

Did *you* KNOW?

IMPORTANT!

The goals of the rate-making process are to ensure that rates are fair and equitable and generate enough funds to reliably operate and maintain the water and wastewater systems.

MORE QUESTIONS?

Our website is packed with helpful information! Visit www.bjwsa.org

How rates are determined

Determining rates is an annual step-by-step process conducted by BJWSA staff, working with an outside rate consultant and the Board of Directors' Finance Committee. BJWSA's budget and rates are reviewed, evaluated, and approved initially by the Finance Committee and finally by the full Board of Directors. The goals of the rate-making process are to ensure that rates are fair and equitable and generate enough funds to reliably operate and maintain the water and wastewater systems. In addition, rates are designed to promote water conservation.

The Decision-Making Process

January

BJWSA financial staff and Finance Committee (made up of three Board Members) discuss rate and budget objectives.

February

BJWSA staff and our rate consultant use a computer-modeling program to calculate the appropriate rates, based on preliminary information for the next fiscal year. A wide variety of information goes into the model, including the BJWSA financial plan, forecasted water demands and sewer flows, the cost to operate and maintain the systems, required cash reserves, one-time equipment purchases, and debt payments to support the Capital Improvement Program.

March

The Finance Committee reports the budget status and preliminary rates to the Board of Directors.

April-May

The staff and rate consultant continue revising forecasts and resulting rates as the budget is developed, keeping the Finance Committee informed.

May

The Finance Committee recommends the final budget and rates to the Board of Directors.

June

A notice is published in local newspapers and the Board holds a public hearing in the proposed budget and rates.

The Board of Directors adopts the budget and rates for the new fiscal year, which begins July 1.