

2013 mid-year EID board performance review...Who is looking out for ratepayers?

With this November's elections for two EID board seats on the horizon, ratepayers should take stock of the EID board's performance so far this year:

January 1, 2013

Raised water rates 11 percent and sewer rates 5 percent.

February 25, 2013

Passed 7 percent employee pay hikes for 2014 following 6 percent pay hikes for 2013.

March 11, 2013

Passed discretionary \$1.5 million mini-hydro project that will add a miniscule 1.6% to EID's Hydroelectric generation revenues.

March 25, 2013

Passed purchase of four new trucks even though EID has 162 vehicles for 120 field employees plus 8 staff employees receiving car allowances.

March 25, 2013

Passed \$475 million Water Master Plan to expand water infrastructure capacity for future growth; associated added debt will be financed by more rate hikes to current water ratepayers.

April 22, 2013

Passed a \$420,000 per year contract for temporary help personnel services even though EID has a five person human resources staff for just 221 employees.

May 28, 2013

Passed \$205 million Wastewater Master Plan to expand sewer infrastructure capacity for future growth; associated added debt will be financed by more rate hikes to current sewer ratepayers.

June 10, 2013

Reviewed management-proposed increase in FCC charges and deferred action until July 22, 2013 to give developers time to lobby for reductions; added costs will be left to ratepayers to pay.

June 24, 2013

Reviewed audited financial report for 2012 that showed EID had a reported net loss of \$10.8 million for 2012 plus a \$4 million worsening of unfunded pension liabilities; ignored the losses and insisted that district finances are in good shape.

January-June 2013

Reviewed 36 proposed spending projects with a total cost of \$19 million and "rubber-stamped" approval of every one of them.

Coming soon events

\$60 million added debt; half of which is for increasing capacity in anticipation of future customers; markedly increased interest costs on \$110 million variable interest debt; increased pension costs going into rates; 11 percent water rate hike for January 2014 (already board-approved).

Mid-2013 EID board performance summary:

EID rates again have surged, employee pay again has surged, operating losses have mounted, unfunded pension liabilities have worsened, and every management-proposed spending project received "rubber-stamped" board-approval.

Based on the above rate hiking, pay hiking, project "rubber stamping", mushrooming benefit costs and ongoing operating losses, ratepayers should ask:

"Who is looking out for ratepayers?"