



# POPULAR ANNUAL FINANCIAL REPORT

## For the Year Ended June 30, 2023



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 2023 Annual Comprehensive Financial Report (ACFR) but does not contain all the detailed financial information as required in the Albemarle County Service Authority FY 2023 ACFR.

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

<https://serviceauthority.org/wp-content/uploads/2023/11/ACSA-FY-2023-ACFR-Final-Version.pdf>





## 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 2023-27

With the successful completion of the Albemarle County Service Authority’s 2020-2022 Strategic Plan, the ACSA set its sights on implementing a new, five-year Strategic Plan for 2023 through 2027 and can be viewed at:

<https://serviceauthority.org/about-acsa/who-are-we>.





# MESSAGE FROM THE DIRECTOR OF FINANCE

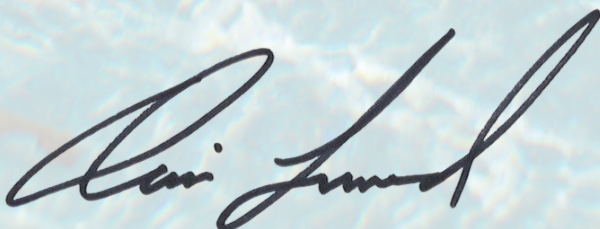
Mr. Quin Lunsford



The Albemarle County Service Authority (ACSA) is pleased to present this Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2023 to improve transparency and customer service. This PAFR provides a less technical, easy-to-understand version of the 2023 Annual Comprehensive Financial Report (ACFR). The PAFR provides readers with an overview of the ACSA's finances and general information sourced from the 2023 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



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  
434-977-4511  
webmaster@serviceauthority.org  
Monday-Friday  
8:00 a.m. to 5:00 p.m.  
Website:  
<https://serviceauthority.org>



# WHO WE SERVE

## ACSA Water Connections by Type



Single Family 19,982



Commercial 1,279



Multi-Family 611



Industrial/Institutional 266



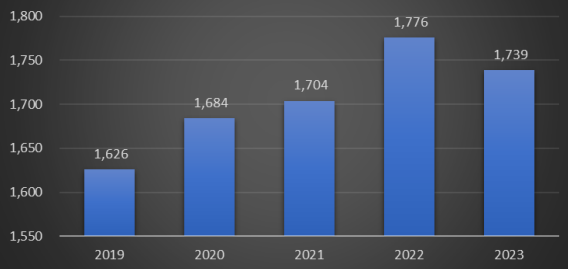
### TEN LARGEST WATER USERS

Rank	Name	Gallons (Millions)
1	Martha Jefferson Hospital	23.31
2	Abbington Crossing Apts.	22.05
3	Southwood Mobile Homes	20.87
4	University of Virginia	20.21
5	Four Seasons Apts.	19.93
6	SEMF Charleston Apts.	18.43
7	County of Albemarle	18.14
8	Barracks West Apts.	17.44
9	Westminster Canterbury	16.59
10	Turtle Creek Apts.	15.62

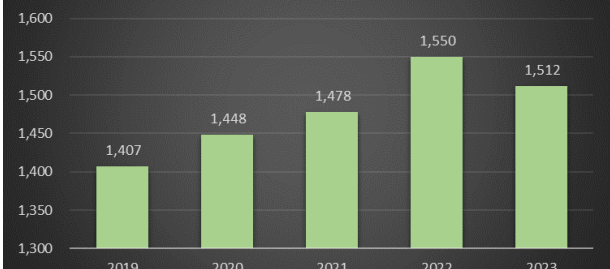
### TEN LARGEST WASTEWATER PRODUCERS

Rank	Name	Gallons (Millions)
1	Southwood Mobile Homes	25.44
2	Abbington Crossing Apts.	22.05
3	University of Virginia	20.17
4	Four Seasons Apts.	19.93
5	SEMF Charleston Apts.	18.43
6	Barracks West Apts.	17.44
7	Westminster Canterbury	15.84
8	Turtle Creek Apts.	15.60
9	Westgate Apts.	14.75
10	Martha Jefferson Hospital	14.56

Water Sold by Fiscal Year  
(Millions of Gallons)



Wastewater Treated by Fiscal Year  
(Millions of Gallons)



# WHAT WE PROVIDE



84,873

Water Residents  
Served



77,173

Sewer Residents  
Served



4.8 million

Gallons of Water  
Sold Daily



374

Miles of Water  
Mains



316

Miles of Sewer  
Mains



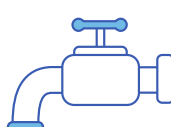
7,988

Work Orders  
Completed



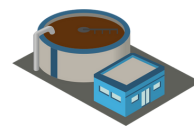
8

Water Storage  
Tanks



9

Water Pump  
Stations



10

Sewer Pump  
Stations



3,146

Fire Hydrants



# Project Spotlight - MyWater



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 2024.

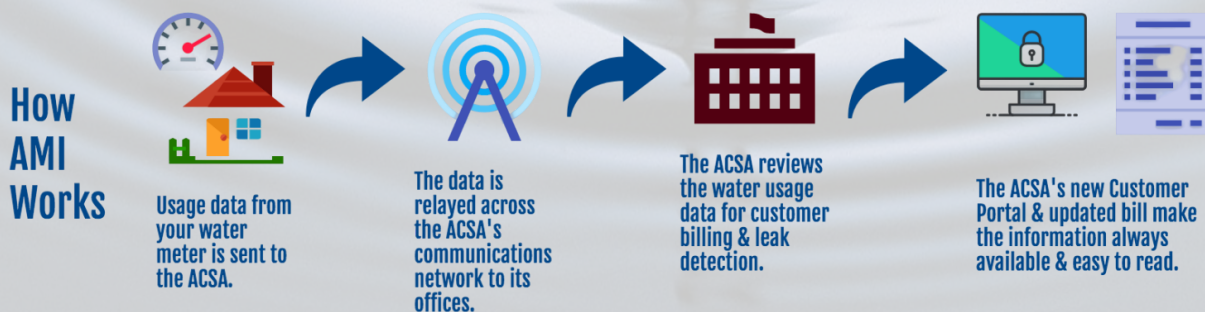
The project consists of two phases: Phase 1 and Full Deployment.



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 includes an upgrade of all remaining meters throughout our service territory. Our team made significant progress during the current year with nearly 70% of the system fully upgraded and operational. This program supports 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 like early leak detection.



**Enhanced Customer Service**



**Proactive Leak Alerts**



**Customer Cost Control**



**Added Efficiency & Sustainability**



# 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 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**

## 🎯 Crozet Phase 4 Water Main Replacement

**\$ 5,648,000**

## 🎯 Hessian Hills Water Main Replacement

**\$ 5,768,000**

## 🎯 Oak Forest Pump Station Abandonment

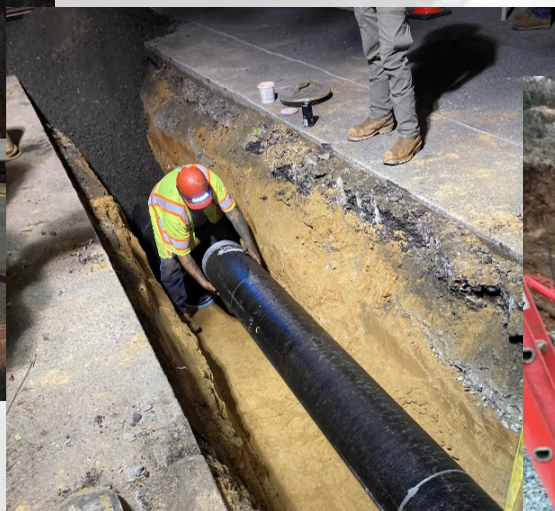
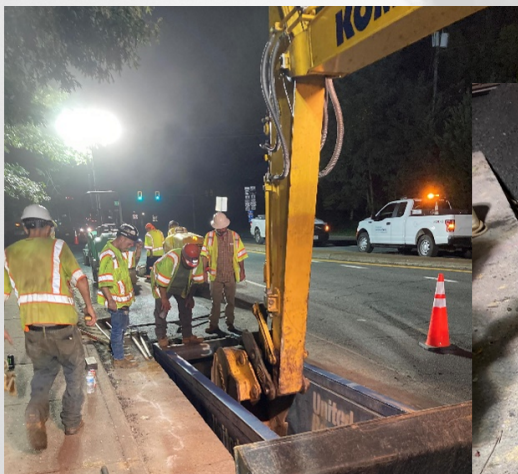
**\$ 2,118,000**



## 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 2023 FINANCIAL HIGHLIGHTS

- Fiscal year 2023 operating revenues **increased 3.9%** to \$34,230,964 as compared to fiscal year 2022 while operating expenses **increased 11.2%** to \$39,270,035 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 62% of the ACSA's overall operating expenses and **increased** by more than \$2.2M or 10.3% in fiscal year 2023. These increases were offset by in part by a 4.6% 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 2023

- Billed water usage in fiscal year 2023 was 1.74 billion gallons and was 36 million gallons or 2.1% less than billed water usage in fiscal year 2022.
- The Authority's customer base grew by 2.5% or 543 new connections by the end of the fiscal year.
- Billed wastewater collections in fiscal year 2023 was 1.51 billion gallons and was 39 million gallons or 2.5% less than billed wastewater collection in fiscal year 2022.





# NET POSITON SUMMARY

The Abbreviated Statement of Net Position (below) provides information related to 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 serve 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
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>
2023	\$245,524,233	16,002,563	<b>\$229,521,670</b>



5 year trend of net position:  
Increase of  
**\$ 43.5 million**  
Since 2019



## FINANCIAL STATUS

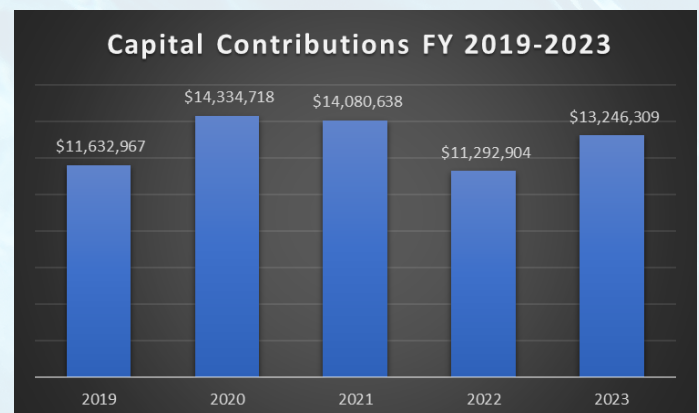
Albemarle County Service Authority's overall financial condition remained strong through 2023 as revenues exceeded expenditures. Total net position increased by \$9.4 million, or 4.3%, in 2023, compared to an increase of \$8.1 million, or 3.8% in 2022. The financial position of the ACSA remains strong and stable.

Total net position increased  
**\$ 9.4 million**  
in fiscal year 2023

## 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 2023 capital contributions, cash and contributed systems, combined, were \$ 13.2 million.





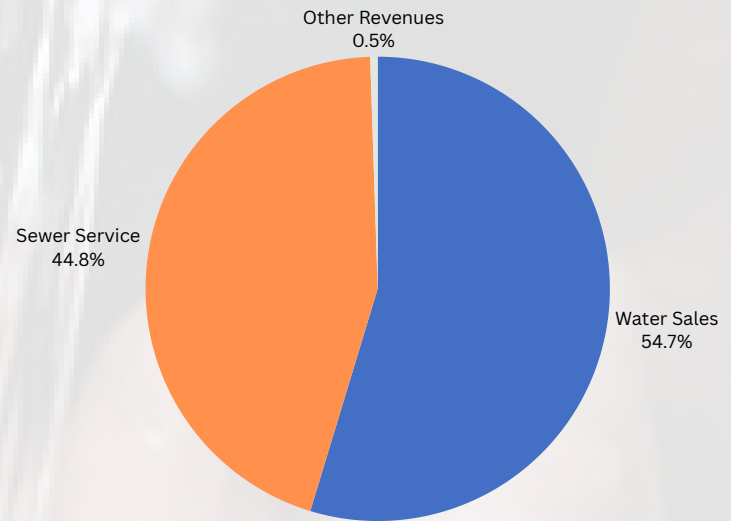
# REVENUES

## Total Operating Revenue \$34,230,964

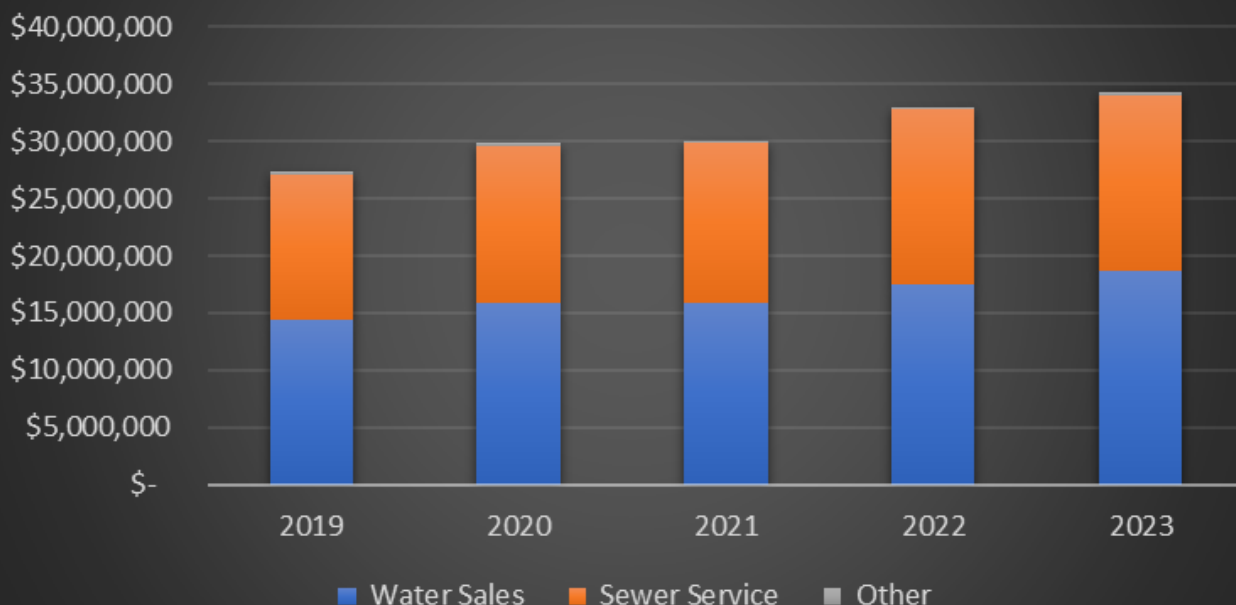
Water sales increased by \$1.2 million, or 6.7%, to \$18,720,236 in 2023 over the 2022 amount of \$17,545,859. Wastewater services increased by \$53,000, or 0.3%, from \$15,279,189 in 2022 to \$15,332,086 in 2023. These increases are a result of rate increases and decreases in consumption in the current year. Water consumption decreased 2.1% from 1.78 billion gallons in 2022 to 1.74 billion gallons in 2023.

Other operating revenues which include miscellaneous items such as water and sewer connection fees totaled \$178,642 in 2023 or 35.9% more than 2022.

## Operating Revenue by Type FY 2023 \$34,230,964



## Operating Revenues FY 2019 - FY 2023



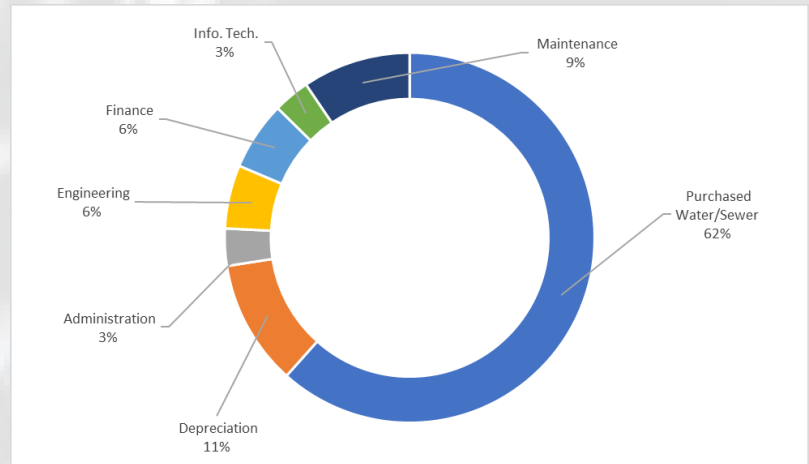


# EXPENSES

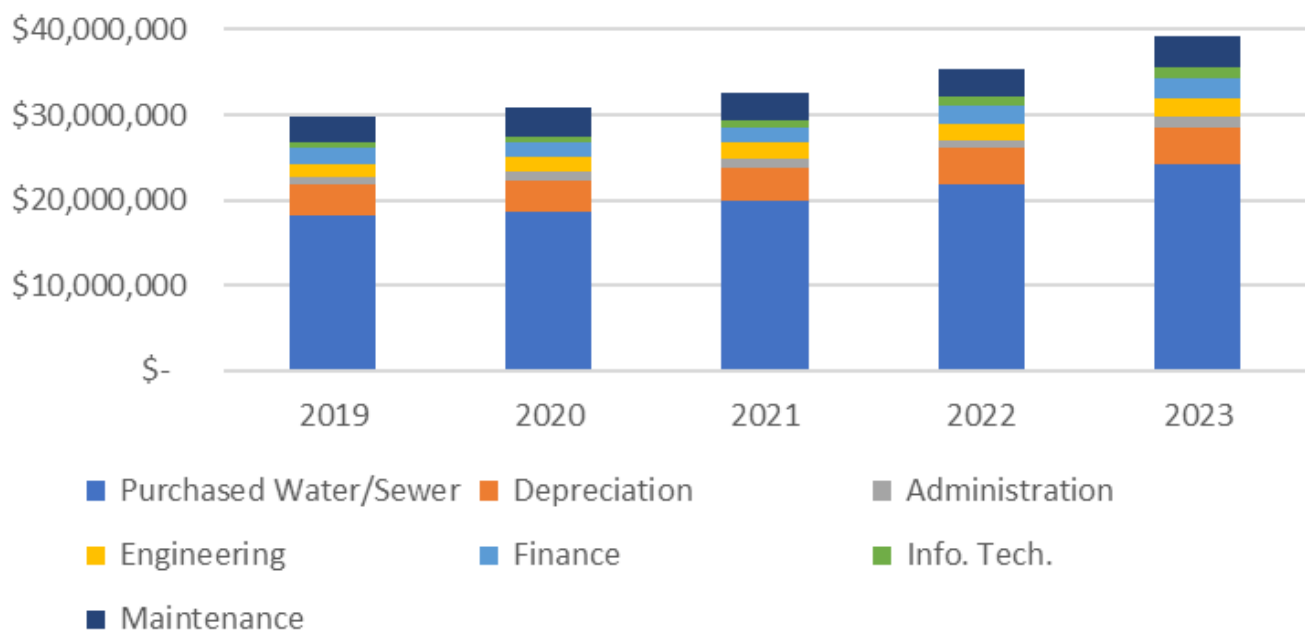
## Total Operating Expenses \$39,270,035

2023 total operating expenses increased over the previous year by \$4.0 million, or 11.2%, to \$39,270,035 when compared to 2022 operating expenses of \$35,309,116. Increases in the cost of purchased water/wastewater treatment of over \$2.2 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 61% of the total operating expenses or \$24.2 million of the total. The ACSA continues to control expenses while maintaining a high level of proactive system-wide maintenance and customer service.

## Operating Expenses by Type FY 2023 \$39,270,035



## Operating Expenses FY 2019 - FY 2023





# 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 "Tell us your action to save water" and asked for submissions to illustrate why or how they value water and save water in our community. Over 271 submissions were received, and the six winner's artwork can be seen here.

