Setting Water Rates Using a Free Excel®-Based Model

August 11, 2015
Webinar by the Environmental Finance Center Network, sponsored by the U.S. Environmental Protection Agency

Smart Management for Small Water Systems
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 are provided on:
  – 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/assistance/request-assistance/
Setting Water Rates Using the EFC-UNC’s Water and Wastewater Rates Analysis Model
(version 2.8.2)

August 11, 2015

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Water and Wastewater Rates Analysis Model

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

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

- Specific amounts (if applicable)

- Reserve build up or spend down

- Revenues
  - Rates
  - Customer water use
  - Accounts
  - Growth rates
  - Connection fees
  - Collection rate

- Expenses
  - Planned or anticipated
  - O&M expenditures
  - Debt service
  - Capital expenses

Fund balance

- Start balance

Start balance becomes the next year's fund balance.
Useful documents to start with

- Rate sheet and fee schedule
- Current budget
- Past budgets or audited financial statements
- Capital Improvement Plan
- Reports from billing data: number of accounts, and 1 or more complete years of monthly water use (broken down by rate structures and blocks)
- Other documents that influence future rates or expenses (e.g. Master plan, reserve study, etc.)
Demonstration of the model

Direct link to the tool:
http://efc.sog.unc.edu/reslib/item/water-sewer-rates-analysis-model
Thank You

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C.E.U.s and evaluation form

Additional 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 a weekly Environmental Finance blog

http://efc.web.unc.edu

Additional resources:

Five Dangerous Financial Myths for Small Water Systems

JULY 13, 2015 / JEFFREY HUGHES / 2 COMMENTS / EDIT

Small water systems serving 10,000 people or less comprise more than 94% of our nation’s public water systems. They are a large and diverse group, and are

www.efcnetwork.org

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