

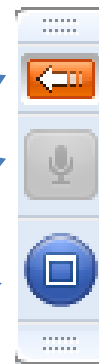
Logistics

At the top right corner of your screen:

Show your control panel to submit questions and see answers

All phones/microphones are muted for the duration of the webinar.

Toggle between full screen/window screen view

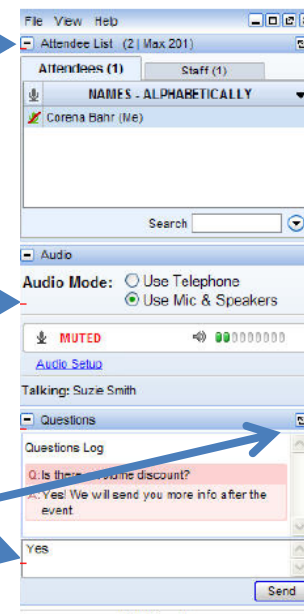


Control Panel:

Attendee List

Audio: please choose between speakers and telephone. If you do not hear audio right now, please check your speaker volume or enter #[audio pin]# if using phone.

Submit questions in the Questions box at any time, and press [Send]. To undock and increase the size of the box, click on top right corner icon.





Smart Management for
Small Water Systems

WEBINAR: Benchmarking Residential Water and Sewer Rates in North Carolina

Tuesday, April 5, 2016
2:00 – 3:00 PM ET

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



Environmental
Finance
Center
Syracuse University



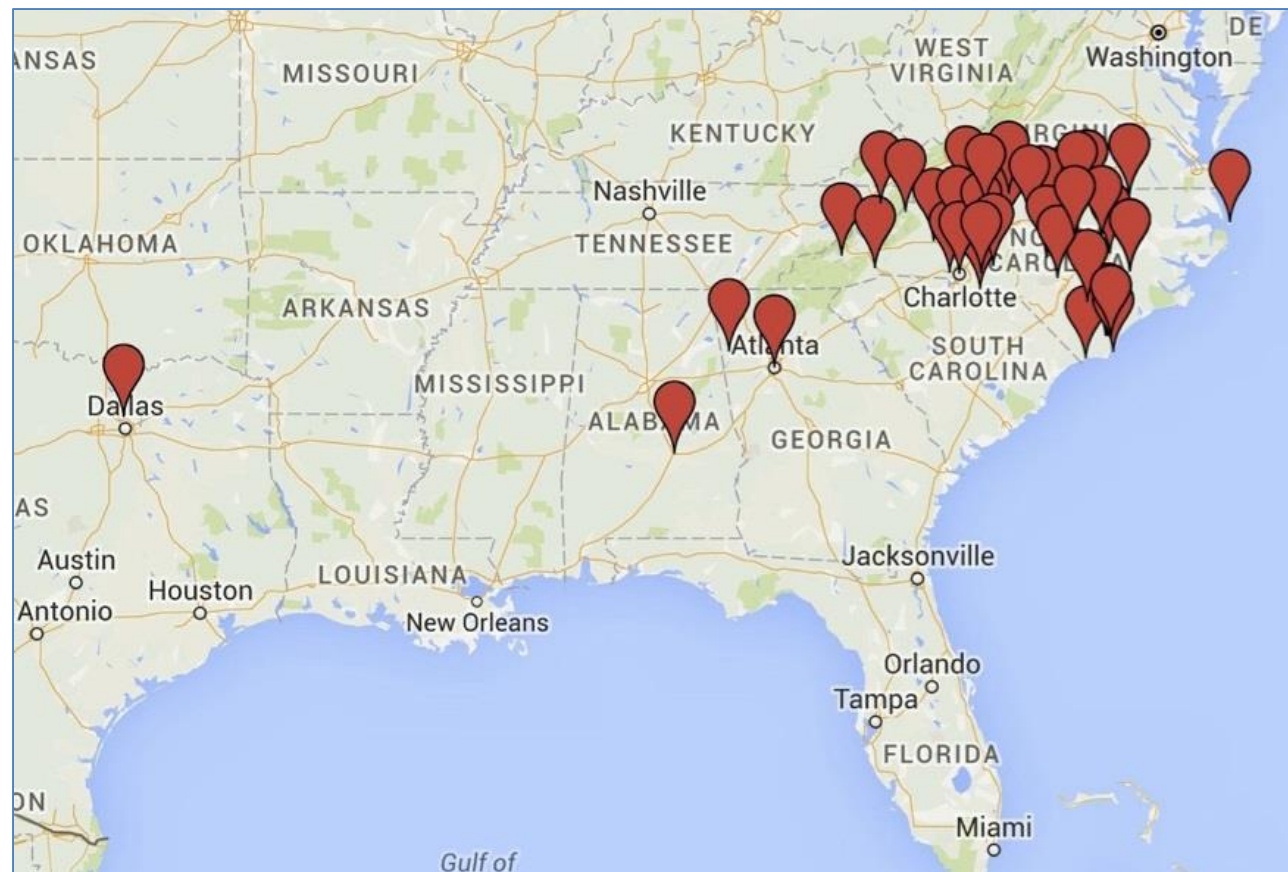
www.efcnetwork.org



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Registrants of this webinar





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

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



- **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
- Environmental Finance Center at University of Louisville
- EFC West
- Great Lakes Environmental Finance Center at Cleveland State University
- New England Environmental Finance Center at University of Southern Maine





Areas of Expertise

- **Fiscal Planning and Rate Setting**
- Asset Management
- Energy Use and Efficiency
- Meeting Regulatory Compliance
- Multi-funding Coordination
- Communications and Decision-making
- Water Loss Reduction
- Working with Other Water Systems
- Financing
- Funding Programs
- Managing Small Utilities in Drought



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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 through:

- Applied Research
- Teaching and Outreach
- Program Design and Evaluation



How you pay for it matters



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<http://efc.sog.unc.edu>

@EFCatUNC



Objectives

- Become familiar with features and benefits of our North Carolina Residential Water and Wastewater Rates Dashboard.
- Learn how to compare one system's rates with those of other systems.
- Learn how to apply useful financial benchmarks to your system.
- Receive some free, direct technical assistance on the current state of your water/wastewater rates.



Polling Question 1

What kind of water utility do you represent?

- For-Profit
- Municipality
- Not-for-Profit
- Special Purpose District
- Not a Water or Sewer Utility



Polling Question 2

What size water system does your utility operate (by number of people served)?

- Very Small (500 or fewer people served)
- Small (501 to 3,300 people served)
- Medium (3,301 to 10,000 people served)
- Large or Very Large (10,001+ people served)
- Not a Water or Sewer Utility



Polling Question 3

What utility management and finance topic are you most concerned about?

- Affordability
- Communication
- Conservation
- Cost Recovery
- Rate Setting

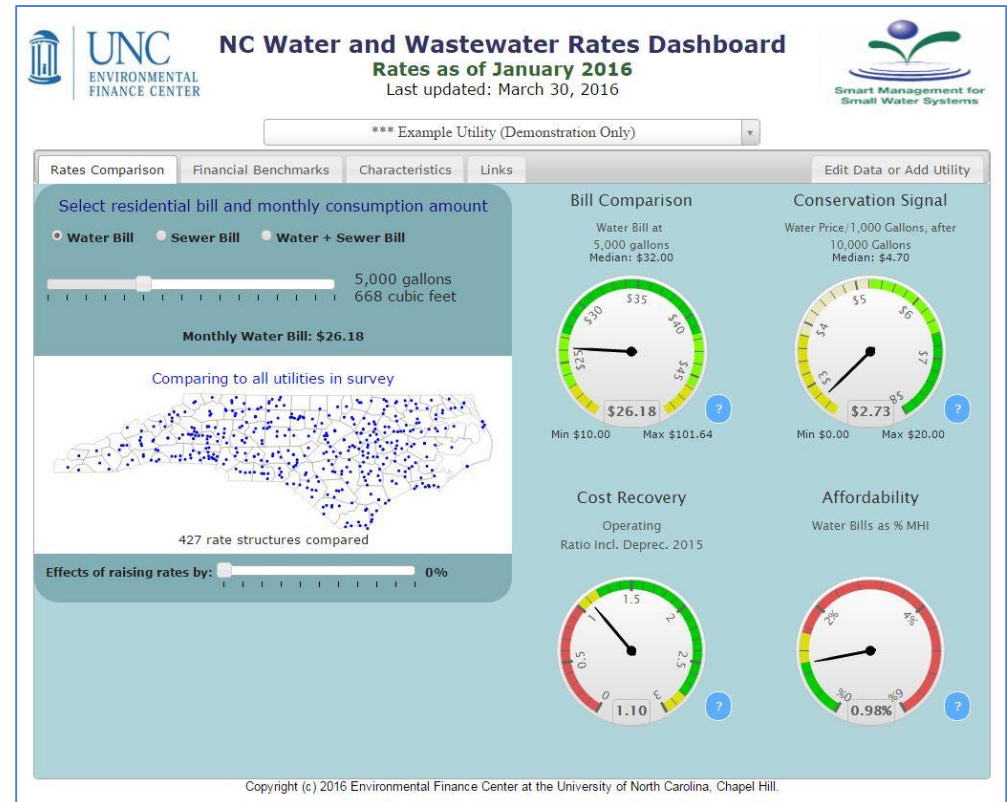
Water Rates in North Carolina

January 2016 Residential Water/Wastewater Rates in North Carolina:

- NC rates data sourced from joint statewide rates survey by the EFC and the N.C. League of Municipalities
- Approximately 418 residential drinking water and/or wastewater utilities included
- Covers roughly 80% of all North Carolina Community Water Systems (by SDWIS service population)
- Municipalities, Special Purpose Districts, For-Profits, and others

The North Carolina Rates Dashboard!

- On the EFC Website:
 - Go to: efc.sog.unc.edu and search for “North Carolina Rates Dashboard”

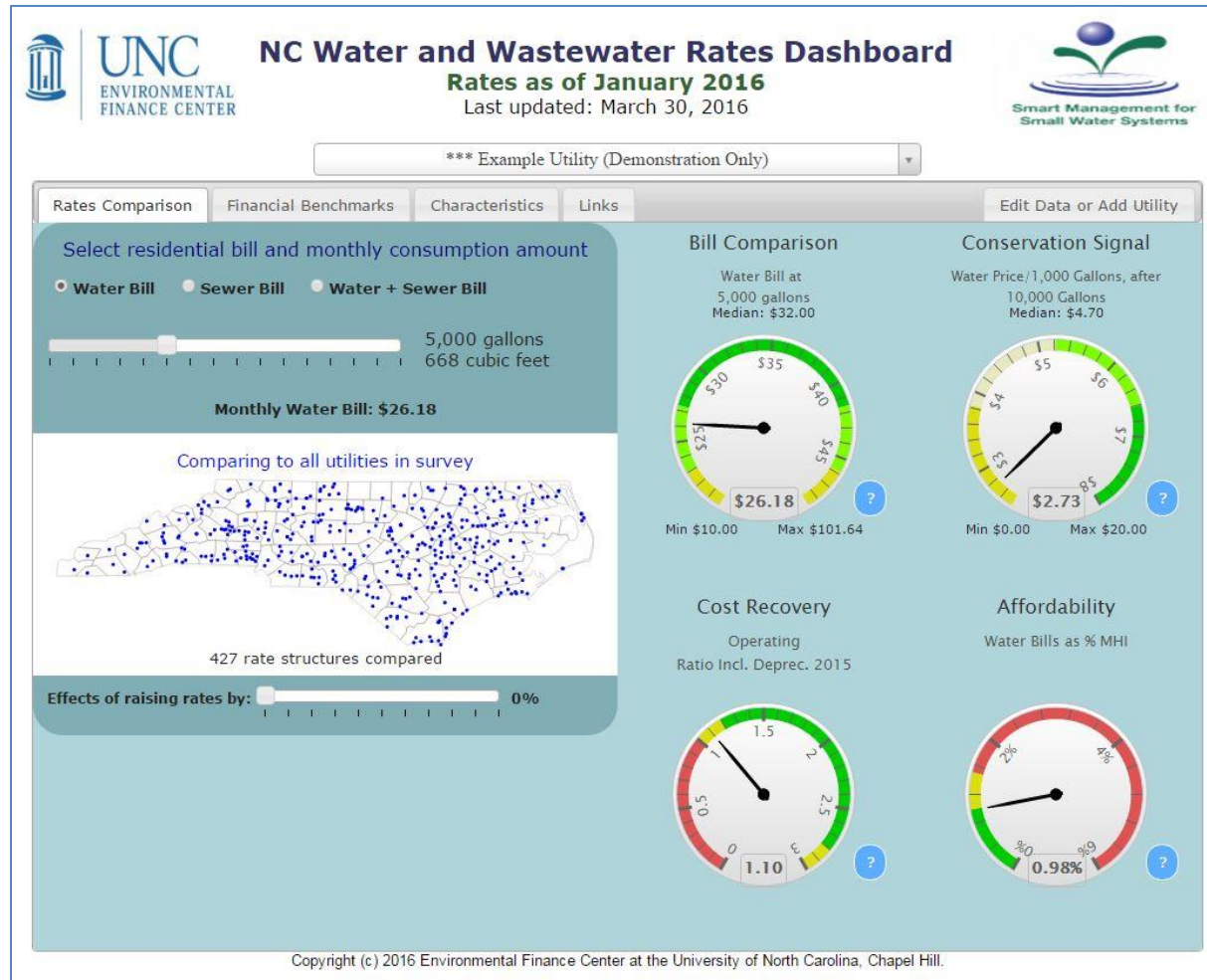


Water/Sewer Rates Dashboards

- Created for AL, AZ, CO, GA, IL, MA, NC, OH, TX, VA, WI and Canada. (With more coming soon!)
- Free, online, open to the public.
- Compares rates against multiple characteristics:
Utility finances; System characteristics; Customer base socioeconomic conditions; Geography; History
- Compare to similar utilities (large samples):
 - All utilities; similar service population; similar water source; using same rate structure; similar customer income; same type of utility; within 50 miles distance

Demonstrate the NC Dashboard:

<http://efc.sog.unc.edu>





New Revenue Stability Dial

- Testing it out for soon-to-release S.C. rates dashboard
- May later add it to the N.C. dashboard
- Measures percentage of chosen bill from base charge part of total bill
- Hence looks at stability of revenue under conditions of disruption of sales

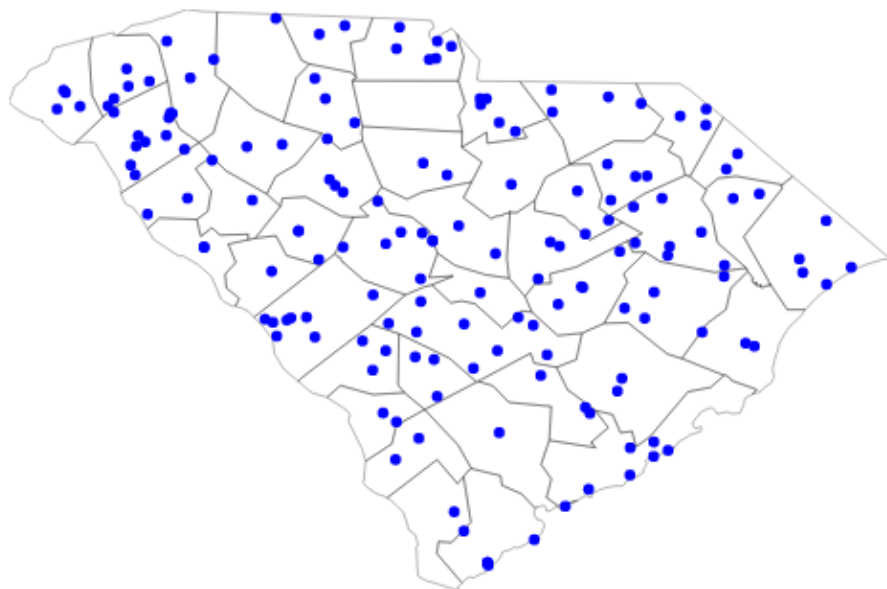
Select residential bill and monthly consumption amount

☐ Water Bill ☐ Sewer Bill ☒ Water + Sewer Bill

0 gallons
0 cubic feet

Monthly Water & Sewer Bill: \$31.50

Comparing to all utilities in survey

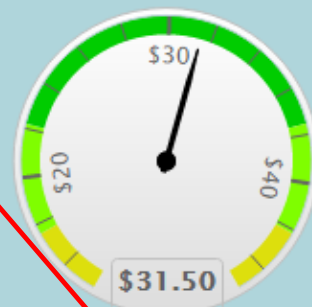


161 rate structures compared

Effects of raising rates by: 0%

Bill Comparison

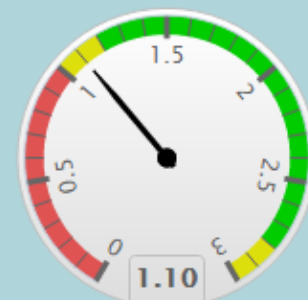
Water & Sewer Bill at
0 gallons
Median: \$29.00



Min \$6.01 Max \$62.15

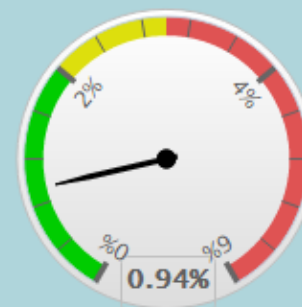
Cost Recovery

Operating
Ratio Incl. Deprec. 2015



Affordability

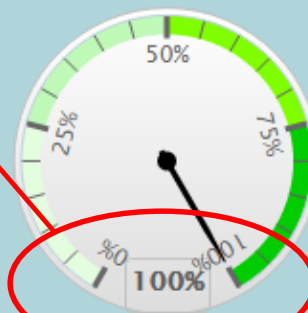
Water & Sewer Bills as % MHI



Revenue Stability

Base Charge % of Bill

Median: 100%



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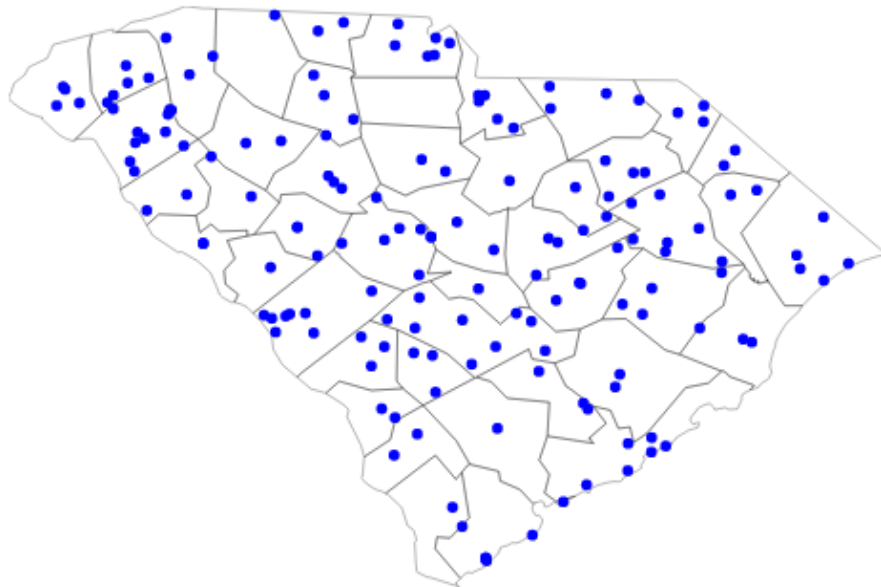
Select residential bill and monthly consumption amount

☐ Water Bill ☐ Sewer Bill ☒ Water + Sewer Bill

3,740 gallons
500 cubic feet

Monthly Water & Sewer Bill: \$52.00

Comparing to all utilities in survey

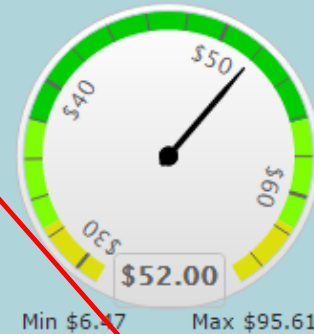


161 rate structures compared

Effects of raising rates by: 0%

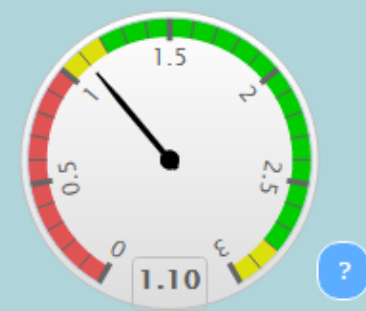
Bill Comparison

Water & Sewer Bill at
3,740 gallons
Median: \$47.86



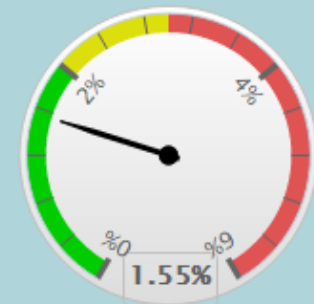
Cost Recovery

Operating
Ratio Incl. Deprec. 2015



Affordability

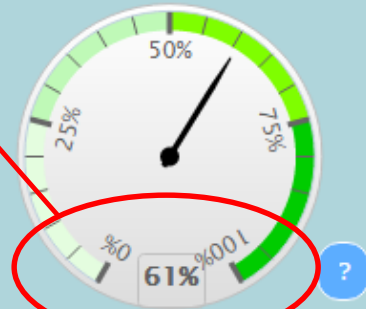
Water & Sewer Bills as % MHI



Revenue Stability

Base Charge % of Bill

Median: 62%



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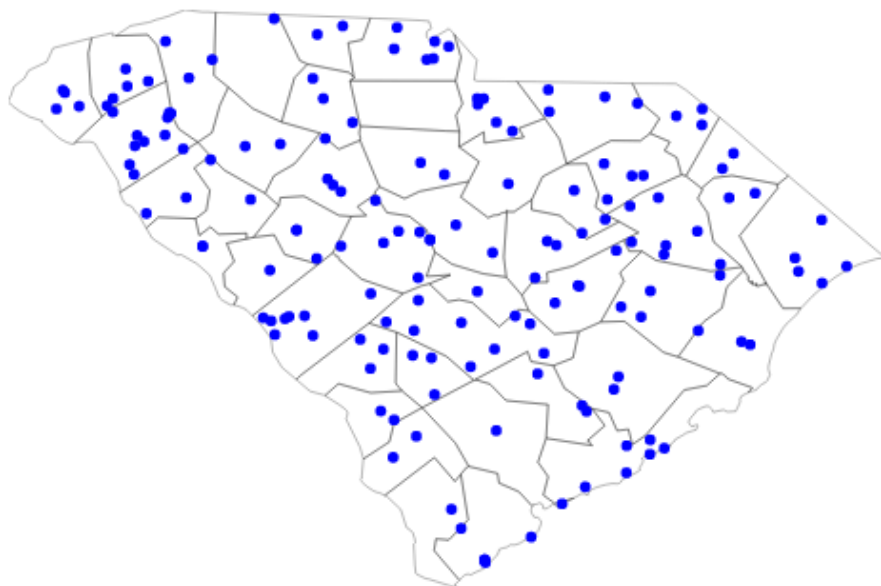
Select residential bill and monthly consumption amount

☐ Water Bill ☐ Sewer Bill ☒ Water + Sewer Bill

☐ 6,000 gallons
802 cubic feet

Monthly Water & Sewer Bill: \$69.25

Comparing to all utilities in survey

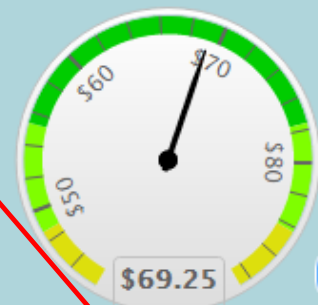


161 rate structures compared

Effects of raising rates by: ☐ 0%

Bill Comparison

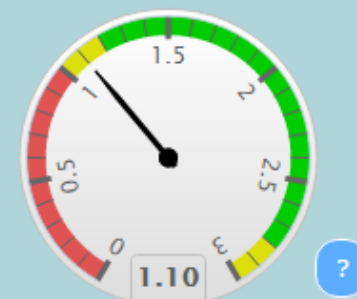
Water & Sewer Bill at
6,000 gallons
Median: \$66.75



Min \$26.97 Max \$129.85

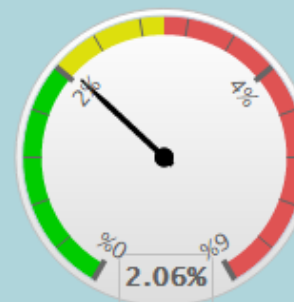
Cost Recovery

Operating
Ratio Incl. Deprec. 2015



Affordability

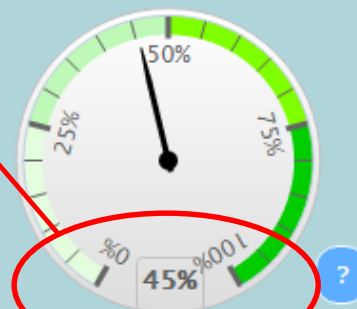
Water & Sewer Bills as % MHI



Revenue Stability

Base Charge % of Bill

Median: 45%

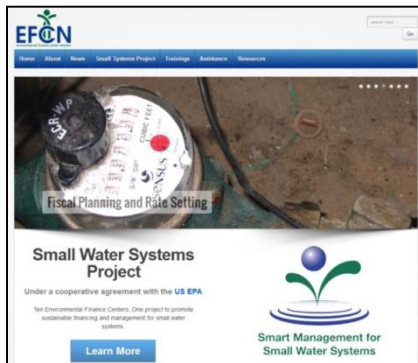


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Resources

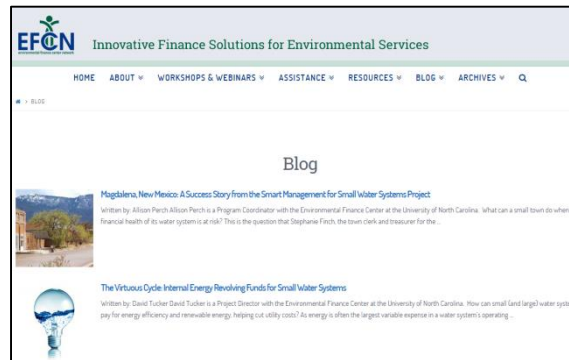
Download more tools and resources
View your state's funding programs matrix
Attend in-person workshops or webinars
Sign up for direct technical assistance

<http://efcnetwork.org>



Sign up for blog posts for small water systems

http://efcnetwork.org/small_water_systems_blog/



Sign up for blog posts on *Environmental Finance*

<http://efc.web.unc.edu>




Follow us on Twitter: @EFCatUNC

Financial Health Checkup for Water Utilities


<http://efc.sog.unc.edu> or <http://efcnetwork.org>

Find the most up-to-date version in Resources / Tools

Financial Health Checkup for Water Utilities

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Developed by the Environmental Finance Center
at the University of North Carolina, Chapel Hill
<http://efc.sog.unc.edu>





A resource for water systems through the Environmental Finance Center Network's
Smart Management for Small Water Systems project, funded under a cooperative
agreement with the U.S. Environmental Protection. <http://efcnetwork.org>

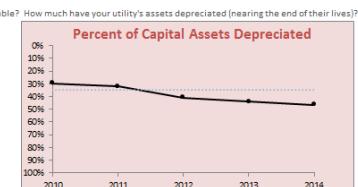
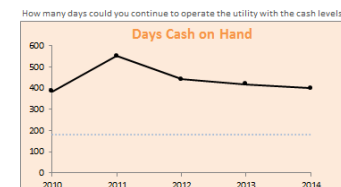
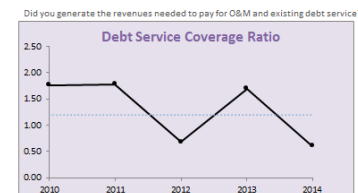
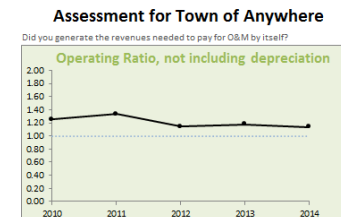
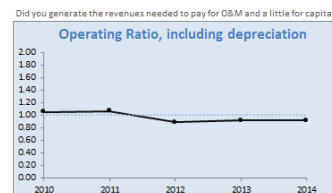
What does this tool do?
This tool assists in the assessment of the financial performance of a water (and/or wastewater) utility fund. Financial data readily available in annual financial statements are copied into this tool, which computes key financial indicators that measure a variety of important metrics, such as the ability to pay debt service, availability of cash to pay for operations and maintenance, the sufficiency of revenues generated, etc. Each metric is compared against targets that are specified by the user. The tool demonstrates the financial strengths and weaknesses of the utility fund in the past 5 years.

Features:
Simple data entry (uses data already reported in your audited financial statements)
6 financial performance indicators with explanations
Set your own targets
Assessment of last year's financial ratios, improvements since previous year, and five-year trends
Guided navigation through hyperlinked images

What are financial indicators?
Watch a whiteboard video explaining financial performance indicators in lay terms.



Excel®- based tool
Free to use



Created by the Environmental Finance Center at the University of North Carolina, Chapel Hill's School of Government
A resource for water systems from the EFCN's Smart Management for Small Water Systems project
funded under a cooperative agreement with the U.S. E.P.A.



Polling Question 4

Would you like to subscribe to the Environmental Finance Center's blog?

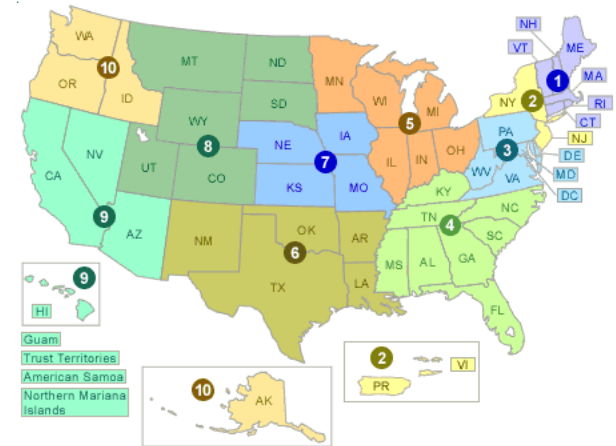
- Yes
- No

Smart Management for Small Water Systems



under a Cooperative Agreement with the US EPA

- The EFCN provides training and technical assistance to small public water systems in all fifty states and five territories to help local water systems achieve and maintain compliance with the Safe Drinking Water Act.
- Workshops, trainings and direct assistance:
 - Asset Management
 - Water Loss Reduction
 - Water System Collaboration
 - Fiscal Planning and Rate Setting
 - Energy Management
 - Funding Coordination, and
 - Managerial and Financial Leadership
- Sign up for direct assistance at <http://efcnetwork.org/one-on-one/>





Polling Question 5

If you are a small water system (10,000 or fewer people served), are you interested in receiving in-depth technical assistance?

- Yes
- No
- Not sure – I'd like more details



Thank You!

And please let us know if you have any questions.

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Laura Flagg
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