



Tools to Assist Water Utilities with Financial Decision Making

The Environmental Finance Center (EFC) at the University of North Carolina, Chapel Hill has created several free tools to assist water utilities in addressing the challenges and questions we commonly see in our teaching and advising. These tools cover a broad range of finance and management topics, including rates and revenue, financial benchmarking, affordability, capital finance, communicating with the board, and evaluating loans and grants.

Access the tools at <http://www.efc.sog.unc.edu> (search for the tool name).

Rates and Revenue

Water and Wastewater Rates Analysis Model



Use this tool to review your rates to ensure projected revenues cover projected expenses. This tool will help you determine whether proposed rates will keep the utility financially self-sufficient for the next few years.

Water Utility Revenue Risk Assessment Tool



Use this tool to assess how much revenues might be affected by changing demand patterns. The tool will help you compare effects on existing rates and on alternative rate structures.

Benchmarking

Financial Sustainability and Rates Dashboards



Our flagship tools for water utilities, these interactive dashboards allow you to benchmark your utility's rates against other utilities with similar characteristics. The dashboards also help you evaluate rates, cost recovery, affordability, pricing signal, and other financial benchmarks. Use the dashboards to communicate important information about your rates with your board, the media, and the public.

Financial Health Checkup for Water Utilities



Use this tool to get a snapshot of your utility's financial health and demonstrate the financial strengths and weaknesses of your utility over the past 5 years. The tool uses your utility's financial data to calculate and visualize 6 financial performance indicators.

Affordability

Residential Rates Affordability Assessment Tool



Use this tool to assess how affordable rates are to your customer base using multiple metrics.

Water Utility Customer Assistance Program Cost Estimation Tool



Use this tool to estimate the funds needed from your utility (or other organization) to create a Customer Assistance Program that helps residential customers when they cannot afford to pay their water bill.

Capital Finance

Plan to Pay: Scenarios to Fund Your Capital Improvement Plan



Use this tool to help plan how to pay for future capital projects. The tool will estimate the effects that paying for capital projects will have on your rates under various scenarios.

Dashboard for Using Capital Reserve Funds to Avoid Rate Shock



Use this tool to find the right balance of debt financing and cash reserves to pay for a capital project while maintaining a positive fund balance.

Communicating with the Board

Rate Case Visualization Tool



This infographic tool is designed to help utility staff present key financial and operational information to the water utility board during a rate review. Contact the EFC to use this tool.

Evaluating Loans and Grants

Subsidized Funding Benefits Calculator



Use this tool to determine whether it makes economic sense to accept a subsidized loan or grant that your utility has been offered.

Energy Management

Electricity Baseline Builder for Water Utilities



This tool allows you to see how much electricity your water system is currently using and track how much you save, or have already saved, with new energy efficiency projects.