



# Louisiana Rural Water Association

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Patrick Credeur, Executive Director

*"To provide our water and wastewater utility members with the highest quality of leadership, representation, and support services."*

## Rate Study Request Procedure & Information Request

<b>System Name</b>				<b>PWS ID #</b>	
<b>Mailing Address</b>					
<b>City</b>		<b>Zip</b>		<b>Parish</b>	
<b>Email Address</b>				<b>Office Phone</b>	
<b>Primary Contact Person</b>				<b>Phone Number</b>	
<b>Mayor/Board President/Owner</b>				<b>Phone Number</b>	
<b>Decision Maker Email Address</b>				<b>Phone Number</b>	
<b>Water ( )</b>	<b>Municipal ( )</b>	<b>Political Subdivision ( )</b>		<b>Other ( )</b>	<b>Non-Profit ( )</b>
<b>Wastewater ( )</b>	<b>Municipal ( )</b>	<b>Political Subdivision ( )</b>		<b>Other ( )</b>	<b>Non-Profit ( )</b>
<b>Has your system been approved for Water Sector Funding?</b>				<b>Yes ( )</b>	<b>No ( )</b>
<b>Is your system applying to Water Sector Funding?</b>				<b>Yes ( )</b>	<b>No ( )</b>

1. The System will provide all required information needed to conduct a rate study in timely fashion (**within 60 days**). Information to include:

### Income/Expense Related Information

- a) All Current Loan Payment Schedules & Requirements, per lending agency
- b) Operational Cost Documentation for prior two years, this can be from either/or:
  - Annual Audit Reports
  - Annual Compilation Reports
  - Profit & Loss Reports
  - Income & Balance Sheets
  - *(USDA will require three years information to be submitted with rate increase request for non-profit water systems)*
- c) Number of Delinquent Accounts and Total Delinquent Balance
- d) Loan Payment/Debt Service Requirement information for any new/proposed project if applicable
- e) Short Lived Asset Information (for both current assets and proposed assets)
- f) Account Balances on all Water or Wastewater Related Accounts (Reserve Accounts, Saving Account, Depreciation/Short Live Assets Accounts, etc.)

## **Water Produced/Purchased & Sold Information**

- a) Amount of Water Produced or Purchased annually in gallons. If wastewater total gallons of wastewater processed annually.
- b) Number of connections per rate classification, and total gallons of water sold per rate classification. This information needs to be broken down for each rate classification such as:
  - Residential Rate
  - Commercial Rate
  - In Town Rate
  - Out of Town Rate
  - School Rate
  - Industrial Rate
  - Etc

*Note: All information for rate study has to be for the same time periods. The system's fiscal year information work best.*

### **Additional Rate Structure Factors**

- a) Current Rate Structures (including all rate classifications)
  - b) Other Revenues such as: Sales Tax, Millage Tax, Grant Funds, and/or Fund Transfers from other accounts to Supplement Water System Operation Cost
  - c) Tap Fees and Cost Associated With
  - d) Deposits
  - e) Charges for Services (line extensions & upgrades, upsize meter, etc)
  - f) Disconnect Practices and Reconnect Fees
  - g) Bulk Water Charges (cost of water and other services/equipment required)
  - h) Charges for damages to system (vehicle accidents, vandalism, and etc)
2. LRWA Staff compiles information into rate study template.
  3. LRWA will meet with System management and board of directors to discuss the results of the rate study and determine a proposed rate to be submitted for review and approval if deemed necessary.
  4. Once a proposed rate has been approved by the system board of directors in accordance with the applicable laws, system bylaws, and any other legal requirements the System will submit a request for a rate increase to the appropriate agency.
  5. The Request for a Rate Increase from the System will include:
    - A letter on System Letterhead from the Board of Directors: requesting the proposed rate increase, stating the existing rates, and comments regarding need of rate increase.
    - Minutes from meeting where the board of directors voted to request approval of the LRWA Rate Study
    - Proposed documentation regarding the notification of consumers of the proposed rate increase.
    - A copy of the LRWA Rate Analysis Summary with projected Budget, and the LRWA Rate Study Summary Letter provided by LRWA to the system and/or agency.
    - A copy of all supporting documents that LRWA used to conduct the rate study.

**This above list is general in nature some items listed may not apply to your specific type of system, if you have any questions, please contact the LRWA Staff Member assisting with your rate analysis.**

Municipalities and Political Subdivisions must adopt rates in accordance with applicable State Laws regarding setting rates. (Such as Ordinances, Public Hearings, Etc.)

**Release of System Information Authorization:**

\_\_\_\_\_ Water System authorizes LRWA and its representatives to perform/conduct a rate analysis for our water/wastewater system to assist in establishing a proposed rate/budget summary. We understand and agree by the signature on this document that we authorize LRWA to request any, and all information needed to conduct said rate/budget summary. We also authorize the appropriate Funding/Lending Agency and/or Approval Agencies to release or share any applicable information related to the rate study and budget summary.

Name \_\_\_\_\_  
Decision Maker: Mayor/Board President/Owner

Title \_\_\_\_\_

Date \_\_\_\_\_

***The rate study/budget summary will not be started until this document is signed and all of the required information has been submitted to LRWA.***