

BOS Meeting – February 20, 2024

Business and Economic Development Update

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All across the Golden State, the light of hope for rural communities and businesses is fading. Year after year, more roadblocks are put in front of them to succeed. In the latest Barbed Wire newsletter of the RCRC, there is an article on how the rural businesses are struggling. In November of last year, the California Public Utilities Commission approved a raise in electrical rates by PG&E by 17% to 21%. Effective January 1st of this year. That means a small grocery store in the town of Bieber, which only has 200 people, will pay more than \$40,000 this year in electricity. That's unsustainable.

To bring this to a local level, last year Carol's Café in Prattville paid over \$14,000 for electricity. And that was for only 5 months of operation. That means she will have to pay almost \$3,000 this year over last year.

Here's what's happened to businesses in the last decade:

- Electrical rates have almost doubled.
- Minimum wage has increased from \$9 per hour to \$16 per hour. That's a 78% increase.
- Inflation and cost of goods sold have gone through the roof.
- Insurance rates have soared; you're lucky if you can even get it.
- Gas prices have been extraordinarily high, and especially high in CA.
- Repair and maintenance costs have doubled or more.

As if that isn't enough, consider this:

- If you are a seasonal business, like Carol's Café, you pay the highest premiums possible for unemployment insurance.
- After 2pm, your electrical rates hit the maximum.

In our meeting later today, the IVIH will be discussing micro grids and how they could potentially lower electrical costs.

In other news, the DFC held elections for new Steering Committee Members last Saturday. Newly elected Members are: Kaylee Bentz, Trina Cunningham, Greg Walsh, and Daniel Seyers (spelling?).