Water and Sewer Utility Financial Condition

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Description

The services can provide staff and elected officials with a general analysis of the financial condition of water and sewer activities, generally in support of future capital needs or local revenue shortfalls. Analysis includes trends of revenues and expenditures, number of customers served, reserves, debt and assets and liabilities. The training will help staff and elected officials compare local monthly rates to estimated average charges statewide and affordability thresholds. Training also evaluates whether revenues can be expected to remain stable and sufficient to pay costs of operation and of other revenue options that may exist for the system.

How to use the information

Requests for this training are made directly to Division of Local Government staff by a local government. DLG staff will then prepare a number of different types of analyses of the local government's water and/or sewer enterprises using audited financial statements, adopted budgets and DLG's Financial Compendium data. Most of the analysis is presented in easy to read charts and graphs and can be replicated by budgeting and finance staff for ongoing analysis. The training is usually presented by DLG staff in person. While a multijurisdictional audience is encouraged and valuable for other types of DLG training, this training is best given to one local government at a time.

Why this is important

This training allows local government staff and elected officials to evaluate the overall trend of utility financial condition. Understanding current financial condition helps elected officials and staff plan for future capital projects, prepare for emergencies and determine appropriate user charges.