



ASSET MANAGEMENT PROGRAM CHECKLIST

This Asset Management Program Checklist provides the framework for the essential elements of asset management to promote the responsible maintenance, investment and rehabilitation of water and wastewater utilities. A properly implemented asset management program can increase the efficiency of the system and increase the financial sustainability of a utility while at the same time decrease the chance of emergencies. The following checklist is broken down into three sections: Technical, Managerial, and Financial. Each section allows the utility to evaluate key components to asset management within the category. For more details regarding a specific element on the checklist, please refer to the Asset Management Program (AMP) Guidance for the State Revolving Fund Loan Program located here:

<https://www.in.gov/ifa/srf/2376.htm>

Technical

- System Map/GIS
 - Lines and sizes, valves, hydrants, fittings, backflow preventers, sample stations, chemical feed, manholes
 - Lead lines (as identified)
 - Booster/lift stations
 - Water or Wastewater Treatment Plants
 - Storage
 - Meters
 - Wells
 - CSO/SSO locations
- Inventory of Assets
 - Account for all assets – “any physical property, real estate or equipment, item or appurtenance installed as part of the system”.
 - Asset Location – written description of location
- Evaluation of Assets
 - Condition and remaining useful life of assets
 - Assess Condition (Probability of Failure)
 - Assess Criticality (Consequence of Failure)
 - Assess Risk = Condition X Criticality
 - Value of assets
 - Desired Level of Service
- Evaluation and implementation of water and energy conservation efforts
- Plan for Maintaining, Repairing, and Replacing the Assets and Plan for Funding
 - Repair/Maintenance funds should be identified separately from Capital Replacement funds
 - Define the recommended planning period (20-year minimum)
 - Criteria and timeline for Rehabilitation and Replacement
 - Provide reference to location of maintenance Reports for meters, hydrants, pumps, valves, tanks, etc.
 - Growth related needs



Managerial

- Location of Documentation of Proof of Ownership (deeds, titles, receipts)
- Documentation of Proof of Certified Operator
- Non-Technical description of water/wastewater system
 - Average Daily Demand
 - Minimum and Maximum Daily Flow
 - Loadings
 - Number of Connections
 - Number of Customers
 - Population Served
 - Source type (if DW)
 - Receiving Stream (If WW or DW Backwash)
 - Storage Capacity (gallons)
 - Purchase/Sell (Agreements/Quantities)
 - CSO vs. Non-CSO
 - Accounting of I/I and/or Water Loss
- Operating Plan
 - Organization Chart including Governing Body
 - Description of Job Duties for all positions
 - Daily operating procedures
 - Operation & Maintenance Manuals
- Written Procedures
 - Security, including cyber security
 - Personnel Access/User Rights for System Equipment/Computers/Controls/SCADA
 - Customer Complaints
 - Purchasing Authority
 - Internal Controls (checks and balances)
 - Customer Deposits/Payments
 - Collections
 - Connection Charges (new/upgrade tap or sewer connections)
 - Routine Billing – AMR, AMI, monthly/quarterly billing
 - Use ordinances
 - Training and Safety
- External Contact Information
 - Police
 - Fire
 - Suppliers
- Internal Contracting and Purchasing Procedures
 - Routine
 - Emergency



Financial

- Revenues by line item which should match the Utility’s historical financial statements. Normal revenues include but are not limited to:
 - Revenues by user type, if available.
 - Fire protection
 - Forfeited discounts/penalties
 - Excessive strength surcharges
 - System development charges fees
 - Interest Income
 - Other
 - Customer growth assumptions, if any
 - Collection rates and procedures
 - Collection procedures for delinquent accounts
 - Non recurring charges (disconnect, reconnect, bad check, etc.)
 - Verify billing follows adopted rate ordinance
 - Capacity/System Development Charges and assumptions for user connections
 - Collection rate assumptions
 - Operating expenses by function and line item that match the Utility’s historical financial statement.
 - Future expense assumptions including assumed annual inflation rate
 - Capital improvement plan for the AMP period
 - Estimated project costs and funding schedule for bond funded projects
 - Outstanding bond debt service (Include amortization schedules)
 - Proposed bond debt service (Include amortization schedules)
 - Debt assumptions – terms, rates, funding source
 - Outstanding lease payments (Include amortization schedules)
 - Combined debt service schedule
 - Minimum reserve requirements (Operations, Bond and Interest, Debt Service Reserve)
 - Payment in lieu of property taxes and other transfers if applicable
 - Annual increase/(decrease) in cash and cash equivalents
 - Beginning and Ending Cash Balances
 - Resulting rate increase required to fund requirements
 - Resulting average user rates assuming 4,000 gallons per month
 - Resulting debt service coverage meeting or exceeding SRF requirements
 - Current historical financial statements for the last three years.
 - Copy of Review, Examination or Audit per the AMP Guidance
- Other Items
 - Last bond rating agency report
 - Most recent annual budget
 - Current rate ordinance and rate structure