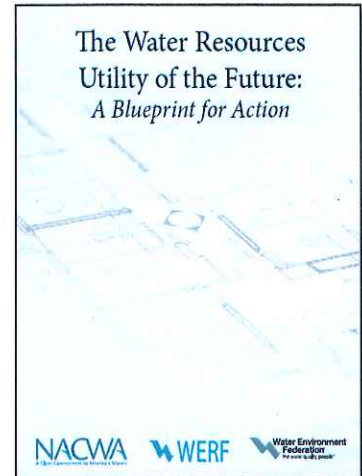


# Financial Management of the Utility of the Future



## 1) BUSINESS BOUNDARIES - RELATIONS

- a) Public sector responsibilities – community sustainability
  - i) Potential competition with private sector as product and service providers
  - ii) Potential P3s
- b) Legal authority to generate (and spend) “profits,” affordability programs
- c) “Triple bottom line” project evaluation

## 2) RATE-SETTING – RECOGNITION OF “VALUE” IN WASTE STREAMS

- a) System-wide revenue requirement reduction vs. credits to specific contributors
  - i) Whose BOD and TSS contributions are credited vs. charged?
- b) How to apportion the benefit of reuse as wastewater disposal / water supply
- c) Stormwater management funding via rates (direct v indirect), taxes, other (e.g., PPP)
- d) Traditional revenue requirements for lean operations, 6 Sigma, EMS, leadership trg, etc.
  - i) Less accepted requirements for R&D to support innovation), low-income assistance, integrated planning and watershed management

## 3) RESOURCE RECOVERY SERVICES FINANCIAL MANAGEMENT

- a) New financial reporting / analysis procedures
  - i) Accounting options: Separate funds vs. revenue/expense allocation
- b) Funding opportunities
  - i) Traditional sources – new directions: Revenue bonds, State Revolving Fund and grant options
  - ii) P3 opportunities

## 4) REGULATORY RELATIONS

- a) Procedures for regulatory approvals
  - i) Resource recovery operations
  - ii) Water reuse and stormwater pricing
- b) Reporting on combined regulated/non-regulated programs

## 5) CUSTOMER RELATIONS

- a) Developing and implementing marketing plans
- b) Communicating benefits / environmental education to customers / non-participants
- c) Managing relations (when not a natural monopoly)

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