

# The costs and revenues of utilities



When it comes to money...

1 How much?

2 From where?

Toddsville is Just Like You!

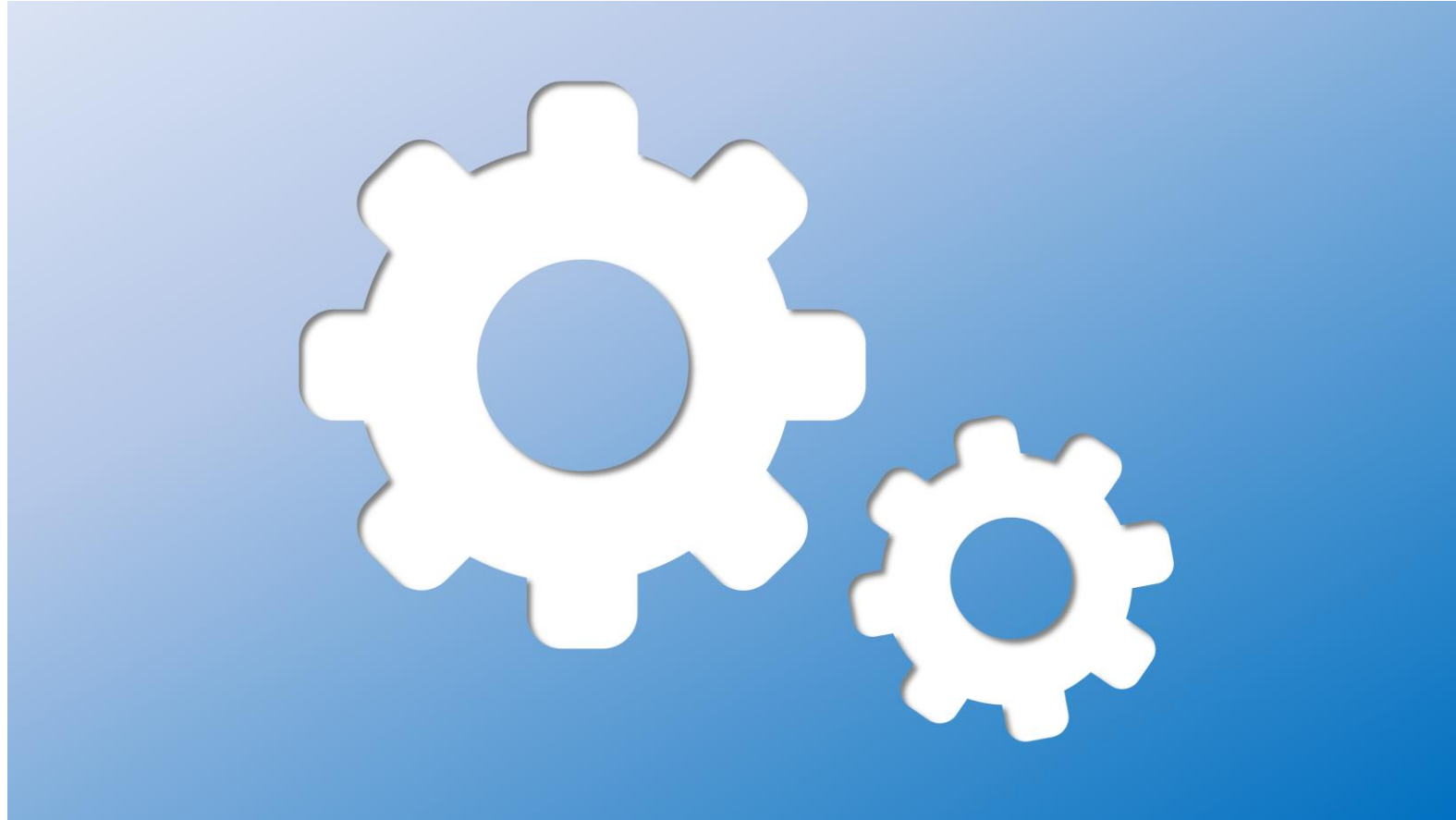


What **costs and revenues**  
does Toddsville have?

# We'll start with **day-to-day operations**



Let's identify...



Day-to-Day Operating Costs

# Day-to-Day Operating Costs



- Salaries
- Benefits
- Contract services
- Annual financial audit
- Auto parts
- Bank fees
- Billing software
- Certification
- Chlorine
- Computers
- Contingencies
- Credit card processing fees
- Cybersecurity
- Debt service
- Electricity
- Filters
- Fuel
- GIS
- Lab testing
- Leak detection
- Liability insurance
- Membranes
- Meter testing
- Mortgage on treatment plant
- Office overhead
- Office supplies
- Permit fees
- Planning & analysis
- Postage
- PPE
- Printing
- Professional dues
- Property insurance
- Repairs
- Reporting
- Safety equipment
- Softeners
- Testing supplies
- Tires
- Tools
- Traffic cones
- Training
- Uniforms
- Water purchases
- Website

# Let's identify...



## Jobs & Skills



# Jobs & Skills

- Administrative
- Billing
- Board and management
- Budgeting
- Construction
- Customer service
- Electrician
- Heavy equipment maintenance
- Human resources
- Laboratory
- Lawyers
- Line repairs
- Mapping/GIS
- Meter reading
- Operations
- Plumbing
- Road repair
- SCADA expertise
- Traffic conducting
- Vehicle maintenance

How could Toddsville  
**pay for** these day-to-day  
costs?

# Revenue for Day-to-Day Operations Costs

- Customer charges
- Bulk sales to other utilities
- Connection fees
- Penalties
- Rental revenue (cellphone/radio receivers, e.g.)

# Let's move on to **Capital Projects**



Let's identify...



Assets

# Assets

- Backup generator
- Booster pumps
- Chlorinator
- Curb stops
- Distribution pumps
- Fencing
- Filter tanks
- Heavy machinery
- Hydrants
- Intake pump
- Manholes
- Meters
- Office
- Onsite energy generation
- Pumphouse or well house
- RO system/UV system
- Roads
- SCADA
- Service lines
- Storage tanks
- Transmission mains
- Treatment plant building
- Valves
- Vehicles
- Well or surface water

How could Toddsville  
**pay for** these capital  
costs?

# Revenue for Capital Costs

- The same revenue as for day-to-day operations, plus:
- Debt
- Grants



With debt comes...



Debt Payments (aka Debt Service)

One last thing to cover...



Reserve Funds

Note!

Not every utility  
will have every  
one of these items  
in its budget...

and that's **okay!**



# Thank You!



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