



Smart Management for  
Small Water Systems

## Rates and Finance Workshop for Small Water Systems

09/21/17| St. George, UT

*[www.efcnetwork.org](http://www.efcnetwork.org)*



UNC  
ENVIRONMENTAL  
FINANCE CENTER



American Water Works  
Association

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



# Housekeeping



# CEU Certificates

**If you need a CEU certificate, you will need to confirm the following on the roster today before you leave:**

- Is your name spelled correctly?
- Did you provide an email address UNIQUE TO YOU? A unique email address is required to access your certificate on the AWWA website.
- Did you mark the checkbox that you need a certificate?

Within 30 days of the training, you will receive an email with instructions to print your certificate. Emails from AWWA may be blocked or go to your Junk mail. To avoid this issue, add [educationservices@awwa.org](mailto:educationservices@awwa.org) to your email Contacts or check your Junk mail frequently.

AWWA will apply to the water operator state licensing agency for CEU preapproval when applicable. You may be awarded CEUs by your agency. It is your responsibility to confirm with the agency that training meets relevancy criteria established for your license type as some agencies may not apply CEUs to your license if the training topic is not relevant to your position.

**AWWA follows the IACET Standard of CEU calculation.**

0.1 CEU = 1 Contact Hour or 1 Professional Development Hour

**Questions?** Please contact [educationservices@awwa.org](mailto:educationservices@awwa.org)



# Workshop Objectives

- Learn how to design appropriate rate structures and set fair rates that cover costs
- Learn how to assess and monitor financial performance
- Understand how to plan to fund future capital costs
- Learn where to access external funding sources (loans and grants)



# Agenda

**Introductions & Overview of Training**

**Generating Needed Revenue – Rates**

**Funder: B. Heath Price, USDA Rural Development Program**

**Generating Needed Revenue – Rates (*Cont'd*)**

***Break***

**Financial Benchmarking – monitoring your utility's financial performance**

***Lunch***

**Asset Management and Capital Planning**

**Funder: Michael J. Grange, State Revolving Fund**

***Break***

**Customer Affordability and Rate Setting**

**Evaluations/Wrap-up/Adjourn**



# Introductions



Stacey Isaac Berahzer

Environmental Finance Center

University of North Carolina at Chapel Hill

770-509-3887

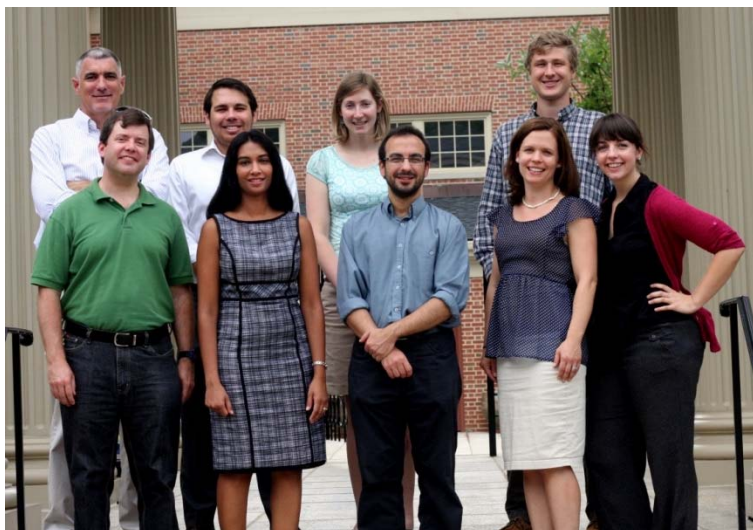
[berahzer@unc.edu](mailto:berahzer@unc.edu)

[twitter.com/staceyib\\_enviro](https://twitter.com/staceyib_enviro)



# UNC

## ENVIRONMENTAL FINANCE CENTER



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>

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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**

This program is offered free of charge to all who are interested. The Program 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, blogs



# The Small Systems Program Team

- Environmental Finance Center at The University of North Carolina at Chapel Hill
- Environmental Finance Center at Wichita State University
- EFC West
- New England Environmental Finance Center at the University of Southern Maine
- Southwest Environmental Finance Center at the University of New Mexico
- Syracuse University Environmental Finance Center
- Environmental Finance Center at the University of Maryland
- American Water Works Association (AWWA)



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ENVIRONMENTAL  
FINANCE CENTER**



**Environmental  
Finance  
Center**  
*Syracuse University*



**ENVIRONMENTAL  
FINANCE CENTER**



**American Water Works  
Association**

# Areas of Expertise



Asset Management



Rate Setting and Fiscal Planning



Leadership Through Decision-making and Communication



Water Loss Reduction



Energy Management Planning



Accessing Infrastructure Financing Programs



Workforce Development



Water Conservation Finance and Management



Collaborating with Other Water Systems



Resiliency Planning



Managing Drought




# Small Systems Blog

Learn more about water finance and management through our Small Systems Blog! Blog posts feature lessons learned from our training and technical assistance, descriptions of available tools, and small systems “success stories.”

[efcnetwork.org/small\\_systems\\_blog/](http://efcnetwork.org/small_systems_blog/)


Sign Me Up

**Innovative Finance Solutions for Environmental Services**

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## Blog




### Magdalena, New Mexico: A Success Story from the Smart Management for Small Water Systems Project

Written by: Allison Perch Allison Perch is a Program Coordinator with the Environmental Finance Center at the University of North Carolina. What can a small town do when the financial health of its water system is at risk? This is the question that Stephanie Finch, the town clerk and treasurer for the ...



### The Virtuous Cycle: Internal Energy Revolving Funds for Small Water Systems

Written by: David Tucker David Tucker is a Project Director with the Environmental Finance Center at the University of North Carolina. How can small (and large) water systems pay for energy efficiency and renewable energy, helping cut utility costs? As energy is often the largest variable expense in a water system's operating ...



### Smart Management for Small Water Systems Program Newsletter | Fall 2015

View Full Issue The Environmental Finance Center Network has published the third issue in a series of quarterly newsletters. The Fall 2015 Program Newsletter announces



# Visit the EFCN Website – *[www.efcnetwork.org](http://www.efcnetwork.org)*

for more information on upcoming events, funding, and resources.

The screenshot shows the EFCN website header with the logo and tagline "Innovative Finance Solutions for Environmental Services". Below the header is a navigation menu with links: HOME, ABOUT, WORKSHOPS & WEBINARS, ASSISTANCE, RESOURCES, BLOG, ARCHIVES, and a search icon. Below the navigation menu is a large blue banner with yellow text and graphics. The banner features a yellow stick figure on the left with question marks above its head, and a yellow stick figure on the right sitting at a desk with a laptop. A dashed yellow line connects the two figures. The text on the banner reads: "Get Free Help Now! Small water systems can request free technical assistance from our experts on finance and management challenges. 'The thing about working with the EFCN is availability; I can call anytime with a quick question or to get outside advice.'"

**EFCN** Innovative Finance Solutions for Environmental Services

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## Get Free Help Now!

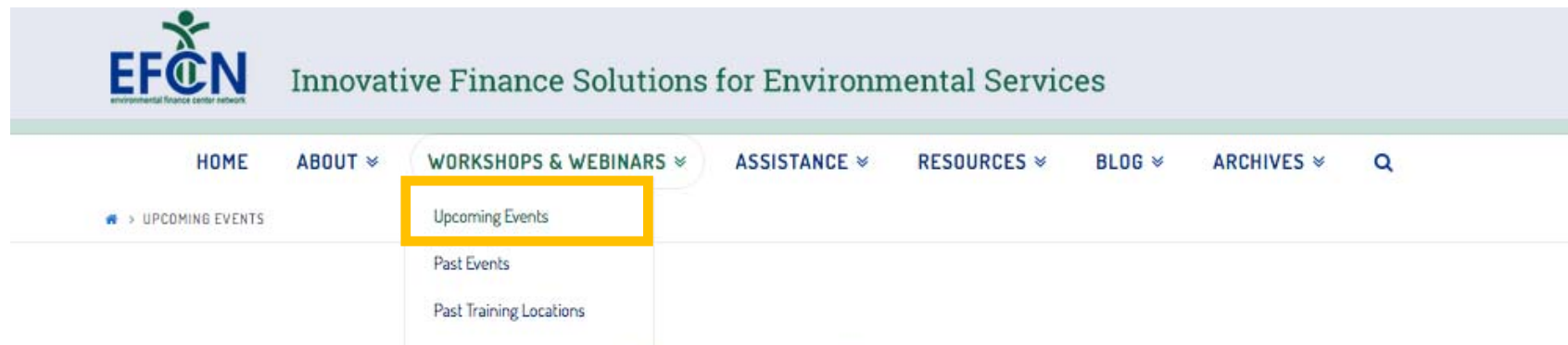
Small water systems can request free technical assistance from our experts on finance and management challenges.

"The thing about working with the EFCN is availability; I can call anytime with a quick question or to get outside advice."



# Upcoming Events Calendar

Select “Upcoming Events” under the Workshops & Webinars Tab.



## Upcoming Events







= In Person Event



= Webinar

Type	Date/Time	Event
	03/09/2017 2:00 pm - 3:00 pm	WEBINAR   Preparing Winning Financing Applications for Water Infrastructure Projects
	03/22/2017 2:00 pm - 3:00 pm	WEBINAR   Water Audits and Water Loss Control: Entering Your Data into the Spreadsheet
	03/30/2017 9:00 am - 4:30 pm	Maryland   Rates and Finance Workshop for Small Water Systems <i>Easton Utilities, Easton MD</i>
	04/04/2017 1:00 pm - 2:00 pm	WEBINAR: Workforce Development: An Overview of Key Components
	05/11/2017 9:00 am - 4:30 pm	Virginia   Rates and Finance Workshop for Small Systems <i>The Institute for Advanced Learning and Research, Danville Virginia</i>
	05/25/2017 9:00 am - 4:30 pm	Arkansas   Rates and Finance Workshop for Small Water Systems <i>Beaver Water District, Lowell AR</i>
	09/13/2017 9:00 am - 4:30 pm	Pennsylvania   Rates and Finance Workshop for Small Water Systems <i>Pennsylvania American Water Co, New Castle PA</i>



# Request Technical Assistance

Select “Request Assistance” under the Assistance Tab off the EFCN homepage to access and submit the TA request form electronically.



## REQUEST ASSISTANCE

The screenshot shows the "Technical Assistance Request Form" page. The page has a header with three images: a person working on a laptop, the EFCN logo, and a close-up of red water valves. The main content area has a title "Technical Assistance Request Form" and a paragraph stating that the EFCN offers free help on financial and managerial topics to systems serving 10,000 or fewer people. Below this is a list of examples of assistance provided, including creating an asset management plan, near-term financial planning, analyzing revenues and expenses, offering budgeting ideas, long-term capital planning, assessing energy and water loss options, identifying outside funding sources, collaborating with other water systems, and resiliency planning. At the bottom, there is a paragraph encouraging users to fill out the form if they are interested in requesting assistance.

### Technical Assistance Request Form

The EFCN offers free help on financial and managerial topics to systems serving 10,000 or fewer people. Examples of assistance we can provide include:

- Creating an Asset management plan
- Near-term financial planning and rate setting
- Analyzing your revenues and expenses
- Offering ideas on how to effectively budget
- Long-term capital planning
- Assessing options for lowering energy use and/or water loss
- Identifying sources of outside funding
- Collaborating with other water systems
- Resiliency Planning

If you are interested in requesting assistance from our experts, please fill out the form below. You will be asked a few questions to help us understand your water system and what kind of assistance you need.





# E-Learning Modules

Select “E-Learning Modules” under the Resources Tab off the EFCN homepage.



As part of its continued effort to provide resources and training to small water systems, the Environmental Finance Network is creating E-Learning modules on finance and management topics for system managers.

E-Learning modules provide training through pre-recorded content. You will be able to access the content, watch presentations, complete quizzes and exercises, and access tools and resources at your own pace.

## Financial Sustainability for Small Systems


[Click Here to Access the Course on AWWA's website](#)

This eLearning course is made possible through a USEPA grant for small systems training in conjunction with the EFCN's training partner, AWWA.



# Resource Library

Select “Resource Library” under the Resources Tab off the EFCN homepage.



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Resource Library

E-Learning Modules

Funding Sources by State

Map of Water and Wastewater Rates Dashboards

Resource Libr

[View All Tools](#) | [View All Publications](#) | [View All Posts](#)

For an overview of some of the tools and resources available in our Resource Library, please view our [Tools and Resources flyer](#).

What does your system need help with?

+ We treat more water than we sell.



# Resource Library Continued...

Click on a what your system needs help with to reveal tools and publications related to that topic.

✕ We have insufficient revenue to cover our costs.

## Tools

February 16, 2017

[Online Water Rate Checkup Tool](#)

February 17, 2016

[Water Utility Customer Assistance Program Cost Estimation Tool](#)

September 3, 2014

[Water & Wastewater Residential Rates Affordability Assessment Tool](#)

December 16, 2012

[Plan to Pay: Scenarios to Fund your C.I.P.](#)

November 15, 2012

[Dashboard for Using Capital Reserve Fund to Avoid Rate Shock](#)

November 7, 2016

[Modelo de Análisis para las Tarifas de Agua y Aguas Residuale](#)

January 26, 2016

[Financial Health Checkup for Water Utilities](#)

August 15, 2013

[Rates and Financial Benchmarking Dashboards](#)

November 20, 2012

[Water & Wastewater Rates Analysis Model](#)

November 4, 2012

[Loan Analysis Tool](#)

## Publications

April 14, 2014

[Rural and Small Systems Guidebook to Sustainable Utility Management](#)

August 29, 2013

[Asset Management: A Handbook for Small Water Systems](#)

August 29, 2013

[Setting Small Drinking Water System Rates for a Sustainable Future](#)

August 27, 2013

[Designing Rate Structures that Support Your Objectives](#)



# Quick Introductions

1. Name?
2. Organization?
3. Responsibility?
4. Details on your water system—who you serve, infrastructure, etc.



# PRETEST