



# POPULAR ANNUAL FINANCIAL REPORT

For the Year Ended  
June 30, 2022



168 Spotnap Road  
Charlottesville, VA 22911

**MyWater**  
Provided by ACSA





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## WHAT IS A POPULAR ANNUAL FINANCIAL REPORT?

Popular Annual Financial Reports (PAFR) are streamlined, abbreviated versions of the Annual Comprehensive Financial Report.

Our PAFR has been designed to communicate efficiently with clear language and appealing graphics to promote fiscal stewardship, trust, and transparency within our community.

This report highlights financial and operational information presented in the Fiscal Year 2022 Annual Comprehensive Financial Report (ACFR) but does not contain all the detailed financial information as required in the Albemarle County Service Authority FY 2022 ACFR.

To obtain the most current and past ACFR's we encourage you to please visit our website:

<https://serviceauthority.org/customerservices/budgets-rates-and-fees/>





## VALUES

The Albemarle County Service Authority (ACSA) is committed to providing the highest quality customer service which:

**A - ALIGNS** to our values of honesty, trust, integrity, mutual respect, open communication, and employee empowerment.

**C - COMMITS** to our community through responsiveness and collaboration. We actively promote conservation and environmental stewardship.

**S - STRIVES** for professional excellence by maintaining consistent and fair policies across the organization and encouraging and recognizing pride and dedication to ensure a healthy working environment.

**A - ASPIRES** to practice strategic foresight and fiscal responsibility while embracing innovation.

## MISSION



“With pride and dedication, we serve our customers by providing clean safe water, exemplary wastewater services, and fire protection infrastructure. Together with our community partners we maintain and improve our utility system in a timely, cooperative, and financially responsible manner.”

## VISION



“Serve and conserve today, sustain for tomorrow, and protect our resources forever.”



## STRATEGIC PLAN 2020-22

With the successful completion of the Albemarle County Service Authority's 2013-2018 Strategic Plan, the ACSA set their sights on implementing a new, three-year Strategic Plan for 2020 through 2022 and can be viewed at: <https://serviceauthority.org/about-acsa/who-are-we>.





# MESSAGE FROM THE DIRECTOR OF FINANCE

Mr. Quin Lunsford



The Albemarle County Service Authority (ACSA) is pleased to present this Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2022 as part of our continual effort to improve transparency and customer service. This PAFR provides a less technical, easy-to-understand version of the 2022 Annual Comprehensive Financial Report (ACFR). The PAFR is formulated to provide readers with an overview of the ACSA's finances and general information sourced from the 2022 ACFR.

The information shared in this report is an unaudited financial summary of the ACFR. I am honored to work with, and sincerely thank, the dedicated professionals who are committed to the ACSA's mission and long-term financial and operational health of our system.

As you review this report, if you would like additional information on the annual budget or audited financial statements, you can access these reports at <https://serviceauthority.org>. Additionally, if you have any questions or if there is additional information that we can provide, we want to hear from you. Don't hesitate to contact me at [qlunsford@serviceauthority.org](mailto:qlunsford@serviceauthority.org) or (434)-977-4511.





# MEET THE LEADERSHIP TEAM

**ALBEMARLE COUNTY  
BOARD OF SUPERVISORS**

**ACSA  
BOARD OF DIRECTORS**

**EXECUTIVE DIRECTOR**



**Mr. Gary B. O'Connell**



**EMILY ROACH**  
**ADMINISTRATION/HR**



**JEREMY LYNN**  
**ENGINEERING**



**QUIN LUNSFORD**  
**FINANCE**



**APRIL WALKER**  
**INFORMATION TECH.**



**MICHAEL LYNN**  
**OPERATIONS**



## CONTACT INFORMATION

168 Spotnap Road  
Charlottesville, Virginia 22911  
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[webmaster@serviceauthority.org](mailto:webmaster@serviceauthority.org)  
Monday-Friday  
8:00 a.m. to 5:00 p.m.  
Website: [serviceauthority.org](http://serviceauthority.org)



# WHO WE SERVE

## ACSA Water Connections by Type



Single Family 19,475



Commercial 1,264



Multi-Family 592



Industrial/Institutional 264



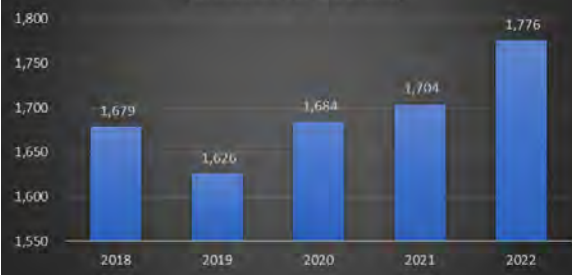
### TEN LARGEST WATER USERS

Rank	Name	Gallons (Millions)
1	University of Virginia	27.17
2	SEMF Charleston Apts.	22.58
3	Southwood Mobile Homes	21.83
4	Martha Jefferson Hospital	21.52
5	Abbingtion Crossing Apts.	20.91
6	Four Seasons Apts.	18.58
7	Old Salem Apts.	18.31
8	Westminster Canterbury	17.62
9	County of Albemarle	16.67
10	Alb.-C'ville. Reg. Jail	16.11

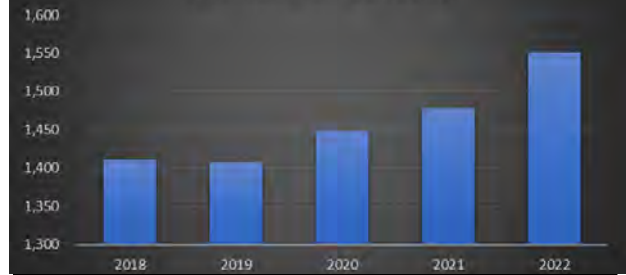
### TEN LARGEST WASTEWATER PRODUCERS

Rank	Name	Gallons (Millions)
1	Southwood Mobile Homes	47.32
2	University of Virginia	26.20
3	SEMF Charleston Apts.	22.58
4	Abbingtion Crossing Apts.	20.91
5	Four Seasons Apts.	18.58
6	Old Salem Apts.	18.31
7	Westminster Canterbury	15.88
8	Turtle Creek Apts.	15.46
9	Alb.-C'ville Regional Jail	14.77
10	Westgate Apts.	14.73

Water Sold by Fiscal Year  
(Millions of Gallons)



Wastewater Treated by Fiscal Year  
(Millions of Gallons)



# WHAT WE PROVIDE



82,440

Water Residents  
Served



74,748

Sewer Residents  
Served



4.9 million

Gallons of Water  
Sold Daily



374

Miles of Water  
Mains



324

Miles of Sewer  
Mains



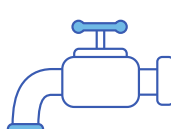
10,867

Work Orders  
Completed



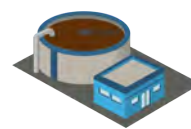
8

Water Storage  
Tanks



9

Water Pump  
Stations



11

Sewer Pump  
Stations



3,137

Fire Hydrants



# PROJECT SPOTLIGHT-MY WATER



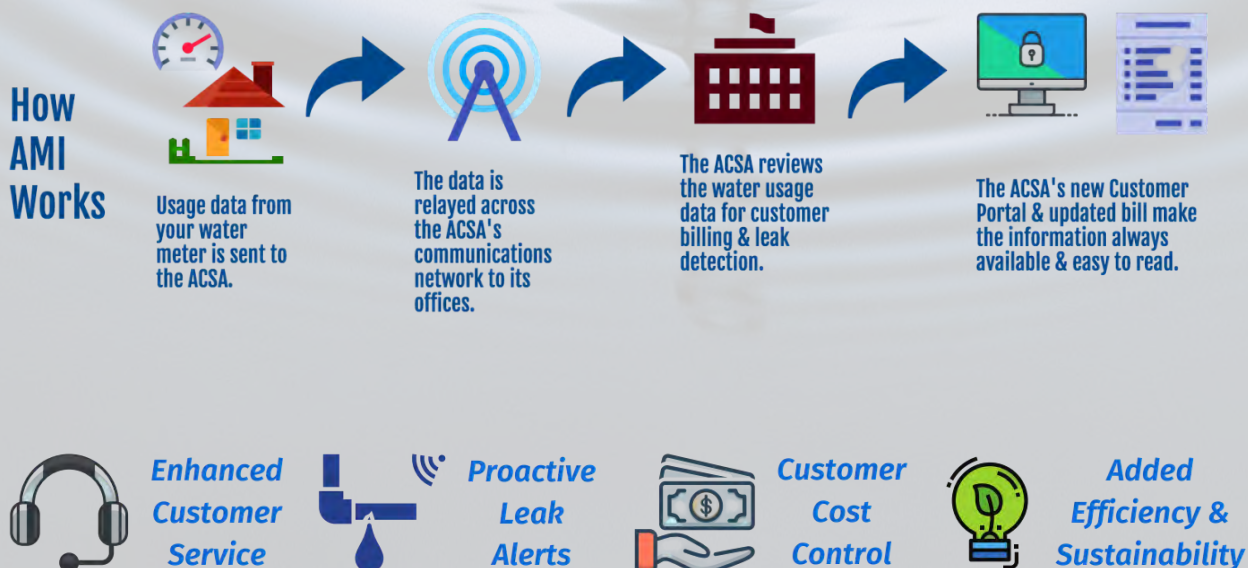
MyWater is an innovation program, which includes a series of customer service and infrastructure related improvements. It begins with the Advanced Metering Infrastructure (AMI) project. Advanced meters will securely deliver customer water usage information directly to the ACSA for billing and operations. This new functionality will allow both customers and the ACSA to proactively analyze usage data in near real-time. Notifications on leaks, high usage, outages and other events will also be a part of the program, helping customers avoid higher bills and costly repairs while we all cut water waste. MyWater meter upgrades began in late 2020 and we expect to complete in 2023.

The project consists of two phases: Phase 1 and Full Deployment.

Phase 1 validated new business processes, integration, employee engagement and system performance with a small number of meters (approximately 2,000). Phase 1 has been successfully completed.

Full Deployment will follow with an upgrade of all remaining meters throughout our service territory. Nearly half of our current meter population includes iPERLs from Sensus. These meters will not require a full replacement, but they will be enhanced with a radio device instead. This program supports our continual efforts to maintain the highest level of customer service and improve utility operations.

MyWater empowers customers with several benefits and will streamline operations by reducing many of our manual processes including meter reading and billing while allowing for other value-added services.





# CAPITAL PROGRAM HIGHLIGHTS

Infrastructure and system-wide upgrades are a top priority and integral part of the water and wastewater system. These projects are vital to Albemarle County Service Authority's commitment in providing safe and reliable service, meeting regulatory requirements and in accommodating growth. To learn more about Albemarle County Service Authority's Capital Improvement Programs, please visit:

<https://serviceauthority.org/whats-going-on/cip/>

## 🎯 Advanced Metering Infrastructure (AMI) Implementation

**\$ 8,200,000**

## 🎯 Supervisory Control and Data Acquisition (SCADA)

**\$ 2,741,000**

## 🎯 Hessian Hills Water Main Replacement

**\$ 5,768,000**

## 🎯 Oak Forest Pump Station Abandonment

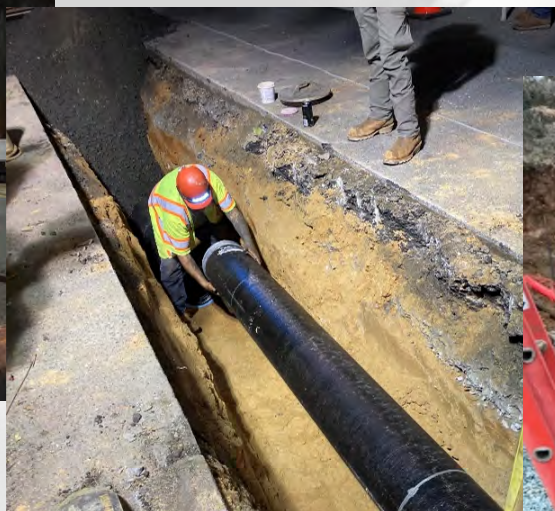
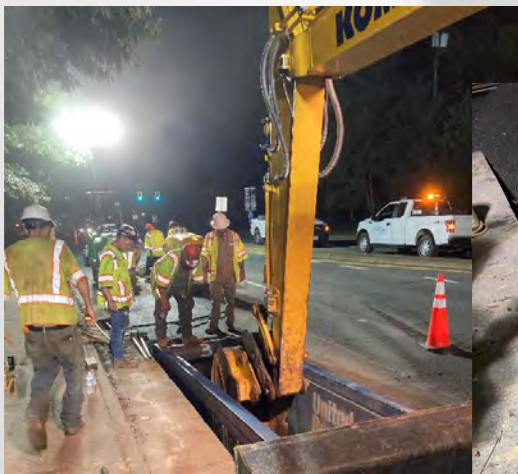
**\$ 2,118,000**



## CAPITAL IMPROVEMENTS:

Much of Albemarle County Service Authority's assets are contained in the water distribution system and the wastewater collection system.

Projects are identified based on priority and scheduled accordingly. While not all inclusive, the four featured projects listed highlight some of the major capital activities remaining or recently completed in the current capital plan.





# FISCAL YEAR 2022 FINANCIAL HIGHLIGHTS

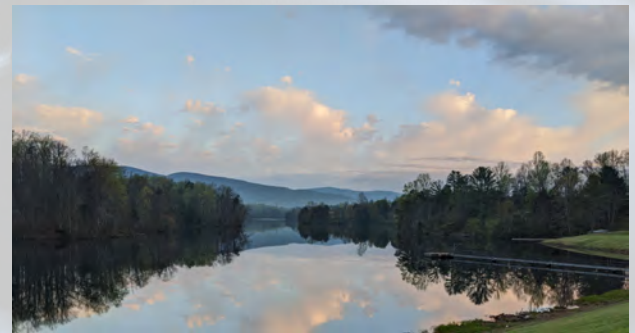
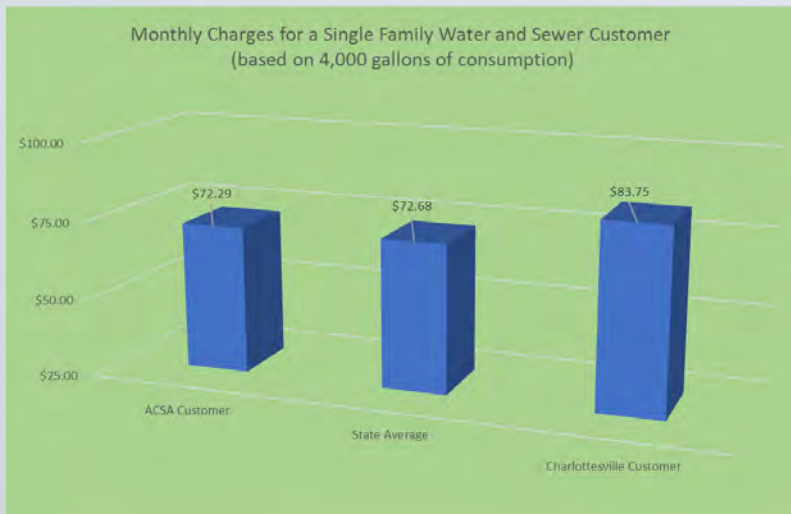
- Fiscal year 2022 operating revenues **increased** 9.8% to \$32,956,463 as compared to fiscal year 2021 while operating expenses **increased** 8.3% to \$35,309,116 during the same period.
- The ACSA purchases water and wastewater treatment from the Rivanna Water and Sewer Authority. Costs associated with these purchases are nearly 60% of the ACSA's overall operating budget and **increased** by more than \$2M or 10.4% in fiscal year 2022. These increases were offset by in part by a 5% increase in ACSA customer rates.

## VALUE OF WATER



## AVERAGE WATER BILLS

The average residential customer has seen an annual increase of 3.2% in their monthly bill over the past five years.



## REVIEW OF OPERATIONS IN 2022

- Billed water usage in fiscal year 2022 was 1.78 billion gallons and was 71 million gallons or 4.2% more than billed water usage in fiscal year 2021.
- The Authority's customer base grew by 1.7% or 357 new connections by the end of the fiscal year.
- Billed wastewater collections in fiscal year 2022 was 1.55 billion gallons and was 72 million gallons or 4.9% more than billed wastewater collection in fiscal year 2021.





# NET POSITON SUMMARY

The Abbreviated Statement of Net Position (below) provides information the ACSA's total assets and deferred outflows and total liabilities & deferred inflows, with the difference between the two reported as total net position. Changes in net position serves as a useful indicator of whether the financial position of the ACSA is improving or declining.



ABBREVIATED STATEMENT OF NET POSITION			
Year	Total Assets & Deferred Outflows	Total liabilities & Deferred Inflows	Total Net Position
2018	\$193,840,011	17,337,772	<b>\$176,502,239</b>
2019	\$203,915,414	17,890,301	<b>\$186,025,113</b>
2020	\$217,258,881	16,983,771	<b>\$200,275,110</b>
2021	\$229,533,135	17,572,428	<b>\$211,960,707</b>
2022	\$236,412,821	16,323,602	<b>\$220,089,219</b>

5 year trend of net position:  
Increase of  
**\$ 43.6 million**  
Since 2018



## FINANCIAL STATUS

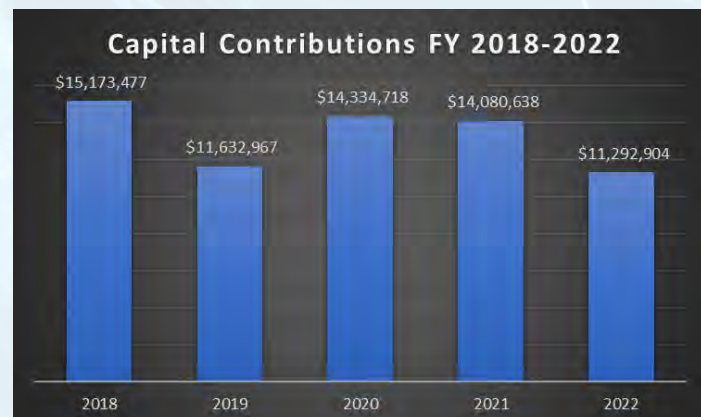
Albemarle County Service Authority's overall financial condition remained strong through 2022 as revenues exceeded expenditures. Total net position increased by \$8.13 million, or 3.8%, in 2022, compared to an increase of \$11.69 million, or 5.8% in 2021. The financial position of the ACSA remains strong and stable.

Total net position increased  
**\$ 8.13 million**  
in fiscal year 2022

## CAPITAL CONTRIBUTIONS

These are two components of contributed capital: cash and contributed systems. The cash component consists of various capital related charges such as System Development and Capacity Charges. These charges are applied toward growth related capital costs and are not used in day-to-day operations.

Contributed systems are typically water and sewer lines that are installed and paid for by developers who transfer ownership of these assets to the Albemarle County Service Authority. The 2022 capital contributions, cash and contributed systems, combined, were \$ 11.29 million.





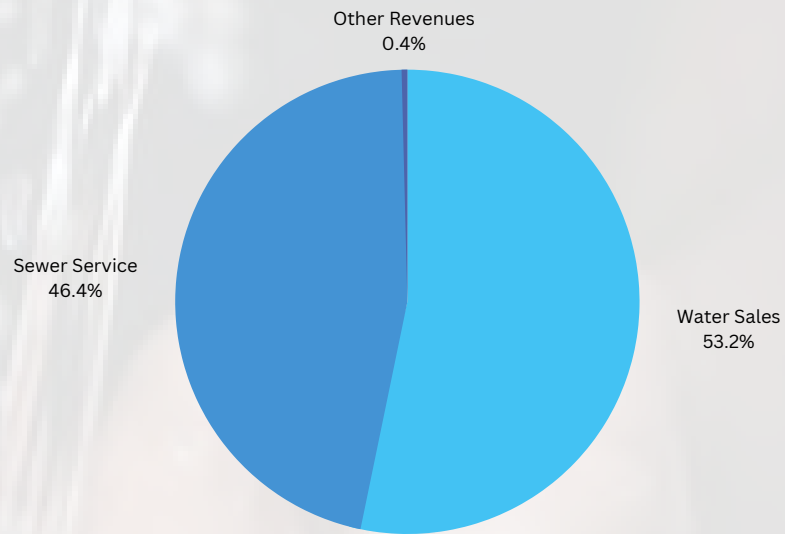
# REVENUES

## Total Operating Revenue \$32,956,463

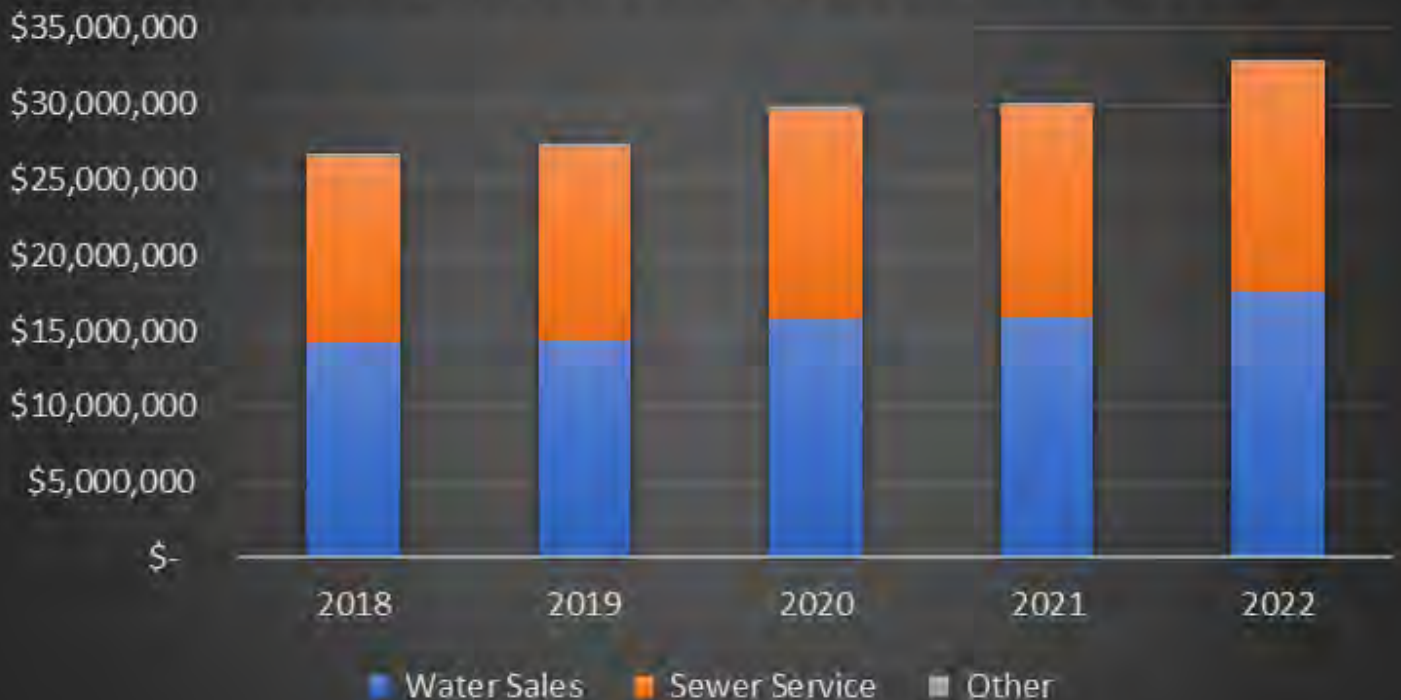
Water sales increased by \$1.63 million, or 10.2%, to \$17,545,859 in 2022 over the 2021 amount of \$15,919,103. Wastewater services increased by \$1.31 million, or 9.4%, from \$13,964,581 in 2021 to \$15,279,189 in 2022. These increases are a result of both growth in consumption as well as implementation of a rate increase. Water consumption increased 4.2% from 1.70 billion gallons in 2021 to 1.78 billion gallons in 2021.

Other operating revenues which include miscellaneous items such as water and sewer connection fees totaled \$131,415 in 2022 or 6.8% less than 2021.

## Operating Revenue by Type FY 2022 \$32,956,463



## Operating Revenues FY 2018 - FY 2022





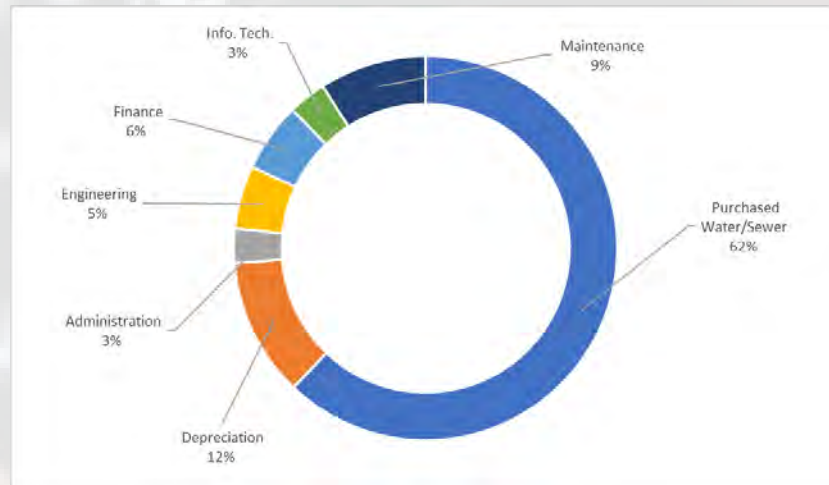
# EXPENSES

## Total Operating Expenses \$35,309,116

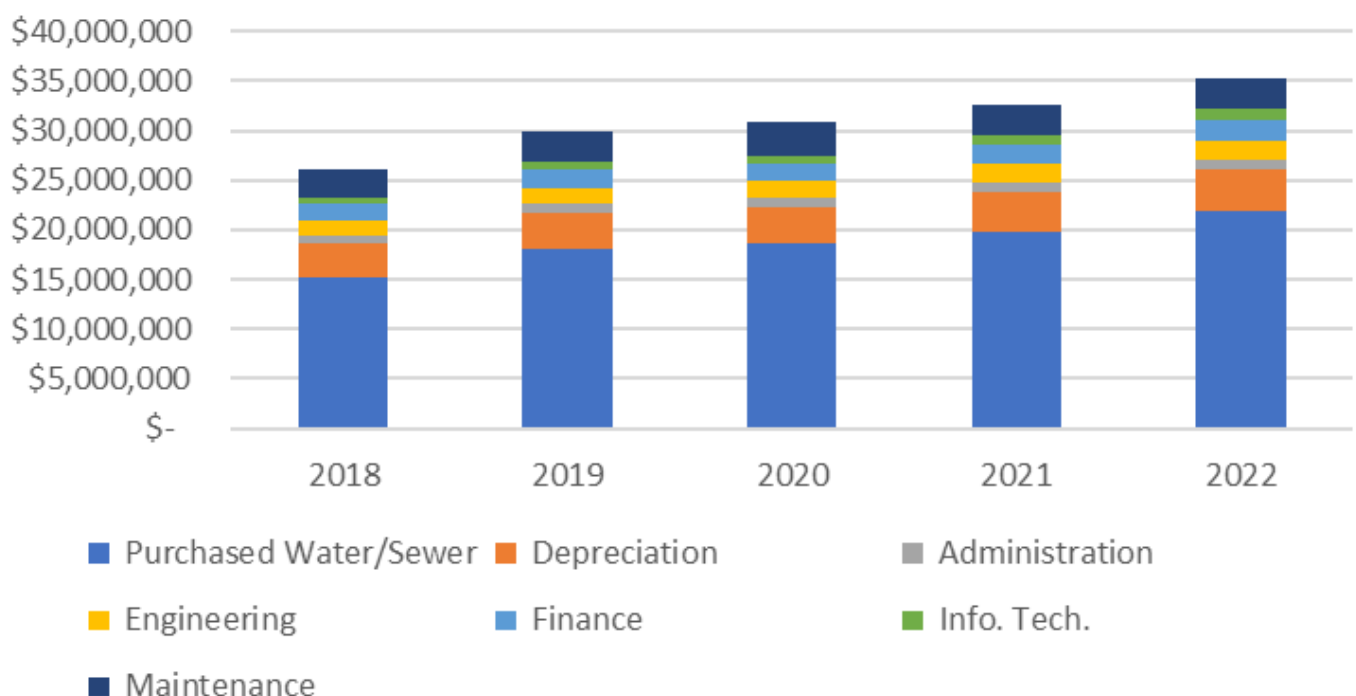
2022 total operating expenditures increased over the previous year by \$2.7 million, or 8.3%, to \$35,309,116 when compared to 2021 operating expenses of \$32,602,138. Increases in the cost of purchased water/wastewater treatment of over \$2 million and increases in personnel costs comprise most of this increase.

The purchase of water and wastewater treatment from the Rivanna Water and Sewer Authority makeup over 60% of the total operating expenses or nearly \$22 million of the total. Albemarle County Service Authority continues to control expenses while maintaining a high level of system-wide maintenance and customer service.

## Operating Expenses by Type FY 2022 \$35,309,116



## Operating Expenses FY 2018 - FY 2022





# COMMUNITY ENGAGEMENT

## "IMAGINE A DAY WITHOUT WATER"

The ACSA, in partnership with the City of Charlottesville and Rivanna Water and Sewer Authority (RWSA), sponsor an annual art contest for area elementary, middle, and high school students. The goal of this campaign is to encourage water conservation in our everyday lives. Participating students submitted artwork, using a variety of mediums, that in their eyes reflected an annual theme. This year's theme was "The Value of Water" and asked for submissions to illustrate why or how they value water and save water in our community. Over 248 submissions were received, and the six winner's artwork can be seen here.

