

Ask Flo...



Your BVID Outspoken Spokeswoman is prepared to answer the tough questions about water rate increases. If you want more information or have additional questions please call the District Office at 530-743-5703.

Why do we need to increase water rates?

Unless you have been hiding out for the last several years you know costs have increased for many products and services in recent times. This increased cost has resulted in the District having higher costs. From paper to gas to garbage most of the essential operating costs for the BVID have gone up. We are sure you are experiencing a similar challenge. While we must increase the rates to cover these costs, it will not cover the expenses entirely and still will still fall short after the rate increase.

I noticed that there is not enough income projected to cover the shortfall in the budget. How do you plan on balancing the budget?

We are being creative and doing what we can to ease the burden on District Members. We have set aside reserves to pay off a bond of \$100,000 and we also expect to receive grant funding for the Dry Creek Recapture Project. This project recaptures water that would otherwise be lost by the District and puts it back into the delivery system. It is a \$2 million project of which 90% is funded by grants. It will amount to approximately \$500,000 this year, of which will include \$50,000 in expenditures by the District which we have planned to pay out of reserves this year.

How come we are raising the water rates during these tough economic times?

Our goal is to minimize the increase. Unfortunately times are tough right now for a lot of folks and we understand this. We are doing our part to keep the budget balanced and run the District as effectively as possible.

How did the District come up with a 4% increase?

Last year we had a 6% increase in fees. This year we studied and calculated the numbers and decided to increase just 4% (based on the 3.8% rise in inflation for 2011). Again while this doesn't cover the shortfall entirely it does put us in a position in which we can approach a balanced budget without neglecting the system or having massive increases in the future.

How much money will this increase generate?

The increase generates just \$27,000. This is not a small amount; however it is a small percentage of the District's budget of \$2.1 million. The increase amounts to an additional \$6 administrative charge to each user along with a \$3.40 increase per unit charge per irrigation season.

How does the District know how much they need to raise the rates in 2013 and 2014?

We looked at this and decided to insure that the 4% increase would be the top amount that we may increase water rates in 2013 and 2014. In other words if inflation goes up less than 4% the Board can reduce the rate of increase. If inflation goes up more than that we must still stay with the 4% ceiling that has been established for those years.

I see that for 2012 there is a very large amount of grant funding. What is that about?

It means that we have been working hard for you and are obtaining funding for projects through grants, not through increased water rates. Our water supply has not increased over the past twenty years, we have just improved the process for delivering it and conserving it. Projects like the Dry Creek Recapture Project are essential to that goal. With over \$450,000 in the budget this year alone in grants for that project we are will be able to recapture the "tail water" from Dry Creek and pump it back into the system.

So, is that why there is so much budgeted for Capital Purchases?

Yes, absolutely, the \$500,000 is for the same project and is listed under capital purchases.

I've noticed in the budget that the District has a high payroll cost, why is this?

55% of our actual costs are payroll and the items associated with having employees (insurance, taxes, etc.). The delivery of water is a labor intensive industry and staff are necessary to manage and operate the system. The District does almost all of its repairs and construction in-house saving thousands of dollars each year. We are also currently running with two vacant staff positions and do not expect to fill them this year in order to save money. We have asked more of our staff in these tight times and they have responded. We are always working hard to find ways to cut costs without compromising our ability to provide excellent service and efficient water delivery.

Want do I do if I want to protest/prevent this proposed increase?

There is a process for this. If we receive written protest by more than 50% of parcels in the District we cannot move forward with this proposal. Written protests from valid land owners or tenants and must be received by the date of the hearing which is March 15, 2012. It will need to be mailed or dropped at the District Office. Make sure to get it here on or before that date.

Browns Valley Irrigation District
9370 Browns Valley School Rd.
PO Box 6
Browns Valley, CA 95918
Business Hours: Mon-Fri, 7:30am-3:30pm