (Heather Glen Estates Only)**
 - Collected: \$17,280
 - Spent: \$19,814
 - *Includes: PG&E utility clean-out, Union Pacific Railroad lease (increasing 5% annually), and pond operations*

Previously, shortfalls in one area were being covered by surplus in others. This approach is no longer viable or compliant. **The updated fee structure ensures that each service is properly funded and that any potential surplus goes into reserves for planned maintenance.**

Why the PCWA Raw Water Charge Increased

In September 2025, the PCWA Raw Water Charge **increased from \$3 to \$7 per month**. This charge reflects the actual monthly cost of purchasing raw water from Placer County Water Agency (PCWA), which **had not been adjusted in many years**.

2025 Financial Snapshot (Jan–Sept 15):

- **Customer Billing:** \$2,448.00 (based on \$3/month)
- **Actual Cost to HGCSD:** \$5,776.17
- **Deficit:** -\$3,328.17
- **Per-customer cost:** ~\$7/month

While the District **had been offsetting this shortfall using revenue from general water service income** — which is technically allowable since both fall under the water fund — this approach is not considered best practice and creates confusion in budgeting and fund tracking. **To align with proper financial management and ensure the raw water cost is clearly accounted for**, the Board approved a \$4 increase to the PCWA Raw Water Charge.



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Note: This charge is a pass-through fee for raw material (water supply), not a District-imposed rate, and therefore does not require county approval or a rate study.

Future Annual Adjustment:

The PCWA Raw Water Charge will now be **reviewed each year** and adjusted **annually on January 1st** to reflect any changes in PCWA's rates (increasing 7% in 2026 and 6% in 2027). Details on PCWA multi-year increases can be found here: www.pcwa.net/services/rate-adjust.

How and When These Changes Were Approved

All fee increases were discussed and approved in publicly noticed meetings:

- **March 27, 2025** – Regular Board Meeting: Fee review and recommendation initiated
- **April 24, 2025** – Special Meeting: Further discussion and fee increases formally adopted by Board Resolution
- **September 25, 2025** – Regular Board Meeting: Raw Water Charge adjustment approved

All meeting minutes and financial documents are available on the District website:
www.HGCSD.net

Questions? We're Here to Help.

If you have further questions about your bill or these changes, please reach out:
HeatherGlenCSD@gmail.com.

Join the Discussion – Attend a Meeting! All meetings are open to the public and listed online.

Thank you for your continued support and engagement as we work to maintain the quality, compliance, and sustainability of services to the district.

Sincerely,
Heather Glen Community Services District (HGCSD)