



FISCAL
YEAR
2026

ADOPTED ANNUAL OPERATING AND CAPITAL IMPROVEMENT BUDGET

July 1, 2025 to June 30, 2026

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April 17, 2025

Board of Directors
Albemarle County Service Authority
Charlottesville, Virginia

Dear Board Members:

The Albemarle County Service Authority (ACSA) mission continues to focus on serving our customers by providing safe, clean, and reliable Albemarle water while maintaining fiscal responsibility and environmental stewardship. We remain committed to working with our community partners as we continue to improve our utility system in a timely, cooperative, and financially responsible manner. The proposed Fiscal Year 2026 Budget totals \$74,493,500 and reflects our continuing commitment.

To achieve this goal, the ACSA follows an annual budget development process that aligns with its strategic plan and long-term capital improvement programs. The process considers the needs and priorities of the Rivanna Water and Sewer Authority (RWSA), which operates and maintains the water supply and treatment facilities for the region. The process also considers the local economic and development trends that affect water demand and revenue generation. The ACSA uses historical and projected water consumption data, existing financial commitments, and its own financial policies to develop a recommended budget that responsibly invests available revenues in strategic priorities such as infrastructure maintenance, system expansion, customer service, and regulatory compliance.

The recommended budget for the next fiscal year reflects the long-term planning and vision of our organization. We recognize that capital projects, strategic priorities, and service delivery are not limited to a single year but require ongoing investment and commitment. Therefore, our budget incorporates the costs and benefits of previous long-term decisions, such as the implementation of the telephony project and the construction of the Avon Operations Center, as well as additional staffing needs in Administration and Maintenance. Moreover, our budget anticipates the financial challenges and opportunities that lie ahead in future fiscal years. We aim to balance fiscal responsibility with innovation and excellence in serving our community.

The 2023 - 2027 Strategic plan is a roadmap for the ACSA's success in the upcoming years. It outlines our vision, mission, values, and goals across four main strategic themes: **Data Optimization**, **Business Resilience**, **Customer Experience**, and **Employee Experience**.



Data Optimization is about harnessing the power of data to inform our decisions, improve our processes, and enhance our outcomes. We are conducting a comprehensive review of all data and their sources to ensure proper access, classification, and utilization. We will also implement best practices for data governance, quality, security, and privacy.

Business Resilience is about ensuring the ability to operate effectively and efficiently in the event of disaster or business disruption with minimal interruption of service. We will develop and test contingency plans for various scenarios and risks. We will also adopt environmentally friendly practices and policies to reduce our carbon footprint and support global efforts to combat climate change.

The **Customer Experience** is about providing "best-in-class" service ensuring the needs of our customers are exceeded. We are listening to their feedback, understanding their expectations, and designing systems to deliver solutions that meet or surpass them. We are also leveraging technology and innovation to create seamless and personalized interactions with our customers.

The **Employee Experience** is about retaining and recruiting a highly skilled workforce and providing employees with resources and opportunities for professional growth. We will align as an organization with our values of honesty, trust, integrity, mutual respect, open communication, and employee empowerment. We are also investing in training, development, wellness, and engagement programs for our employees.

These four themes are interrelated and mutually reinforcing. They reflect our commitment to excellence in everything we do. By following this strategic plan, we will achieve our vision of being a leading organization in the utility space that creates value for our customers.

As part of our budget process, we have conducted a comprehensive review of our operating expenses and capital improvement program. We have identified several key projects that will enhance our service delivery and ensure compliance with regulatory standards. These include replacing aging water mains, expanding our wastewater collection system, and implementing new technologies to improve efficiency and service to our customers. These projects are essential to maintaining the quality and reliability of the ACSA system that our customers expect and deserve.

Over the past ten years, the ACSA has invested over \$68.5 million in capital improvements to ensure system reliability, redundancy, and high-quality water and sewer systems. In Fiscal Year 2026, the ACSA proposes a budget of \$18.5 on ACSA capital improvements to further enhance safe drinking water delivery, the collection of wastewater for treatment and modernization of critical infrastructure and processes.



Additionally, our regional partner, the Rivanna Water and Sewer Authority (RWSA), is also continuing needed investment and upgrades in the water and wastewater systems over the next five years. These projects strategically address the water supply, drinking water and wastewater treatment facilities required to meet the requirements of State and Federal regulations, as well as the reliability, capacity, and quality expectations of our community. During this five-year period, the RWSA CIP will significantly strengthen the drinking water systems with expenditures of \$561M for essential projects and include:

- **Community Water Supply Plan Components** – the South Fork Rivanna Reservoir to Ragged Mountain Reservoir Water Pipe and Plumbing Project; the Ragged Mountain to Observatory Water Pipe and Pumping Project; Raising the Normal Pool at Ragged Mountain Reservoir and adding aeration and Oxygenation Systems to Reservoirs.
- **Critical Finished Water Transmission Projects** – Completion of the Airport Road Pump Station; the Central Water Line; Additional Crossings of the South and North Fork Rivanna River; Crozet and Scottsville AC Pipe Replacement and Decommissioning of the North Rivanna WTP.
- **Moore's Creek Advanced Water Resource Recovery Facility** – Blower Building Ventilation Improvements, MCPS Slide Gates, Valves and Bypass & Septage Receiving Upgrades, Structural and Concrete Rehabilitation, Yard Piping Upgrades, Electrical System Upgrade, Building Upfits and Gravity Thickener Improvements, Biogas Upgrades, Engineering and Administration Building.
- **Crozet Water Supply Projects** – Drinking Water Infrastructure Plan Update, Water Treatment Plant-Disinfection Upgrades, Finished Water Greyrock Pump Station, Full GAC Treatment, Beaver Creek New Raw Water Pump Station & Intake, and Beaver Creek Dam Alteration.

The RWSA will also work to complete significant improvements to the wastewater treatment and collection facilities to ensure regulatory compliance and environmental protection. The five-year CIP includes \$147M for essential wastewater projects and include:

- **Renovations and Repairs to Wastewater Facilities** – Moore's Creek, Scottsville, Glenmore, Crozet pump stations, and the Albemarle Berkley Pump Station
- **Repairs and Replacement of Wastewater Piping and Manholes** – Crozet, Albemarle-Berkley, Moore's Creek, Upper Rivanna Interceptors
- **Power System Upgrades** – Scottsville WRRF Whole Plant Generator and Moore's Creek AWRRF 5kV Electrical System

Combined, these critical projects listed above and others throughout the system carry an expected cost over the five-year period of over \$561M, and as one of the RWSA's two customers, the ACSA is responsible for more than 61% of RWSA's annual debt service and operating charges. Charges from the RWSA make up nearly 65% of the ACSA's total operating budget, thus when these costs increase, it dramatically impacts our budget and customer rates.

The ACSA and RWSA continuously collaborate to ensure our customers are well served, and that the rate increases that we must pass along to our customers are fair, provide good value, and adhere to strategic priorities. Staff from both the ACSA and RWSA work closely to ensure critical projects are completed in a timely and financially responsible manner.

The Fiscal Year 2026 Budget considers the need for continued investment in our water and wastewater systems. We anticipate leveraging long-planned rate stabilization reserves strategically in conjunction with an increase in customer rates at a time of rising costs. This increase is explained in greater detail throughout this document and necessary as we responsibly plan for the future. We expect future capital project needs of both the ACSA and RWSA to continue and costs related to these projects will continue to increase. These projects are an investment in the present and the future to ensure the highest quality water and reliable delivery and collection.

We are pleased to present the ACSA's Proposed Operating and Capital Improvement Program (CIP) for Fiscal Year 2026 (July 1, 2025, to June 30, 2026). The FY 2026 budget continues to address long-term strategic initiatives that benefit our customers, while being especially mindful of economic restraints. After a comprehensive review ACSA departmental and capital needs and RWSA costs for water and wastewater treatment, we project an increase of \$6.0M or 18.9% for water/wastewater treatment and debt service. We will continue to invest in improving our water and sewer infrastructure through this proposed budget.

Water and wastewater treatment are essential services that protect public health and the environment. However, they also come with significant costs that affect you, the customer. As a residential customer using 3,200 gallons of water per month, you will see a monthly increase of \$6.19 or \$0.21 per day, in your bill. This increase supports initiatives to ensure and improve reliability, quality, and sustainability of our area's environmental resources by adding redundancy in systems to ensure reliable service, increasing the capacity to provide water and wastewater services to our growing community, proactively identifying leaks and implementing energy efficiency measures that reduce operational costs and greenhouse gas emissions.

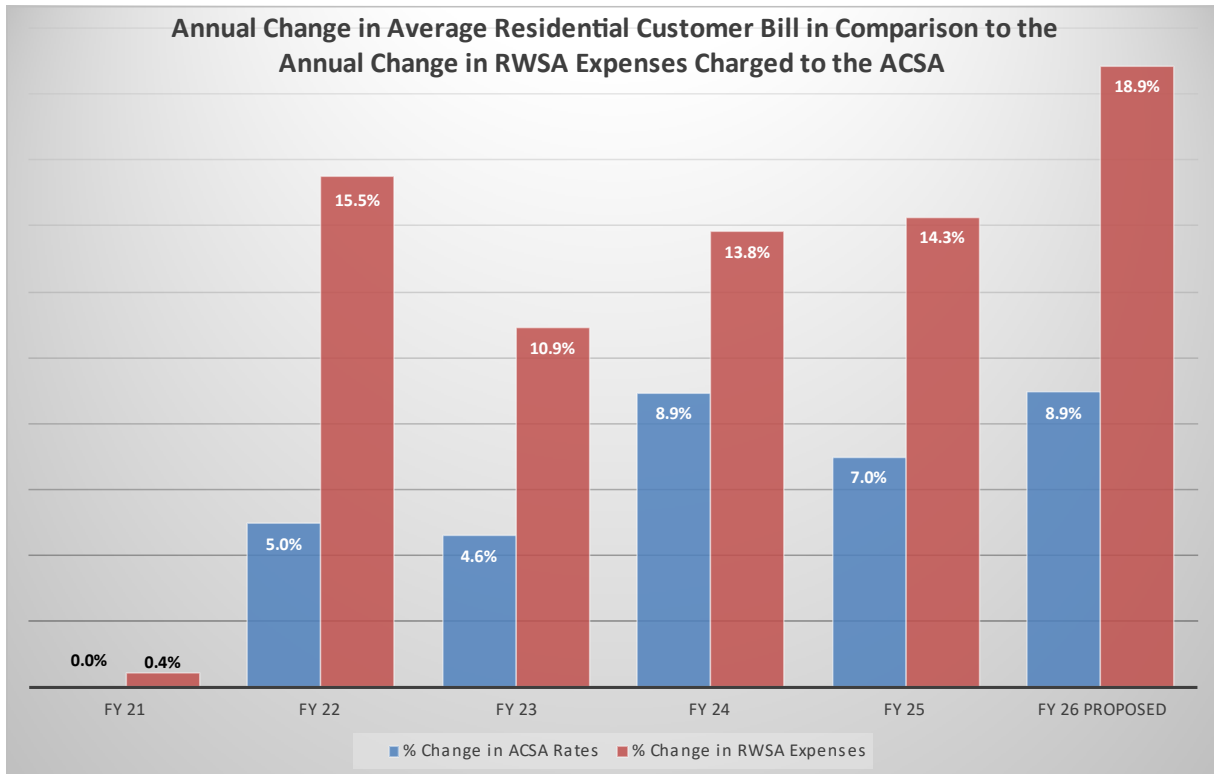
Some of these sustainability initiatives include installing solar panels on our new Avon Operations Center, launching a pilot program using electric vehicles, and continuing our recycling program. These initiatives look forward to ensuring future generations have clean, safe, and reliable water supplies now and well into the future.

ACSA Water and Sewer Monthly User Rates

	FY 2025	FY 2026
Service Charge	\$ 11.13	\$ 12.24
Volume Charge - Single-Family Residential (per 1,000 gallons)		
Level 1 (0-3,000 gallons)	\$ 5.95	\$ 6.55
Level 2 (3,001-6,000 gallons)	\$ 11.93	\$ 13.12
Level 3 (6,001-9,000 gallons)	\$ 17.88	\$ 19.67
Level 4 (over 9,000 gallons)	\$ 23.86	\$ 26.25
Multi-Family/Non-Residential (per 1,000 gallons)	\$ 11.93	\$ 13.12
Sewer/All Users (per 1,000 gallons)	\$ 11.83	\$ 12.78

Even with the rate increase, one penny continues to buy nearly two gallons of water, which is a very good value for the ACSA's reliable, high quality, and safe drinking water.

Four of the last five years, ACSA customers have seen changes in the monthly user rates. The ACSA did not increase rates in FY 21 as a way to limit economic impacts on our customers in the early stages of the pandemic. This budget, beginning July 1, 2025, proposes increases to ensure strategic investments continue throughout the ACSA's service area and to offset cost increases in water and wastewater treatment. The average increase over the prior five years is 6.9%.



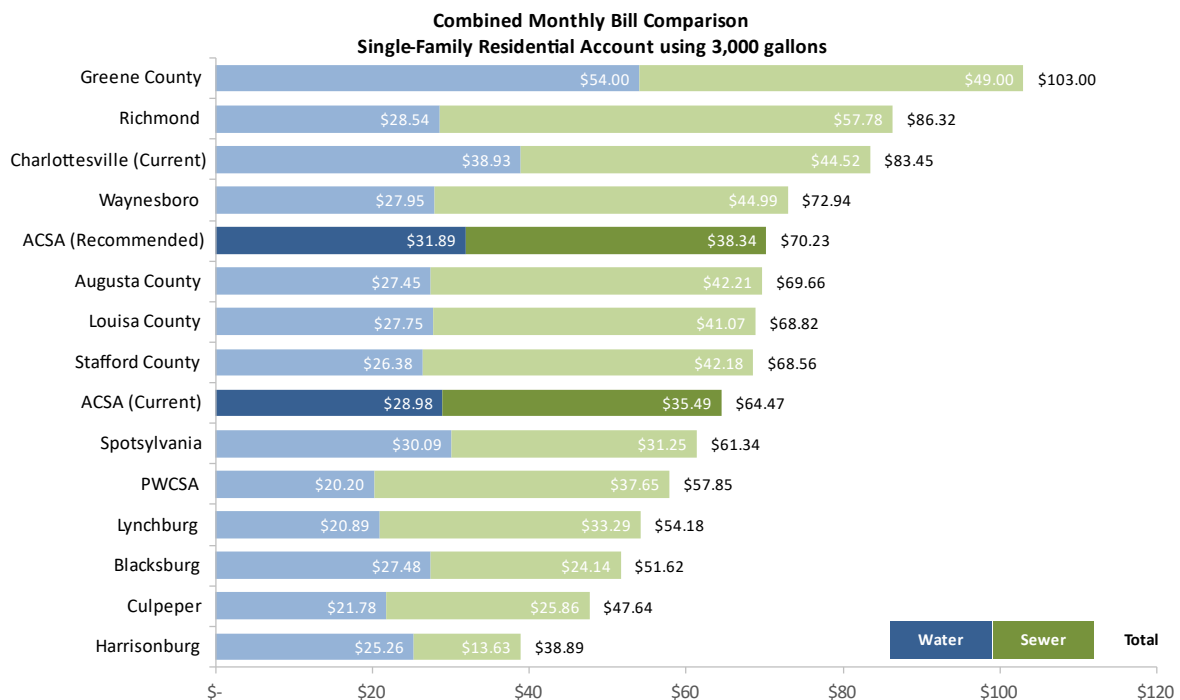
Following an extensive analysis of costs expected to be incurred, we propose that the monthly service charge be increased. The service charge for a 3/4" meter will increase to \$12.24 per month, a \$1.11 increase over the prior year. This update reflects the actual base cost of services provided.

Rate Design – Monthly Service Charges

Meter Size (inches)	Approx. # of Water Customer Accounts by Size	Current	Recommended
		FY 2025	FY 2026
¾	21,452	\$11.13	\$12.24
1	722	\$ 27.81	\$ 30.59
1 ½	467	\$ 55.62	\$ 61.18
2	157	\$ 88.98	\$ 97.88
3	54	\$ 177.96	\$ 195.76
4	16	\$ 278.07	\$ 305.88
6	0	\$ 556.13	\$ 611.74

The service charge covers the cost to appropriately allocate ACSA revenue requirements among users of the entire system based on the cost of providing service. This includes the costs for distribution, metering and administration which is shared among the customer classes. Service charges for meters ranging in size from 1"-6" align with American Water Works Association (AWWA) standard meter size equivalents. These charges mirror the ACSA's Equivalent Residential Connection (ERC) calculation for new connections and provides a consistent basis application of the service charge.

The ACSA average customer bill has been less than the statewide average and is less than the City of Charlottesville's current comparable residential bill by nearly 16%.



The Proposed ACSA Fiscal Year 2026 Operating Expenses total \$44,850,800, as compared to \$39,739,100 for the current budget year (FY 2025). This represents an increase of \$5,111,700, or 12.9% over the previous year. Our Capital Improvement Program (CIP) as proposed is \$18,477,500, as compared to the current budget of \$12,100,000, and includes a continuation of major capital investment in our system, with an emphasis on needed water/wastewater main replacements, and extension of public sewer to existing subdivisions. Additionally, the ACSA has proposed a number of “non-utility” projects to address operational improvements, such as: mitigation of risk to increase resiliency of critical water and wastewater assets; Geographic Information System (GIS) for Information Technology (IT) system improvements; recommendations from the IT Security Assessment; analysis and deployment of a customer information/telephony system; increased energy conservation throughout all our operations; and development of a satellite operations center and maintenance yard.

Balancing the delivery of quality water and wastewater treatment, investing in the ACSA's water and sewer system infrastructure, improving service delivery, and providing an elevated level of service to our customers in an era of increasing inflation are some of the most important challenges facing the ACSA. To manage these challenges, these budgets are built on a solid foundation of over 60 years of water and sewer utility service to our customers in the Albemarle, Crozet, and Scottsville communities.

We would like to express our sincere gratitude to the ACSA Leadership Team of Alexander Morrison, April Walker, Emily Roach, and Jeremy Lynn for their valuable contributions to the FY 2026 budget development process. They have demonstrated a high level of professionalism, dedication, and expertise in preparing a realistic and sustainable budget that aligns with our strategic goals and priorities. We would also like to thank Justin Weiler, Richard Nelson, John Anderson, Keane Rucker, Jeremy Lynn, Alex Morrison, Roland Bega, Robbie Lawson, and Billy Defibaugh for their hard work in developing the Capital Improvement Program (CIP). They have done a remarkable job in identifying and prioritizing the critical infrastructure needs and projects for our organization. Their efforts, along with those from other departments ensure that we provide safe, clean, and reliable water and wastewater services for all of our customers.

We appreciate your understanding and cooperation as we work together to provide high-quality water and wastewater services for our community. If you have any questions or concerns about this budget or our initiatives, please contact us at (434)-977-4511 or accounting@serviceauthority.org. Thank you for being a valued customer.

Sincerely,

A handwritten signature in black ink, appearing to read "Quin Lunsford".

Quin Lunsford
Executive Director

A handwritten signature in black ink, appearing to read "Tanya Johnson".

Tanya Johnson
Director of Finance

History:

In 1964, the Albemarle County Service Authority (ACSA) was created by action of the Albemarle County Board of Supervisors. Beginning in Crozet and growing into the Urban Areas of Albemarle County and the Town of Scottsville, the ACSA is Albemarle County's water and sewer retail provider. The ACSA celebrates its 61st year of water and sewer service to the Albemarle Community.

Employees:

Over 80 dedicated employees work within five different operating departments within the ACSA: Administration, Engineering, Finance, Information Technology, and Maintenance. Our employees are the backbone of the quality services that the ACSA provides to its customers.

Drinking Water Quality:

With a strong emphasis on water quality, the ACSA maintains the water system, provides ongoing system upgrades, and provides water quality testing to meet and exceed all regulatory requirements. The ACSA ensures high quality drinking water to all our customers by performing over 400,000 tests annually. Additional testing information can be found in our annual drinking water quality report at www.serviceauthority.org.

Age of Pipes:

The ACSA water system has a variety of ages, types and conditions of pipes and facilities. We have an ongoing assessment to be sure our water mains deliver reliable water service. We have been active in water main replacement and our annual capital program investment meets our replacement needs. A recent analysis indicated that 48% of our water and sewer mains are less than 25 years old.

Water Distribution System:

ACSA delivers water through 377 miles of interconnected pipes, 8 water pumping stations, 7 water storage tanks, and 3,142 fire hydrants.

Sewer Collection System:

Over 318 miles of sanitary sewer mains and 10 sewer pumping stations comprise the ACSA sewer collection systems for businesses and residences in our service area.

Cost for Gallon of Water:

ACSA water is an excellent value, with over 1.53 gallons of ACSA water costing one cent.

ACSA Service Area:

The ACSA provides service to over 89,000 residents, with more than 23,000 retail accounts in six magisterial districts: Rio, Jack Jouett, Rivanna, Scottsville, Samuel Miller, and White Hall.

Financial Performance:

The ACSA's financial performance remains very strong and sustainable. With a very low level of debt, the ACSA can fund most capital projects out of the annual budgets and through the use of financial reserves.

Financial Performance (cont.):

The ACSA's Annual Comprehensive Financial Report for the year ended June 30, 2024, from which the information within the Budget Appendices/Supplemental Section (Section VI) has been drawn, has been submitted to the Government Finance Officers Association of the United States and Canada (GFOA) for award consideration for the Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Albemarle County Service Authority, Virginia for its Annual Budget for the fiscal year beginning July 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Customer Service:

ACSA communicates valuable customer related information through bill inserts, quarterly newsletters, the website www.serviceauthority.org, X, Facebook, and Instagram. An after-hours emergency phone service receives and routes calls to alert staff of emergencies or other matters that require immediate attention. We can be contacted at (434) 977-4511 or www.serviceauthority.org by selecting "Service Request."

Governance:

ACSA's Board of Directors establishes policies and guides the overall strategic direction of our organization. The Board is composed of six members representing the six magisterial districts of Albemarle County. The ACSA Board members also set rates, charges, and fees, and approve the budget for the ACSA. The Executive Director reports to the Board and manages the day-to-day operations and performance of the ACSA.

ACSA Financial Information:

- FY 2026 Total Op./Non-Op. Budget: \$56,016,000
- FY 2026 Capital Improvements Budget: \$18,477,500



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished Budget
Presentation Award*

PRESENTED TO

Albemarle County Service Authority

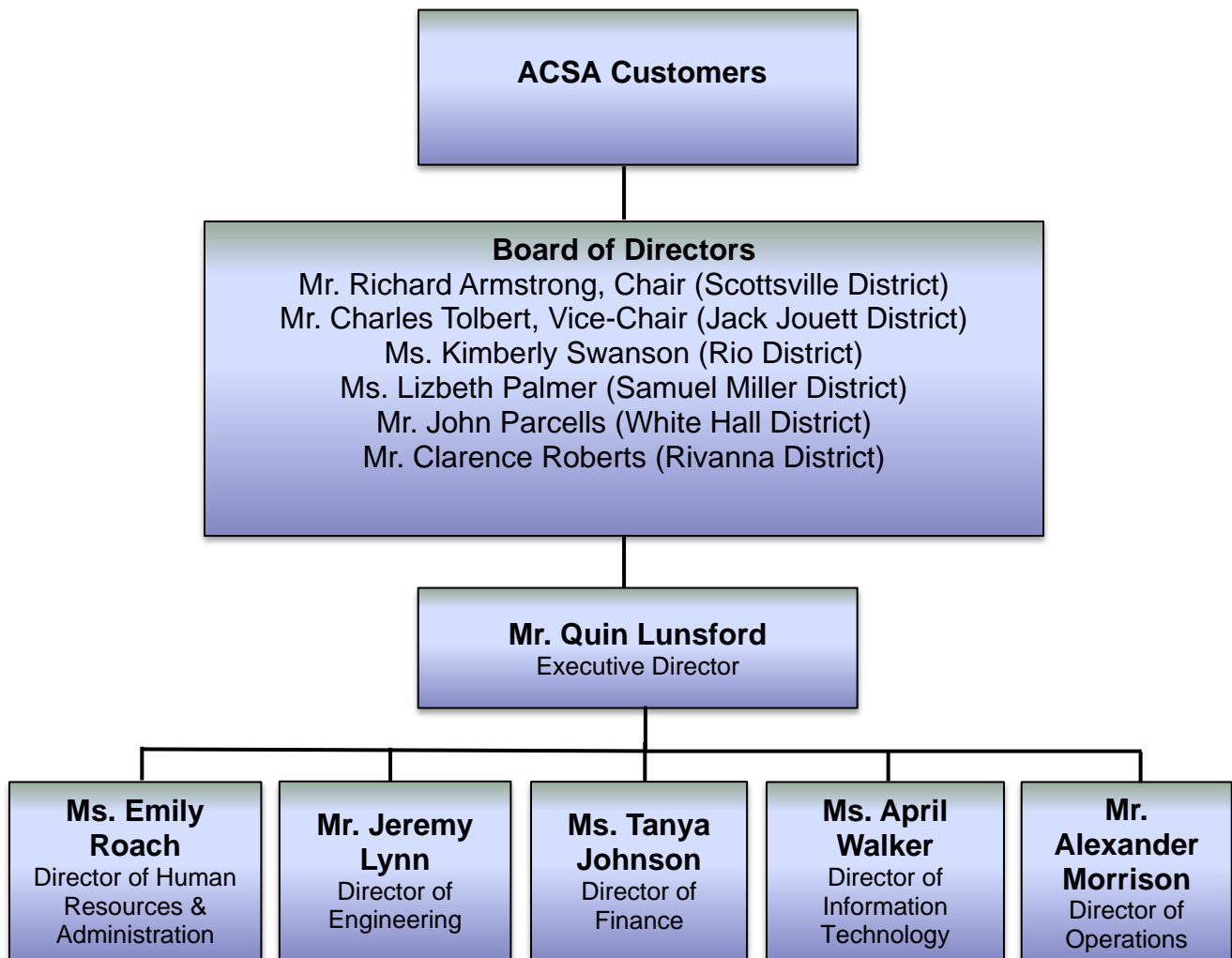
Virginia

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Morill

Executive Director



Strategic Goals and Strategies

The ACSA was created by the Albemarle County (County) Board of Supervisors in 1964 with the Crozet community as its sole customer. In the 1960s, the South Rivanna Dam was constructed, and several subdivisions were developed through the County, such as Carrsbrook, Woodbrook, Westmoreland, Northfields, Berkeley, Hessian Hills, Montvue, Colthurst, Flordon and West Leigh. In the late 1960s and early 1970s, these systems were acquired by the County for the ACSA, and the County purchased water from the City of Charlottesville supply to provide all these areas with public water and eliminate their well systems. In 1972, the Rivanna Water and Sewer Authority (RWSA) was formed and became the wholesale provider of water and wastewater treatment for the City and ACSA.

The ACSA, now 60 years later, provides water distribution and wastewater collection services to more than 23,000 accounts with over 377 miles of water mains and over 318 miles of sanitary sewer mains within our service area, including the urban areas of Albemarle County, and nearby communities of Scottsville and Crozet. Our customers enjoy water drawn from a protected watershed contained almost entirely within the County's borders. The ACSA is governed by a six-member Board of Directors each appointed by the Board of Supervisors of Albemarle County. We distribute treated water, and collect wastewater for treatment, while maintaining, expanding, and replacing the infrastructure within the service area.

The ACSA's five-year Strategic Plan for FY's 2023-2027 outlines the ACSA's vision, mission, and guiding principles. The plan helps chart our future as we look to our next 50 years and establishes clear strategic actions that will be taken. We believe the Strategic Plan reflects the ACSA's vision to "serve and conserve" and assists with establishment of goals for years to come. The ACSA is proud to provide services that positively touch the lives of all our customers, every day. We continue to strengthen the ACSA's role in water leadership in our community, and with the Strategic Plan we identify and communicate our intentions for the future.

The ACSA's Strategic Plan sets forth four major themes, which include: Data Optimization, Business Resilience, Customer Experience, and Employee Experience. These four themes provide a roadmap for the next three years to ensure strategic objectives are prioritized. Summaries of the four strategic themes are listed below:

- **Data Optimization:** The ACSA aims to leverage data and analytics to improve decision making, enhance performance, and create value for external and internal customers. The ACSA will invest in data infrastructure, governance, quality, security, and accessibility to support data-driven initiatives across the organization.
- **Business Resilience:** The ACSA is committed to ensuring the continuity of its operations and services in the face of disruptions and emergencies. The ACSA will also adopt environmentally sustainable practices and policies to reduce its environmental impact and contribute to global efforts to combat climate change.
- **Customer Experience:** The ACSA strives to deliver "best-in-class" customer service and satisfaction to its diverse customer base. The ACSA will focus on understanding customer needs and expectations, improving customer communication and engagement, enhancing service quality and delivery, and fostering community relationships.
- **Employee Experience:** The ACSA values its employees as its most important asset. The ACSA will cultivate a positive work environment that promotes employee well-being, development, recognition, diversity, inclusion, and collaboration. The ACSA will also attract, retain, and develop talent that aligns with its vision, mission, values, and goals.

Additional information related to these themes and the full 5-year Strategic Plan can be found on our website at:

[Strategic Plan 2023-2027](#)

Fund Descriptions and Fund Structure

The ACSA operates and reports as a single enterprise fund, meaning that all departments are included in a single accounting and reporting entity. An enterprise fund is a proprietary type of fund used to account for operations that are financed and operated in a manner similar to private business enterprises. The ACSA's intent is that the costs of providing goods or services to customers on a continuing basis be financed or recovered primarily through user charges. Periodic determination of revenues earned, expenses incurred, and/or changes in net position is appropriate for capital maintenance, public policy, and management control and accountability.

Basis of Accounting and Budgeting

The ACSA follows the accrual basis of accounting. Under this basis of accounting, revenue is recognized when earned and expenses are recorded when incurred. Operating revenues and expenses consist of those revenues and expenses that result from ongoing principal operations of the ACSA. Operating revenues consist primarily of charges for water consumption and wastewater collection. Operating expenses consist of bulk water purchases, wastewater treatment, and administrative expenses. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing type activities and result from non-exchange transactions or ancillary services.

Basis of Budgeting

The ACSA's annual budget is based on the accrual method of accounting and is structured to reflect the same formats as the ACSA's audited financial statements. Both the "basis of accounting" and the "basis of budgeting" are on an accrual basis which recognizes revenues when earned and expenses when incurred.

Financial Policies

The ACSA has developed and adopted Comprehensive Financial Management Policies (Policies) to ensure that the ACSA is financially capable of meeting its immediate and long-term objectives. A financial management policy that is adopted, adhered to, and regularly reviewed is recognized as the foundation of sound financial management. An effective financial management policy:

- Contributes to the ACSA's ability to prepare for and insulate itself from fiscal crisis by being able to better manage stressful internal and external financial events.
- Enhances the ability to realize the most favorable rates in the event the ACSA deems debt financing necessary.
- Promotes long-term financial stability by establishing clear and consistent guidelines.
- Directs attention to the total financial picture of the ACSA rather than single issue areas.
- Promotes the view of linking long-term financial planning with day-to-day operations.

The adopted Policies specifically related to the budget process are as follows:

Operating Budget Policies

- The ACSA will budget for all current operating expenditures to be paid for with operating revenues.
- The ACSA will maintain operating reserves, as defined in the Reserve policy below, to help offset reductions in revenues related to low flow periods. This policy helps maintain the operations and maintenance functions that would otherwise have to be deferred or require sporadic rate increases, however:
- Management and staff should, not only during the preparation of the budget but in budget execution, use due care and promote cost savings and operating efficiencies at all times, especially during period of revenue shortfall.

Operating Budget Policies (cont.)

- In preparing the annual budget, the ACSA will base its revenue and expenditure projections on historic performance while also taking into consideration operational needs, current trends, events, and developments in regulatory requirements, local markets, building developments and environmental activities.
- System development charges, RWSA capacity charges or other special revenues will not regularly be used to finance continuing ACSA operations, but instead will be used for funding specific one-time projects, servicing capacity related debt, expansion and replacement of system infrastructure or adding to ACSA reserves.

Capital Budget Policies

- The ACSA will prepare and update annually for adoption a Capital Improvement Plan (CIP) that is developed for a ten-year planning period.
- The first year of the adopted ten-year CIP will become the most current capital budget for the ACSA and will serve as authorization for project execution by the Board.
- The ACSA will maintain all capital assets at a level adequate to protect the ACSA's capital investment, meet permitted regulatory requirements, and to minimize future maintenance and replacement costs.

Reserve Policies

- The ACSA has implemented "best management practices" which dictate that cash/investment reserves be accumulated to provide for contingencies and planned/unplanned major expenses. The ACSA has established three types of reserves for its water and wastewater systems:
 - Operating and Maintenance Reserve (O&M): The O&M reserve serves as working capital and is important to provide funds for the potential lag between operating revenues and operating expenditures, as well as unplanned minor repairs or fluctuations in the operating budget. This type of reserve is also valuable during unusually wet years, which can result in reduced revenue due to lower than anticipated water usage. This reserve combined with the Repair, Renewal, and Replacement Reserve, Capacity and Growth Reserves, and unrestricted cash and investments are to maintain a Days Cash on Hand floor of 270 days. Water and wastewater rates will be set accordingly to replenish these reserves if cash/investment levels dip below the Days Cash on Hand floor.
 - Repair, Renewal, and Replacement Reserve (3R): The 3R reserve provides funds to pay for unexpected major repairs and planned replacement or rehabilitation of system assets. This reserve may be used to pay for capital costs to avoid or minimize the amount that would otherwise be recovered through user fees. Typically, the annual 3R reserve contribution is calculated based on the estimated useful life and replacement cost of equipment held by the ACSA.
 - Capacity and Growth Reserves: The Capacity and Growth Reserves are established to fund capacity or growth-related costs or charges. These reserves are funded by the ACSA System Development Charge and the RWSA Capacity Charge.

Revenue and Expenditure Policies

- A diversified and stable revenue system will be maintained to shelter services from short-run fluctuations.
- Rate studies are to be conducted every five years to ensure that the rates will continue to support direct and indirect costs of operations, administration, maintenance, debt service, depreciation/amortization of capital assets, and system development. Annually, staff will analyze projections performed by the consultant and adjust as necessary during the budgetary and rate development process.

Revenue and Expenditure Policies (continued)

- Costs related to the expansion of system capacity (i.e., growth-related) should be funded via new/future customers who cause the need for such additional capacity through connection fees. “Growth pays for growth.”
- Water and Wastewater rates and charges shall be kept as low as possible over time without sacrificing continual maintenance of infrastructure already in service.
- The ACSA’s operating expenditures are to be funded with on-going operating revenues to the extent possible.

Debt Policies

- The ACSA will utilize a balanced approach to capital funding utilizing debt financing. CIP planned current-year revenues (pay-as-you-go) and planned capital reserve fund transfers from ACSA reserves.
- The ACSA will analyze all sources of debt financing when it has been determined that there is a need for debt.
- When the ACSA finances capital improvements or other projects by issuing bonds or entering capital leases, it will repay the debt within a period not to exceed the expected average useful life of the project(s) and equipment being financed.
- When assessing capital project funding approaches and the issuance of debt, the ACSA will conduct a series of financial analyses to demonstrate its financial ability to incur such debt under its current rate structure, and to determine if, when and to what degree rate structures need to be adjusted in the event that the current rate structure is not able to accommodate new additional debt.
- The ACSA will review its current debt structure periodically as interest rates fluctuate and optional bond redemption dates arise for refunding or advance refunding opportunities.
- The ACSA will remain in compliance with all debt covenants as they are provided. The ACSA shall maintain net revenues, excluding connection fees, such that they are equal to 1.20x of annual debt service. Regular analyses of covenants will be performed by staff in conjunction with other periodic duties.
- The ACSA is not subject to legal debt limitations and has issued no debt which is overlapping with other jurisdictions during the last ten fiscal years.

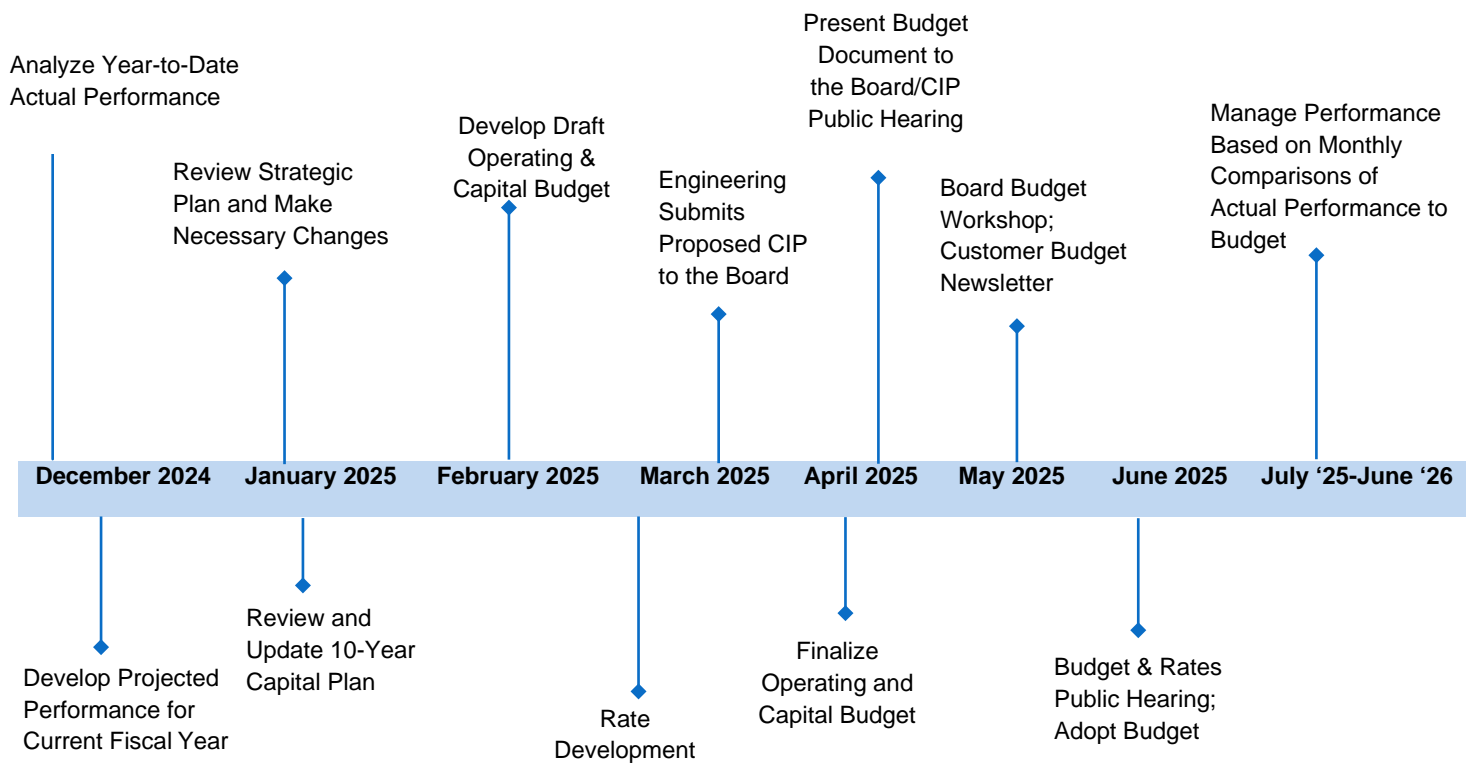
Budget Process

The ACSA must adopt its budget prior to July 1st of each year. Development of the budget is driven by the strategic plan, organization goals and objectives, external factors such as growth, development, and water consumption trends. The Board, ACSA staff, and the public participate in the development of the budget. A public workshop is held to review the draft budget and receive public input prior to the public hearing to adopt the budget.

The Engineering department develops the Capital Improvement Program (CIP) budget using the strategic plan and organizational goals as well as any new development that may impact infrastructure needs. Project costs are estimated based on our asset management assumptions at the time of budget development. Any necessary adjustments are presented as amendments to the Board when those circumstances arise. Once the CIP is completed, it is presented to the Board in April of each fiscal year. The CIP budget determines the budget requirements for our 3R reserve, operating budget, and Capacity and Growth Reserves for capital projects, as well as influencing decisions regarding any existing or future debt requirements for infrastructure or projects.

During this same time, the Finance Department is developing the overall operating budget for the ACSA. The team meets with each individual department to develop operating expenses using trend, usage data, and inflation factors to determine any increase/decrease in expenses. Along with this, discussions of any new personnel requirements are developed to ensure appropriate budgetary coverage. For purposes of revenue development, the team reviews historical and current year trend analysis, such as customer growth, consumption analysis, and the rate study recommendations to develop the revenue budget. Statistical information and performance metrics are also reviewed and updated.

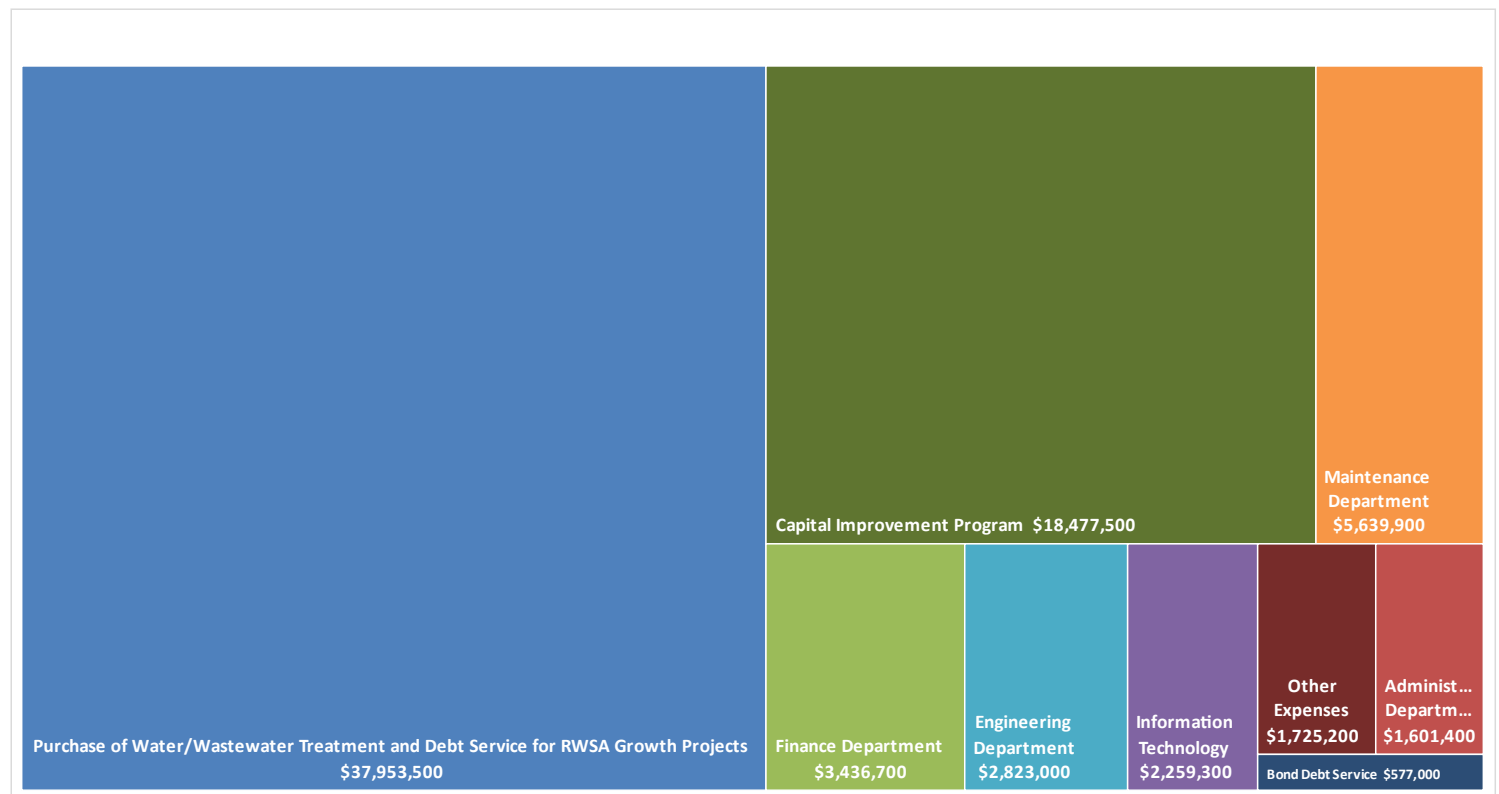
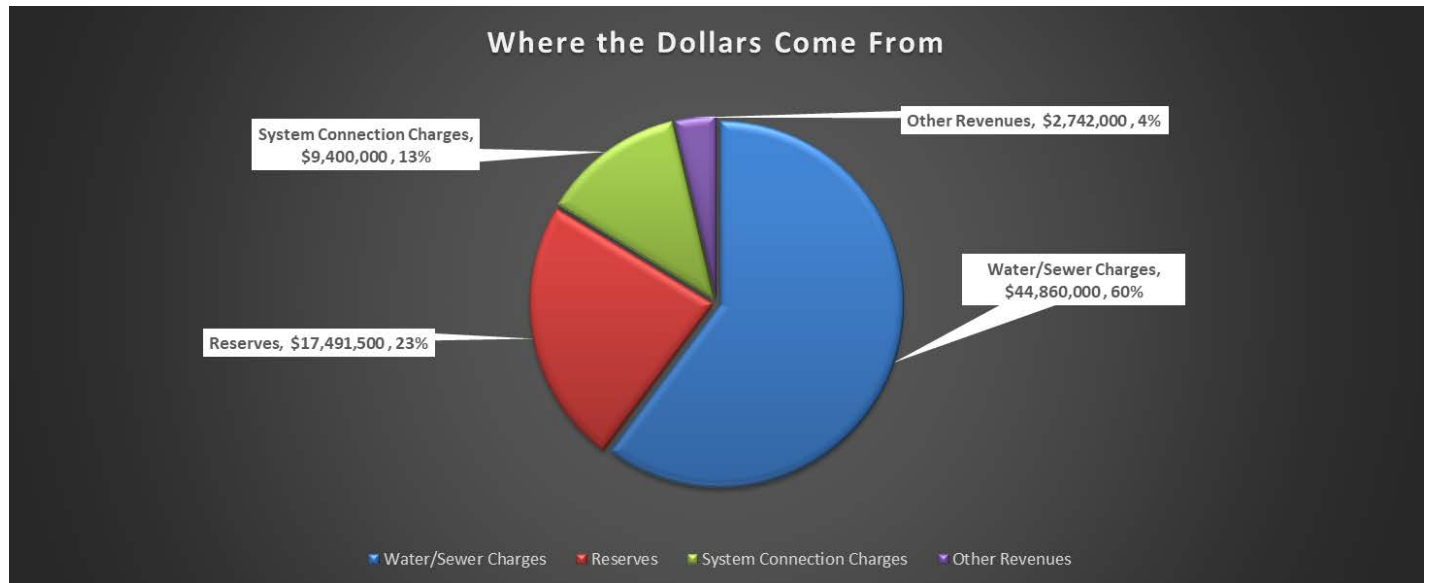
The CIP, revenue, and expense budgets are then combined and presented to the Board in April each year. Public comment and budget workshops are held for discussion in May and amendments before the final budget is adopted in June. A timeline of our budget process is included on the next page to further illustrate the budget process at the ACSA.



Pictured above: Beaver Creek Reservoir

OVERVIEW

The ACSA's Fiscal Year 2026 Total Operating and Non-Operating Budget is 74,493,500:



Operating Expenses:

- Proposed FY 2026 Operating Budget Expenses total \$44,850,800
- Approved FY 2025 Operating Budget Expenses total \$39,739,100

Purchased Water/Wastewater treatment from Rivanna Water & Sewer Authority (RWSA):

- Proposed FY 2026 totaled \$29,090,500 or 64.9% of the Operating Budget
- Approved FY 2025 total \$25,004,000
- Increase of \$4,086,500

Departmental Operating Budgets:

- Proposed FY 2026 - \$15,760,300
- Approved FY 2025 - \$14,735,100
- Increase of \$1,025,200

Debt Service (Principal and Interest) Expense:

- Proposed FY 2026 - \$577,000
- Approved FY 2025 - \$579,000

Top Budget Priorities:

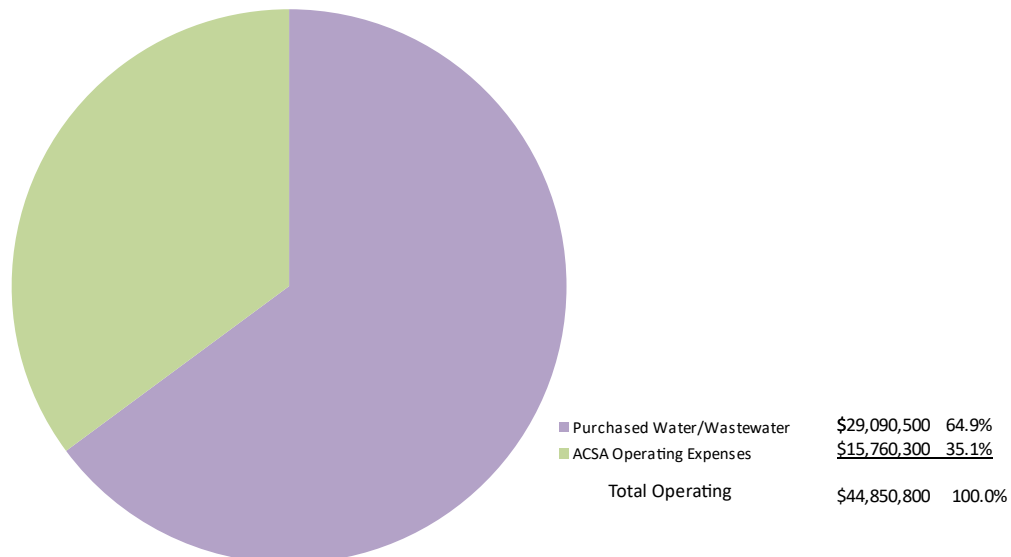
- High quality water delivered to our customers
- Maintain current ACSA programs and services
- Meet financial obligations and financial sustainability
- Enhance the customer experience
- Investment in our infrastructure
- Strategic initiatives

Top Operating Initiatives:

- Continue high level of emergency response times
- Emergency planning
- Continue enhancements to water quality:
 - Regulatory compliance
 - Water system maintenance and replacement
 - Advanced water filtering process (GAC)
- Meet all wastewater standards:
 - Continue sewer system rehabilitations
 - Regulatory compliance

Other ACSA Initiatives:

- Continued implementation of the FY 2023-FY 2027 Strategic Plan
- Succession planning for continuity of operations
- Advanced metering infrastructure (AMI) optimization
- Computerized maintenance management system (CMMS) – workorder management, customer requests, asset management and inventory
- Four new positions – Two Utility Workers I/II, Valve Technician, and Inventory & Equipment Technician



Water and Sewer Rates – Fiscal Year 2026 Proposed:

The proposed monthly user water and sewer rate increase is driven by the following factors:

- The cost of purchased water from the RWSA is expected to increase 19% or \$3.6 million.
- The cost of wastewater treatment from the RWSA is expected to increase 19% or \$2.4 million.
- ACSA departmental budget increase of 6.96%
- Capital Improvement Program of \$18.5 million.

ACSA Water and Sewer Monthly User Rates

	FY 2025	FY 2026
Service Charge	\$ 11.13	\$ 12.24
Volume Charge - Single-Family Residential (per 1,000 gallons)		
Level 1 (0-3,000 gallons)	\$ 5.95	\$ 6.55
Level 2 (3,001-6,000 gallons)	\$11.93	\$13.12
Level 3 (6,001-9,000 gallons)	\$17.88	\$19.67
Level 4 (over 9,000 gallons)	\$23.86	\$26.25
Multi-Family/Non-Residential	\$11.93	\$13.12
Sewer/All Users (per 1,000 gallons)	\$11.83	\$12.78

Based on usage noted below, customers will see moderate increases in their monthly bill.

Sample Monthly Combined (Water and Sewer) Bills

Combined Water and Sewer	Meter Size	Monthly Usage (gallons)	Current Bill	Recommended FY 2026 Bill	Monthly \$ Change	Daily \$ Change
Single-Family						
Minimal User	3/4"	1,200	\$ 32.47	\$ 35.44	\$ 2.97	\$ 0.10
Small User	3/4"	2,500	\$ 55.58	\$ 60.57	\$ 4.99	\$ 0.17
Average User	3/4"	3,200	\$ 69.22	\$ 75.41	\$ 6.19	\$ 0.21
Large User	3/4"	6,200	\$ 141.69	\$ 154.42	\$ 12.73	\$ 0.42
Excessive User	3/4"	7,700	\$ 186.26	\$ 203.10	\$ 16.84	\$ 0.56
Multi-Family/Non-Residential						
Multi-Family	1"	33,700	\$ 828.52	\$ 903.42	\$ 74.90	\$ 2.50
Com. (Offices)	1"	6,300	\$ 177.50	\$ 193.76	\$ 16.26	\$ 0.54
Com. (Other)	3/4"	4,700	\$ 122.80	\$ 133.97	\$ 11.17	\$ 0.37
Industrial	1 1/2"	16,500	\$ 447.66	\$ 488.53	\$ 40.87	\$ 1.36
Institutional	3/4"	13,000	\$ 320.01	\$ 348.94	\$ 28.93	\$ 0.96

Why does the ACSA need a rate increase?

While the ACSA has been able to maintain its high level of service, costs associated with providing these services have increased and must be supported by sustainable rate increases. The RWSA is our single largest cost, and we anticipate an increase in charges of approximately 19%. This increase supports continued improvements to the quality, reliability, and efficiency of the water and wastewater system. Additionally, the ACSA's cost of doing business which include operating costs, proactive maintenance and improvements to system infrastructure have increased, especially during these inflationary times, as related to changes in supplies, services, salaries, and maintenance costs.

Why are Water and Wastewater treatment costs increasing?

The ACSA purchases treated water and distributes that water to our customers. Costs related to these purchases from the RWSA are expected to increase by 18.9%. The cost increase of purchased water is due to a variety of factors but water treatment plant expansions in the Urban and Crozet systems, the central water line and reservoir pipeline projects, as well as water treatments costs contribute to this increase. The ACSA also returns all collected wastewater to the RWSA for treatment. Costs associated with the treatment of wastewater is expected to increase by 18.9%. The increase in expected treatment expenses is due to a variety of factors but continued investment in infrastructure and increases in chemical and energy costs are the main driver.

How much will my bill increase?

The average residential ACSA customer will see an increase in their monthly bill or \$6.19 or approximately \$0.21 per day.

Why doesn't the ACSA just cut costs rather than increase the rate?

We review spending very carefully throughout the year and during the budget process, but as a growing utility, adding 1-2% or 500 new customers annually, our costs to provide service continue to increase each year. Purchased water and wastewater treatment comprises more than 65% of our costs, which our customers must bear that major increasing expense.

For Small Water Users, does the ACSA have a special rate?

The ACSA has four levels of residential water rates to encourage water conservation. This is an incentive for our customers to conserve water as the greater the use, the higher the rate.

How do the ACSA's water and sewer rates compare to other utilities?

On the average residential bill, ACSA rates compare favorably. We consistently have been below the state-wide average on residential water and sewer bills and are less than a comparable bill for customers within the City of Charlottesville.

Why is the ACSA spending over \$18 million this year on Capital Projects?

Many parts of the ACSA's system are aging with some components more than 50-60 years old. As part of our capital planning, we continue to make improvements through rehabilitation and replacement. Additionally, our system continues to grow, and infrastructure is being added to support increasing demand, enhance performance, and ensure scalability for future expansion.

Who pays for growth?

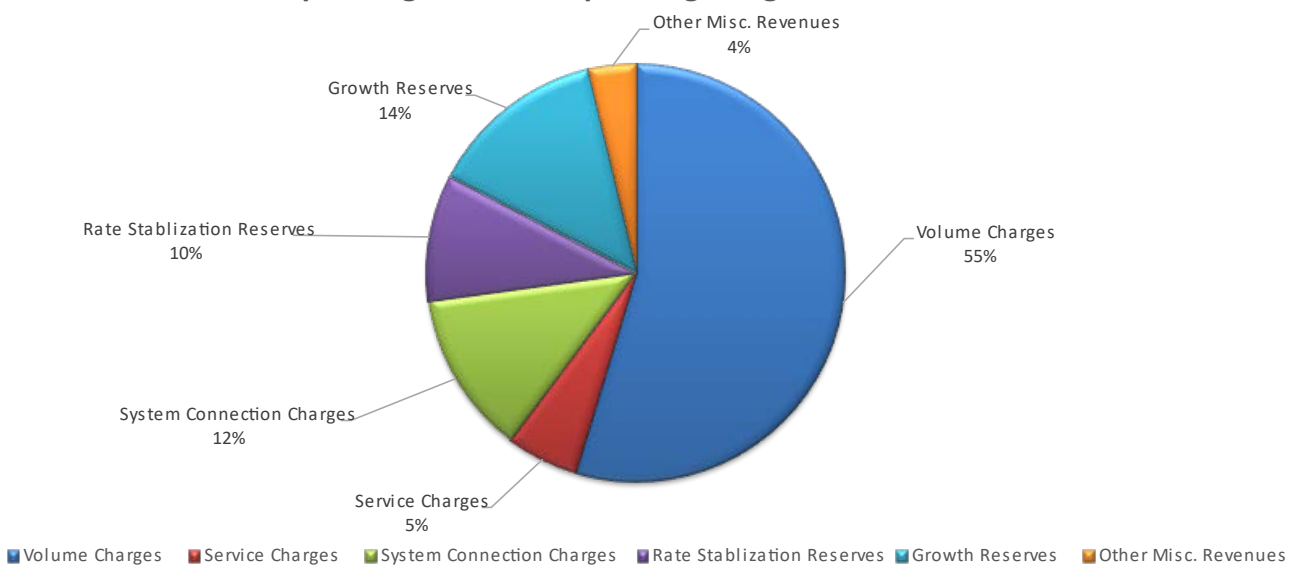
The ACSA has a philosophy that "growth pays for growth." New development water and sewer systems are installed to ACSA standards and specifications by developers at their cost. To fund additional water and sewer capacity in the system, new development pays a "connection charge" per unit that equates to a single water and sewer residential connection at the proposed FY 2026 charges or \$15,000.

FY 2026 Revenue and Expense Summary

		<u>FY 2025 Approved Budget</u>	<u>FY 2026 Proposed Budget</u>	<u>Proposed as % of FY 2025</u>
OPERATING REVENUES				
Total Volume Charges	\$	36,800,000	40,700,000	110.6%
Total Service Charges		3,700,000	4,160,000	112.4%
Rate Stabilization Reserves		6,549,400	7,278,500	111.1%
Total Operating Revenues		47,049,400	52,138,500	110.8%
NON-OPERATING REVENUES				
System Connection Charges		8,000,000	9,400,000	117.5%
Use of Growth Reserves		2,781,000	10,213,000	367.2%
Interest Income		2,000,000	2,000,000	100.0%
Misc. Utility Charges		700,000	600,000	85.7%
Inspection Fees		35,000	100,000	285.7%
Plan Review & FOG Permit Fees		26,000	26,000	100.0%
Rental Income		16,000	16,000	100.0%
Total Non-Operating Revenues		13,558,000	22,355,000	164.9%
Total Operating & Non-Operating Revenues		60,607,400	74,493,500	122.9%
OPERATING EXPENSES				
Purchase of Water/Wastewater		25,004,000	29,090,500	116.3%
Maintenance Department		5,092,000	5,639,900	110.8%
Finance Department		3,283,100	3,436,700	104.7%
Engineering Department		2,631,400	2,823,000	107.3%
Information Technology Department		2,143,000	2,259,300	105.4%
Administration Department		1,585,600	1,601,400	101.0%
Total Operating Expenses		39,739,100	44,850,800	112.9%
NON-OPERATING EXPENSES				
Transfer for Capital Expenses - CIP		12,100,000	18,477,500	152.7%
Debt Service for RWSA Growth Projects – Water/WW		6,926,000	8,863,000	128.0%
Existing Debt Service and Amortization		579,000	577,000	99.7%
Repair, Renewal, & Rehabilitation Reserves		373,000	388,000	104.0%
Planned Equipment Replacement		695,000	1,131,000	162.7%
Capital Equipment Acquisition		195,300	206,200	105.6%
Total Non-Operating Expenses		20,868,300	29,642,700	142.0%
Total Operating & Non-Operating Expenses	\$	60,607,400	74,493,500	122.9%
CAPITAL IMPROVEMENTS FUNDING				
Transfer from Operating Revenues	\$	4,584,600	3,831,300	83.6%
Transfer from 3R Reserves		6,549,400	7,278,500	111.1%
Transfer from Growth Reserves		966,000	7,367,700	762.7%
Total Capital Improvements Funding		12,100,000	18,477,500	152.7%
CAPITAL IMPROVEMENTS EXPENSES				
Water - Capital Improvement Projects		7,760,000	7,967,500	102.7%
Wastewater - Capital Improvement Projects		1,230,000	1,925,000	156.5%
Non-Utility and Facility Capital Projects		3,110,000	8,585,000	276.0%
Total Capital Improvements Expenses	\$	12,100,000	18,477,500	152.7%

	FY 2025 Approved Budget	FY 2026 Proposed Budget	Proposed as % of FY 2025
OPERATING REVENUES			
Total Volume Charges	\$ 36,800,000	40,700,000	110.6%
Total Service Charges	3,700,000	4,160,000	112.4%
Rate Stabilization Reserves	6,549,400	7,278,500	111.1%
Total Operating Revenues	47,049,400	52,138,500	110.8%
NON-OPERATING REVENUES			
System Connection Charges	8,000,000	9,400,000	117.5%
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Interest Income	2,000,000	2,000,000	100.0%
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Plan Review & FOG Permit Fees	26,000	26,000	100.0%
Rental Income	16,000	16,000	100.0%
Total Non-Operating Revenues	13,558,000	22,355,000	164.9%
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CAPITAL IMPROVEMENTS FUNDING			
Transfer from Operating Revenues	\$ 4,584,600	3,831,300	83.6%
Transfer from 3R Reserves	6,549,400	7,278,500	111.1%
Transfer from Growth Reserves	966,000	7,367,700	762.7%
Total Capital Improvements Funding	12,100,000	18,477,500	152.7%

Operating and Non -Operating Budgeted Revenues



	FY 2025	FY 2026
Total Volume Charges (monthly user rates)	\$36,800,000	\$40,700,000
Total Service Charges (cost of service)	\$3,700,000	\$4,160,000
System Connection Charges (new development fees)	\$8,000,000	\$9,400,000
Rate Stabilization/Growth Reserves	\$9,330,400	\$17,491,500
Other Revenues	\$2,777,000	\$2,742,000
Total Revenues	\$60,607,400	\$74,493,500

Total Volume Charges - \$40,700,000; water and sewer usage billed to ACSA customer monthly; proposed rate increases primarily driven by increased costs of water and wastewater treatment and departmental initiatives.

Total Service Charges - \$4,160,000; monthly service charge to reflect actual costs for metering, billing, and customer service; the budget proposes to increase the monthly service charge from \$11.13 to \$12.24 for our average customer (service charge dependent upon meter size).

System Connection Charges - \$9,400,000; budgeted revenues are expected to increase in comparison to those in FY 2025, based on proposed development within the service area, engineering estimates, and an increase in ERC charges.

ACSA System Development Charges offset the capital costs of backbone capacity in the ACSA water and sewer system mains, pumping stations, water tanks, and facilities.

RWSA Capacity Charges offset the capital costs of backbone capacity in the RWSA's (wholesale water and wastewater treatment provider) water and sewer systems for which the ACSA is responsible for covering the costs per agreements.

		FY 2025	FY 2026
ACSA System Development Charge	Water	\$2,030*	\$2,100*
	Wastewater	\$3,180*	\$3,300*
RWSA Capacity Charge	Water	\$5,100*	\$5,300*
	Wastewater	\$4,120*	\$4,300*
	Total	\$14,430*	\$15,000*
*per ERC (equivalent residential connection)			

		FY 2024 <u>Actual</u>	FY 2025 <u>Estimated</u>	FY 2026 <u>Proposed</u>
Beginning Net Position	\$	229,521,670	237,810,817	242,810,817
Change in Net Position		8,289,147	5,000,000	8,000,000
Ending Net Position	\$	237,810,817	242,810,817	250,810,817
Net investment in capital assets	\$	178,591,470	189,490,817	200,490,817
Restricted for debt service		331,089	320,000	320,000
Unrestricted		58,888,258	53,000,000	50,000,000
Ending Net Position	\$	237,810,817	242,810,817	250,810,817

Note: The schedule above reflects audited FY 2024 changes in net position and estimates changes for FY 2025 and FY 2026. Net position is dependent upon a variety of factors and is contingent upon contributed capital or capital assets from developers and customers. These contributions can be significant, and estimates related to the timing of the formal dedication of these assets can vary. Please see "Changes in Net Position" in the Budget Appendix for a schedule of historical audited data.

Long-range Financial Plans

The ACSA uses the following guiding principles in its evaluation of current and future financial sustainability:

- Water and sewer rates and charges shall be kept as low as possible over time. It is possible to keep rates low for a period of time by not investing sufficiently in the maintenance of the water and sewer systems, but eventually the systems will deteriorate and require substantial investments leading to the need for significant and immediate rate increases, poor service to our customers and lowered water quality. The assumption that the ACSA will continually reinvest in the water and sewer systems to replace assets as they reach the end of their useful lives is built into our analysis to allow for timely and predictable rate increases.
- “Growth pays for growth” – that is, costs related to the expansion of system capacity (i.e., growth related) should be funded via new/future customers who cause the need for such additional capacity. However, if anticipated growth does not occur as expected, existing customers would have to make up the difference via higher user rates.
- The ACSA should maintain reserves to provide for contingencies and unplanned expenses and to ensure that funds are generated to allow for appropriate future system replacement.

The proposed FY 2026 budget supports the above noted principles by:

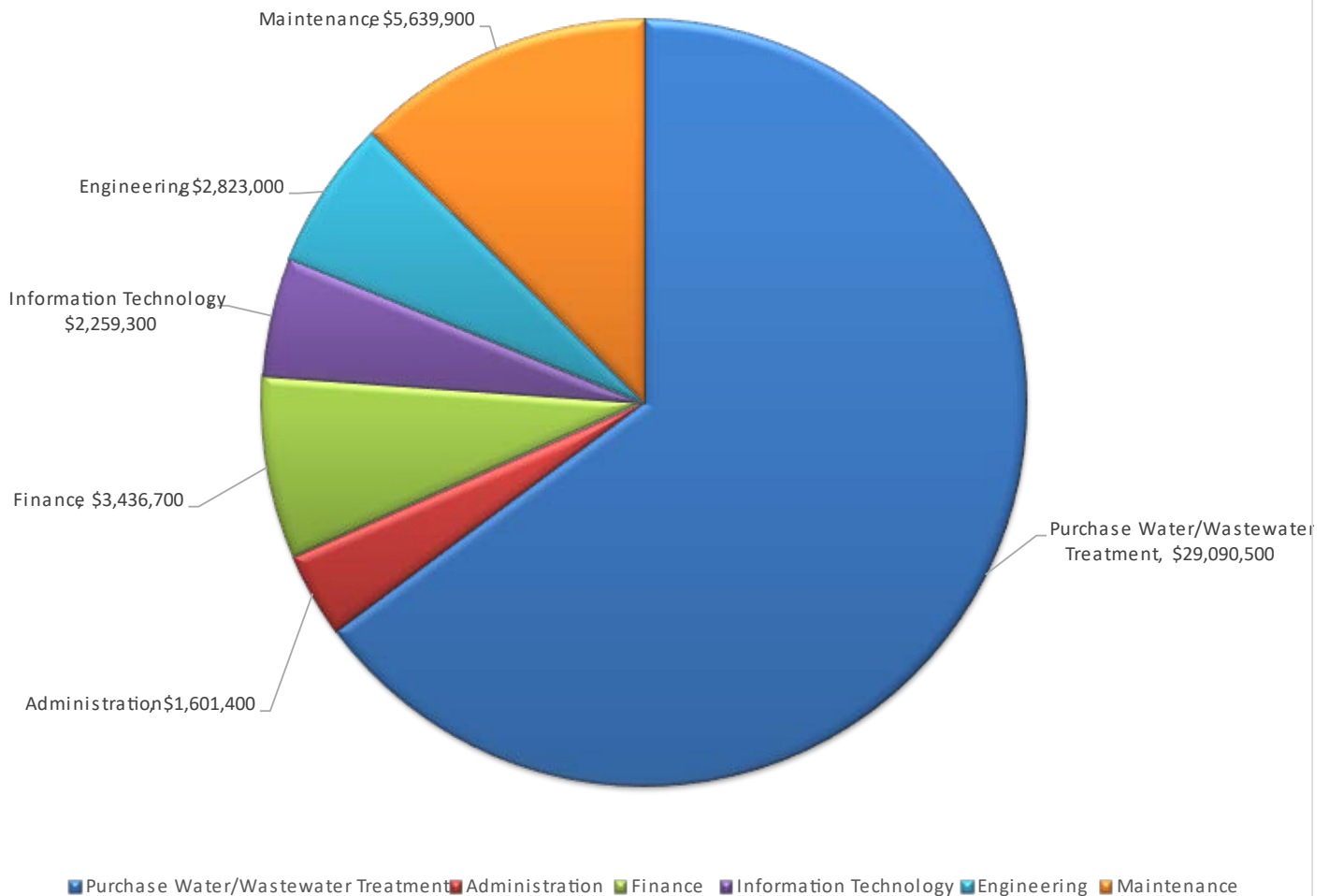
- The ACSA comprehensively evaluated both operating revenues (service and volume charges for water and sewer services) and non-operating revenues (system connection/development charges) through a formal rate study and analysis. This analysis utilizes long range projections of ACSA assets, expected expenses, and development and rehabilitation of the system to aide in a rate design that keeps rates/charges as low as possible over time without sacrificing regular planned reinvestment in ACSA infrastructure.
- Contributing to the ACSA’s 3R reserve in accordance with our adopted Financial Policies. This contribution to the reserve also assists the ACSA in achieving goals related to three themes in the ACSA’s Strategic Plan:
 - Asset Management – assist with planning for long-term sustainability of utility assets used in maintaining water and wastewater resources.
 - Finance – ensure that the ACSA is financially self-sustaining and fiscally strong.
 - Finance – The operating budget has been designed so that operating revenues cover operating expenses and contributes to established reserves when revenues exceed expenses. The reserves established in prior years and current year non-operating revenue financially support nonrecurring capital expenditures as those identified in the formal capital improvement program.
- The formal Capital Improvement Program (CIP) outlines estimated project costs for FY 2026 and the nine years following. These projects consist of both water, wastewater, and non-utility/facility projects and include but are not limited to replacement of existing water mains, creating redundancy in the water system, identifying infiltration and inflow in our sanitary sewer system, and construction of a satellite facility. This program helps the ACSA achieve its goals related to the following themes:
 - Asset management – assists with collaborative planning to provide future community infrastructure needs. This program also allows for long-term sustainability of utility assets by maintaining water and wastewater resources.
 - Operations – assists in managing and maintaining existing infrastructure to ensure reliable service to our customers by assessing, on an annual basis, current and future needs. This program also improves emergency preparedness and ensures we maintain or exceed industry standards for water and wastewater quality and operations. The program assists in the elimination of asbestos-cement pipe, continued sewer system rehabilitation, program to replace exclusion meters, and water pipe “saddle” connection replacement.

ACSA Operating Budget

The ACSA Operating Budget as proposed for next year is \$44,850,800 or a 13% increase. The largest single cost of the Operating Budget is purchased water and wastewater treatment from the RWSA at \$29,090,500 or 65% of the Operating Budget.

The following pages will outline in more detail the Operating Budget proposals for FY 2026. Beyond the RWSA expenses, are the projected expenses for each of the ACSA Operating Departments including Administration at \$1,601,400, Finance at \$3,436,700, Engineering at \$2,823,000, Maintenance at \$5,639,900, and Information Technology at \$2,259,300. Included with each Operating Budget is an explanation of the departmental functions and key initiatives for FY 2026:

Operating Expense by Type/Department



Purchased Water and Wastewater Treatment Costs from the Rivanna Water and Sewer Authority (RWSA)

The ACSA purchases wholesale water and wastewater treatment from the RWSA. The RWSA oversees the regional water supply at area reservoirs, operates the water treatment plants, and provides water to the ACSA through large water transmission lines. The ACSA is responsible for the retail water distribution system that serves our more than 22,900 accounts.

The RWSA operates the regional wastewater treatment plants and charges the ACSA at a wholesale rate. The ACSA operates the sewer collection system for our retail sewer customers. Approximately 87% of our customers have both water and sewer service, while approximately 13% of our customers have water service only. While the RWSA charges the ACSA a “wholesale” rate for each service area, the ACSA operates with a single system-wide retail rate for our customers.

The chart below shows the RWSA charges for water and wastewater treatment, with increases in purchased water/wastewater treatment costs for next year due, in part, to an increase in RWSA operating expenses and costs associated with long deferred maintenance projects and continued enhancement in the system.

				<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026 Proposed</u>	<u>FY 2026 as % of FY 2025</u>
RWSA EXPENSES							
Purchase of Bulk Water				16,256,000	19,095,000	22,697,500	118.9%
Sewer Treatment Expense				11,689,000	12,835,000	15,256,000	118.9%
Subtotal:				\$ 27,945,000	31,930,000	37,953,500	118.9%
RWSA EXPENSES BY SERVICE AREA							
	Rates	Rates	Rates				
WATER	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>				
Urban	\$2.949/TG and \$542,282/mo.	\$3.363/TG and \$673,264/mo.	\$3.642/TG and \$847,462/mo.	\$ 11,820,332	14,151,588	16,875,252	119.2%
Crozet	\$301,706/mo.	\$334,251/mo.	\$388,848/mo.	3,620,472	4,011,012	4,666,180	116.3%
Scottsville	\$67,933/mo.	\$77,700/mo.	\$96,339/mo.	815,196	932,400	1,156,068	124.0%
Total				\$ 16,256,000	19,095,000	22,697,500	118.9%
WASTEWATER							
Urban	\$2.922/TG and \$383,403/mo.	\$3.247/TG and \$422,158/mo.	\$3.719/TG and \$529,679/mo.	\$ 10,724,309	11,797,332	13,891,048	117.7%
Scottsville	\$33,569/mo.	\$36,498/mo.	\$45,563/mo.	402,828	437,976	546,756	124.8%
Stone-Robinson School	\$17,267/annual	\$17,800/annual	-	17,267	17,800	-	-
Glenmore	\$45,383/mo.	\$48,491/mo.	\$68,183/mo.	544,596	581,892	818,196	140.6%
Total				\$ 11,689,000	12,835,000	15,256,000	118.9%

The Operating Budgets for the ACSA are divided into the five departments: Administration (which includes Human Resources), Finance, Engineering, Maintenance, and Information Technology. Purchased water and wastewater treatment is budgeted within the “Operating Budget.” These expenses are recurring costs to provide water and sewer services to our customers.

The ACSA operates with a set of budget categories: Personal Services, Operating Supplies, Repair and Maintenance Supplies, Professional and Contractual Services, Repairs and Maintenance, Other Services and Charges, and Capital Outlay. Within each of these departmental budgets, detailed line items for the proposed expenditures for FY 2026 are presented.

Personal Services

- Includes salary, benefits, payroll taxes, and other related expenses
- Salaries – a 3% performance pay salary pool is proposed to recognize individual performance. These are performance-based pay increases, with individual performance evaluations for every employee. Additionally, a market rate adjustment of 2% is proposed to remain competitive within the increasing marketplace. Furthermore, the ACSA conducted a formal compensation and classification study in FY25.
- Retirement – the employer contribution to the Virginia Retirement System is a percentage of payroll based on an actuarial study; the rate for Fiscal Year 2026 increases to 9.76% compared to Fiscal Year 2025 rate of 9.57%.
- Health Care and Benefit Dollars – the ACSA, through a contract with Albemarle County, provides a Health Care Program for our employees. The ACSA contributes on behalf of all employees. These contributions vary by employee plan type. Also included in this item are the actuarially determined costs for Other Post-Employment Benefits (OPEB).
- Worker’s Compensation is a rated policy, with the cost allocated to each department for position types.
- Projected overtime and standby (emergency) duty pay is budgeted here.
- Four new positions recommended: Valve Technician, Two Utility Worker I/II, and Inventory & Equipment Tech
- Elimination of a vacant Meter Technician position due to efficiencies realized with the AMI implementation.

Operating Supplies

- General supplies for both field and office operations
- Gasoline, oil, and grease are the largest items in this category, and are allocated by vehicle to each departmental budget. Fuel is purchased through a competitive contract.
- Safety equipment and personal protection equipment (PPE)
- Heating fuel for buildings

Repair and Maintenance Supplies

- This category consists of expenses related to field operations for material purchases such as piping, valves, hydrants, pump stations repair supplies, small tools, vault upgrades, various maintenance repair supplies, tires, batteries, CCTV, sewer odor control, hydrant replacement program, etc. This proposed budget has a replacement initiative for obsolete computers/other handheld computing devices.

Professional and Contractual Services

- Uniforms through a rental contract for field employees
- Postage – a large item, mostly utility billing related
- Building cleaning contract, and landscaping services contracts
- Legal and audit expenses
- Communication charges – landline telephone, cell phone, radio
- Strategic Plan Emergency Preparedness items – federally required Vulnerability Assessment, and development of an Emergency Response Plan
- Pump stations – grease removal by contract
- Easement clearing

Repairs and Maintenance

- Equipment and vehicle repairs of a wide variety for approximately 150 pieces of rolling stock and equipment

Other Services and Charges

- Dues and memberships in professional organizations
- Education and professional development travel
- Major expense for electricity, particularly at pump stations
- Advertising and Water Conservation Program
- Permit from State Office of Drinking Water
- Software, software maintenance, publication resources
- General liability insurance

Capital Outlays

- Office equipment and furniture
- Replacement of IT technology (computers, servers, tablets, etc.)
- Major machinery and equipment funded through the Repair, Replacement, and Rehabilitation Fund (3R) as well as machinery and equipment not funded through the 3R Fund (equipment new to the ACSA). These items can be noted on the "Planned Equipment Purchase Summary."

Administration

The Administration Department operates with several major functions: organizational management under the Executive Director, administrative functions, customer communications, human resource functions and Clerk for the Board of Directors.

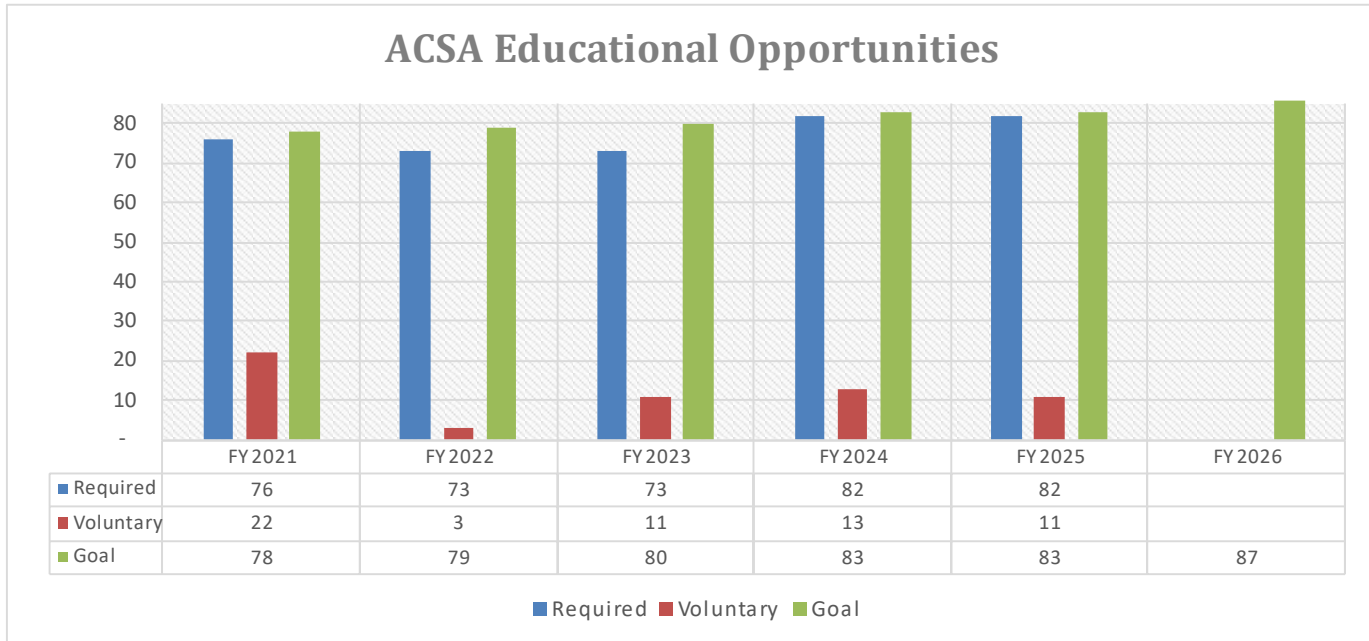
Administration/Human Resources: Provides organizational administrative support; oversees the Risk Management Program (claims, liability insurance, worker's compensation, etc.); serves as Clerk to the Board of Directors (monthly meetings, board correspondence, minutes, dissemination of board packets); provides organizational documents and database management services; leads the Water Conservation Program and initiatives (events, advertising, community relations, and partnership with the City of Charlottesville and the RWSA); administers and maintains benefit administration and employee record management; coordinates with the ACSA communication consultant on various projects and quarterly customer newsletter; ensures employee/employer legal compliances (FMLA, ADA, OSHA); oversees recruitment, succession planning, new hire orientation, retirement planning, employee relations, trainings, and other human resource services. Additionally, the team provides administrative support to the Executive Director of the ACSA.

Key initiatives and changes for FY 2026:

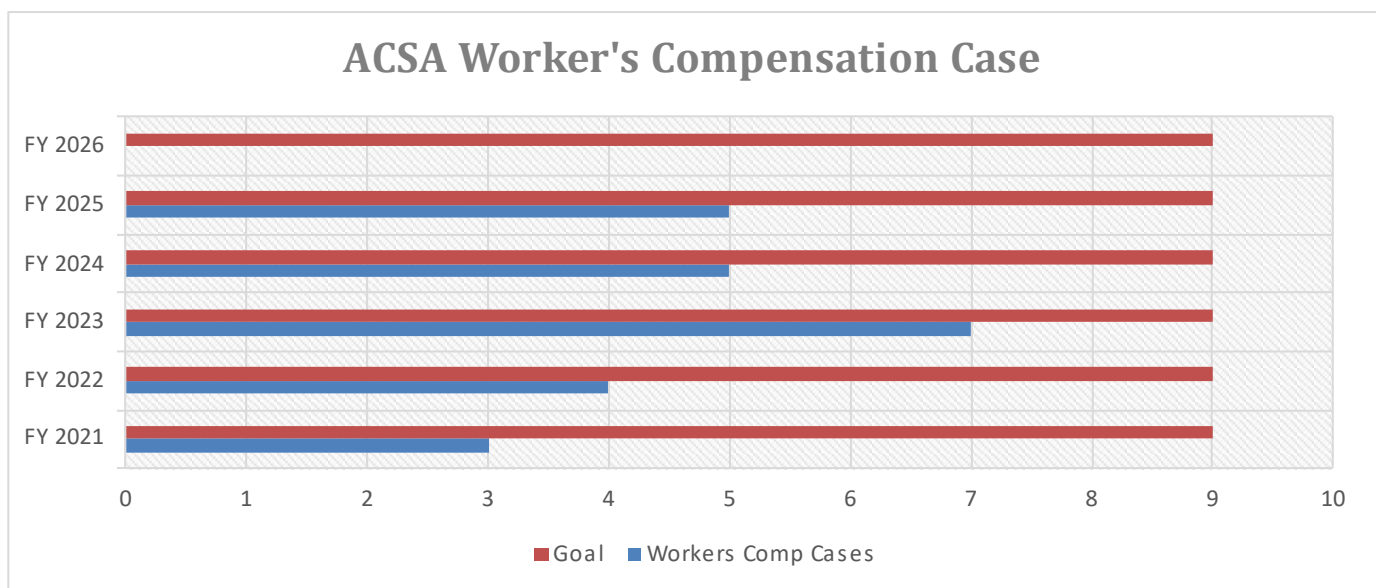
- Hire a Safety Supervisor **(2023-2027 Strategic Plan)**
- Continue quarterly Leadership Development Training Program for supervisors **(2023-2027 Strategic Plan)**
- Continue customer communications **(2023-2027 Strategic Plan)** through a variety of media, customer education and outreach by working with a communications consultant:
 - Including a comprehensive customer education program on the value and quality of water, especially considering future increased investment in major regional water projects, performed in coordination with our regional water partners (RWSA and the City of Charlottesville).
- Continue to actively promote water conservation and environmental sustainability **(2023-2027 Strategic Plan)**
- Continue to provide training and professional development opportunities for Employees as part of the ACSA's Succession Plan **(2023-2027 Strategic Plan)**
- Continue to provide safety training and initiatives for ACSA Employees **(2023-2027 Strategic Plan)**
- Continue to enhance the Customer Experience **(2023-2027 Strategic Plan)**
- Support the Board of Directors in policy making

Performance Metrics:

Staff Education and Retention – The ACSA strongly believes in retaining our qualified staff members. As such, we offer many training opportunities for employees to participate in each year. The training opportunities can be required for specific job types, such as safety training for maintenance workers or voluntary training events for all employees. The ACSA's goal is for all employees to attend training sessions offered.



Worker's Compensation Cases – The ACSA provides safety training classes each year to reduce workplace accidents. Our goal is to maintain no more than 9 worker's compensation cases each fiscal year through training management.



Administration Department

Description	FY 2024 Expended	FY 2025 Actual Expenses To-Date(Feb)	FY 2025 Anticipated Expenses To-EOFY 2025	FY 2025 Budget	FY 2026 Base Budget	FY 2026 Total Proposed	FY 2026 as % of FY 2025
PERSONAL SERVICES							
Compensation of Board Members	\$ 16,172	7,719	11,579	17,900	18,400	18,400	102.8%
Salaries & Wages	575,775	375,519	563,279	713,000	681,000	681,000	95.5%
Overtime	-	-	-	3,000	3,000	3,000	100.0%
Social Security	42,599	28,239	42,359	56,200	53,800	53,800	95.7%
Retirement	73,334	41,842	62,763	76,100	75,200	75,200	98.8%
Health & Benefit Dollars	83,988	59,591	89,387	108,200	134,500	134,500	124.3%
Life Insurance	7,377	4,213	6,320	9,000	9,000	9,000	100.0%
Workers' Compensation	341	194	291	600	500	500	83.3%
Meals	60	472	708	600	600	600	100.0%
Safety Incentive Program	1,869	852	1,278	2,000	2,000	2,000	100.0%
Employee Incentives	45,626	22,117	33,176	35,600	45,800	45,800	128.7%
Subtotal:	847,141	540,758	811,140	1,022,200	1,023,800	1,023,800	100.2%
OPERATING SUPPLIES							
Office Supplies	4,407	3,015	4,523	5,900	6,000	6,000	101.7%
Copier Supplies	940	287	431	1,900	1,900	1,900	100.0%
Janitorial Supplies	5,021	3,495	5,243	4,200	4,200	4,200	100.0%
Fuel, Oil, and Grease	517	116	174	1,000	1,000	1,000	100.0%
Small Tools & Equipment	626	345	518	4,300	4,300	4,300	100.0%
EMS Program	1,214	297	446	2,500	2,500	2,500	100.0%
Subtotal:	12,725	7,555	11,335	19,800	19,900	19,900	100.5%
REPAIRS AND MAINTENANCE							
Vehicle Repair and Maintenance	2,092	217	326	2,200	2,200	2,200	100.0%
Subtotal:	2,092	217	326	2,200	2,200	2,200	100.0%

PROFESSIONAL & CONTRACTUAL SERVICES

Legal	40,819	15,921	23,882	54,000	60,000	60,000	111.1%
Uniforms	-	-	-	-	1,100	1,100	-
Consultants' Fees	110,454	75,702	113,553	116,500	116,500	116,500	100.0%
Printing and Duplicating	2,064	1,525	2,288	17,700	17,700	17,700	100.0%
Other Contractual Services	16,768	7,402	11,103	15,000	15,000	15,000	100.0%
Subtotal:	170,105	100,550	150,826	203,200	210,300	210,300	103.5%

OTHER SERVICES AND CHARGES

Insurance	74,048	57,666	86,499	85,000	90,000	90,000	105.9%
Dues and Memberships	18,772	17,550	26,325	17,100	17,100	17,100	100.0%
Books and Periodicals	151	-	-	1,500	1,500	1,500	100.0%
Education and Training	39,344	18,484	27,726	66,500	66,500	66,500	100.0%
Board Member Education and Training	3,736	26	39	5,000	5,000	5,000	100.0%
Travel	5,996	330	495	10,000	10,000	10,000	100.0%
Advertising	17,215	6,731	10,097	33,100	33,100	33,100	100.0%
Conservation	17,402	16,353	24,530	50,000	50,000	50,000	100.0%
Permits	66,444	67,950	101,925	70,000	72,000	72,000	102.9%
Subtotal:	243,108	185,090	277,636	338,200	345,200	345,200	102.1%

TOTAL ADMINISTRATION \$	1,275,171	834,170	1,251,263	1,585,600	1,601,400	1,601,400	101.0%
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NEW EQUIPMENT ACQUISITION

New Equipment Acquisition	\$	-	-	-	-	46,500	46,500	-
Total	\$	-	-	-	-	46,500	46,500	-

Finance

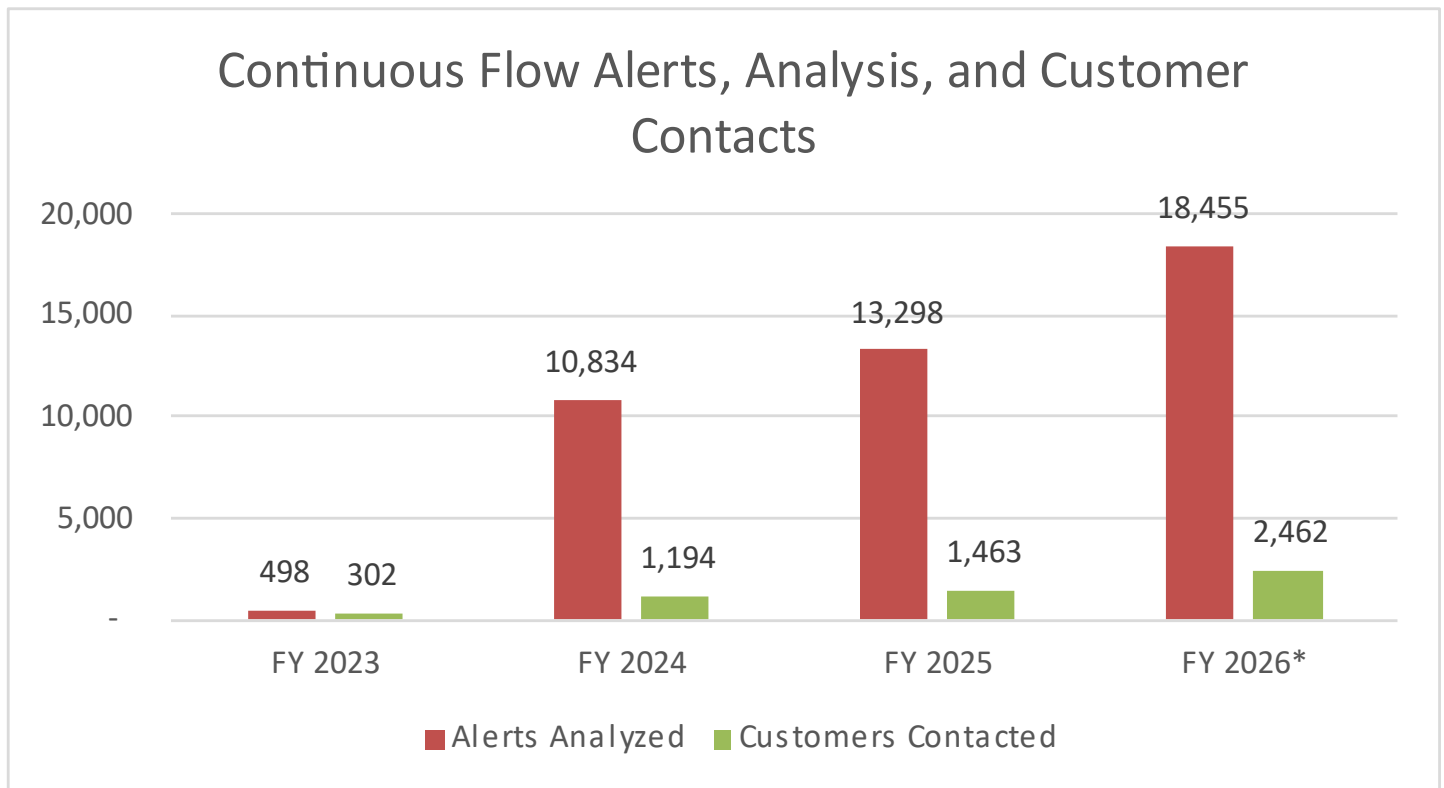
The ACSA Finance Department is responsible for all financial matters at the ACSA including accounting, financial reporting, utility billing and collection, customer service, meter reading, purchasing, budget preparation, internal control, auditing, debt financing, investment management, and revenue and expenditure forecasting which includes rate modeling. The development of the Annual Comprehensive Financial Report (ACFR), interim financial statements, consumption reports, and preparation of the annual budget are coordinated by Finance.

Key initiatives and changes for FY 2026:

- Design and implementation of the current and future Budget and Rates
- Annual Comprehensive Financial Report preparation
- Focused training for staff and data analysis, including AMI, ERP and CMMS [\(2023-2027 Strategic Plan\)](#)
- Training directed toward improving workforce skills and succession planning [\(2023-2027 Strategic Plan\)](#)
- Continuation of strategic investment management
- Customer Information System (CIS) development, including billing system and integration with the recently deployed phone system and website redesign [\(2023-2027 Strategic Plan\)](#)
- Implementation of customer experience vision statement and analysis of customer engagement opportunities [\(2023-2027 Strategic Plan\)](#)
- Review and documentation of business continuity from an operational and financial perspective [\(2023-2027 Strategic Plan\)](#)

Performance Metrics:

Advanced Metering Infrastructure (AMI)- Leak Notifications – The ACSA's prior strategic plan included installation of an AMI system to automate meter reading and provide critical data for review, oversight, and analysis. Additionally, the system provides automated alerts to staff when a customer's meter registers continuous water flow for a defined period of time. Staff reviews these alerts daily to identify potential leaks/unintended water use on the customer's side of the meter. The ACSA's goal is to review all continuous flow alerts within 24 hours of receipt. The information presented below illustrates alerts received/analyzed and the number of customers contacted as having potential leaks. Analyzation of the alerts is important because there are user types that regularly and appropriately use water continuously (ex. Hospitals, apartment complexes, etc.) The ACSA currently has over 23,000 AMI meters installed. The continuous flow alerts have provided an opportunity to be proactive in our notification and has been well received by customers. These alerts assist in conservation of resources and limits financial impacts to customers who otherwise would have received high bills due to unknown leaks. We have estimated information for FY 2026 based on historical information and future expectations. (* - Estimates for FY 2026)



Finance Department

Description	FY 2024 <u>Expended</u>	FY 2025 Actual Expenses <u>To-Date(Feb)</u>	FY 2025 Anticipated Expenses <u>To-EOFY 2025</u>	FY 2025 <u>Budget</u>	FY 2026 <u>Base Budget</u>	FY 2026 <u>Total Proposed</u>	FY 2026 as % of <u>FY 2025</u>
PERSONAL SERVICES							
Salaries & Wages	\$ 1,320,311	864,376	1,296,564	1,473,900	1,432,600	1,432,600	97.2%
Overtime Pay	21,285	9,371	14,057	30,000	30,000	30,000	100.0%
Social Security	100,212	65,450	98,175	115,000	112,100	112,100	97.5%
Retirement	132,820	93,772	140,658	163,700	156,400	156,400	95.5%
Health & Benefit Dollars	228,814	165,397	248,096	270,000	317,700	317,700	117.7%
Life Insurance	16,822	10,036	15,054	19,500	18,900	18,900	96.9%
Workers' Compensation	4,771	2,550	3,825	9,100	6,900	6,900	75.8%
Meals	127	-	-	500	500	500	100.0%
Employee Incentives	255	-	-	-	-	-	-
Subtotal:	1,825,417	1,210,952	1,816,429	2,081,700	2,075,100	2,075,100	99.7%
OPERATING SUPPLIES							
Office Supplies	11,941	8,309	12,464	12,800	21,300	21,300	166.4%
Personal Protective Equipment	961	924	1,386	1,600	1,300	1,300	81.3%
Fuel, Oil & Grease	12,253	6,017	9,026	15,000	15,000	15,000	100.0%
Small Tools & Equipment	2,314	427	641	6,500	8,200	8,200	126.2%
Subtotal:	27,469	15,677	23,517	35,900	45,800	45,800	127.6%
REPAIR & MAINTENANCE							
Hydrant Meter Program	7,183	5,504	8,256	19,200	15,200	15,200	79.2%
Materials - Water	196,469	110,249	165,374	299,200	346,100	346,100	115.7%
Subtotal:	203,652	115,753	173,630	318,400	361,300	361,300	113.5%
PROFESSIONAL & CONTRACTUAL SERVICES							
Audit	40,085	39,900	40,085	44,000	45,400	45,400	103.2%
Bank and Fiscal Charges	49,682	27,075	40,613	57,900	47,900	47,900	82.7%
Uniform Rental	10,085	1,946	2,919	1,700	5,800	5,800	341.2%
Consultants' Fees	37,231	27,018	40,527	102,300	122,400	122,400	119.6%
Service Contracts	371,226	291,325	436,988	404,600	463,100	463,100	114.5%
Postage	84,828	84,126	126,189	156,300	172,300	172,300	110.2%
Printing and Duplicating	14,549	280	420	19,500	21,000	21,000	107.7%
Other Contractual Services	2	2	3	-	100	100	-
Subtotal:	607,688	471,672	687,744	786,300	878,000	878,000	111.7%

REPAIRS AND MAINTENANCE							
Equipment Repair and Maintenance	525	-	-	5,600	5,600	5,600	100.0%
Vehicle Repair and Maintenance	4,103	4,064	6,096	8,700	7,000	7,000	80.5%
Subtotal:	4,628	4,064	6,096	14,300	12,600	12,600	88.1%
OTHER SERVICES AND CHARGES							
Rental of Equipment	-	12,484	18,726	14,300	16,300	16,300	114.0%
Software	1,786	8,453	12,680	200	10,500	10,500	5250.0%
Dues and Memberships	1,419	1,160	1,740	1,800	1,700	1,700	94.4%
Books and Periodicals	-	339	509	-	500	500	-
Education and Training	13,830	4,486	6,729	12,800	12,900	12,900	100.8%
Travel	5,518	743	1,115	17,400	22,000	22,000	126.4%
Subtotal:	22,553	27,665	41,499	46,500	63,900	63,900	137.4%
TOTAL FINANCE \$	2,691,407	1,845,783	2,748,915	3,283,100	3,436,700	3,436,700	104.7%
PLANNED EQUIPMENT REPLACEMENT							
Planned Equipment Replacement	\$ -	39,051	58,576	-	3,000	3,000	-
Total	\$ -	39,051	58,576	-	3,000	3,000	-

Engineering

The Engineering Department is responsible for planning, managing, and protecting our existing water and wastewater utility system, as well as the expansion of this system. We use tools such as our Geographic Information System (GIS), computer hydraulic models, and a variety of flow/pressure recording instruments to verify system capacity, and plan for necessary capital improvements. Our staff plans and manages projects in our Capital Improvement Program (CIP) and provides oversight of private development that expands our water and wastewater networks. We utilize on-site construction inspection to ensure the quality of facilities installed for both CIP and private development projects. Engineering staff are responsible for locating our existing buried assets (such as water and sewer lines, valves, etc.) and the review of building permits, sign permits and demolition permits, to ensure our water and wastewater facilities are protected and their integrity is maintained. We operate an aggressive Backflow and Cross-Connection Prevention Program that protects the quality of water delivered to our customers. We also manage a proactive Fats, Oils and Grease (FOG) Reduction Program to minimize the buildup of these substances in the wastewater collection system that can reduce the capacity in our pipes and result in blockages, causing sanitary sewer overflows (SSO's). The Engineering Department is also tasked with monitoring changes to Federal, State and Local regulations pertaining to water quality, to comply with all the necessary requirements to ensure the high quality of the water we deliver and the service we provide.

Key initiatives for FY 2026:

Capital Improvement Budget:

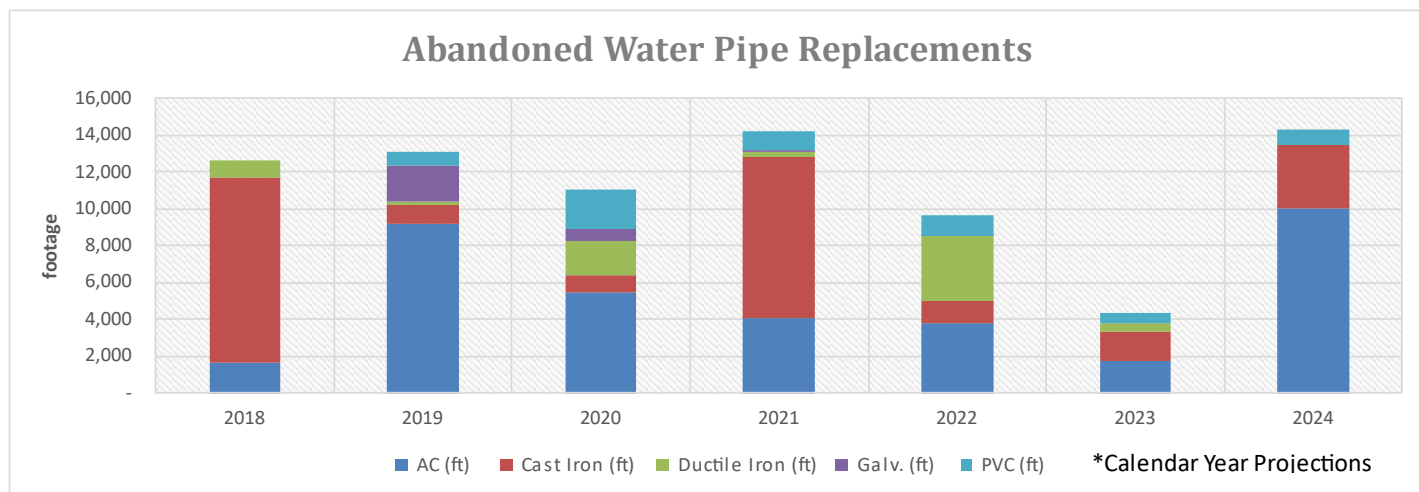
- Replacement of aging, deteriorating and under-sized water mains [\(2023-2027 Strategic Plan\)](#)
- Elimination of asbestos-cement, cast iron and older PVC water mains
- Improve fire protection and increase water system redundancy and reliability [\(2023-2027 Strategic Plan\)](#)
- Increase wastewater capacity to accommodate continued growth in the development area [\(2023-2027 Strategic Plan\)](#)
- Extend public sanitary sewer service to existing neighborhoods currently served by private septic systems
- Continue evaluation of sanitary sewer drainage basin to identify and correct deficiencies allowing infiltration and inflow into the collection system
- Customer Information System (CIS) development, including billing system and integration with the recently deployed phone system and website redesign [\(2023-2027 Strategic Plan\)](#)
- Continue construction of the Avon Operations Center [\(2023-2027 Strategic Plan\)](#)
- Emergency Response Plan (ERP) and ArcFlash Hazard Assessment Updates [\(2023-2027 Strategic Plan\)](#)

Operating Budget:

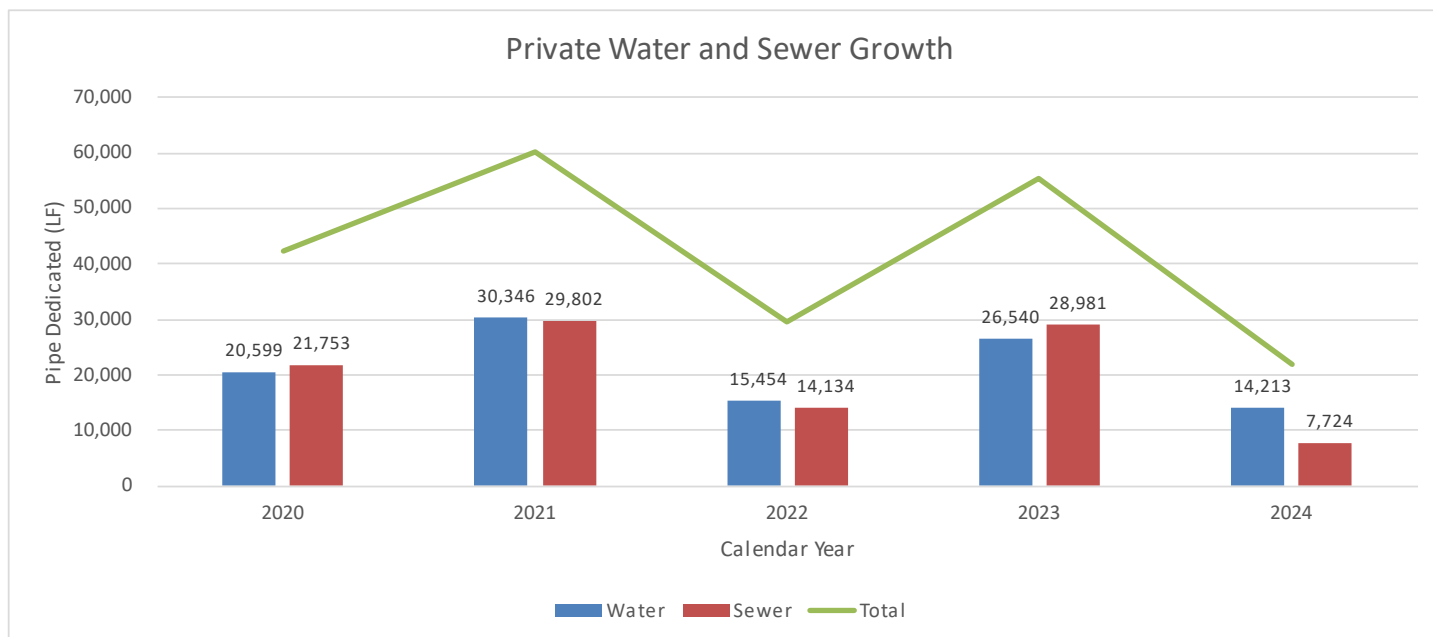
- Continue Hydraulic Modeling assistance from consultants to support Engineering Department staff [\(2023-2027 Strategic Plan\)](#)
- Scheduled replacement of aging equipment used to conduct pressure monitoring within the distribution system
- Training directed toward improving workforce skills and succession planning [\(2023-2027 Strategic Plan\)](#)

Performance Metrics:

Water Distribution System Replacement Program – The ACSA has a goal to replace aging, undersized, and inferior pipe within our water distribution system over a period of years to meet updated standards. The illustration below indicates the amount and type of abandoned water pipe that has been replaced over recent years. Current amount of pipe requiring replacement is approximately 218,000 linear feet.



Water and Sewer Dedication – The ACSA works closely with the development community to review, approve, and inspect water and sewer utilities that are dedicated to the ACSA for future operation and maintenance. The graph below shows pipe footage of water and sewer mains that were dedicated to the ACSA during the past five calendar years.



Engineering Department

Description	FY 2024 <u>Expended</u>	FY 2025 Actual Expenses <u>To-Date(Feb)</u>	FY 2025 Anticipated Expenses <u>To-EOFY 2025</u>	FY 2025 <u>Budget</u>	FY 2026 Base <u>Budget</u>	FY 2026 Total <u>Proposed</u>	FY 2026 as % of <u>FY 2025</u>
PERSONAL SERVICES							
Salaries & Wages	\$ 1,563,471	1,175,739	1,763,608	1,819,000	1,874,000	1,874,000	103.0%
Overtime Pay	8,341	12,371	18,556	20,000	20,000	20,000	100.0%
Social Security	118,855	91,451	137,176	140,700	145,000	145,000	103.1%
Retirement	153,130	139,476	209,215	186,700	192,800	192,800	103.3%
Health & Benefit Dollars	188,995	166,747	250,121	223,100	368,400	368,400	165.1%
Life Insurance	20,011	13,558	20,337	24,000	24,800	24,800	103.3%
Workers' Compensation	8,917	7,965	11,948	17,300	16,300	16,300	94.2%
Meals	104	-	-	1,000	800	800	80.0%
Subtotal:	2,061,824	1,607,307	2,410,961	2,431,800	2,642,100	2,642,100	108.6%
OPERATING SUPPLIES							
Personal Protective Equipment	1,122	694	1,041	5,100	5,300	5,300	103.9%
Office Supplies	-	340	510	1,200	-	-	-
Fuel, Oil & Grease	17,208	8,748	13,122	30,000	19,500	19,500	65.0%
Small Tools & Equipment	6,448	5,199	7,798	27,700	30,100	30,100	108.7%
Subtotal:	24,778	14,981	22,471	64,000	54,900	54,900	85.8%
PROFESSIONAL & CONTRACTUAL SERVICES							
Uniform Rental	3,072	490	734	5,300	6,200	6,200	117.0%
Postage	133	16	24	800	800	800	100.0%
Service Center	36,541	14,780	22,170	63,000	54,500	54,500	86.5%
Printing & Duplicating	170	-	-	-	-	-	-
Other Contractual Services	592	-	-	-	-	-	-
Subtotal:	40,508	15,286	22,928	69,100	61,500	61,500	89.0%

REPAIRS AND MAINTENANCE							
Equipment Repair and Maintenance	2,946	-	-	4,700	4,700	4,700	100.0%
Vehicle Repair and Maintenance	14,818	4,731	7,096	14,400	16,800	16,800	116.7%
Subtotal:	17,764	4,731	7,096	19,100	21,500	21,500	112.6%
OTHER SERVICES AND CHARGES							
Dues and Memberships	965	608	912	2,100	1,800	1,800	85.7%
Books and Periodicals	83	80	120	700	700	700	100.0%
Education and Training	7,658	2,324	3,486	22,000	20,500	20,500	93.2%
Travel	4,329	966	1,449	22,600	20,000	20,000	88.5%
Subtotal:	13,035	3,978	5,967	47,400	43,000	43,000	90.7%
TOTAL ENGINEERING	\$ 2,157,909	1,646,284	2,469,428	2,631,400	2,823,000	2,823,000	107.3%
NEW EQUIPMENT ACQUISITION							
New Equipment Acquisition	\$ -	5,350	8,026	66,000	-	-	-
Total	\$ -	5,350	8,026	66,000	-	-	-
PLANNED EQUIPMENT REPLACEMENT							
Planned Equip. Replacement	\$ 3,996	39,290	58,935	43,000	6,000	6,000	14.0%
Total	\$ 3,996	39,290	58,935	43,000	6,000	6,000	14.0%

Information Technology

The Information Technology (IT) Department is responsible for the governance, security, and overall functionality of ACSA's technological systems. This includes the configuration, deployment, and maintenance of business applications, services, and infrastructure. As operational needs evolve, the department continuously assesses, updates, and enhances existing systems to improve efficiency and effectiveness.

These initiatives reflect IT's commitment to supporting ACSA's strategic goals, ensuring system reliability, and strengthening the organization's technological capabilities.

Key initiatives and changes for FY 2026:

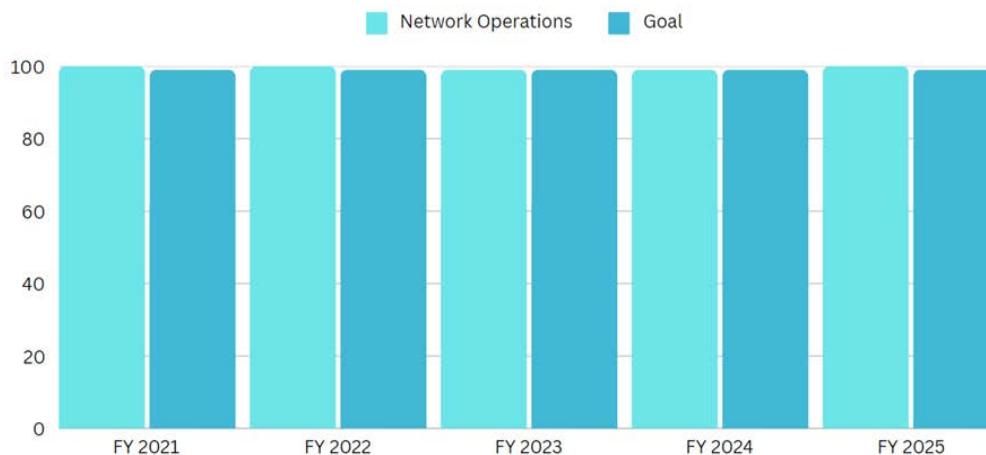
- Provide ongoing IT support to ACSA staff and facilitate the implementation of various projects.
- Strengthen data security and monitoring in alignment [\(2023-2027 Strategic Plan\)](#).
- Complete the federally mandated 5-Year Vulnerability (Risk) Assessment.
- Advance the development of the Customer Information System (CIS) as part of the [2023-2027 Strategic Plan](#).
- Continuously evaluate, enhance, and optimize IT infrastructure to support organizational needs [\(2023-2027 Strategic Plan\)](#).
- Replace aging servers, PCs, field tablets, and mobile devices in accordance with the formalized replacement cycle. [\(2023-2027 Strategic Plan\)](#).
- Improve business continuity and operational resilience by beginning the migration of servers and software applications to the cloud [\(2023-2027 Strategic Plan\)](#).
- Install the necessary wiring and network infrastructure to establish security and data networks at the Avon Operations Center [\(2023-2027 Strategic Plan\)](#).
- Deploy and integrate the Utility Network, a comprehensive framework designed to enhance infrastructure management and operational efficiency [\(2023-2027 Strategic Plan\)](#).

Performance Metrics:

Information Technology Hardware/Software Replacement Program –The ACSA IT Department has adopted a replacement plan for technological requirements with a goal of replacing 12 computers and 4 servers this fiscal year:



Network Operations – The IT Department has an adopted goal of network activity being operational 99% of the workday to ensure operational efficiency and access to internal customers. The chart below illustrates network operations historically and future goals:



Information Technology

Description	FY 2024 Expended	FY 2025 Actual Expenses To-Date(Feb)	FY 2025 Anticipated Expenses To-EOFY 2025	FY 2025 Budget	FY 2026 Base Budget	FY 2026 Total Proposed	FY 2026 as % of FY 2025
PERSONAL SERVICES							
Salaries & Wages	\$ 705,603	507,087	760,631	818,500	862,000	862,000	105.3%
Overtime	7,258	3,953	5,930	7,500	10,000	10,000	133.3%
Social Security	52,543	37,834	56,751	63,200	67,500	67,500	106.8%
Retirement	68,242	52,846	79,269	87,900	92,100	92,100	104.8%
Health & Benefit Dollars	112,399	78,792	118,188	132,800	173,000	173,000	130.3%
Life Insurance	8,795	5,918	8,877	10,700	11,300	11,300	105.6%
Workers' Compensation	395	231	347	600	600	600	100.0%
Meals	128	-	-	1,000	1,000	1,000	100.0%
Subtotal:	955,363	686,661	1,029,993	1,122,200	1,217,500	1,217,500	108.5%
OPERATING SUPPLIES							
Office Supplies	9,403	7,526	11,289	7,500	7,500	7,500	100.0%
Copier Supplies	186	-	-	500	500	500	100.0%
Personal Protective Equipment	730	-	-	1,500	1,300	1,300	86.7%
Fuel, Oil & Grease	879	580	870	1,200	1,200	1,200	100.0%
Small Tools & Equipment	41,379	8,046	12,069	120,200	116,900	116,900	97.3%
Subtotal:	52,577	16,152	24,228	130,900	127,400	127,400	97.3%
PROFESSIONAL & CONTRACTUAL SERVICES							
Uniforms	396	-	-	-	-	-	-
Consulting Services	6,346	12,776	19,164	70,000	90,000	90,000	128.6%
Service Contracts	230,838	278,779	418,169	608,000	580,700	580,700	95.5%
Telephone/Communications	133,509	90,291	135,437	184,400	212,100	212,100	115.0%
Printing and Duplicating	-	85	128	-	-	-	-
Other Contractual Services	150	-	-	-	-	-	-
Subtotal:	371,239	381,931	572,898	862,400	882,800	882,800	102.4%

REPAIRS AND MAINTENANCE

Vehicle Repair and Maintenance	273	166	249	2,300	2,300	2,300	100.0%
Subtotal:	273	166	249	2,300	2,300	2,300	100.0%

OTHER SERVICES AND CHARGES

Software	33,470	40,716	61,074	-	-	-	-
Dues and Memberships	105	295	443	400	500	500	125.0%
Books and Periodicals	-	-	-	300	300	300	100.0%
Education and Training	15,919	10,611	15,917	17,500	20,000	20,000	114.3%
Travel	4,790	2,463	3,695	7,000	8,500	8,500	121.4%
Subtotal:	54,284	54,085	81,129	25,200	29,300	29,300	116.3%

TOTAL INFORMATION TECHNOLOGY \$	1,433,736	1,138,995	1,708,497	2,143,000	2,259,300	2,259,300	105.4%
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NEW EQUIPMENT ACQUISITION

New Equipment Acquisition	\$ 3,537	8,021	12,031	110,300	29,700	29,700	26.9%
Total	\$ 3,537	8,021	12,031	110,300	29,700	29,700	26.9%

PLANNED EQUIPMENT REPLACEMENT

Planned Equipment Replacement	\$ 162,652	148,020	222,030	282,000	155,000	155,000	55.0%
Total	\$ 162,652	148,020	222,030	282,000	155,000	155,000	55.0%

Maintenance

The Maintenance Department operates with two primary goals: **(1)** to upgrade and maintain our water distribution system to provide safe, clean drinking water with minimal service disruptions at a reasonable cost, and **(2)** to upgrade and maintain our sanitary sewer collection system to ensure reliable service with minimal impacts while protecting the environment.

To achieve these goals, the department oversees **18 pump stations** (10 sewer and 8 water), **7 water storage tanks**, and **16 pressure-reducing valve stations**—all critical components of our system. We perform continuous preventive maintenance to ensure their reliability. Additionally, the department is responsible for operating and maintaining:

- **320 miles** of gravity sanitary sewer
- **5.15 miles** of sanitary sewer force mains
- **10,050** sanitary sewer manholes
- **20,300** sanitary sewer lateral connections
- **380 miles** of water distribution mains
- **10,500** water system valves
- **3,200** fire hydrants
- **23,700** water service connections
- **1.45 million gallons** of water storage

As ACSA's largest department, Maintenance reflects the organization's commitment to keeping our water and sewer infrastructure in **optimal condition with a high level of resiliency**. With our system expanding each year, the scope of our maintenance responsibilities continues to grow.

Key initiatives for FY 2026:

- Promote optimization of resources through continued development of a resource use plan for Avon Operations Center in anticipation of CY 26 Q3 Opening [\(2023-2027 Strategic Plan\)](#)
- Development of a formal Business Continuity Plan for the ACSA to assure business resilience. [\(2023-2027 Strategic Plan\)](#)
- Continue increased emphasis on training and education programs for leadership, safety, equipment, job required, advancement, and operational flexibility [\(2023-2027 Strategic Plan\)](#)
- Review and revise roles and responsibilities for the proposed Inventory and Equipment Technician for effective and efficient utilization of the new position in anticipation of the Avon Operations Center opening.
- Use of Operational Insights within the Cityworks work order system to leverage this tool for preventative maintenance planning. [\(2023-2027 Strategic Plan\)](#)
- Succession plan training for senior maintenance staff. [\(2023-2027 Strategic Plan\)](#)
- Continued focus on saddle replacements throughout the service area [\(2023-2027 Strategic Plan\)](#)
- Continued focus on remaining exclusion meter conversions throughout the service area.

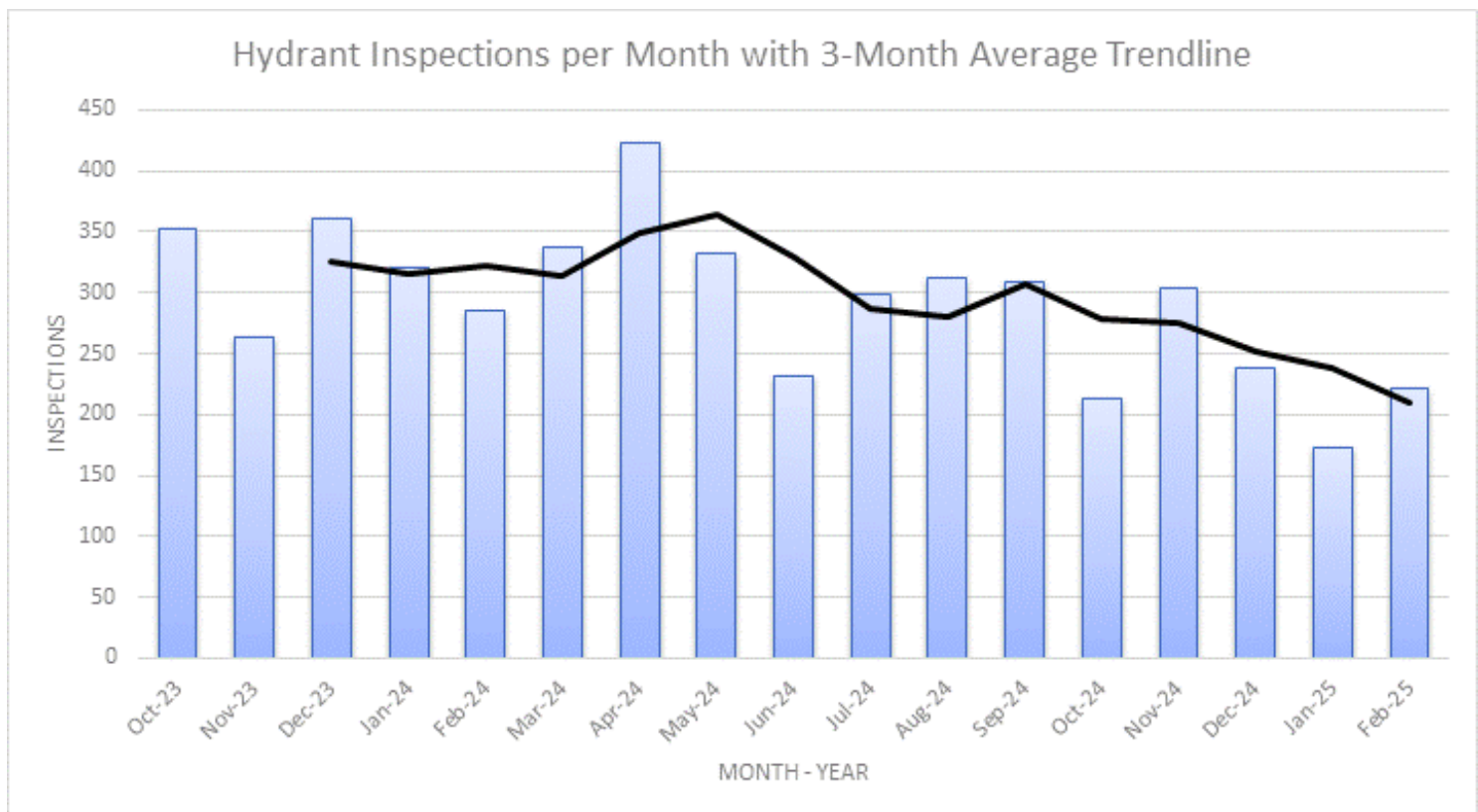
- Complete Risk and Resiliency Assessment 5-Year Update **(Federally Required CY 25 by AWIA)**
- Complete Emergency Response Plan 5-Year Update **(Federally Required FY 26 by AWIA)**
- Support, as needed, of CIS platform implementation **(2023-2027 Strategic Plan)**
- Promotion of customer engagement opportunities by use of social media and website tools for maintenance activity updates **(2023-2027 Strategic Plan)**
- Acquisition of a replacement Sewer Flush Truck.
- Fully deploy in-house milling operations for pavement repair to reduce third party restoration charges

Performance Metrics

The ACSA utilizes a variety of performance metrics to track and evaluate progress on strategic plan initiatives, system reliability, and overall performance. Instead of focusing solely on yearly totals for comparison, we are shifting to a **monthly tracking approach** with a **running three-month average** for key activities. This method allows us to set and adjust targets dynamically, ensuring we can proactively address performance goals throughout the year. Our Cityworks CMMS system, implemented in FY 21, remains a critical tool for capturing and analyzing these metrics to drive data-informed decisions. The metrics below illustrates this refined approach, providing a more responsive and actionable performance assessment.

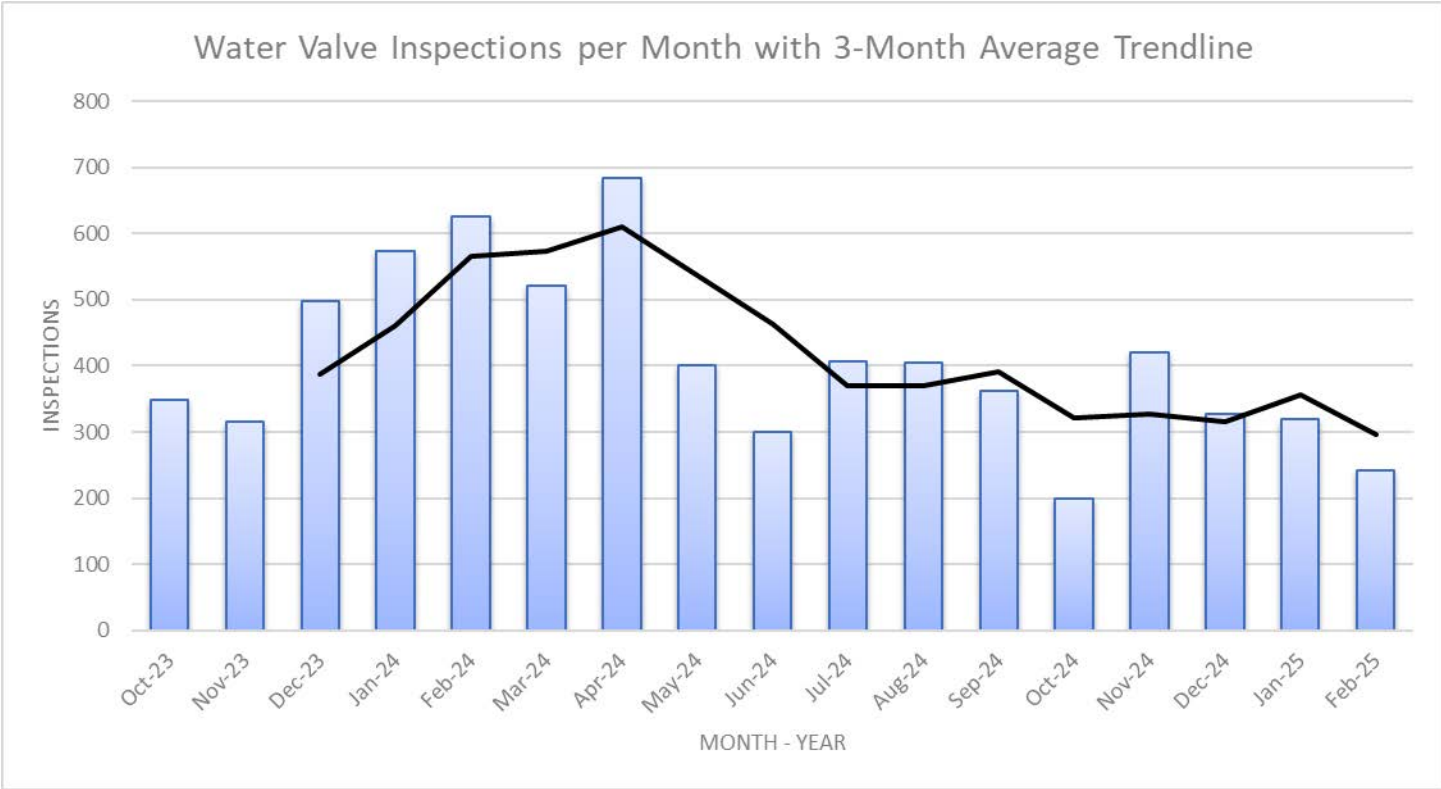
Fire Hydrant Inspection Plan -- The ACSA continually strives to maintain water safety by implementing a comprehensive Fire Hydrant Inspection Plan in accordance with AWWA standards (e.g., AWWA C502). Our performance graph, covering the most recent 17 months, shows monthly inspection data with a three-month moving average trendline. Moving forward, as each new month's data becomes available, we will update the graph so we can continuously assess our performance and make operational adjustments as needed.

Target Average (3-Month Moving Average): 275 inspections/month



Water Valve Inspection Plan -- Our Water Valve Inspection Plan is designed to maintain and improve the reliability of our water distribution system. We now monitor monthly valve inspections, and our graph—depicting the past 17 months—features a three-month moving average trendline. As new monthly data is added, we will update this graph to review our current performance, enabling us to adjust our operations and, eventually, refine our targets. Note that this metric supports our efforts, including the anticipated additional Valve Tech position, and will help us track both inspections and repairs.

Target Average (3-Month Moving Average): 550 inspections/month



Maintenance Department

Description	FY 2024 <u>Expended</u>	FY 2025 Actual Expenses <u>To-Date(Feb)</u>	FY 2025 Anticipated Expenses <u>To-EOFY 2025</u>	FY 2025 <u>Budget</u>	FY 2026 Base <u>Budget</u>	FY 2026 Total <u>Proposed</u>	FY 2026 as % of <u>FY 2025</u>
PERSONAL SERVICES							
Salaries & Wages	\$ 2,138,351	1,525,800	2,288,700	2,350,100	2,660,000	2,660,000	113.2%
Overtime/Standby Pay	66,657	45,281	67,922	85,000	85,000	85,000	100.0%
Social Security	166,641	119,034	178,551	186,000	209,400	209,400	112.6%
Retirement	216,816	169,178	253,767	251,400	295,100	295,100	117.4%
Health & Benefit Dollars	339,264	248,358	372,537	385,800	544,400	544,400	141.1%
Life Insurance	27,268	17,808	26,712	30,600	35,000	35,000	114.4%
Workers' Compensation	38,241	30,053	45,080	69,000	72,700	72,700	105.4%
Meals	1,643	373	560	1,200	5,000	5,000	416.7%
Subtotal:	2,994,881	2,155,885	3,233,829	3,359,100	3,906,600	3,906,600	116.3%
OPERATING SUPPLIES							
Office Supplies	953	96	144	1,700	4,100	4,100	241.2%
Shop Supplies	6,792	2,417	3,626	33,700	39,900	39,900	118.4%
Personal Protective Equipment	40,684	58,013	87,020	70,000	45,500	45,500	65.0%
Fuel, Oil & Grease	71,962	46,139	69,209	95,200	88,500	88,500	93.0%
Heating Fuel	2,897	1,352	2,028	7,400	10,500	10,500	141.9%
Small Tools & Equipment	57,426	65,583	98,375	105,500	134,000	134,000	127.0%
Subtotal:	180,714	173,600	260,402	313,500	322,500	322,500	102.9%
REPAIR & MAINTENANCE SUPPLIES							
Materials - Water	200,311	110,479	165,719	332,100	242,100	242,100	72.9%
Materials - Hydrants	23,057	20,252	30,378	55,000	56,500	56,500	102.7%
Materials - Sewer	18,807	16,354	24,531	22,000	22,000	22,000	100.0%
Building & Grounds Supplies	14,850	5,447	8,171	18,000	19,800	19,800	110.0%
Water Pump Station Supplies	39,000	44,228	66,342	43,600	43,200	43,200	99.1%
Sewer Pump Station Supplies	204,451	65,286	97,929	121,000	128,800	128,800	106.4%
Subtotal:	500,476	262,046	393,070	591,700	512,400	512,400	86.6%
PROFESSIONAL & CONTRACTUAL SERVICES							
Labor - Outside Contract	101,175	59,814	89,721	124,400	133,300	133,300	107.2%
Uniform Rental	35,760	9,611	14,417	35,700	47,100	47,100	131.9%
Building & Grounds Services	124,831	73,484	110,226	124,100	124,200	124,200	100.1%
Postage	-	-	-	3,000	6,000	6,000	200.0%
Printing and Duplicating	425	-	-	-	-	-	-
Service Center	-	-	-	-	18,000	18,000	-
Other Contractual Services	1,169	-	-	10,300	1,500	1,500	14.6%
Subtotal:	263,360	142,909	214,364	297,500	330,100	330,100	111.0%

REPAIRS AND MAINTENANCE

Equipment Repair and Maintenance	83,529	29,664	44,496	173,800	189,100	189,100	108.8%
Building & Grounds Repair and Maintenance	20,748	7,952	11,928	30,500	8,100	8,100	26.6%
Vehicle Repair and Maintenance	41,481	42,347	63,521	73,400	74,400	74,400	101.4%
Subtotal:	145,758	79,963	119,945	277,700	271,600	271,600	97.8%

OTHER SERVICES AND CHARGES

Rental of Equipment	-	296	444	5,000	5,000	5,000	100.0%
Dues and Memberships	-	1,015	1,523	-	700	700	-
Books and Periodicals	-	-	-	-	500	500	-
Education and Training	82,810	16,500	24,750	60,100	44,200	44,200	73.5%
Travel	11,436	6,682	10,023	25,800	25,800	25,800	100.0%
Electricity - Water Pump Station	42,727	26,892	40,338	60,100	80,900	80,900	134.6%
Electricity - Sewer Pump Station	39,242	22,467	33,701	50,400	61,900	61,900	122.8%
Electricity - Shop & Office	50,526	31,855	47,783	48,300	75,300	75,300	155.9%
Permits	640	310	465	2,800	2,400	2,400	85.7%
Subtotal:	227,381	106,017	159,027	252,500	296,700	296,700	117.5%

TOTAL MAINTENANCE	\$ 4,312,570	2,920,420	4,380,637	5,092,000	5,639,900	5,639,900	110.8%
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NEW EQUIPMENT ACQUISITION

New Equipment Acquisition	\$ 924	9,991	14,987	19,000	130,000	130,000	684.2%
Total	\$ 924	9,991	14,987	19,000	130,000	130,000	684.2%

PLANNED EQUIPMENT REPLACEMENT

Planned Equipment Replacement	\$ 10,000	290,629	435,944	370,000	967,000	967,000	261.4%
Total	\$ 10,000	290,629	435,944	370,000	967,000	967,000	261.4%

The ACSA will be exploring debt issuance to fund Avon Operations while continuing to evaluate other potential opportunities that may arise. The ACSA refunded the Build America Bond (BAB) revenue bond on July 21, 2021, through the Virginia Resources ACSA (VRA) and its 2021B Pooled Bond issuance. Below is a summary of the ACSA debt service requirements along with the effect to future budget years.

Debt Type	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Amounts Due Within One Year
Refunding bond	\$ 3,390,000	\$ -	\$ (415,000)	\$ 2,975,000	\$ 435,000

A single revenue bond for \$10,357,000 was issued as a Build American Bond (BAB) on November 1, 2010. Proceeds from the sale were used to (1) provide new money funding for the North Fork Regional Pump Station project and to (2) pay the cost of issuance. On July 21, 2021, the ACSA refunded this bond through an issuance by the Virginia Resources Authority (VRA). The refunding resulted in a net budgetary savings of \$1,242,262 or a net present value percent savings of 9.68%.

The revenue refunding bond debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Annual Debt Service
2026	435,000	141,322	576,322
2027	460,000	118,388	578,388
2028	480,000	94,300	574,300
2029	505,000	69,059	574,059
2030-2031	1,095,000	56,759	1,151,759
	\$ 2,975,000	\$ 479,828	\$ 3,454,828

Capital Equipment Purchases

The ACSA purchases capital equipment on an ongoing basis as new or unique needs arise or during planned replacement periods. For budgeting purposes, differentiation between equipment that is being replaced and equipment that is being purchased for the first time. Please see summaries of equipment purchased below:

Equipment – Newly acquired - \$206,200

Administration – Vehicle for Safety Manager (Budget Impact: \$46,500)

Information Technology – Information Technology has identified the need for additional IT equipment to be used by multiple departments throughout the ACSA. This equipment includes additional iPads (5), GPS Units (4), cell phones (5), computers (3), and office furniture (1) (Budget Impact: \$15,000, \$1,000, \$2,500, \$9,000, and \$2,200, respectively).

Maintenance – Maintenance has identified the need for a DR field and brush mower, Asphalt cutting wheel, Ford F-150, Smartshore system, sewer pipeline repair trailer, sewer pipeline repair equipment and two Connex boxes. (Budget Impact: \$5,000, \$5,500, \$50,000, \$13,500, \$6,000, \$30,000 and \$20,000 respectively).

Equipment- Replacement - \$1,131,000

Maintenance – Scheduled replacement of fleet vehicles (3), correlator replacement, patroller and logger replacement. (Budget impact: \$60,000, \$105,000, \$745,000, \$33,000, \$24,000, respectively)

Information Technology – Replacement of iPads (13), cell phones (17), computers (12), servers (3), and, SCADA PLCs, cell modems, security camera, and board furniture in accordance with the ACSA's regularly scheduled change-out policy. (Budget impact: \$20,000, \$36,000, \$30,000, \$40,000, \$20,000, \$5,000, and \$4,000 respectively).

Engineering – Office furniture. (Budget impact: \$6,000 respectively).

Finance – Office furniture. (Budget Impact: \$3,000 respectively).

Capital Equipment Purchases

Description	FY 2026 Proposed <u>Budget</u>
<i>NEW EQUIPMENT ACQUISITION</i>	
Administration	\$ 46,500
Information Technology	29,700
Maintenance	130,000
Total:	\$ <u>206,200</u>

<i>PLANNED EQUIPMENT REPLACEMENT</i>	
Maintenance	\$ 967,000
Information Technology	155,000
Engineering	6,000
Finance	3,000
Total:	\$ <u>1,131,000</u>

The following is a summary of the estimated project costs to be undertaken in FY 2026:

Water Projects:	\$ 7,967,500
Wastewater Projects:	1,925,000
Non-Utility and Facility Projects:	<u>8,585,000</u>
Total:	\$ 18,477,500

The new projects identified in the upcoming FY 2026 CIP include construction of replacement water mains at Albemarle High School, updates to ArcFlash Hazard Assessment for our water and wastewater pump stations, and an update to our Emergency Response Plan. A summary of the proposed CIP projects with their anticipated funding in FY 2026 follows:

WATER SYSTEM IMPROVEMENTS

- Scottsville Phase 4 Water Main Replacement:** This project continues our systematic program to replace undersized and deteriorating asbestos-cement and cast-iron water mains throughout our water systems. The water mains along James River Road, Warren Street, and several streets in Downtown Scottsville will be upgraded. Design efforts are nearing completion and easement acquisition efforts are underway. The amount budgeted will allow construction activities to begin in late FY 2026 with additional funds required in future fiscal years.
 - **Previous Budgets - \$554,900,**
 - **FY 2026 Budget - \$1,000,000**
 - **Total Project Budget - \$7,654,900**
- Ragged Mountain Phase 1 Water Main Replacement:** This project will replace the oldest active water main remaining in our system. This cast iron pipe is over 90 years old and is severely tuberculated, which greatly reduces the flow capacity in this section. With multiple unsuccessful bids on VDOT's Morey Creek Bridge Replacement Project, additional design efforts have been completed for a revised water connection to Fontaine Research Park. Construction activities are scheduled to begin in FY 2026 in conjunction with RWSA's Ragged Mountain Reservoir to Observatory WTP 36" Raw WL Project.
 - **Previous Budgets - \$876,400**
 - **FY 2026 Budget - \$1,000,000**
 - **Total Project Budget - \$2,576,400**
- Northfields Water Main Replacement:** This project continues our systematic program to replace undersized and deteriorating asbestos-cement water mains. These existing water mains were installed in the 1960's as a private well system and have reached the end of their useful life. The project is currently under design with funds previously budgeted and easement acquisition efforts are underway. It is anticipated that construction will occur in the FY 2027 – FY 2029 timeframe. Additional funding will be required based on ultimate construction schedule.
 - **Previous Budgets - \$530,000**
 - **FY 2026 Budget - \$0**
 - **Total Project Budget - \$7,930,000**

4. **Briarwood Water Main Replacement:** This project continues our systematic program to replace PVC water mains that have been in service since the early 1980's and have recently experienced several breaks causing water service disruptions. The design phase is complete, and construction bids will be opened in April 2025. Construction activities are anticipated to be completed in FY 2026.
 - **Previous Budgets - \$1,730,000**
 - **FY 2026 Budget - \$2,370,000**
 - **Total Project Budget - \$4,100,000**

5. **Barracks West Water Main Replacement:** This project will replace the undersized and aging cast iron and galvanized water mains that were installed in the late 1960's. These water mains are original to the Old Salem Apartments development, now called Barracks West. This project also provides for an opportunity to improve fire protection to these multi-family apartments. The design phase is nearing completion with funds previously appropriated, and construction is anticipated to occur in FY 2026. The amount budgeted combined with funds previously appropriated should cover construction costs anticipated for this project.
 - **Previous Budgets - \$3,402,500**
 - **FY 2026 Budget - \$97,500**
 - **Total Project Budget - \$3,500,000**

6. **Townwood Water Main Replacement:** This project continues our systematic program to replace PVC water mains that have been in service since the early 1980's and have recently experienced several breaks causing water service disruptions. The design phase is nearing completion and construction is expected to take place in the FY 2026 – FY 2027 timeframe.
 - **Previous Budgets - \$200,000**
 - **FY 2026 Budget - \$3,000,000**
 - **Total Project Budget - \$3,200,000**

7. **Broadway Street Water Main Replacement:** This project will replace the cast iron water main that was installed in the early 1970's and has been found to be in deteriorating condition based on recent excavations. With the redevelopment of the Woolen Mills Factory and Albemarle County's increased attention on economic revitalization of this corridor, replacement of this water main is crucial in transforming this area. The Notice to Proceed was established as March 10, 2025, and construction activities are expected to begin this spring.
 - **Previous Budgets - \$1,667,800**
 - **FY 2026 Budget - \$0**
 - **Total Project Budget - \$1,667,800**

8. **Raintree and Fieldbrook PVC Water Main Replacement:** This project continues our systematic program to replace the PVC water mains that have been in service since the 1980's. The design phase is currently underway and will carry over into FY 2026 with funds previously appropriated. Construction is expected to take place in the FY 2028 - FY 2029 timeframe with additional funds required.
 - **Previous Budgets - \$432,300**
 - **FY 2026 Budget - \$0**
 - **Total Project Budget - \$8,032,300**

9. **Albemarle High School AC Water Main Replacement (New):** This project will replace the remaining asbestos cement water mains at Albemarle High School, in conjunction with the County's AHS Center II construction project. Construction is expected to take place in FY 2026 with the funds budgeted.
 - **FY 2026 Budget - \$200,000**
 - **Total Project Budget - \$200,000**

10. Exclusion Meters Replacement: In the mid 1990's with the development of Glenmore, many new customers installed irrigation systems for their properties and wanted to have their sewer bills reduced by the amount of water that was diverted for irrigation purposes. Private meters were installed behind their ACSA domestic meter to record this volume of water, and it was "excluded" from the calculation of their sewer charges, and these became known as exclusion meters. In 2006 the ACSA Rules and Regulations were modified to disallow private exclusion meters and required all future irrigation meters be tapped separately off our water mains, to be owned and controlled by the ACSA. ACSA staff continues to coordinate with various irrigation contractors to upgrade existing private exclusions meters to ACSA-owned exclusion meters.

- **Previous Budgets - \$527,500**
- **FY 2026 Budget - \$0**
- **Total Project Budget - \$527,500**

11. Annual Water Repair and Replacement: This project will utilize a publicly bid water repair and replacement contract that is renewable on an annual basis to make improvements and interconnections in our water distribution system.

- **FY 2026 Budget - \$300,000 (Annually)**

SEWER SYSTEM IMPROVEMENTS

12. Airport Trunk Sewer Upgrade: With the continued growth in the Hollymead Town Center area, the existing sewer collector serving the airport and the area west of Route 29 needs upgrading to handle full build-out. The existing sewer was originally sized to serve the light industrial zoning designated for that area at the time of construction. The increased density specified in the County Comprehensive Plan for the same drainage basin will exceed the capacity of the existing sewer. Design is ongoing and easement acquisition is underway with funds previously budgeted. It is anticipated that construction will begin in FY 2027, with additional funding required.

- **Previous Budgets - \$483,800**
- **FY 2026 Budget - \$0**
- **Total Project Budget - \$8,983,800**

13. Northfields Phase 5 Sewer: During the design of the Northfields Water Main Replacement Project, ACSA staff identified several sections of sanitary sewer that could be installed along the roadway in coordination with the water main replacement work. These efforts will provide sanitary sewer service to existing neighborhood properties currently served by private septic fields. The project is currently under design with funds previously budgeted. It is anticipated that construction could occur in the FY 2028 – FY 2029 timeframe with additional funding required.

- **Previous Budgets - \$70,000**
- **FY 2026 Budget - \$0**
- **Total Project Budget - \$1,000,000**

14. Buckingham Circle Sewer: In 2012, the ACSA completed the Buckingham Circle Water Main Replacement Project. At that time, the feasibility of installing a sanitary sewer system was explored but there was insufficient interest from the neighborhood. Recent communications with the community indicate a strong interest in extending public sewer into the neighborhood. ACSA staff is beginning the design process and is hopeful that construction activities could begin in late in FY 2026 with additional funding required in FY 2027.

- **Previous Budgets - \$175,000**
- **FY 2026 Budget - \$525,000**
- **Total Project Budget - \$3,100,000**

15. **Bellair – Liberty Hills Sewer:** This project extends public sewer into the Bellair and Liberty Hills neighborhoods as most residents are currently served by private septic fields. Design efforts are underway with funds previously appropriated. It is anticipated that construction could begin in late FY 2026, with additional funding required in FY 2027 and FY 2028.
- **Previous Budgets - \$393,715**
 - **FY 2026 Budget - \$1,000,000**
 - **Total Project Budget - \$8,493,715**
16. **Crozet Phase 3 Drainage Basin SSES:** This project includes a Sanitary Sewer Evaluation Survey (SSES) of the Crozet Phase 3 Drainage Basin utilizing manhole inspections, flow metering, smoke testing, closed circuit television (CCTV) inspections, night flow isolation and flooded dye testing to identify sources of infiltration and inflow (I/I). This drainage basin includes approximately 250 manholes and 45,000 linear feet of sanitary sewer main.
- **Previous Budgets - \$400,000**
 - **FY 2026 Budget - \$0**
 - **Total Project Budget - \$400,000**
17. **Miscellaneous Sewer Rehabilitation:** This project continues our “find and fix” program of sanitary sewer rehabilitation to reduce I&I in our system during the fiscal year. These efforts will utilize publicly bid miscellaneous sewer rehabilitation contracts that are renewable on an annual basis up to two times after the initial contract. It will be used to make repairs and rehabilitate defects in our system found with systematic CCTV inspection by ACSA crews and the subcontractor.
- **FY 2026 Budget - \$400,000 (Annually)**

NON-UTILITY AND FACILITY IMPROVEMENTS

18. **Customer Information System (CIS) Replacement:** This project includes the updating of our website, replacement of the existing telephone system and implementation of a new Customer Information System, which will include the replacement of our billing system. These initiatives fall under the Customer Experience pillar of the ACSA's Strategic Plan. The ACSA's website has been updated, and implementation of the new telephone system should be completed in FY 2025. The Request for Proposals (RFP) for the CIS is forthcoming and our consultant will assist in the procurement process and subsequently during development to ensure a stable transition for our customers and ACSA staff. These efforts will also include integration with other systems, specifically the Advanced Metering Infrastructure, Enterprise Resource Planning System, website, and phone system. The amount budgeted is to begin implementation for a replacement Customer Information System. These funds are divided equally between water and wastewater projects. Additional funding is anticipated in FY 2027 for full development.
- **Previous Budgets - \$1,000,000**
 - **FY 2026 Budget - \$1,000,000**
 - **Total Project Budget - \$2,800,000**
2. **ESRI Utility Network Implementation, Cloud Migration and SQL Server:** This project consists of consulting services to develop a plan and fully implement a cloud migration of ArcGIS Enterprise and SQL Server, as well as the ArcGIS Utility Network. A consultant has completed an assessment of the GIS's current state in preparation for the Utility Network and corrections have been largely completed. The cloud migrations would prefer the use of Infrastructure as a Service, but other options will be considered. The SQL Server portion will migrate databases for the GIS as well as other production software suites including but not limited to Cityworks and GraniteNet. These funds are divided equally between water and wastewater projects.
- **Previous Budgets - \$200,000**
 - **FY 2026 Budget - \$225,000**
 - **Total Project Budget - \$425,000**

3. **Avon Operations Center:** The Avon Street Extended property has long been held as a future location to build additional facilities as the ACSA continues to grow. The current Maintenance Yard at our Spotnap Road location is becoming overcrowded, and our leased space at the Crozet Water Treatment Facility will be eliminated with the upcoming Granular Activated Carbon (GAC) Expansion. This project will develop the Avon Street property into a larger vehicle and materials storage facility, including a training area for our equipment operators. This project is currently under construction with completion anticipated in FY 2027. These funds are divided equally between water and wastewater projects.
- **Previous Budgets - \$10,900,000**
 - **FY 2026 Budget - \$7,100,000**
 - **Total Project Budget - \$18,000,000**
4. **ArcFlash Hazard Assessment Update (New):** This ArcFlash Hazard Assessment will evaluate the electrical hazards and ensure appropriate safety measures are in place. Industry standards, including NFPA guidelines, recommend updates to these studies every five years or when system changes occur. This project will bring our previous assessments up to date, reflecting any modifications in our electrical systems and ensuring compliance with the latest safety standards. Regular updates enhance worker safety, reduce liability risks, and provide accurate data for maintaining a safe operating environment. These funds are divided equally between water and wastewater projects.
- **FY 2026 Budget - \$80,000**
 - **Total Project Budget - \$80,000**
5. **Emergency Response Plan Update (New):** The America's Water Infrastructure Act (AWIA) requires water utilities to update their Emergency Response Plans (ERPs) to address risks from natural hazards and malevolent acts. This project will ensure compliance by reviewing and updating the ACSA's ERP to reflect current risks, operational changes, and best practices. Keeping the ERP up to date strengthens our ability to respond to emergencies, minimizes service disruptions, and protects public health while demonstrating our commitment to preparedness and regulatory compliance. The amount budgeted will be used to update the ACSA's ERP in FY 2026. These funds are divided equally between water and wastewater projects.
- **FY 2026 Budget - \$80,000**
 - **Total Project Budget - \$80,000**
6. **Developer Participation:** Each year funds are set aside to participate in oversizing utilities constructed to serve new development. The Rate Model includes \$100,000 divided equally between water and wastewater projects as a contingency to ensure new pipes are sized to meet the ACSA's long-range needs.
- **FY 2026 Budget - \$100,000 (Annually)**

Albemarle County Service Authority Water & Sewer Rate Model
SCHEDULE 6 - CAPITAL IMPROVEMENT PROJECTS

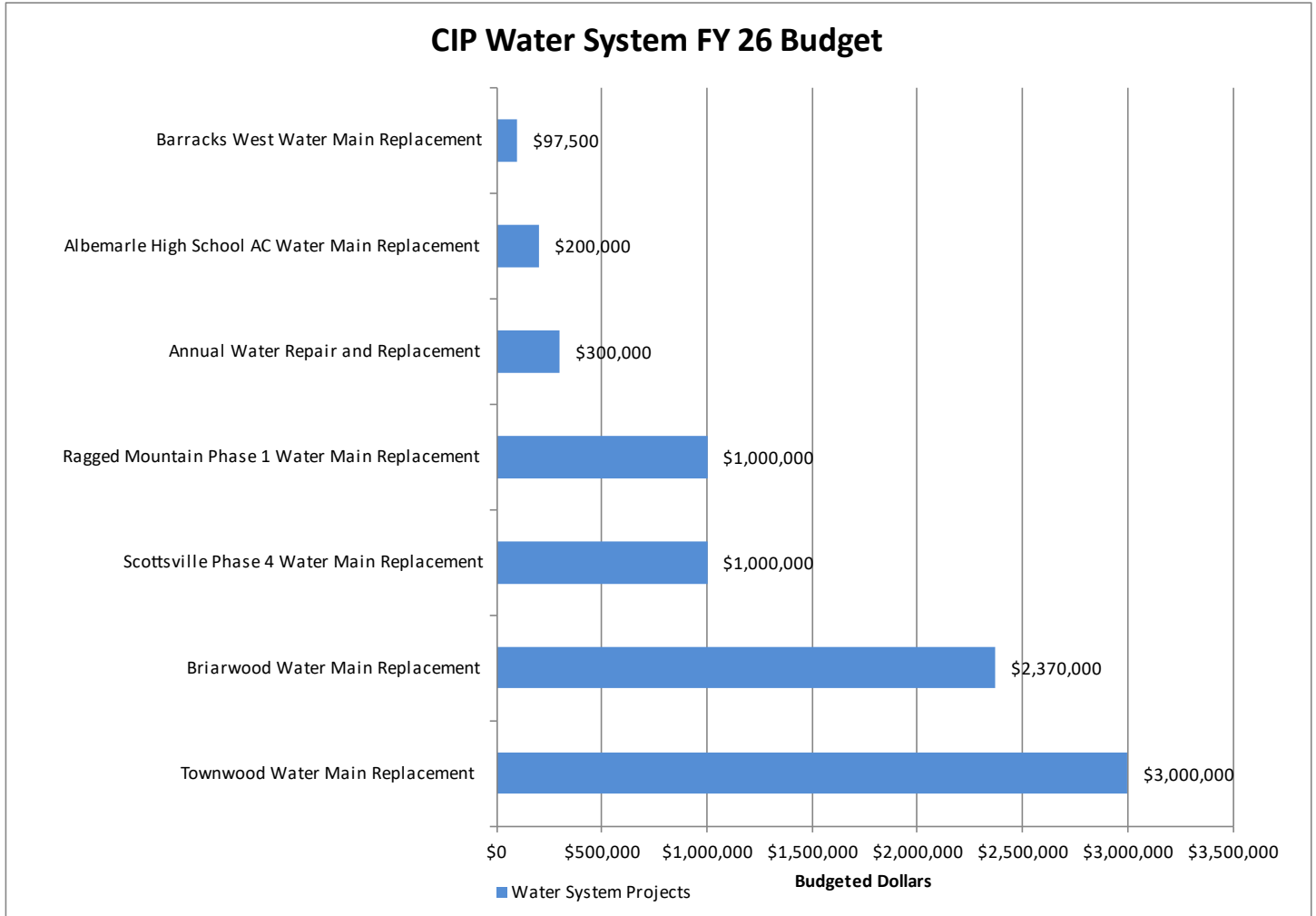
WATER SYSTEM CIP IMPROVEMENTS														
LINE NO.	SYSTEM	PROJECT	TOTAL PREV. BUDGETS	2026 FORECAST	2027 FORECAST	2028 FORECAST	2029 FORECAST	2030 FORECAST	2031 FORECAST	2032 FORECAST	2033 FORECAST	2034 FORECAST	2035 FORECAST	TOTAL 10-YR FORECAST
1	Crozet	Crozet Phase 5 Water Main Replacement	\$ -				\$ 850,000	\$ -	\$ 2,000,000	\$ 4,000,000				\$ 6,850,000
2	Crozet	Parkview Drive Water Connection	\$ 300,000											\$ 300,000
3	Scottsville	Scottsville Phase 4 Water Main Replacement	\$ 554,900	\$ 1,000,000	\$ 3,500,000	\$ 2,600,000								\$ 7,654,900
4	Scottsville	Stony Point Water Main Replacement	\$ 175,000					\$ 350,000						\$ 525,000
5	Urban	Ragged Mountain Phase 1 Water Main Replacement	\$ 876,400	\$ 1,000,000	\$ 700,000									\$ 2,576,400
6	Urban	Northfields Water Main Replacement	\$ 530,000	\$ -	\$ 2,000,000	\$ 3,000,000	\$ 2,400,000							\$ 7,930,000
7	Urban	Wakefield Water Main Replacement	\$ -				\$ 250,000	\$ 1,300,000						\$ 1,550,000
8	Urban	Carrsbrook Water Main Replacement	\$ -			\$ 550,000	\$ 550,000	\$ 4,000,000	\$ 3,000,000					\$ 8,100,000
9	Urban	Rt 785 Water Main Replacement	\$ -				\$ 70,000	\$ 350,000						\$ 420,000
10	Urban	Old Forge Water Main Replacement	\$ -						\$ 300,000	\$ 1,400,000	\$ 500,000			\$ 2,200,000
11	Urban	Briarwood Water Main Replacement	\$ 1,730,000	\$ 2,370,000										\$ 4,100,000
12	Urban	Barracks West Water Main Replacement	\$ 3,402,500	\$ 97,500										\$ 3,500,000
13	Urban	Townwood Water Main Replacement	\$ 200,000	\$ 3,000,000										\$ 3,200,000
14	Urban	Broadway Street Water Main Replacement	\$ 1,667,800	\$ -										\$ 1,667,800
15	Urban	Raintree and Fieldbrook PVC Water Main Replacement	\$ 432,300	\$ -		\$ 2,000,000	\$ 5,600,000							\$ 8,032,300
16	Urban	Albemarle High School AC Water Main Replacement	\$ -	\$ 200,000										\$ 200,000
17	Urban	Southern Rivanna River Crossing	\$ -		\$ 350,000	\$ 2,150,000								\$ 2,500,000
18	Urban	Airport Acres Water System	\$ -										\$ 350,000	\$ 350,000
19	Urban	Glenorchy - Viewmont Court Water Extension	\$ -								\$ 200,000			\$ 200,000
20	Urban	Ashcroft Water Main Replacement	\$ -								\$ 700,000	\$ 2,000,000	\$ 2,000,000	\$ 4,700,000
21	Urban	Riverrun Water Main Replacement	\$ -			\$ 300,000	\$ 2,700,000							\$ 3,000,000
22	Urban	North Pines Water Main Replacement	\$ -										\$ 550,000	\$ 550,000
23	Urban	Lewis Hill Water Main Replacement	\$ -								\$ 500,000	\$ 3,000,000		\$ 3,500,000
24	Urban	Ivy Oaks Water Main Replacement	\$ -							\$ 450,000	\$ 2,750,000			\$ 3,200,000
25	Urban	Hollymead Phase 2 Water Main Replacement	\$ -							\$ 300,000		\$ 1,800,000		\$ 2,100,000
26	Urban	Canterbury Hills Phase 2 Water Main Replacement	\$ -					\$ 300,000	\$ 300,000	\$ -	\$ 1,500,000	\$ 2,500,000		\$ 4,600,000
27	Urban	Mosby Mountain Pressure Zone - Additional Storage	\$ -				\$ 150,000	\$ 1,400,000						\$ 1,550,000
28	Urban	Branchlands PVC Water Main Replacement	\$ -					\$ 550,000	\$ -	\$ 1,000,000	\$ 3,000,000			\$ 4,550,000
29	Urban	Old Ballard Road Water Connection										\$ 700,000	\$ 2,300,000	\$ 3,000,000
30	All	Exclusion Meters Replacement Program	\$ 527,500	\$ -										\$ 527,500
31	All	Pipe Saddles Replacement	\$ 100,000	\$ -	\$ -	\$ -	\$ 50,000							\$ 150,000
32	All	Water Main Condition Assessment	\$ -		\$ 500,000									\$ 500,000
33	All	Water Pump Stations - Rehabilitation	\$ 95,000	\$ -	\$ 50,000	\$ 35,000						\$ 275,000		\$ 455,000
34	All	Annual Water Repair and Replacement	Ongoing	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 3,000,000
Total Water Capital Projects				\$ 7,967,500	\$ 7,400,000	\$ 10,935,000	\$ 12,920,000	\$ 8,550,000	\$ 5,900,000	\$ 7,450,000	\$ 9,450,000	\$ 10,575,000	\$ 5,500,000	\$ 97,238,900

SEWER SYSTEM CIP IMPROVEMENTS														
LINE NO.	SYSTEM	PROJECT	TOTAL PREV. BUDGETS	2026 FORECAST	2027 FORECAST	2028 FORECAST	2029 FORECAST	2030 FORECAST	2031 FORECAST	2032 FORECAST	2033 FORECAST	2034 FORECAST	2035 FORECAST	TOTAL 10-YR FORECAST
35	Crozet	Brookwood Road Sewer Extension	\$ -					\$ 25,000						\$ 25,000
36	Crozet	Buck Road Sewer Extension	\$ -					\$ 50,000						\$ 50,000
37	Crozet	Park Road Sewer Extension	\$ -					\$ 100,000						\$ 100,000
38	Urban	Airport Trunk Sewer Upgrade	\$ 483,800	\$ -	\$ 2,000,000	\$ 5,000,000	\$ 1,500,000							\$ 8,983,800
39	Urban	Northfields Phase 5 Sewer	\$ 70,000	\$ -	\$ -	\$ -	\$ 930,000							\$ 1,000,000
40	Urban	Northfields Sewer (Future Phases)	\$ -								\$ 1,900,000			\$ 1,900,000
41	Urban	Buckingham Circle Sewer	\$ 175,000	\$ 525,000	\$ 2,400,000	\$ -								\$ 3,100,000
42	Urban	Carrsbrook Collection System	\$ -			\$ 900,000	\$ 900,000	\$ 4,500,000	\$ 3,500,000					\$ 9,800,000
43	Urban	Hessian Hills Sewer Phase III	\$ -					\$ 150,000						\$ 150,000
44	Urban	Ednam Forest Sewer	\$ -				\$ 600,000	\$ -	\$ 5,000,000	\$ 6,000,000				\$ 11,600,000
45	Urban	Airport Acres Off-site Sewer	\$ -								\$ 250,000	\$ -	\$ 1,500,000	\$ 1,750,000
46	Urban	Airport Acres Sewer	\$ -								\$ 550,000	\$ -	\$ 3,000,000	\$ 3,550,000
47	Urban	Bellair-Liberty Hills Sewer	\$ 393,715	\$ 1,000,000	\$ 5,500,000	\$ 1,600,000								\$ 8,493,715
48	Crozet	Crozet Phase 3 Drainage Basin SSES	\$ 400,000											\$ 400,000
49	All	Sewer Pump Stations - Rehabilitation	\$ 230,000	\$ -	\$ 50,000	\$ 900,000			\$ 210,000	\$ 100,000		\$ 200,000		\$ 1,690,000
50	All	Miscellaneous Sewer Rehabilitation	Ongoing	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 4,000,000
Total Sewer Capital Projects				\$ 1,925,000	\$ 10,350,000	\$ 8,800,000	\$ 4,330,000	\$ 5,225,000	\$ 9,110,000	\$ 6,500,000	\$ 3,100,000	\$ 600,000	\$ 4,900,000	\$ 56,592,515

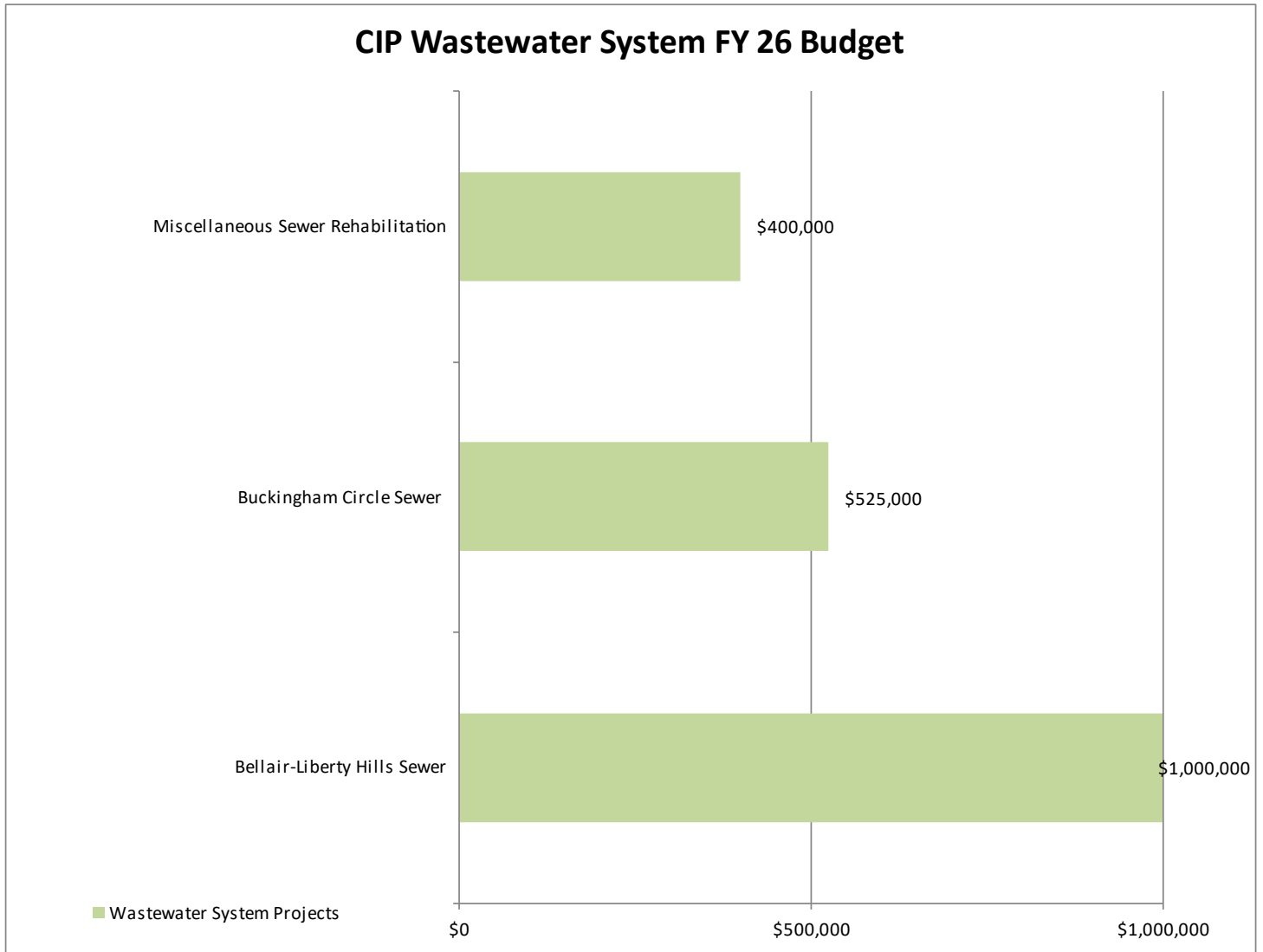
NON-UTILITY AND FACILITY CIP IMPROVEMENTS														
LINE NO.	SYSTEM	PROJECT	TOTAL PREV. BUDGETS	2026 FORECAST	2027 FORECAST	2028 FORECAST	2029 FORECAST	2030 FORECAST	2031 FORECAST	2032 FORECAST	2033 FORECAST	2034 FORECAST	2035 FORECAST	TOTAL 10-YR FORECAST
51	All	Customer Information System (CIS) Replacement	\$ 1,000,000	\$ 1,000,000	\$ 800,000									\$ 2,800,000
52	All	ESRI Utility Network Implementation/Cloud Migration/SQL Server	\$ 200,000	\$ 225,000										\$ 425,000
53	All	Avon Operations Center	\$ 10,900,000	\$ 7,100,000										\$ 18,000,000
54	All	Records Management Project	\$ 390,000	\$ -		\$ 50,000								\$ 440,000
55	All	ArcFlash Hazard Assessment Update	\$ -	\$ 80,000										\$ 80,000
56	All	Emergency Response Plan (ERP) Update	\$ -	\$ 80,000										\$ 80,000
57	All	Facility Master Plan	\$ -		\$ 200,000									\$ 200,000
58	All	Developer Participation	Ongoing	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 1,000,000
Total Non-Utility and Facility Capital Projects				\$ 8,585,000	\$ 1,100,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 23,025,000

TOTAL CAPITAL IMPROVEMENT PROJECTS \$ 24,833,915 \$ 18,477,500 \$ 18,850,000 \$ 19,885,000 \$ 17,350,000 \$ 13,875,000 \$ 15,110,000 \$ 14,050,000 \$ 12,650,000 \$ 11,275,000 \$ 10,500,000 \$ 176,856,415

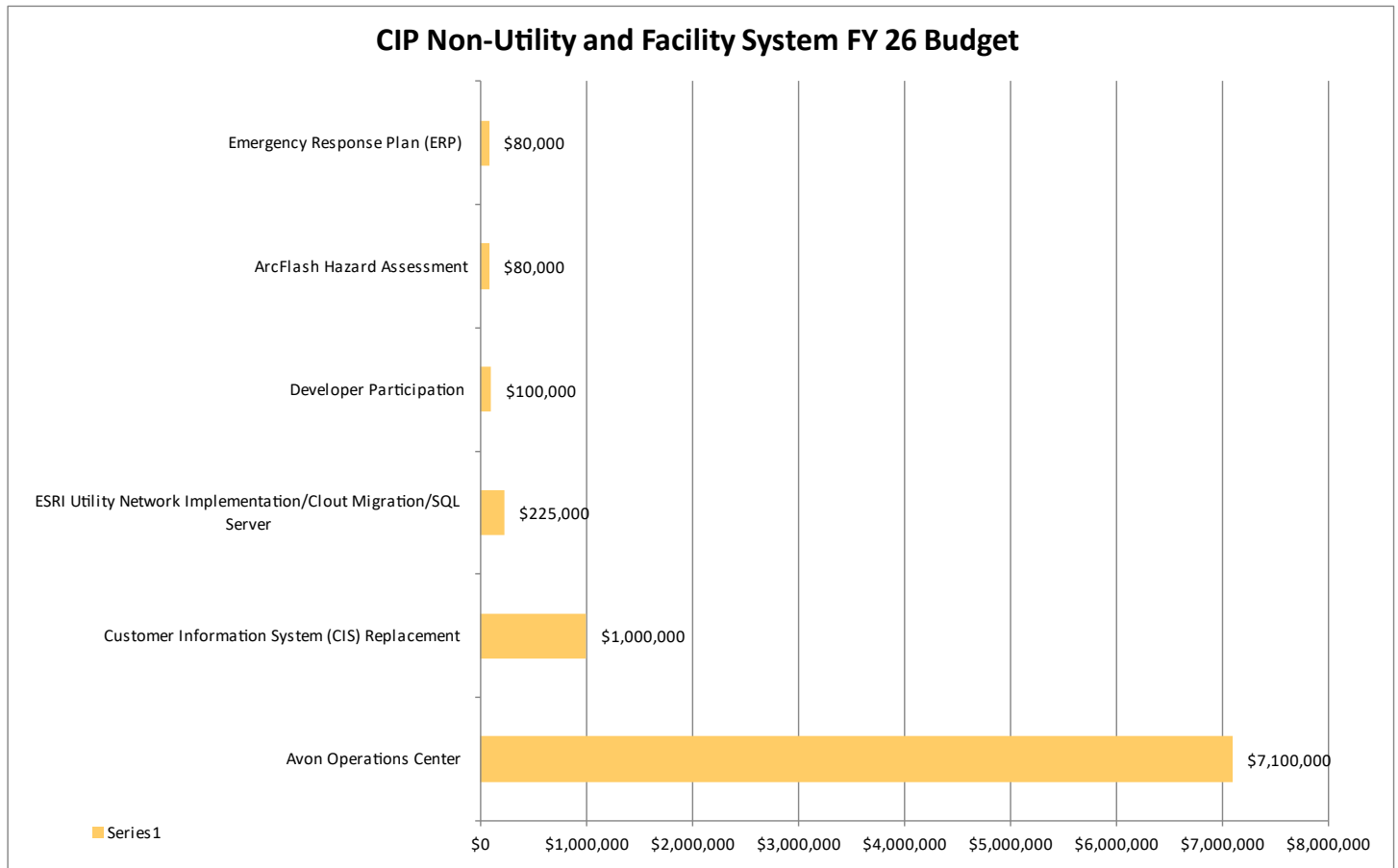
The following is an illustration of estimated water system project costs to be undertaken in FY 2026:



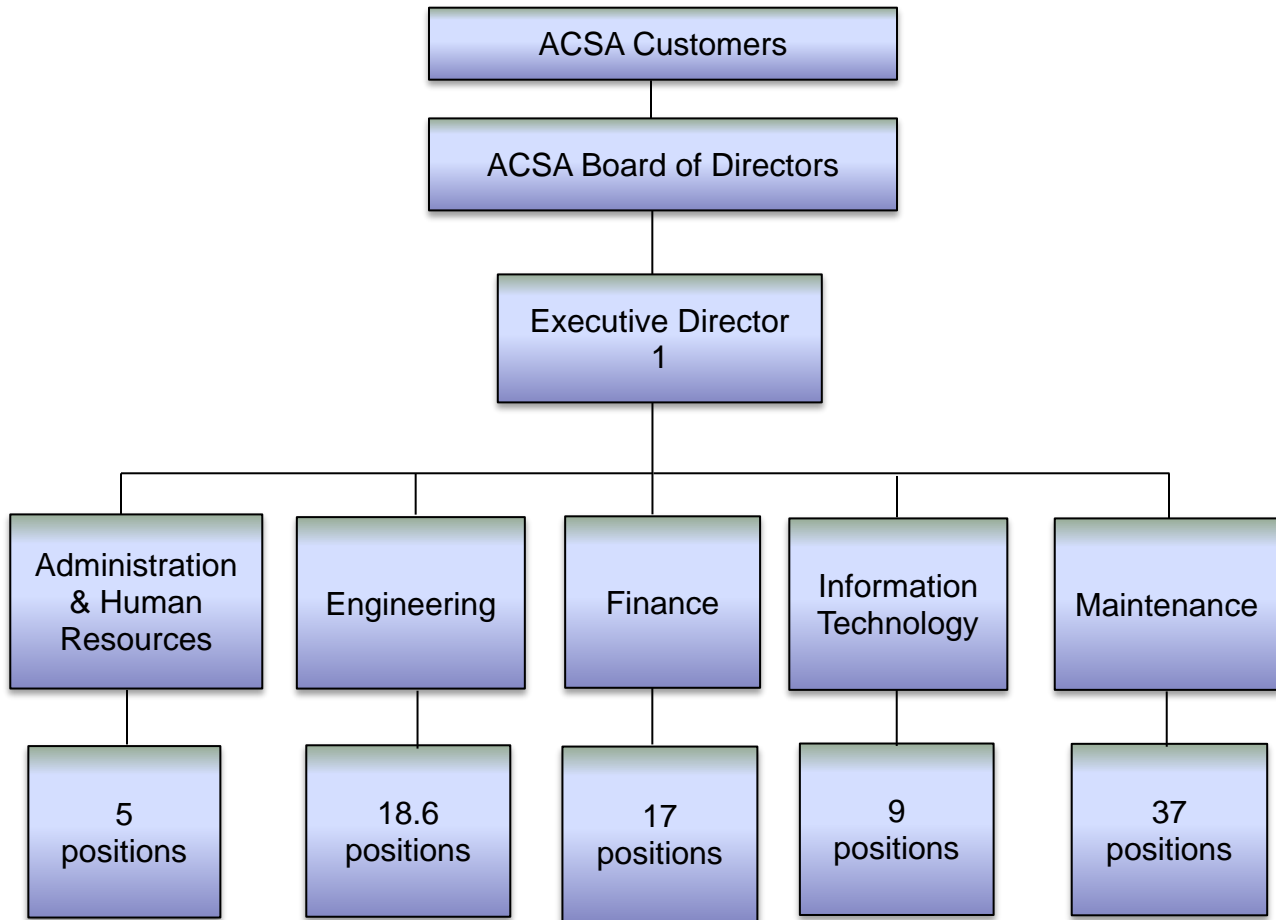
The following is an illustration of estimated wastewater system project costs to be undertaken in FY 2026:



The following is an illustration of estimated non-utility and facility project costs to be undertaken in FY 2026:



ACSA Organizational & Personnel Chart



Note: Five new positions proposed and two eliminated in Fiscal Year 2026 and can be noted on the following page by the “*” Please see detail descriptions within the Maintenance and Finance departmental summary.

		FY 2024 Positions	FY 2025 Positions	FY 2026 Positions
ADMINISTRATION	Executive Director	1	1	1
	Director of Human Resources & Admin.	1	1	1
	Administrative Office Assoc.	1	1	1
	Executive Assistant	1	1	1
	Human Resources Tech.	1	1	1
	Communications Manager	1	-	-
	Safety Manager	-	-	1
INFO. TECH.	Director of Information Technology	1	1	1
	ISO Systems Engineer	1	1	1
	Systems Analyst	1	1	1
	GIS & CMMS Coordinator	1	1	1
	GIS Technician	1	1	1
	SCADA Technician	1	1	1
	Systems Engineer	1	1	1
	Utility Data Analyst	1	1	1
	IT Technician	1	1	1
FINANCE	Director of Finance	1	1	1
	Accounting Supervisor	1	1	1
	Meter Operations Supervisor	1	1	1
	Customer Service Supervisor	1	1	1
	Sr. Customer Service Rep.	1	1	1
	Sr. Meter Technician	1	1	1
	Procurement and Fin. Specialist	1	1	1
	Payroll and Rev. Specialist	1	1	1
	Accounting Clerk	1	1	1
	Customer Service Rep. I/II	5	5	5
	Meter Technician I/II	4	4	3*
ENGINEERING	Director of Engineering	1	1	1
	Civil/Sr. Civil Engineer	4	4	4
	Environmental Compliance Supervisor	1	1	1
	Reg. Compliance Specialist	1	1	1
	Construction Inspector	5	6	6
	Sr. Utility Location Tech/Utility Loc. Tech.	3	3	3
	Engineering Tech.	2	2	2
	P.T. Engineering Intern	0.6	0.6	0.6
MAINTENANCE	Director of Operations	1	1	1
	Operations Supervisor	2	2	2
	Facilities Supervisor	1	1	1
	Facilities Maintenance Tech.	1	1	1
	Electrician/Pump Technician	1	1	1
	Electrical Pump Apprentice	1	1	1
	CCTV Technician	2	2	2
	Crew Leader I/II	5	5	5
	Utility Worker I/II	18	17	18*
	Inventory & Equipment Tech.	-	-	1*
	Valve Technician	-	1	2*
	Hydrant Technician	1	1	1
	Maintenance Admin Assistant	1	1	1

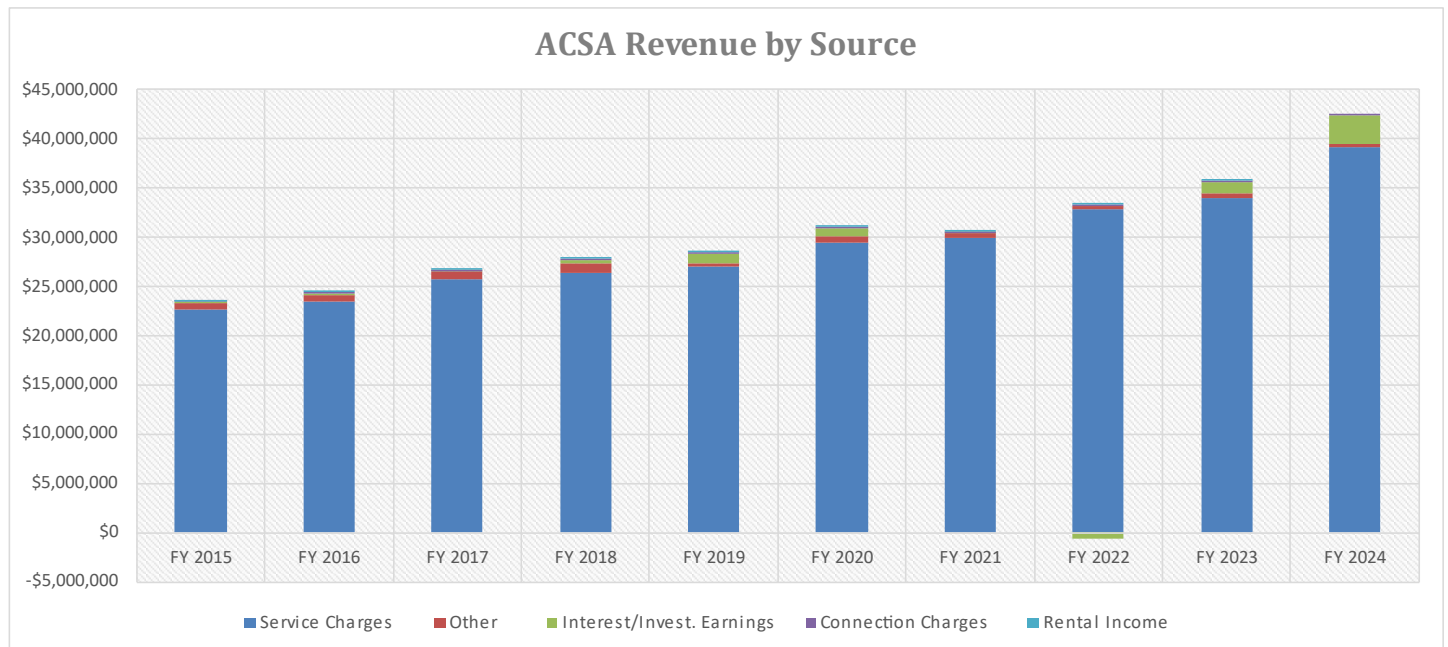


Supplemental Information

Revenue by Source

Fiscal Year	Service Charges	Connection Charges	Rental Income	Interest/Invest. Earnings (Loss)	Other	Total
2015	\$ 22,641,543	\$ 96,992	\$ 33,437	\$ 102,469	\$ 680,717	\$ 23,555,158
2016	23,460,681	117,728	27,645	215,035	675,878	24,496,967
2017	25,786,007	138,553	17,213	59,576	738,948	26,740,297
2018	26,453,332	140,451	16,603	348,572	843,004	27,801,962
2019	27,053,948	135,007	16,603	946,599	364,584	28,516,741
2020	29,502,041	147,876	16,603	733,385	639,080	31,038,985
2021	29,883,684	141,043	15,539	82,900	532,947	30,656,113
2022	32,825,048	131,415	18,357	(631,795)	363,569	32,706,594
2023	34,052,322	178,642	270	1,084,854	461,806	35,777,894
2024	39,119,362	178,849	-	2,810,568	441,025	42,549,804

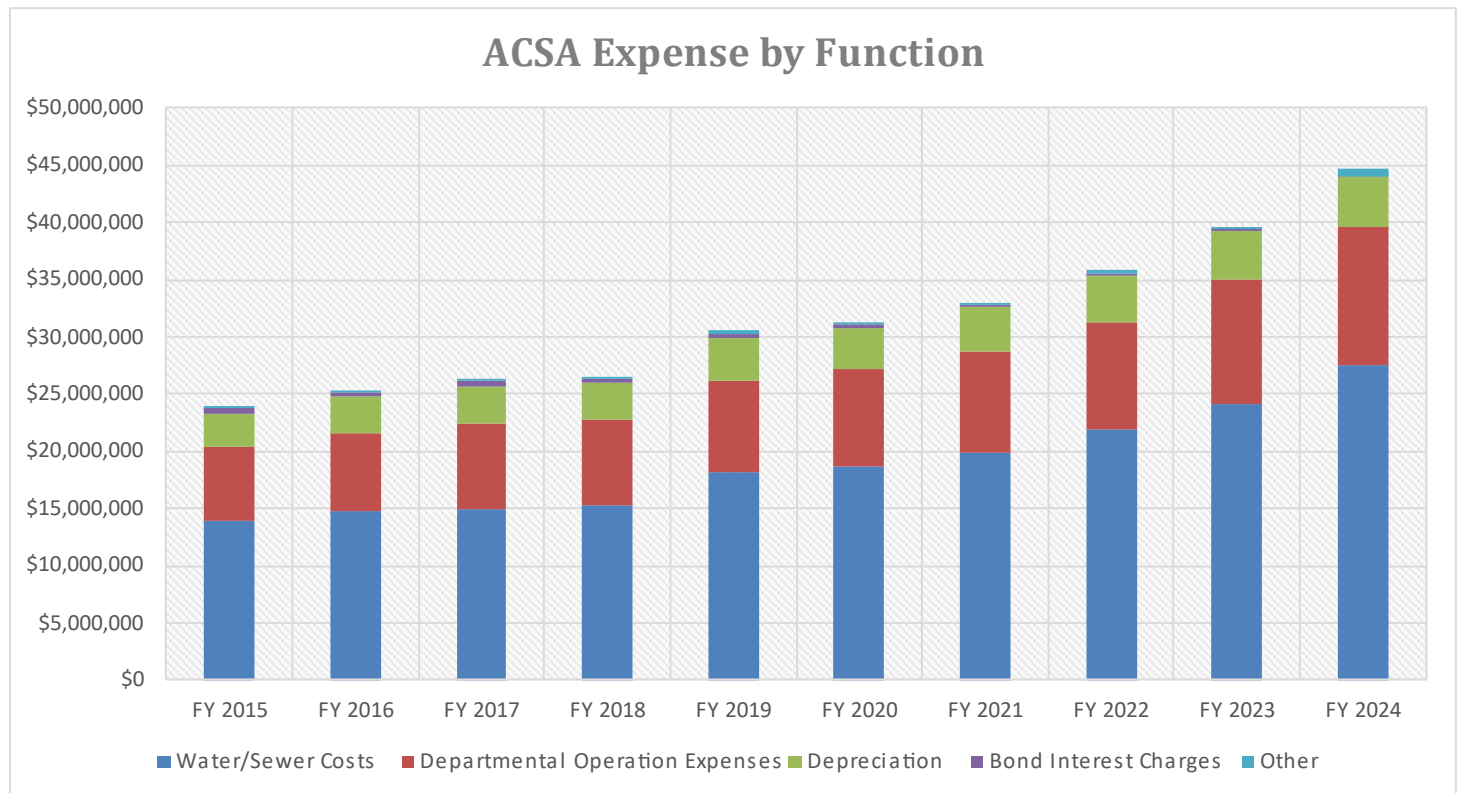
Source: ACSA Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.



Expense by Function

Fiscal Year	Water/Sewer Costs	Departmental Operating Expenses	Bond Interest Charges	Depreciation	Other	Total
2015	\$ 13,901,732	\$ 6,433,114	\$ 414,813	\$ 3,026,916	\$ 193,203	\$ 23,969,778
2016	14,795,643	6,843,659	395,056	3,158,144	22,163	25,214,665
2017	14,928,569	7,501,581	374,726	3,302,779	4,761	26,112,416
2018	15,289,280	7,404,479	353,776	3,336,765	55,201	26,439,501
2019	18,154,657	8,076,009	332,183	3,625,254	438,731	30,626,834
2020	18,694,581	8,441,727	309,946	3,669,899	7,553	31,123,706
2021	19,858,509	8,845,385	287,044	3,898,244	161,972	33,051,154
2022	21,923,767	9,271,273	235,937	4,114,076	325,933	35,870,986
2023	24,189,739	10,775,280	102,153	4,305,016	219,564	39,591,752
2024	27,585,689	12,051,902	82,250	4,354,813	681,357	44,756,011

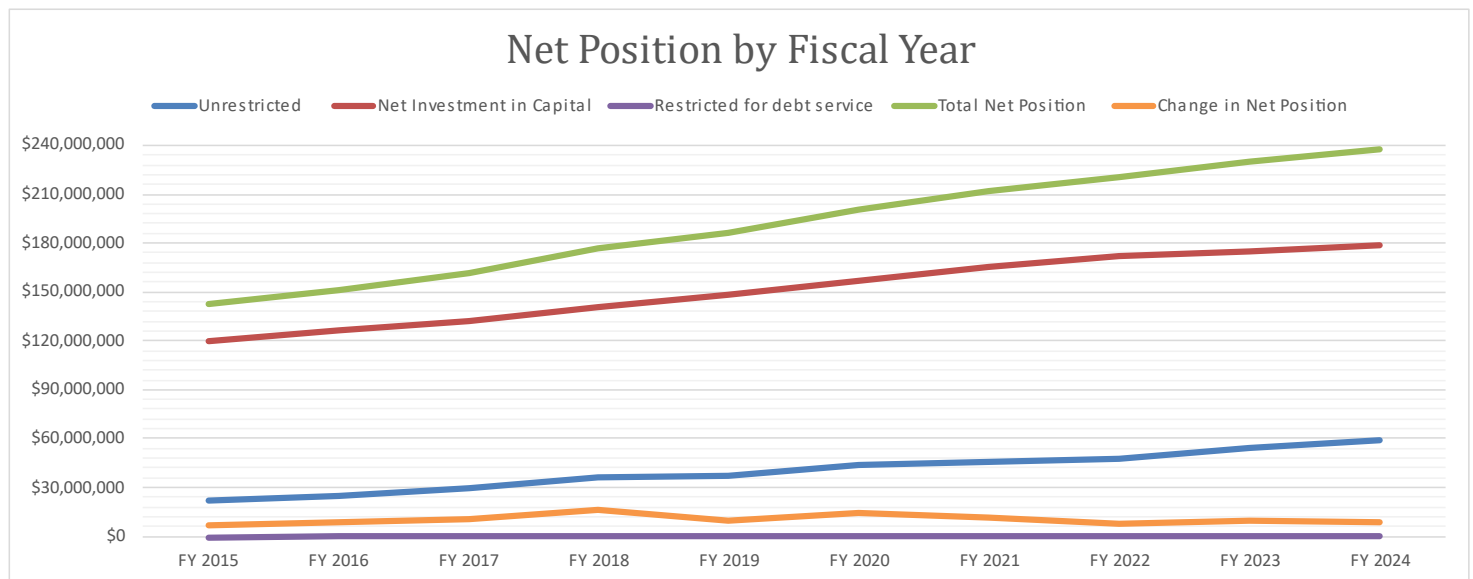
Source: ACSA Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.



Changes in Net Position

Fiscal Year	Beginning Net Position	Net Investment in Capital Assets	Restricted for debt service	Unrestricted	Ending Net Position	Change in Net Position
2015*	\$ 135,173,558	\$ 119,714,145	\$ 234,890	\$ 22,276,215	\$ 142,225,250	\$ 6,305,789
2016	142,225,250	126,311,674	240,591	24,423,916	150,976,181	8,750,931
2017	150,976,181	131,997,020	247,015	29,077,339	161,321,374	10,345,193
2018*	159,966,301	140,238,885	255,835	36,007,519	176,502,239	16,535,938
2019	176,502,239	148,180,254	264,343	37,580,516	186,025,113	9,522,874
2020	186,025,113	156,610,823	269,790	43,394,497	200,275,110	14,249,997
2021	200,275,110	165,640,741	272,895	46,047,071	211,960,707	11,685,597
2022	211,960,707	172,031,606	314,718	47,742,895	220,089,219	8,128,512
2023	220,089,219	175,247,805	331,531	53,942,334	229,521,670	9,432,451
2024	229,521,670	178,591,470	331,089	58,888,258	237,810,817	8,289,147

Source: ACSA records, * -- Beginning net position restated, in accordance with GASB Statements/other.



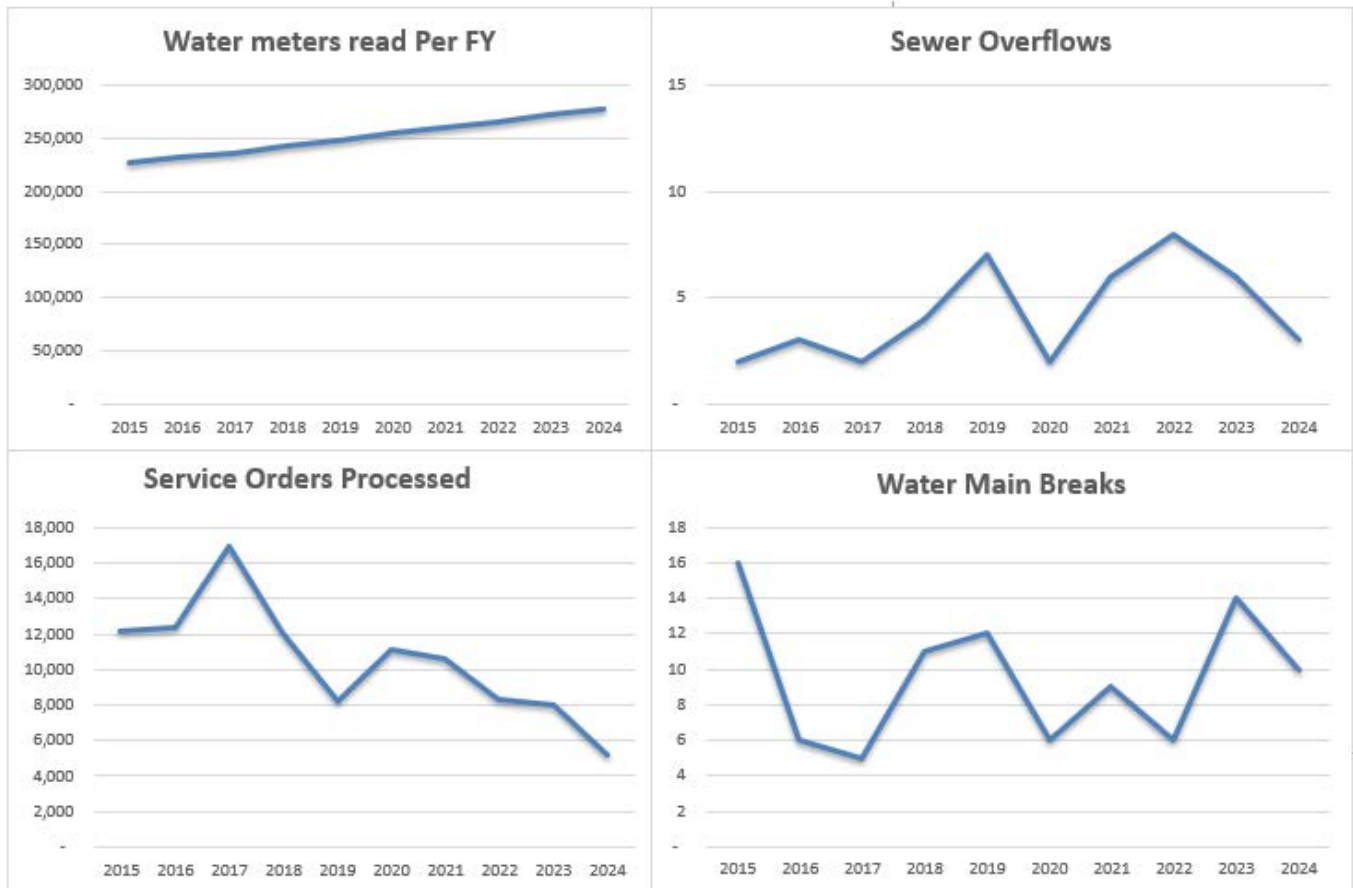
County Demographic and Economic Statistics

Calendar Year	Population	Personal Income (\$)	Per Capita Income (\$)	Per Capita Income as a Percent (%) of U.S. Average	School Enrollment	Unemployment Rate (%)
2014	104,489	\$ 8,420,079,000	\$ 56,851	128	13,677	4.7
2015	105,703	8,795,194,000	58,603	127	13,737	3.7
2016	106,878	9,182,721,000	60,294	125	13,792	3.5
2017	107,702	9,375,633,000	60,964	124	13,910	3.3
2018	108,718	10,531,351,000	67,630	131	14,013	2.7
2019	109,330	11,702,008,000	74,613	137	14,435	2.5
2020	112,395	12,160,701,000	77,657	138	13,532	5.4
2021	113,535	12,230,910,000	77,606	130	13,749	3.2
2022	114,534	13,670,666,000	85,867	134	13,970	2.7
2023	115,676	14,583,689,000	91,201	132	13,821	2.6

Source: ACSA Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

For the Year Ended June 30, 2024

Year Created	1964
Size of Service Area:	
Miles of water lines	377.84
Miles of sewer lines	318.64
Fire hydrants	3,142
Water pumping stations	8
Sewer Pumping stations	10
Water storage tanks	7



Source: ACSA Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

ACCRUAL BASIS OF ACCOUNTING – A basis of accounting under which increases and decreases in economic resources are recognized as soon as the underlying event or transaction occurs. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows.

ALBEMARLE COUNTY SERVICE AUTHORITY – ACSA – Established in 1964 to provide water and wastewater to residents in the County of Albemarle Virginia.

ANNUAL COMPREHENSIVE FINANCIAL REPORT -- ACFR – A set of financial statements that comply with the accounting requirements promulgated by the Governmental Accounting Standards Board.

AMERICAN WATER WORKS ASSOCIATION – AWWA – Established in 1881, AWWA is the largest nonprofit, scientific and educational association dedicated to managing and treating water. AWWA develops standards that represent a consensus of the water industry.

AMERICAN WITH DISABILITIES ACT – ADA – government regulations regarding discrimination based on disabilities.

ADVANCED METERING INFRASTRUCTURE – AMI – enhanced meter reading technology.

ASBESTOS CEMENT (AC) PIPE – A concrete pipe made of a mixture of Portland cement and asbestos fiber and highly resistant to corrosion.

AUTHORITY – A public agency which performs a specified range of services that are usually financed from fees or service charges.

BUDGET – A specific financial plan for the fiscal year that states the expenditures required to meet that plan of operations and identifies the revenue necessary to finance the plan.

CAPITAL CONTRIBUTIONS – Capital contributions are recorded for the receipt of funds, property, lines and improvements by developers, customers, or other governments.

CAPITAL IMPROVEMENT BUDGET – The budgetary expenditures as it relates to the Capital Improvement Program.

CAPITAL IMPROVEMENT PROGRAM (CIP) – The 10-year plan of capital projects which includes replacement or improvement to the service area water and sewer infrastructure as well as A.C.S.A. facilities improvements.

CLOSED CIRCUIT TELEVISION – CCTV – closed circuit television equipment used to monitor the inside of water and wastewater lines with the system infrastructure to detect blockages or leaks.

COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM – CMMS – A software system that maintains a computer database of information about an organizations maintenance operation, inventory, workorders, asset management, and customer requests.

ENTERPRISE FUND – An enterprise fund is a proprietary type of fund used to account for operations that are financed and operated in a manner similar to private business enterprises. The ACSA's intent is that the costs of providing goods or services to customers on a continuing basis be financed or recovered primarily through user charges.

EQUIVALENT RESIDENTIAL CONNECTION – ERC – costs associated with a new development connection.

FAMILY MEDICAL AND LEAVE ACT – FMLA – government regulatory agency regarding employee leave related to health issues.

FISCAL YEAR – FY -- A 12-month period designated as the operating year for accounting and budgetary purposes. The ACSA's fiscal year runs from July 1 through June 30.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES – GAAP – accounting guidelines used to report financial information in a relevant and reliable manner.

GEOGRAPHIC INFORMATION SYSTEM – GIS – information system used to geographically locate areas within the ACSA service area.

GOVERNMENT FINANCE OFFICERS ASSOCIATION – GFOA – association that represents public finance officials throughout the United States and Canada. The GFOA's mission is to promote excellence in state and local government financial management.

GRANULAR ACTIVATED CARBON – GAC—An advanced water filtration system to provide fresh, clean water to residents.

HEATING, VENTILATION, AIR CONDITIONING – HVAC – system designed to provide heat, air, and appropriate ventilation within the ACSA operating facilities.

INFLOW AND INFILTRATION – (I&I) – groundwater and stormwater that enter a sewer system.

INFORMATION TECHNOLOGY – IT – a department within the organization responsible for all technological operating aspects of the ACSA.

LONG-TERM DEBT – Debt with a maturity of more than one year after the date of issuance.

NET POSITION – The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the ACSA or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION – OSHA – government regulatory agency regarding health and safety issues in the workplace.

OPERATING AND MAINTENANCE RESERVES – O&M RESERVES – serves as working capital to cover the time delay between operating revenues and expenditures.

OPERATING BUDGET – A financial plan for future operations based on estimated revenues and expenditures for a specific period.

OPERATING EXPENDITURES – Expenses which are directly related to the organization's primary activities.

OPERATING REVENUES – Revenues directly related to the ACSA’s primary service activities and derived from user charges for services.

OTHER POST-EMPLOYMENT BENEFITS – OPEB – Refers to benefits, other than pensions, that ACSA employees receive as part of his/her retirement benefits.

POLYVINYL CHLORIDE – PVC – a synthetic resin used to make piping that is used in the ACSA water and wastewater infrastructure.

PROPERTY, PLANT, AND EQUIPMENT – a category that defines fixed assets of the ACSA.

PUMP STATION – Structure containing pumps, controls, valves, piping and electrical equipment for pumping water or wastewater from one place to another. In the water industry, a pump is used to pump water from the source to the customer or to a storage tank, a sewer pump station is used to pump sewage from a wet well or manhole to another manhole at a higher elevation.

REPAIR, REPLACEMENT, AND REHABILITATION FUND – 3R – a fund established to support the unexpected repair, replace and rehabilitation of ACSA water system infrastructure.

RESERVE – Cash and investments accumulated to provide for contingencies and planned/unplanned major expenses.

RIVANNA WATER AND SEWER AUTHORITY – RWSA – wholesale provider of water and wastewater treatment for the ACSA.

SANITARY SEWER EVALUATION SURVEY – SSES – a systematic evaluation of a sanitary sewer system or portion that identifies the condition of sewers, manholes, pump stations and identifies I & I sources, locations, and associated extraneous flow rates.

SANITARY SEWER OVERFLOWS – SSO – overflows of the sewer system caused by the buildup of products within the wastewater pipes.

SUPERVISORY CONTROL AND DATA ACQUISITION – SCADA – A control system that uses computers, networked data communications and graphical user interfaces for high-level process supervisory management but uses other peripheral devices such as programmable logic controllers to interface to the pump stations, water tanks, or pressure reducing valves instruments.

T.G. – Rate used to define water per Thousand Gallons.

A lign

Values

We align ourselves with our core values of honesty, trust, integrity, mutual respect, open communication, and employee empowerment.

C ommit

Community

We commit to provide responsive customer service, to collaborate fully with our community partners, and to promote conservation and environmental stewardship.

S trive

Internal Focus

We strive 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 spire

Future

We aspire to practice strategic foresight and fiscal responsibility while embracing innovation.

Vision

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

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.*