



Smart Management for
Small Water Systems

Financial Empowerment for Small Water Systems in NC

Washington, NC

December 8, 2016

Instructor: Shadi Eskaf, EFC at UNC's SOG



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American Water Works
Association

This program is made possible under a
cooperative agreement with EPA.



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The Environmental Finance Center (EFC) at UNC



Part of the UNC School of Government.

Dedicated to enhancing the ability of governments and other organizations to provide environmental programs and services in fair, effective and financially sustainable ways.



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Smart Management for Small Water Systems

by the Environmental Finance Center Network

under a Cooperative Agreement with the US EPA

- Asset Management
- Fiscal Planning and Rate Setting
- Water Loss Reduction
- Energy Management
- Water System Collaboration
- Funding Coordination
- Managerial and Financial Leadership
- Workforce Development



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About the Environmental Finance Center Network (EFCN)

The Environmental Finance Center Network (EFCN) is a university-based organization creating innovative solutions to the difficult how-to-pay issues of environmental protection and improvement. The EFCN works with the public and private sectors to promote sustainable environmental solutions while bolstering efforts to manage costs.

The Smart Management for Small Water Systems Program

Under a cooperative agreement with the US EPA

This program is offered free of charge to all who are interested. The Project Team will conduct activities in every state, territory, and the Navajo Nation. All small drinking water systems are eligible to receive free training and technical assistance.

What We Offer

Individualized technical assistance, workshops, small group support, webinars, eLearning, online tools & resources



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Areas of Expertise

- Asset Management
- Fiscal Planning and Rate Setting
- Energy Use and Efficiency
- Financial Regulatory Compliance
- Communications and Decision-making
- Multi-funding Coordination
- Water Loss Reduction
- Partnering with Other Water Systems
- Managing Small Systems in Drought



Project Team

- Environmental Finance Center at University of North Carolina at Chapel Hill
- Southwest Environmental Finance Center
- Syracuse University Environmental Finance Center
- Environmental Finance Center at Wichita State University
- EFC West
- Environmental Finance Center at University of Maryland, College Park
- Environmental Finance Center at University of Louisville
- Great Lakes Environmental Finance Center at Cleveland State University
- New England Environmental Finance Center at University of Southern Maine
- American Water Works Association





Partnerships

- AWWA and state chapters
- State primacy agencies (DEQ)
- Funding agencies (USDA, EDA, etc.)
- Utilities Commissions
- Technical assistance programs (SERCAP, RWA, etc.)



Quick Introductions

1. Name
2. Organization
3. What would you would like addressed today?



Workshop Objectives

- Understand how to evaluate your system's past and current financial condition
- Learn how to plan for and finance your water system now and into the future
- Provide forum for sharing finance and management perspectives, ideas, and experiences



Agenda

Next: Managing the Water System Fund

9:45 Assessing Financial Condition

Break

10:30 O&M Costs

Lunch

11:00 Capital Planning

1:00 Rate Setting

Break

3:30 External Funding

4:30 Evaluations, Certificates



Agenda

- Water Finance 101
- Assessing Financial Condition
- Capital Planning
- Rates
- Funding Opportunities



Quick Quiz!



1) Local governments' water systems are funded by revenues from the General Fund

- A. True
- B. False
- C. I don't know



2) A debt service coverage ratio of +0.9 is:

- A. A sign of financial trouble ☹️
- B. A sign of good financial health 😊
- C. I don't know



3) Nationally, construction costs are:

- A. Growing at the current rate of inflation
- B. Growing at about 3%/year
- C. Relatively stable
- D. Lower than before the Great Recession
- E. I don't know



4) An Asset Management Plan starts with

- A. A list of future capital projects
- B. Projections of population growth
- C. An inventory of the water system's equipment
- D. I don't know



5) The majority of a water system's revenues depends on how much water customers use

- A. True
- B. False
- C. I don't know



Average residential water use in NC is generally:

1. Increasing
2. Stable
3. Decreasing
4. I don't know



6) Municipalities in NC are allowed to charge “impact fees” for water:

- A. True
- B. False
- C. It depends
- D. I don't know



7) Grants for water systems in NC:

- A. Are non-existent
- B. Are limited and highly competitive
- C. Fund a significant number of projects
- D. Are basically “free money”
- E. I don’t know

Topic Not Covered

✉ FREE Grant Money For You - Message (HTML)

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Reply Reply to All Forward [Icons]

From: Amy Cornett [suny@easypeasy.com]
To: jezter@email.unc.edu
Cc:
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With best regards,

The Grant Giveaway Team

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Which of the following best describes your background?

1. Engineering/science
2. Law
3. Finance/accounting
4. Business
5. General management/public administration
6. South African Literature



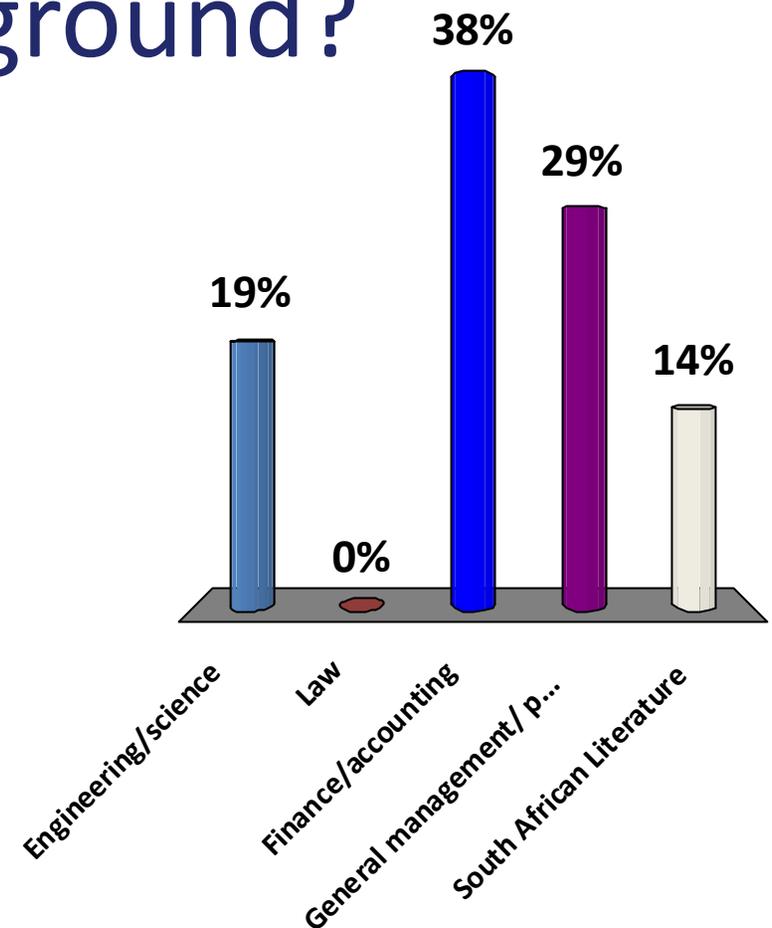
What type of system do you represent?

1. Government
2. Tribe
3. Non-profit water association
4. Private community system
5. Non-transient non-community system
6. Other



Which of the following best describes your background?

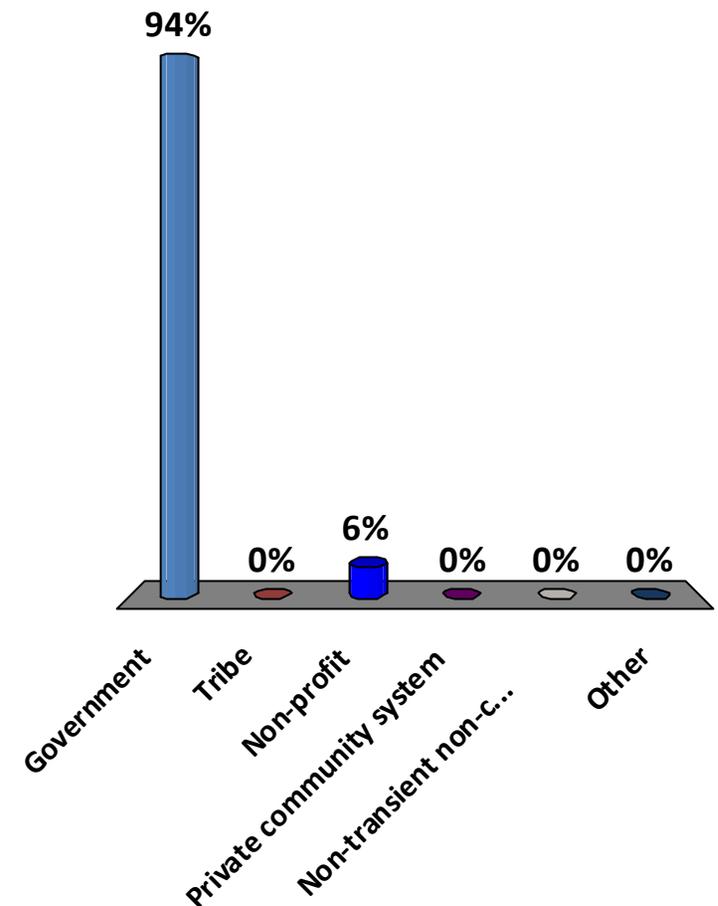
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2. Law
3. Finance/accounting
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5. South African Literature





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Acknowledgement



This workshop is sponsored by the **Public Water Supply Section of the Division of Water Resources**, NC Department of Environment and Natural Resources, and the **Western Carolina University Local Government Training Program** (with the UNC School of Government).



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Housekeeping

- Restrooms
- Breaks
- Presentations and handouts
- Credit hours, certifications, evaluations