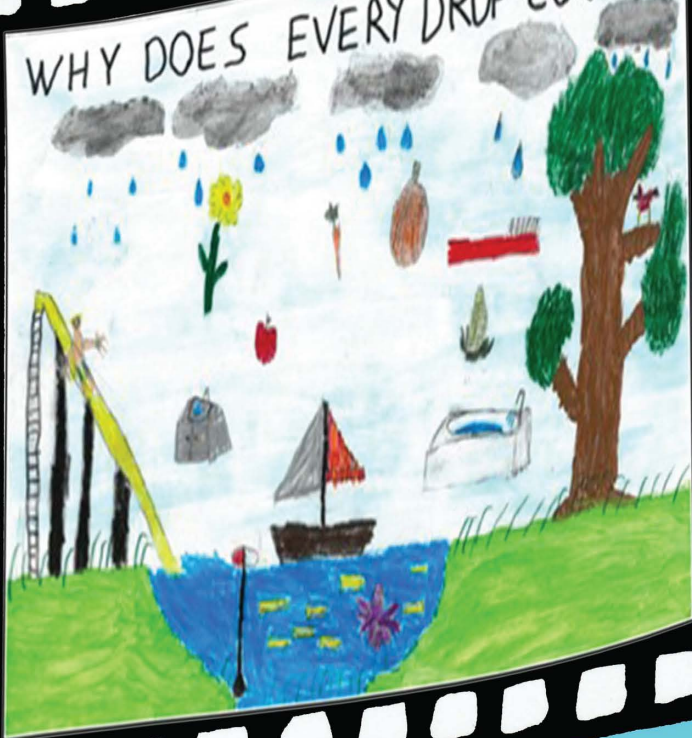


# Albemarle County Service Authority

Serving • Conserving



WHY DOES EVERY DROP COUNT?



## Fiscal Year 2019 Proposed Annual Operating and Capital Improvement Budget July 1, 2018 to June 30, 2019

Adopted June 21, 2018

About the cover: The A.C.S.A. has participated in the Value of Water Campaign's "Imagine a Day Without Water" to help bring awareness to the community about the value of water. The drawings on the cover were done by two Albemarle County students, Spencer Envall and Annie Meng, who participated in the annual artwork contest.

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April 19, 2018

Board of Directors  
Albemarle County Service Authority  
Charlottesville, Virginia

Dear Board Members:

The Albemarle County Service Authority (ACSA) mission remains serving our customers by providing safe, clean and reliable water and exemplary wastewater services with a strong fire protection infrastructure. We remain committed to working with our community partners as we maintain and improve our utility system in a timely, cooperative, and financially responsible manner. The proposed Fiscal Year 2019 budget totals \$33,291,000 and reflects our continuing commitment to safe and clean water. As our Vision Statement confirms, “serve and conserve today, sustain for tomorrow, and protect our resources forever.”

In Fiscal Year 2019, the ACSA proposes to spend \$6,127,450 on ACSA capital improvements for safe drinking water delivery and the collection of wastewater for treatment. We continue to increase our investment in improving our water and sewer infrastructure through this proposed budget.

Our regional partner, the Rivanna Water and Sewer Authority (RWSA), plans to spend nearly \$16 million next year towards clean water and wastewater treatment capital projects. This is significant to ACSA customers not only for providing safe and clean water, but over 60% of our customer’s water and sewer bill goes towards paying for purchased RWSA water and wastewater treatment. The RWSA is also proposing upgrades at both the Observatory Water Treatment Plant and the Crozet Water Treatment Plant. These projects are expected to substantially increase capacity in both plants. The completion of a new and greatly improved water treatment process using Granular Activated Carbon (GAC) filtering, which is one more step toward higher quality drinking water for ACSA customers, will be coming online the spring of 2018.

We are pleased to present ACSA’s Proposed Operating and Capital Improvement Budget for Fiscal Year 2019 (July 1, 2018 to June 30, 2019). The FY 2019 Budget is largely a “maintenance” budget with an increase in the cost of purchased water and wastewater treatment from the RWSA. RWSA costs are projected to increase by \$1,239,885 with purchased water increasing 8.9% and wastewater treatment increasing 6.4%. We continue to invest in improving our water and sewer infrastructure through this proposed budget.

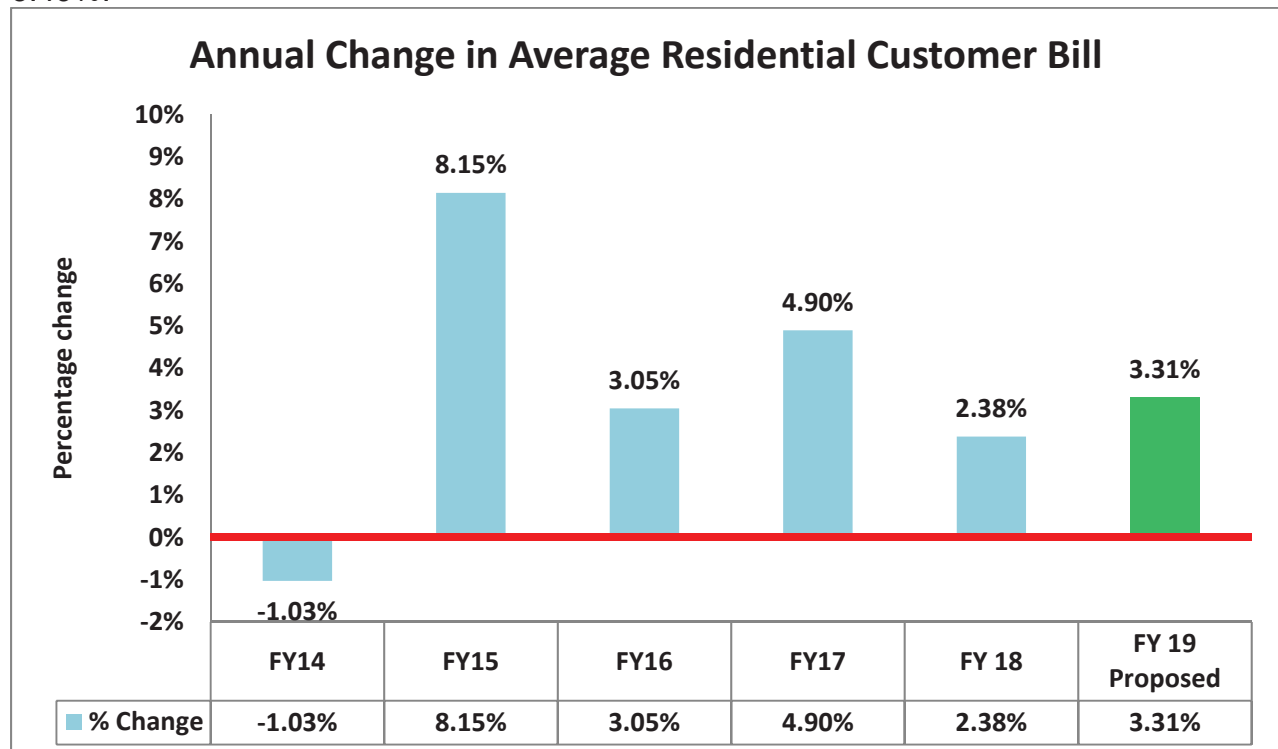
We are proposing a monthly user rate increase to maintain pace with expected expenses. The average residential customer, using 4,000 gallons will see a 3.31% increase in their water and sewer bill, or a \$2.09 increase monthly.

### ACSA Water and Sewer Monthly User Rates

	FY 2018	FY 2019
<b>Service Charge</b>	\$ 7.92	\$ 8.16
<b>Volume Charge - Single-Family Residential (per 1,000 gallons)</b>		
Level 1 (0-3,000 gallons)	\$ 4.11	\$ 4.27
Level 2 (3,001-6,000 gallons)	\$ 8.22	\$ 8.55
Level 3 (6,001-9,000 gallons)	\$12.33	\$12.82
Level 4 (over 9,000 gallons)	\$16.44	\$17.10
<b>Multi-Family/Non-Residential (per 1,000 gallons)</b>	\$ 7.93	\$ 8.25
<b>Sewer/All Users (per 1,000 gallons)</b>	\$ 8.67	\$ 8.93

Even with the rate increase, one penny equates to over 2.3 gallons, which is a very good value for the ACSA's reliable, high quality, and safe drinking water.

Over the past five (5) years, the ACSA customer has seen changes in the monthly user rates. For the current year beginning July 1, 2017, the average residential customer saw an increase of 2.38%. The average increase over the prior five years is 3.49%.



**Five Year Average Change (FY's 14-18): 3.49%**

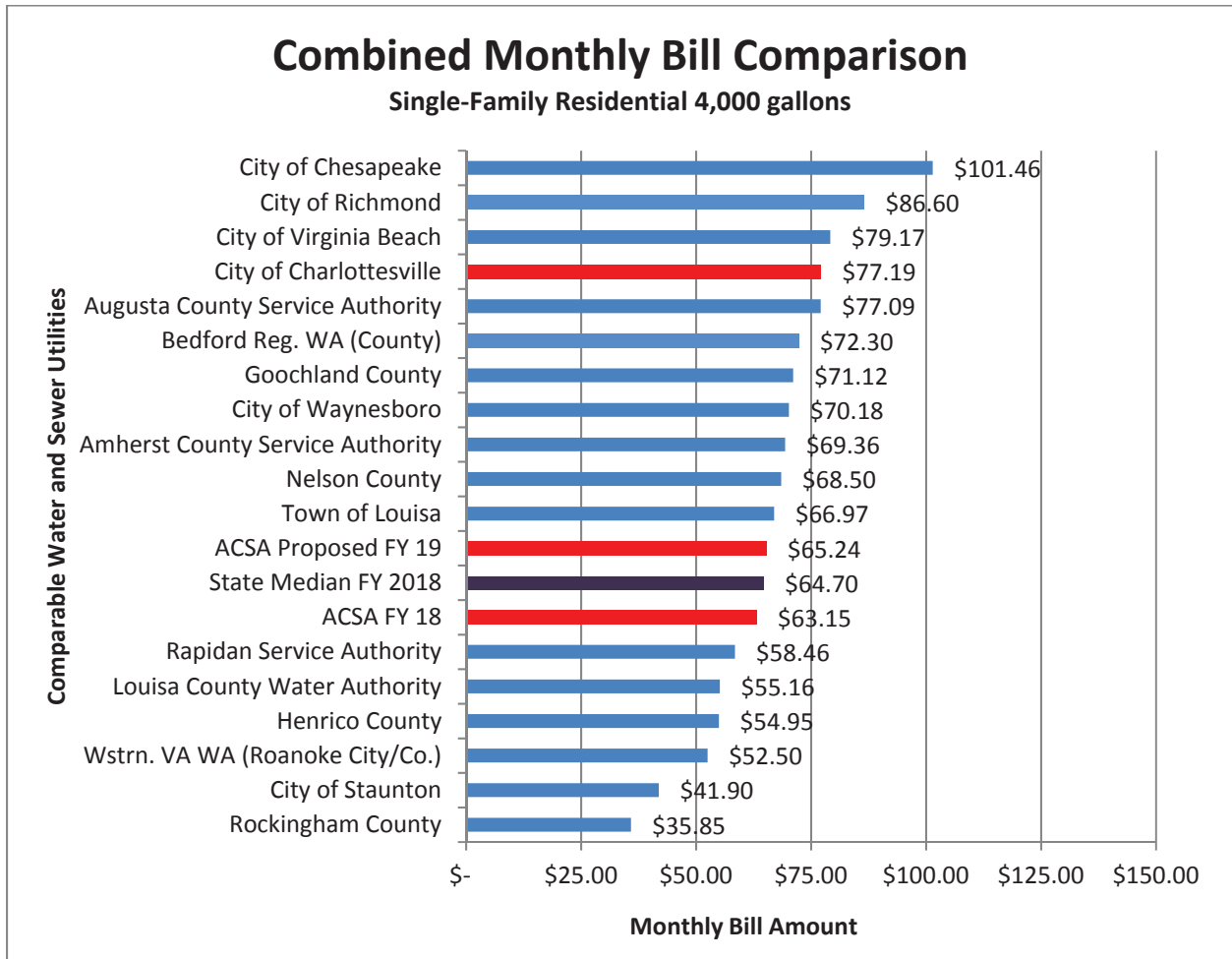
Following a comprehensive rate study and performing extensive analysis of the cost of service utilizing our rate model, we are proposing that the monthly service charge be increased. The service charge for a 5/8" meter will increase to \$8.16 per month, a \$0.24 increase over prior year. This update reflects the actual base cost of doing business.

### Rate Design – Monthly Service Charges

Meter Size (inches)	Water Customer Accounts	Current	Recommended
		FY 2018	FY 2019
5/8	18,397	\$7.92	\$8.16
1	604	\$ 15.22	\$ 15.68
1 ½	350	\$ 27.42	\$ 28.24
2	179	\$ 42.03	\$ 43.29
3	52	\$ 81.04	\$ 83.47
4	18	\$ 124.90	\$ 128.65
6	0	\$ 239.55	\$ 246.74

The service charge covers the cost to appropriately allocate the 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, shared among the customer classes.

The ACSA average customer bill has been less than the statewide median, and is less than the City of Charlottesville’s comparable residential bill.



Source: 29<sup>th</sup> Annual Water and Sewer Rates Dashboard , [www.daa.com/va-rate-study/](http://www.daa.com/va-rate-study/); 150 rate structures compared in Virginia

The Proposed ACSA Fiscal Year 2019 Operating Expenses totals \$23,462,689, as compared to \$22,160,001 for the current budget year (FY 2018). This represents an increase of \$1,302,688, or 5.9% over the previous year. Our Capital Improvement Program (CIP) is proposed to be \$6,127,450, as compared to the current budget of \$5,586,800, and includes a continuation of major capital investment in our system, with an emphasis on needed water main replacements.

This budget also proposes that water and sewer connection charges for new development remain at the current total rate, water at \$6,650 per Equivalent Residential Connection (ERC) and sewer at \$6,820 per ERC. This is based on a recent rate study and detailed analysis of the cost of providing new connections to the ACSA and RWSA systems, and the needed capacity to be able to serve new development. Capacity related projects create the need to re-evaluate connection charges on an annual basis.

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 are some of the most important challenges facing the ACSA. To manage these challenges, these budgets are built on a solid foundation of over 50 years of water and sewer utility service to our customers in the Albemarle, Crozet and Scottsville communities.

Collectively, we have developed a budget that assures both financial sustainability and quality services to our customers. To everyone involved in the budget development process, from every employee to the Board of Directors, we thank you. We also would like to thank the ACSA Leadership Team of Mike Lynn, Pete Gorham, Travis Marrs, and Emily Niziolek, and the ACSA staff for their work in developing the operating budget, and to Pete Gorham and the Engineering staff for the development of the Capital Improvement Program (CIP) Budget. The proposed FY 2019 Budget follows the rate recommendations as noted in the financial rate model.

Consistent with our Strategic Plan, this proposed budget includes several new initiatives to help leverage our assets and technology, which will improve operational efficiency throughout the ACSA. These initiatives are presented in detail throughout the budget document.

These budgets and proposed rates maintain the ACSA vision for a strong financial future, while ensuring continual improvements to meet the challenges of the future for the Albemarle community we serve daily.

Sincerely,



Gary O'Connell  
Executive Director



Quin Lunsford  
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 54th year of water and sewer service to the Albemarle Community.

**Employees:**

Approximately 77 people are employed at the ACSA in five operating departments: 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. Additional testing information can be found in our annual drinking water quality report at [www.serviceauthority.org](http://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 56% of our water and sewer mains are less than 25 years old, when a 60-year life can be expected.

**Water Distribution System:**

ACSA delivers water through 345 miles of interconnected pipes, 8 water pumping stations, 8 water storage tanks, and 2,590 fire hydrants.

**Sewer Collection System:**

Over 288 miles of sanitary sewer mains and 12 sewer pump 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. Even with a rate increase next year, 2.3 gallons of ACSA water costs one cent.

**ACSA Service Area:**

The ACSA provides service to over 72,800 residents, with over 19,500 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 is able to fund most capital projects out of the annual budgets. The ACSA's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2017, from which the information within the Budget Appendices/Supplemental Section (Section VI) has been drawn, was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual 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 comprehensive annual 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.

The ACSA was awarded the Distinguished Budget Presentation Award from the GFOA for its FY 2018 budget. This marks the second consecutive year receiving this award and recognizes the ACSA's commitment to the highest principals of governmental budgeting.

**Customer Service:**

ACSA communicates valuable customer related information through bill inserts, bi-annual newsletters, the website [www.serviceauthority.org](http://www.serviceauthority.org), Twitter, Facebook, and Instagram. An after-hours emergency phone service operates for receiving and responding to a variety of emergency calls from customers. We can be contacted at (434) 977-4511 or [webmaster@serviceauthority.org](mailto:webmaster@serviceauthority.org).

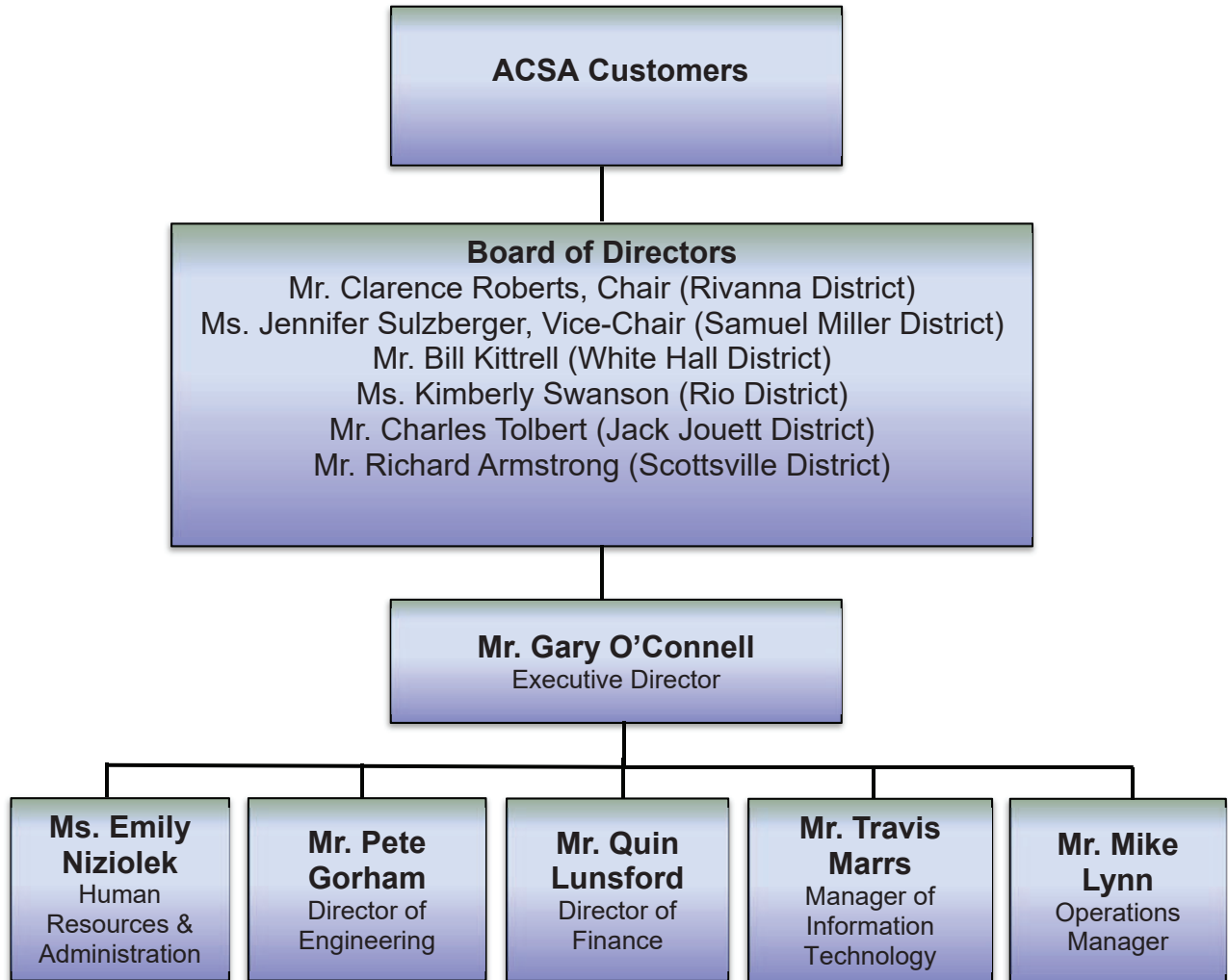
**Governance:**

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 Authority. The Executive Director reports to the Board, and manages the day-to-day operations and performance of the ACSA.

**ACSA Financial Information:**

- FY 2019 Total Budget: \$33,291,000;
- FY 2019 Capital Improvements Budget: \$6,127,450

# ACSA Leadership



### **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 1973, 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 54 years later, provides water distribution and wastewater collection services to 19,500+ accounts with over 345 miles of water mains and over 288 miles of sanitary sewer mains within our service area, including the urban areas of Albemarle County, and nearby communities of Scottsville and Crozet. The community enjoys 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 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 is a true reflection of the ACSA's vision to "serve and conserve" and helps us establish 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 has established six theme areas in which to achieve positive change. These themes group our priorities as we carry out our mission and allow us to focus our resources in a way that moves us closer to our vision for the future. Incorporated within each of our theme areas are communications with our customers, community partners, and staff. To realize our vision, we believe it is necessary to achieve meaningful outcomes in each of these themes:

- Asset Management – Management of resources and infrastructure used in the operations of the ACSA's water and wastewater system.
- Employees – The people that have accepted the responsibility and duties in the operation of the ACSA, maintaining the high standards of quality to ensure our systems are efficient and effective.
- Operations – A systematic approach to provide essential services for our customer in the function and maintenance of existing and proposed assets for optimal system resources and performance.
- Customer Service – To complete interactions with our rate payers by providing accurate and timely information to notify changes of processes within the ACSA or upon specific account holder request.
- Finance – The accounting practices and methods used to ensure financial stability now and in the future, protecting assets and the investments of funds that have been utilized in the operation of the ACSA's infrastructure.
- Technology – Implementing modern concepts and approaches to acquire and create resources in data distribution/acquisition, communications and documentation.

In addition to the themes, the ACSA has developed detailed strategy and measurement criteria related our goals. The entire 5-year strategic plan can be located on our website at [www.serviceauthority.org](http://www.serviceauthority.org).

### **Fund Descriptions and Fund Structure**

The Authority 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 fund used to account for operations that are financed and operated in a manner similar to private business enterprises. The Authority'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 Authority 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 Authority. 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 Authority's annual budget is based on the accrual method of accounting and is structured to reflect the same formats as the Authority'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 Authority has developed and adopted Comprehensive Financial Management Policies (Policies) to ensure that the Authority 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 Authority's ability to prepare for and insulate itself from fiscal crisis by being able to better manage stressful financial internal and external events.
- Enhances the ability to realize the most favorable rates in the event the Authority deems debt financing necessary.
- Promotes long-term financial stability by establishing clear and consistent guidelines.
- Directs attention to the total financial picture of the Authority 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 Authority will budget for all current operating expenditures to be paid for with operating revenues.
- The Authority 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 Authority 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 Authority 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 Authority reserves.

### **Capital Budget Policies**

- The Authority 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 Authority and will serve as authorization for project execution by the Board.
- The Authority will maintain all capital assets at a level adequate to protect the Authority's capital investment, meet permitted regulatory requirements, and to minimize future maintenance and replacement costs.

### **Reserve Policies**

- The Authority has implemented "best management practices" which dictate that cash/investment reserves be accumulated to provide for contingencies and planned/unplanned major expenses. The Authority 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 is to maintain a minimum reserve equal to three months of operating expenses as calculated from the previous fiscal year. Water and wastewater rates are to be set accordingly to ensure the O&M fund maintains the three-month target.
  - 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 Authority.
  - Capacity and Growth Reserves: The Capacity and Growth Reserves are established to fund capacity or growth-related costs or charges. This reserve is 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 Authority’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 into 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. Regular analyses of covenants will be performed by staff in conjunction with other periodic duties.
- The Authority is not subject to legal debt limitations, and has issued no debt which is overlapping with other jurisdictions during the last ten fiscal years.

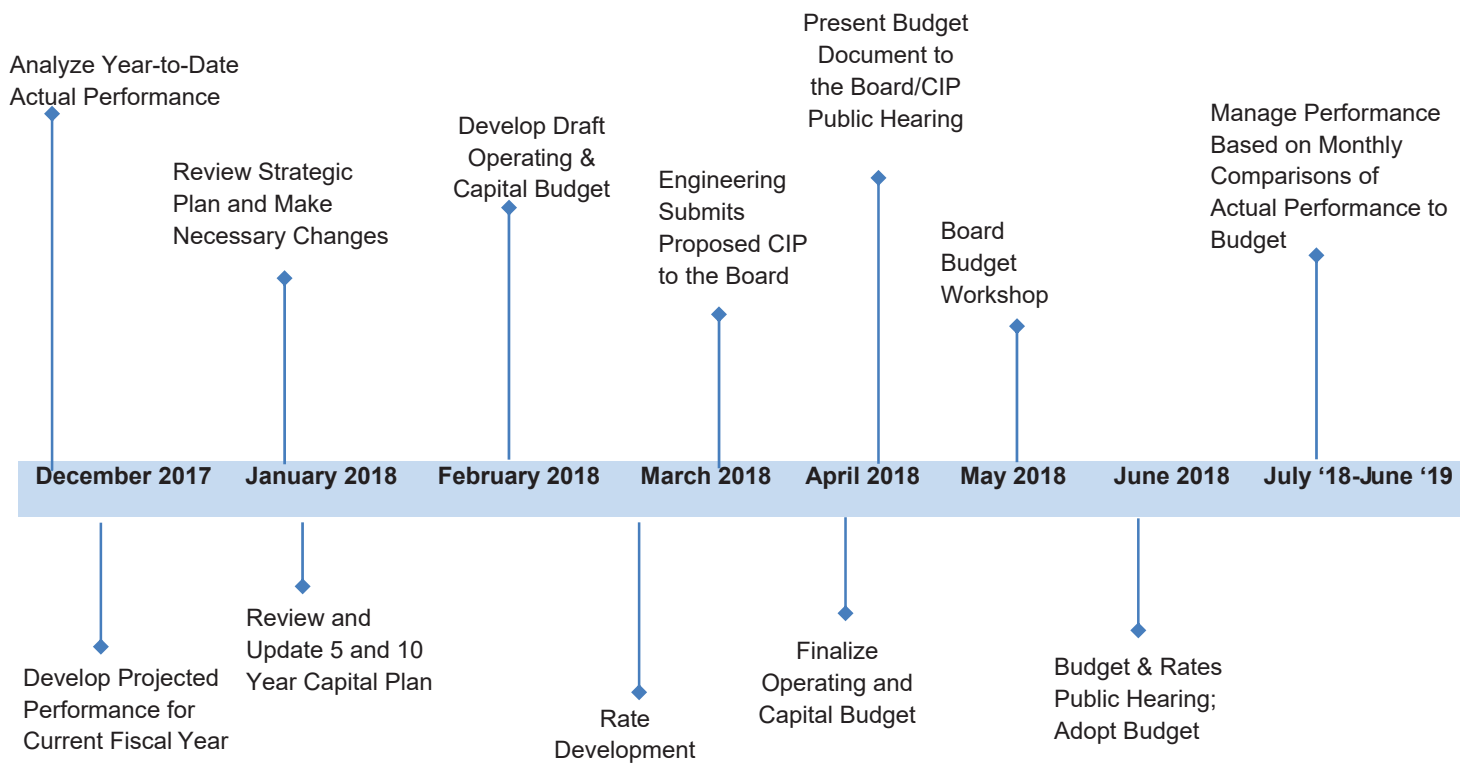
## **Budget Process**

The Authority must adopt its budget prior to July 1<sup>st</sup> of each year. Development of the budget is influenced by the strategic plan, organization goals and objectives, and external factors such as economic conditions. The Board, Authority 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 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 understanding of the requirements 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.

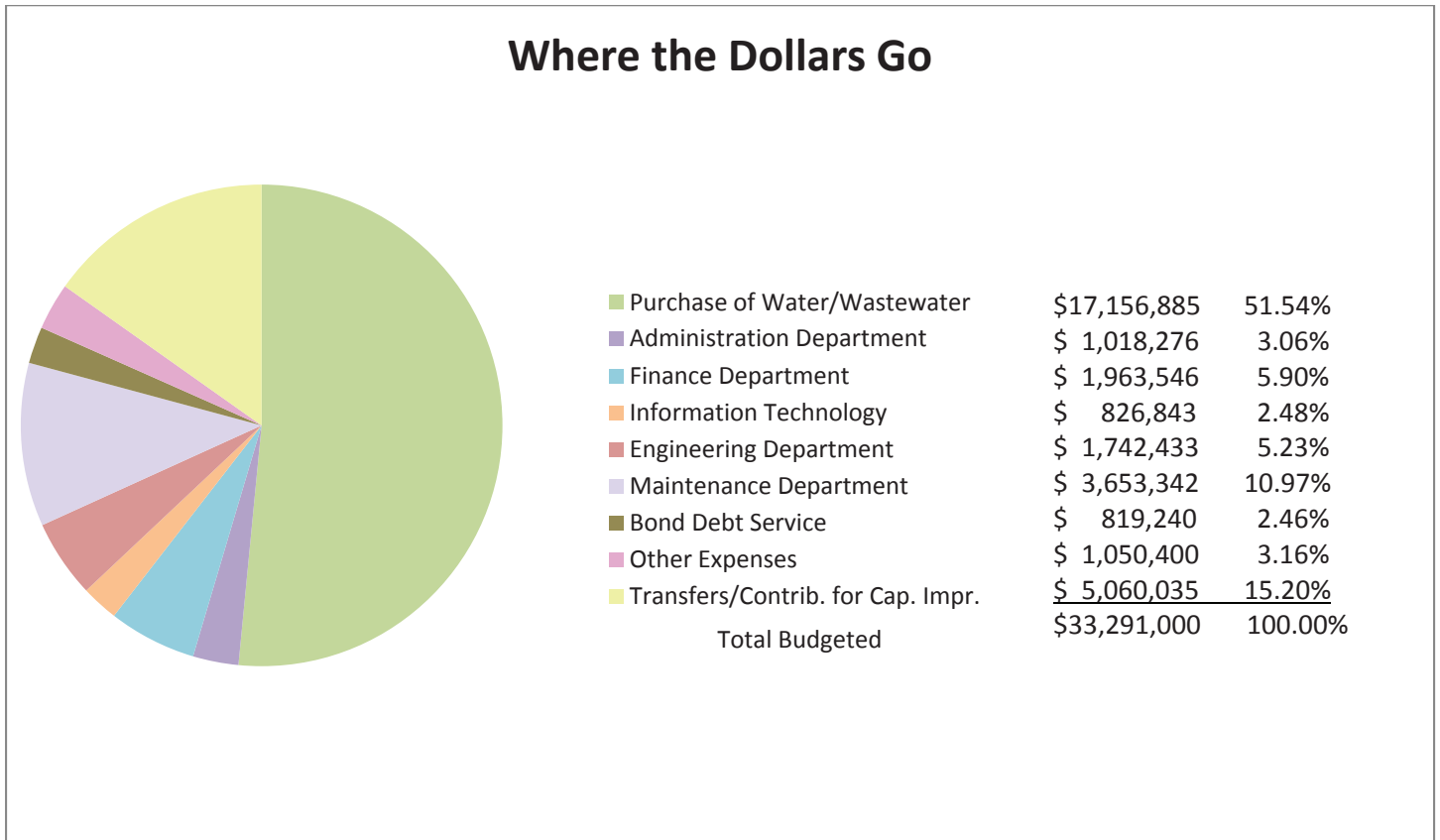
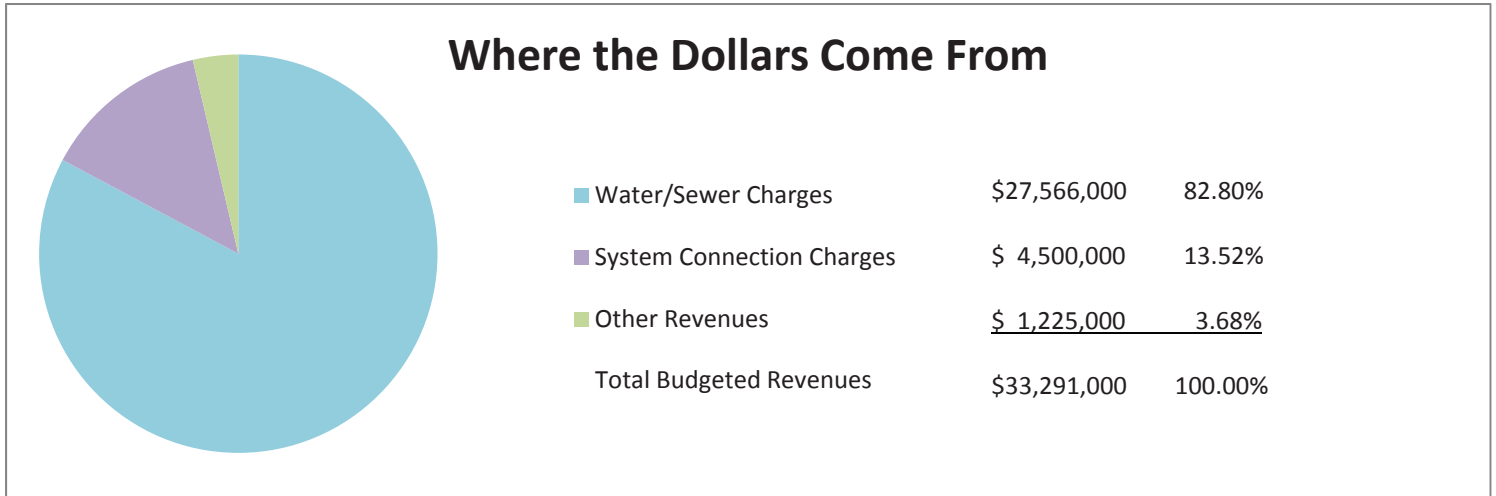
During this same time, the Finance Department is developing the overall operating budget for the Authority. The team meets with each individual department to develop operating expenses using trend, usage data, and inflation factors to determine any increase/decrease in expenses. Along with this, discussions 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 from 2018 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 May each year. Public comment and budget workshops are held for discussion 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 Authority.



**OVERVIEW**

The ACSA's Fiscal Year 2019 Total Budget is \$33,291,000:



**Operating Expenses:**

- Approved FY 2018 Operating Budget Expenses totaled \$22,160,001
- Proposed FY 2019 Operating Budget totals \$23,462,689

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

- Approved FY 2018 totaled \$13,091,830
- Proposed FY 2019 totals \$14,258,249 or 60.77% of the Operating Budget
- Largest single expenditure increase, totaling \$1,166,419

**Departmental Operating Budgets:**

- Approved FY 2018 - \$9,068,171
- Proposed FY 2019 - \$9,204,440
- Increase of \$136,269

**Debt Service (Principal and Interest) Expense:**

- Approved FY 2018 - \$826,600
- Proposed FY 2019 - \$819,240

**Operations:**

**Top Budget Priorities:**

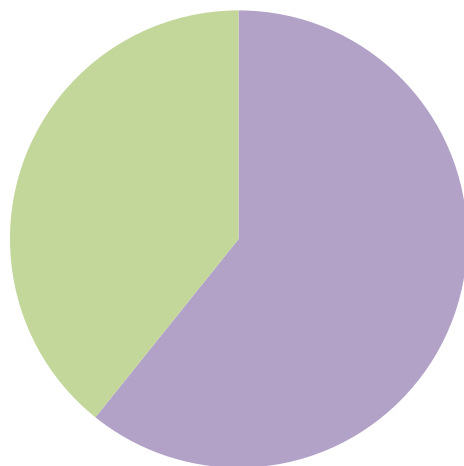
- High quality water delivered to our customers
- Maintain current ACSA programs and services
- Meet financial obligations and financial sustainability
- Elevated level of customer service
- Strategic initiatives
- Invest in our infrastructure
- Major maintenance investments – ongoing
- Invest in our employees

**Top Operating Initiatives:**

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

**Other ACSA Initiatives:**

- Continued implementation of the Strategic Plan
- Succession planning for employee continuity



■ Purchased Water/Wastewater	\$14,258,249	60.77%
■ ACSA Departmental Budget	<u>\$ 9,204,440</u>	<u>39.23%</u>
Total	\$23,462,689	100.00%

Water and Sewer Rates – Fiscal Year 2019 Proposed:

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

- Purchased water from RWSA Urban wholesale rate increase of 6.1%;
- Purchased water from RWSA for the communities of Crozet increased 21.5% and increase for Scottsville by 5.7%;
- Purchased Urban wastewater treatment RWSA wholesale rate increase of 6.5%;
- Purchased wastewater treatment from RWSA for the communities of Scottsville and Glenmore each increased by 5.8%;
- Total ACSA Operating Budget increase of 5.9%;
- Capital Improvements Program of \$6.127 million.

**ACSA Water and Sewer Monthly User Rates**

	FY 2018	FY 2019
<b>Service Charge</b>	\$ 7.92	\$ 8.16
<b>Volume Charge - Single-Family Residential (per 1,000 gallons)</b>		
Level 1 (0-3,000 gallons)	\$ 4.11	\$ 4.27
Level 2 (3,001-6,000 gallons)	\$ 8.22	\$ 8.55
Level 3 (6,001-9,000 gallons)	\$12.33	\$12.82
Level 4 (over 9,000 gallons)	\$16.44	\$17.10
<b>Multi-Family/Non-Residential</b>	\$ 7.93	\$ 8.25
<b>Sewer/All Users (per 1,000 gallons)</b>	\$ 8.67	\$ 8.93

Monthly, based on usage noted below, single-family customers will see an increase from \$0.75 to \$4.55.

**Sample Monthly Combined (Water and Sewer) Bills**

Combined Water and Sewer	Meter Size	Monthly Usage (gallons)	Current Bill	Recommended FY 2019 Bill	Monthly \$ Increase
<b>Single-Family</b>					
Minimal User	5/8	1,200	\$ 23.25	\$ 24.00	\$0.75
Small User	5/8	2,500	\$ 39.88	\$ 41.16	\$1.28
Median	5/8	3,400	\$ 53.02	\$ 54.75	\$1.73
Large User	5/8	6,200	\$ 101.13	\$ 104.55	\$3.42
Excessive User	5/8	7,700	\$ 132.63	\$ 137.18	\$4.55
<b>Multi-Family/Non-Residential*</b>					
Multi-Family	1	33,700	\$ 574.64	\$ 594.65	\$20.01
Com. (Offices)	1	6,300	\$ 119.80	\$ 123.91	\$ 4.11
Com. (Other)	5/8	4,700	\$ 85.94	\$ 88.91	\$ 2.97
Industrial	1 1/2	16,500	\$301.33	\$311.71	\$ 10.38
Institutional	5/8	13,000	\$ 223.72	\$ 231.50	\$ 7.78

### **Why does the ACSA need a rate increase?**

There are two main reasons: First, the increase in purchased water from our regional provider Rivanna Water and Sewer Authority (RWSA), is our single largest cost input; secondly, the ACSA's cost of doing business and operating costs have increased, specifically related to changes in salaries, supplies, services, and maintenance costs.

### **Why is the Purchase of Water Cost 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 nearly 9%. The cost increase of purchased water is due to a variety of factors but water treatment plant expansion in the Urban and Crozet systems as well as water treatment costs related to Granular Activated Carbon (GAC) contribute to this increase.

### **How much will my bill increase?**

The average residential customer who uses 4,000 gallons a month will see their water and sewer bill increase by \$2.09. About 90% of our customers are single-family residential water users, using on average between 3,300 - 5,000 gallons a month. The monthly bill varies by how much water is consumed and sewer used.

### **How does this rate increase compare to previous years?**

The ACSA current year increase in customer rates is 3.31%, which is below our five-year average of rate changes. The five-year average increase has been approximately 3.5% each year.

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

We review spending very carefully in each budget, but as a growing utility, adding 1-2% new customers annually, our costs to provide service continue to increase each year. Purchased water and wastewater treatment comprises 61% 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, the ACSA rates compare favorably. We consistently have been below the state-wide median on residential water and sewer bills, and are less than a comparable bill, for example, to our neighboring City of Charlottesville.

### **Why is the ACSA spending over \$6 million this year on Capital Projects?**

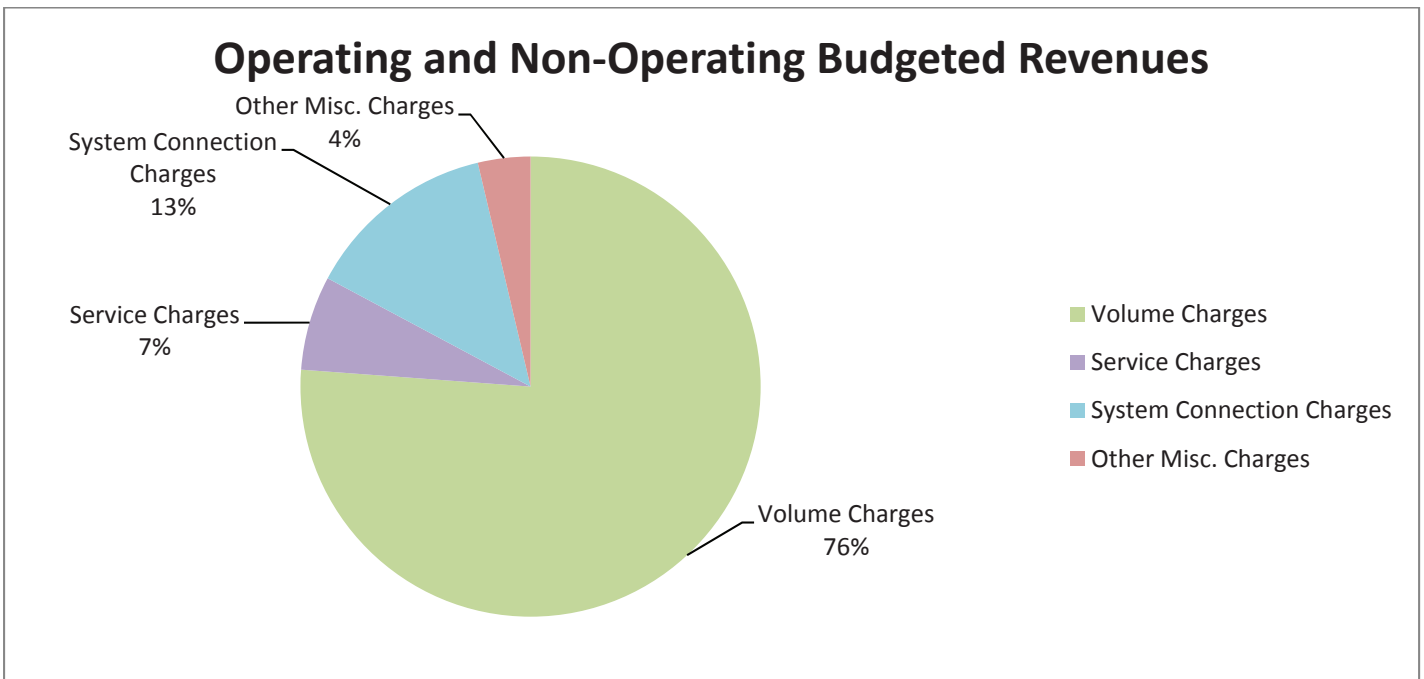
Many parts of the ACSA are aging with some components more than 40-50 years old. As part of our capital planning, we continue to make improvements in our system through rehabilitation and replacement. This is done to ensure you, the customer, of reliable water and sewer service, to meet water quality standards, and wastewater environmental requirements.

### **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 by developers. To help pay for the 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 2019 charges or \$13,470.

	<b>FY 2018 Approved Budget</b>	<b>FY 2019 Proposed Budget</b>	<b>Proposed as % of FY 2018</b>
<b>OPERATING REVENUES</b>			
Total Volume Charges	\$ 24,019,000	25,360,000	105.6%
Total Service Charges	2,087,000	2,206,000	105.7%
<b>Total Operating Revenues</b>	<b>26,106,000</b>	<b>27,566,000</b>	<b>105.6%</b>
<b>NON-OPERATING REVENUES</b>			
System Connection Charges	4,384,000	4,500,000	102.6%
Rental Income	13,500	16,000	118.5%
Interest Income	150,000	400,000	266.7%
Misc. Utility Charges	635,000	648,000	102.0%
Inspection Fees	30,000	33,000	110.0%
Plan Review & FOG Permit Fees	55,000	20,000	36.4%
Build America Bond Subsidy	115,000	108,000	93.9%
<b>Total Non-Operating Revenues</b>	<b>5,382,500</b>	<b>5,725,000</b>	<b>106.4%</b>
<b>Total Operating &amp; Non-Operating Revenues</b>	<b>31,488,500</b>	<b>33,291,000</b>	<b>105.7%</b>
<b>OPERATING EXPENSES</b>			
Purchase of Water/Wastewater	13,091,830	14,258,249	108.9%
Administration Department	975,800	1,018,276	104.4%
Finance Department	1,984,200	1,963,546	99.0%
Engineering Department	1,682,200	1,742,433	103.6%
Maintenance Department	3,581,171	3,653,342	102.0%
Information Technology	844,800	826,843	97.9%
<b>Total Operating Expenses</b>	<b>22,160,001</b>	<b>23,462,689</b>	<b>105.9%</b>
<b>NON-OPERATING EXPENSES</b>			
Capital Equipment Acquisition	292,300	41,000	14.0%
Planned Equipment Replacement	127,500	649,400	509.3%
Repair, Renewal, & Rehabilitation Reserves	390,000	360,000	92.3%
Existing Debt Service and Amortization	826,600	819,240	99.1%
Debt Service for RWSA Growth Projects – Water	1,596,955	1,670,598	104.6%
Debt Service for RWSA Growth Projects – Wastewater	1,228,215	1,228,038	100.0%
Transfer for Capital Expenses	4,866,929	5,060,035	104.0%
<b>Total Non-Operating Expenses</b>	<b>9,328,499</b>	<b>9,828,311</b>	<b>105.4%</b>
<b>Total Operating &amp; Non-Operating Expenses</b>	<b>\$ 31,488,500</b>	<b>33,291,000</b>	<b>105.7%</b>
<b>CAPITAL IMPROVEMENTS FUNDING</b>			
Transfer from Operating Revenues	\$ 4,866,929	5,060,035	104.0%
Transfer from 3R Reserves	719,871	1,067,415	148.3%
<b>Total Capital Improvements Funding</b>	<b>5,586,800</b>	<b>6,127,450</b>	<b>109.7%</b>
<b>CAPITAL IMPROVEMENTS EXPENSES</b>			
Water - Capital Improvement Projects	3,513,800	3,906,925	111.2%
Wastewater - Capital Improvement Projects	2,073,000	2,220,525	107.1%
<b>Total Capital Improvements Expenses</b>	<b>\$ 5,586,800</b>	<b>6,127,450</b>	<b>109.7%</b>

	<b>FY 2018 Approved Budget</b>	<b>FY 2019 Proposed Budget</b>	<b>Proposed as % of FY 2018</b>
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<b>Total Capital Improvements Funding</b>	<b>\$ 5,586,800</b>	<b>6,127,450</b>	<b>109.7%</b>



	FY 2018	FY 2019
<b>Total Volume Charges (monthly user rates)</b>	\$24,019,000	\$25,360,000
<b>Total Service Charges (cost of service)</b>	\$2,087,000	\$2,206,000
<b>System Connection Charges (new development fees)</b>	\$4,384,000	\$4,500,000
<b>Other Revenues</b>	\$998,500	\$1,225,000
<b>Total Revenues</b>	\$31,488,500	\$33,291,000

**Total Volume Charges** - \$25,360,000; water and sewer usage billed to ACSA customer monthly; proposed rate increase primarily driven by increased costs of water and wastewater treatment.

**Total Service Charges** - \$2,206,000; monthly service charge to reflect actual costs for meter reading, billing and customer service; the budget proposes to increase the monthly service charge from \$7.92 to \$8.16 for our average customer (service charge dependent upon meter size).

**System Connection Charges** - \$4,500,000; the Budget proposes to maintain charges for FY 2019, for new development per new ERC connections.

**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 Rivanna Water and Sewer Authority's (wholesale water and wastewater treatment provider) water and sewer systems for which the ACSA is responsible for covering the costs per agreements.

		FY 2018	FY 2019
<b>ACSA System Development Charge</b>	Water	\$1,890*	\$1,890*
	Wastewater	\$2,970*	\$2,970*
<b>RWSA Capacity Charge</b>	Water	\$4,760*	\$4,760*
	Wastewater	\$3,850*	\$3,850*
	<b>Total</b>	<b>\$13,470*</b>	<b>\$13,470*</b>
*per ERC (equivalent residential connection)			

		<b>FY 2017 <u>Actual</u></b>	<b>FY 2018 <u>Estimated</u></b>	<b>FY 2019 <u>Proposed</u></b>
<b>Beginning Net Position</b>	<b>\$</b>	<b>150,976,181</b>	<b>161,321,374</b>	<b>174,321,374</b>
Change in Net Position		10,345,193	13,000,000	<b>10,000,000</b>
<b>Ending Net Position</b>	<b>\$</b>	<b>161,321,374</b>	<b>174,321,374</b>	<b>184,321,374</b>
Net investment in capital assets	\$	131,997,020	136,997,020	<b>140,843,174</b>
Unrestricted		29,324,354	37,324,354	<b>43,478,200</b>
<b>Ending Net Position</b>	<b>\$</b>	<b>161,321,374</b>	<b>174,321,374</b>	<b>184,321,374</b>

Note: The schedule above reflects audited FY 2017 changes in net position and estimates changes for FY 2018 and FY 2019. 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. The assumption that the Authority 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.

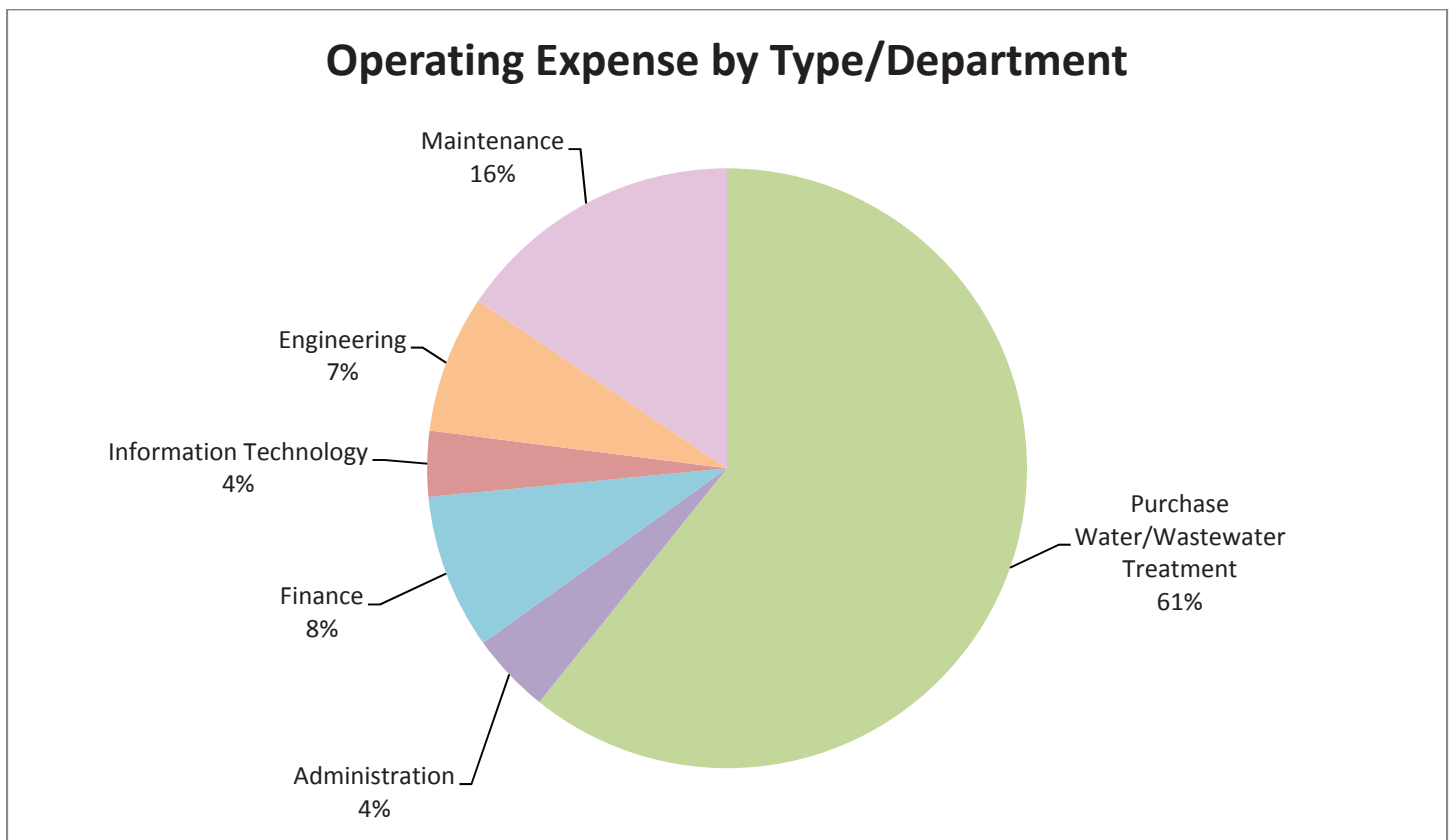
### **The proposed FY 2019 budget supports the above noted principles by:**

- Comprehensive evaluation of the formal rate study performed in April 2018. The analysis consists of review of both operating revenues (service and volume charges for water and sewer) and nonoperating revenues (System Connection/Development Charges). This analysis utilizes long range projections of ACSA assets, expected expenses, and development 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 contributions 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 outlines estimated project costs for FY 2019 and the nine years following. These projects consist of both water and wastewater projects and include but are not limited to replacement of existing water mains, creating redundancy in the water system, and identifying infiltration and inflow in our sanitary sewer system. 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, maintain readily accessible utility right-of-ways, and eliminate leaded joint fire hydrants in the system (does not come into contact with drinking water).

ACSA Operating Budget

The ACSA Operating Budget as proposed for next year is at \$23,462,689 or a 5.9% increase. The largest single cost of the Operating Budget is RWSA purchased water and wastewater treatment at \$14,258,249 or 61% of the Operating Budget.

The following pages will outline in more detail the Operating Budget proposals for FY 2019. Beyond the RWSA expenses, are the projected expenses for each of the ACSA Operating Departments including Administration at \$1,018,276, Finance at \$1,963,546, Engineering at \$1,742,433, Maintenance at \$3,653,342, and Information Technology at \$826,843. Included with each Operating Budget is an explanation of the departmental functions and key initiatives for FY 2019:



### 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 19,500 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 85% of our customers have both water and sewer service, while approximately 15% of our customers have water service only.

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

				<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019 Proposed</u>	<u>FY 2019 as % of FY 2018</u>
<b>RWSA EXPENSES</b>							
Purchase of Bulk Water				8,564,977	8,961,870	9,757,539	108.9%
Sewer Treatment Expense				6,838,729	6,955,130	7,399,346	106.4%
<b>Subtotal:</b>				<b>\$ 15,403,706</b>	<b>\$15,917,000</b>	<b>\$17,156,885</b>	<b>107.8%</b>
<b>RWSA EXPENSES BY SERVICE AREA</b>							
<b>WATER</b>	<b>Rates</b>	<b>Rates</b>	<b>Rates</b>				
	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>				
		\$1.969/TG and	\$2.070/TG and				
Urban	\$1.833/TG and \$284,031/mo.	\$285,439/mo.	\$307,598/mo.	\$ 6,554,605	6,813,378	7,231,983	106.1%
Crozet	\$124,149/mo.	\$133,901/mo.	\$162,746/mo.	1,489,788	1,606,812	1,952,952	121.5%
Scottsville	\$43,382/mo.	\$45,140/mo.	\$47,717/mo.	520,584	541,680	572,604	105.7%
<b>Total</b>				<b>\$ 8,564,977</b>	<b>8,961,870</b>	<b>9,757,539</b>	<b>108.9%</b>
<b>WASTEWATER</b>							
	\$1.835/TG and	\$1.951/TG and	\$2.146/TG and				
Urban	\$222,280/mo.	\$222,550/mo.	\$246,308/mo.	\$ 6,228,082	6,280,652	6,687,082	106.5%
Scottsville	\$21,941/mo.	\$24,410/mo.	\$25,823/mo.	263,292	292,920	309,876	105.8%
Stone-Robinson School	\$27,027/annual	\$27,630/annual	\$28,084/annual	27,027	27,630	28,084	101.6%
Glenmore	\$26,694/mo.	\$29,494/mo.	\$31,192/mo.	320,328	353,928	374,304	105.8%
<b>Total</b>				<b>\$ 6,838,729</b>	<b>6,955,130</b>	<b>7,399,346</b>	<b>106.4%</b>

The Operating Budgets for the ACSA are divided into the five sections: 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 are detailed line items for the proposed expenditures for FY 2019.

#### Personal Services

- Includes salary, benefits, payroll taxes, and other related expenses.
- Salaries – a 3% performance pay salary pool is proposed to help offset increased personal cost of living expenses for our employees and recognize individual performance. These are performance based pay increases, with individual performance evaluations for every employee. Additionally, changes to the Authority’s salary plan and pay grades are proposed to remain competitive within the local marketplace.
- New position titles for Customer Service Representatives and Meter Technicians when individuals achieve a level of proficiency. We recommend creating a Customer Service Representative II and a Meter Technician II to better recognize position progression and assist with pay plan compression issues. We are also proposing a new position title, Hydraulic Modeling Technician, for one of the two current Engineering Technician positions.
- Retirement – the employer contribution to the Virginia Retirement System is a percentage of payroll based on an actuarial study; for 2019 the rate is reduced from 6.6% to 5.8%.
- Health Care and Benefit Dollars – the ACSA, through a contract with Albemarle County, provides a Health Care Program for our employees. The ACSA employer contribution is proposed to remain the same as last year or \$867 per month. Also included in this item are the actuarially determined costs for OPEB (Other Post-Employment Benefits).
- 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.

#### 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 on a long-term 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.

#### 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.
- 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, Human Resource functions and Clerk for the Board of Directors.

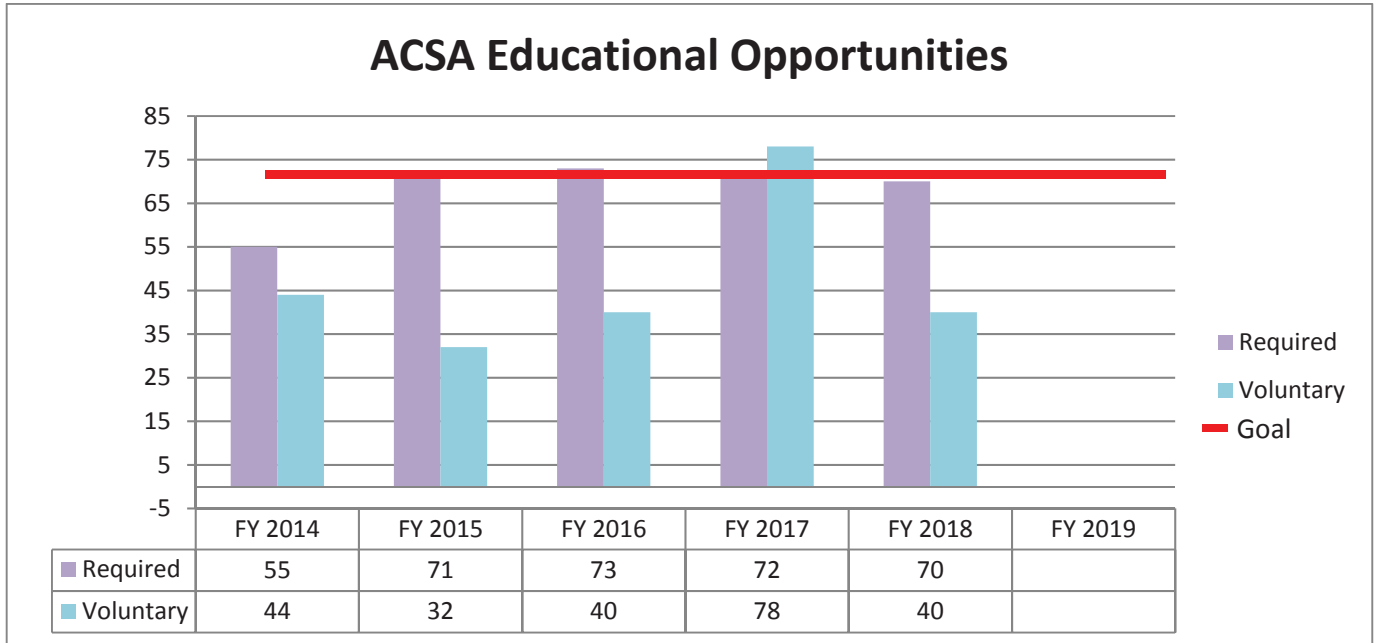
Administration/Human Resources: Provides organizational administrative support; oversees the Risk Management Program (claims, liability insurance, worker's compensation, etc.); serves as Clerk to the Board of Directors (monthly meetings, board correspondence, minutes, dissemination of board packets); provides organizational document and database management services; leads the Water Conservation Program and initiatives (events, advertising, community relations, and partnership with the City of Charlottesville); administers and maintains benefit administration and employee record management; creates and distributes ACSA semi-annual customer "Pipeline" 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 2019:

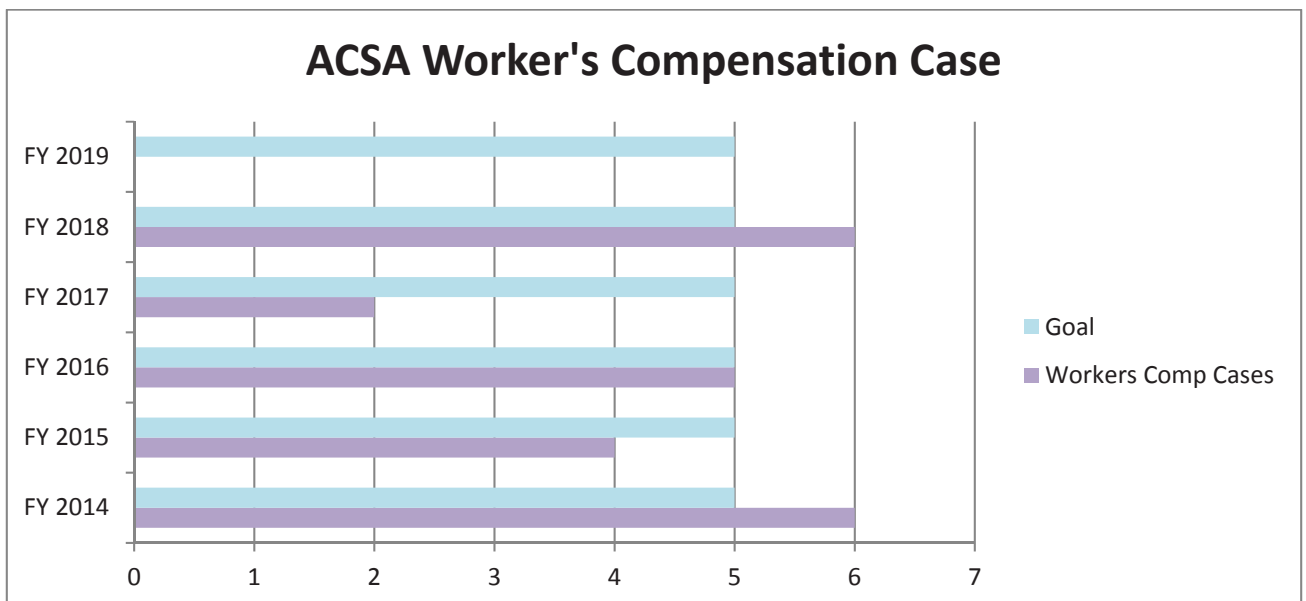
- Expand customer communications through a variety of media;
- Continue to actively promote water conservation;
- Continue to provide training and professional development opportunities for ACSA Employees;
- Continue to provide safety training and initiatives for ACSA Employees;
- Seek outside consulting services to assist Human Resources to fully utilize the recently deployed ERP and integrate human resource functionality;

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 work place accidents. Our goal is to maintain no more than 5 worker’s compensation cases each fiscal year through training management.



# Administration Department

Description	FY 2017 Expended	FY 2018	FY 2018	FY 2018 Budget	FY 2019	FY 2019	FY 2019
		Actual Expenses To-Date(Feb)	Anticipated Expenses To-EOFY 2018		Base Budget	Total Proposed	as % of FY 2018
<b><i>PERSONAL SERVICES</i></b>							
Compensation of Board Members	\$ 8,725	7,458	11,187	16,995	16,995	16,995	100.0%
Salaries & Wages	381,572	261,779	392,669	378,500	413,430	413,430	109.2%
Overtime	251	291	437	3,000	3,000	3,000	100.0%
Social Security	25,984	18,108	27,162	28,380	30,580	30,580	107.8%
Retirement	19,945	24,790	37,185	24,300	23,610	23,610	97.2%
Health & Benefit Dollars	59,396	24,210	36,314	57,610	57,730	57,730	100.2%
Life Insurance	4,546	3,289	4,934	4,830	5,340	5,340	110.6%
Workers' Compensation	308	281	422	410	460	460	112.2%
Meals	88	396	594	600	600	600	100.0%
Safety Incentive Program	500	663	995	2,000	2,000	2,000	100.0%
Employee Incentives	30,652	12,432	18,648	35,600	35,600	35,600	100.0%
<b>Subtotal:</b>	<b>\$ 531,967</b>	<b>353,697</b>	<b>530,547</b>	<b>552,225</b>	<b>589,345</b>	<b>589,345</b>	<b>106.7%</b>
<b><i>OPERATING SUPPLIES</i></b>							
Office Supplies	\$ 4,256	2,575	3,863	5,000	5,000	5,000	100.0%
Copier Supplies	1,260	415	623	1,850	1,850	1,850	100.0%
Janitorial Supplies	3,100	2,044	3,066	4,179	4,179	4,179	100.0%
Small Tools & Equipment	696	480	720	4,300	4,300	4,300	100.0%
EMS Program	2,902	-	-	3,500	2,500	2,500	71.4%
<b>Subtotal:</b>	<b>\$ 12,214</b>	<b>5,514</b>	<b>8,272</b>	<b>18,829</b>	<b>17,829</b>	<b>17,829</b>	<b>94.7%</b>
<b><i>PROFESSIONAL &amp; CONTRACTUAL SERVICES</i></b>							
Legal	\$ 29,583	22,595	33,893	61,020	40,000	40,000	65.6%
Consultants' Fees	42,213	22,551	33,827	45,000	70,500	70,500	156.7%
Printing and Duplicating	2,503	3,747	5,621	9,150	10,750	10,750	117.5%
Other Contractual Services	5,363	3,814	5,721	9,622	9,622	9,622	100.0%
<b>Subtotal:</b>	<b>\$ 79,662</b>	<b>52,707</b>	<b>79,062</b>	<b>124,792</b>	<b>130,872</b>	<b>130,872</b>	<b>104.9%</b>

Description	FY 2017 Expended	FY 2018	FY 2018	FY 2018 Budget	FY 2019	FY 2019	FY 2019
		Actual Expenses To-Date(Feb)	Anticipated Expenses To-EOFY 2018		Base Budget	Total Proposed	as % of FY 2018
<b><i>OTHER SERVICES AND CHARGES</i></b>							
Insurance	40,494	29,751	44,627	49,000	49,000	49,000	100.0%
Dues and Memberships	12,322	13,205	19,808	11,975	12,310	12,310	102.8%
Books and Periodicals	205	507	759	1,450	1,450	1,450	100.0%
Education and Training	41,460	7,865	11,798	52,385	52,385	52,385	100.0%
Board Member Education and Training	279	16	24	5,000	5,000	5,000	100.0%
Travel	3,535	2,386	3,579	5,044	4,985	4,985	98.8%
Advertising	8,991	7,990	11,985	30,100	30,100	30,100	100.0%
Conservation	34,290	42,338	63,507	65,000	65,000	65,000	100.0%
Permits	55,383	42,606	63,909	60,000	60,000	60,000	100.0%
<b>Subtotal:</b>	<b>\$ 196,959</b>	<b>146,664</b>	<b>219,996</b>	<b>279,954</b>	<b>280,230</b>	<b>280,230</b>	<b>100.1%</b>
<b>TOTAL ADMINISTRATION</b>	<b>\$ 820,802</b>	<b>558,582</b>	<b>837,877</b>	<b>975,800</b>	<b>1,018,276</b>	<b>1,018,276</b>	<b>104.4%</b>
<b><i>Planned Equipment Replacement</i></b>							
Planned Equipment Replacement	-	-	-	-	15,000	15,000	0.0%
<b>Total</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,000</b>	<b>15,000</b>	<b>0.0%</b>

## Finance

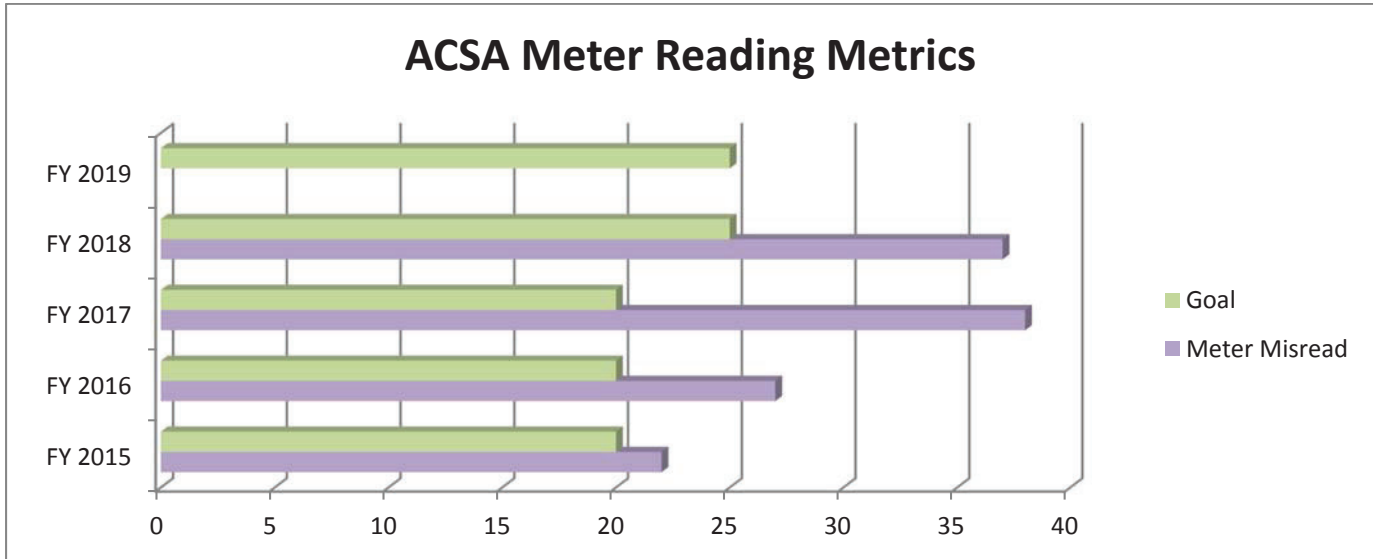
The ACSA Finance Department is responsible for all financial matters at the ACSA including accounting, financial reporting, utility billing and collection, customer service, meter reading, purchasing, budget preparation and control, auditing, debt financing, investment management, and revenue and expenditure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

### Key initiatives and changes for FY 2019:

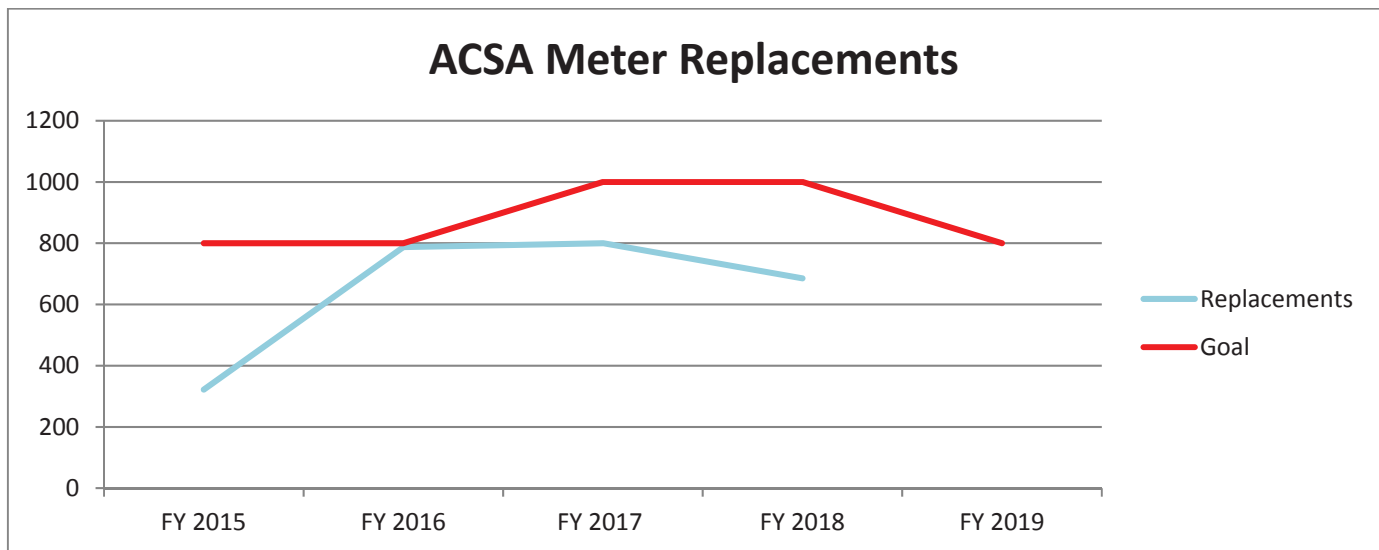
- Design and implementation of the FY 2020 Budget and Rates;
- Comprehensive Annual Financial Report preparation (CAFR);
- Focused training for staff;
- Training directed toward succession planning;
- Administration of the Advanced Metering Infrastructure (AMI) feasibility study and recommendation to the Board for potential future project implementation;
- Create a new position title for ACSA Meter Technicians. Currently, there is a single designation but this proposal has been designed to recognize an employee when defined levels of proficiency are achieved. This proposal will allow a designation of Meter Technician I and Meter Technician II. This will better recognize progression of employees and assist with pay plan compression concerns. This change will not increase the total number of Meter Technicians but rather allow for continued advancement within the ACSA.
- Create a new position title for ACSA Customer Service Representatives. Currently, there is a single designation but this proposal has been designed to recognize an employee when defined levels of proficiency are achieved. This proposal will allow a designation of Customer Service Representative I and Customer Service Representative II. This will better recognize progression of employees and assist with pay plan compression concerns. This change will not increase the total number of Customer Service Representatives but rather allow for continued advancement within the ACSA.
- Design and begin a meter testing project;

Performance Metrics:

**Meter Reading Metrics** – The ACSA reads over 235,800 meters per year. These readings contain consumption information for our customers which is then transferred to the customer service department for analysis and billing. The ACSA monitors circumstances related to misreading and has a goal of less than 25 misreads for the Meter Operations group for the year. The illustration below illustrates statistics related to this performance metric:



**Meter Replacement Program** – The ACSA recognizes the importance of accurately recording consumption for both our customers and the ACSA. Throughout the year, the ACSA identifies meters that are eligible for replacement due to age or others that need to be replaced. Meter Operations staff have an established goal to replace 800 of these meters per year.



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# Finance Department

Description	FY 2017 Expended	FY 2018 Actual Expenses To-Date(Feb)	FY 2018 Anticipated Expenses To-EOFY 2018	FY 2018 Budget	FY 2019 Base Budget	FY 2019 Total Proposed	FY 2019 as % of FY 2018
<b>PERSONAL SERVICES</b>							
Salaries & Wages	\$ 870,964	608,982	913,473	883,450	902,090	902,090	102.1%
Overtime Pay	29,918	19,932	29,898	28,000	28,000	28,000	100.0%
Social Security	72,972	45,794	68,691	69,730	71,160	71,160	102.1%
Retirement	34,922	38,985	58,478	57,440	51,740	51,740	90.1%
Health & Benefit Dollars	159,424	100,171	150,257	216,260	222,220	222,220	102.8%
Life Insurance	10,921	7,417	11,126	11,400	11,690	11,690	102.5%
Workers' Compensation	6,770	5,808	8,712	8,410	9,130	9,130	108.6%
<b>Subtotal:</b>	<b>\$ 1,185,891</b>	<b>827,089</b>	<b>1,240,635</b>	<b>1,274,690</b>	<b>1,296,030</b>	<b>1,296,030</b>	<b>101.7%</b>
<b>OPERATING SUPPLIES</b>							
Office Supplies	\$ 13,050	7,247	10,872	16,713	15,395	15,395	92.1%
Personal Protective Equipment	1,421	1,729	2,594	1,335	1,551	1,551	116.2%
Fuel, Oil & Grease	13,022	6,734	10,101	16,740	17,540	17,540	104.8%
Small Tools & Equipment	7,398	552	828	2,840	7,685	7,685	270.6%
<b>Subtotal:</b>	<b>\$ 34,891</b>	<b>16,262</b>	<b>24,395</b>	<b>37,628</b>	<b>42,171</b>	<b>42,171</b>	<b>112.1%</b>
<b>REPAIR &amp; MAINTENANCE</b>							
Vehicle Supplies	\$ 3,470	596	894	4,000	4,000	4,000	100.0%
Hydrant Meter Program	-	800	1,200	5,000	2,500	2,500	0.0%
Materials - Water	223,869	101,759	152,639	284,296	239,138	239,138	84.1%
<b>Subtotal:</b>	<b>\$ 227,339</b>	<b>103,155</b>	<b>154,733</b>	<b>293,296</b>	<b>245,638</b>	<b>245,638</b>	<b>83.8%</b>
<b>PROFESSIONAL &amp; CONTRACTUAL SERVICES</b>							
Audit	30,950	32,000	48,000	35,000	40,000	40,000	114.3%
Fiscal Agent	963	1,650	2,475	1,815	1,700	1,700	93.7%
Uniform Rental	4,020	2,401	3,602	6,059	3,594	3,594	59.3%
Consultants' Fees	3,600	26,967	40,451	55,000	9,300	9,300	16.9%
Service Contracts	38,806	28,926	43,389	42,795	44,495	44,495	104.0%
Postage	92,647	72,702	109,053	128,500	128,500	128,500	100.0%
Printing and Duplicating	20,100	1,768	2,652	26,860	20,818	20,818	77.5%
Other Contractual Services	44,166	19,937	29,906	36,525	94,450	94,450	258.6%
<b>Subtotal:</b>	<b>\$ 235,252</b>	<b>186,351</b>	<b>279,528</b>	<b>332,554</b>	<b>342,857</b>	<b>342,857</b>	<b>103.1%</b>

# Finance Department

Description	FY 2017 Expended	FY 2018 Actual Expenses To-Date(Feb)	FY 2018 Anticipated Expenses To-EOFY 2018	FY 2018 Budget	FY 2019 Base Budget	FY 2019 Total Proposed	FY 2019 as % of FY 2018
<b>REPAIRS AND MAINTENANCE</b>							
Equipment Repair and Maintenance	\$ 1,299	1,927	2,891	7,802	8,090	8,090	103.7%
Vehicle Repair and Maintenance	1,684	490	735	4,000	4,000	4,000	100.0%
<b>Subtotal:</b>	<b>\$ 2,983</b>	<b>2,417</b>	<b>3,626</b>	<b>11,802</b>	<b>12,090</b>	<b>12,090</b>	<b>102.4%</b>
<b>OTHER SERVICES AND CHARGES</b>							
Rental of Equipment	\$ 1,096	1,097	1,646	2,040	2,040	2,040	100.0%
Software	-	-	-	500	3,500	3,500	700.0%
Dues and Memberships	658	563	845	1,460	1,485	1,485	101.7%
Books and Periodicals	807	294	441	1,600	1,105	1,105	69.1%
Education and Training	7,462	1,010	1,515	15,980	5,280	5,280	33.0%
Travel	3,486	297	446	12,650	11,350	11,350	89.7%
<b>Subtotal:</b>	<b>\$ 13,509</b>	<b>3,261</b>	<b>4,893</b>	<b>34,230</b>	<b>24,760</b>	<b>24,760</b>	<b>72.3%</b>
<b>TOTAL FINANCE</b>	<b>\$ 1,699,865</b>	<b>1,138,535</b>	<b>1,707,810</b>	<b>1,984,200</b>	<b>1,963,546</b>	<b>1,963,546</b>	<b>99.0%</b>
<b>Capital Outlays - Capital Equipment</b>							
New Equipment Acquisition	\$ 1,599	-	-	-	-	-	0.0%
<b>Total</b>	<b>\$ 1,599</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Planned Equipment Replacement</b>							
Planned Equipment Replacement	\$ -	7,150	10,725	18,050	15,000	15,000	83.1%
<b>Total</b>	<b>\$ -</b>	<b>7,150</b>	<b>10,725</b>	<b>18,050</b>	<b>15,000</b>	<b>15,000</b>	<b>83.1%</b>

### 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), plus 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 the customer. We also manage a pro-active 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 2019:

##### Capital Improvement Budget:

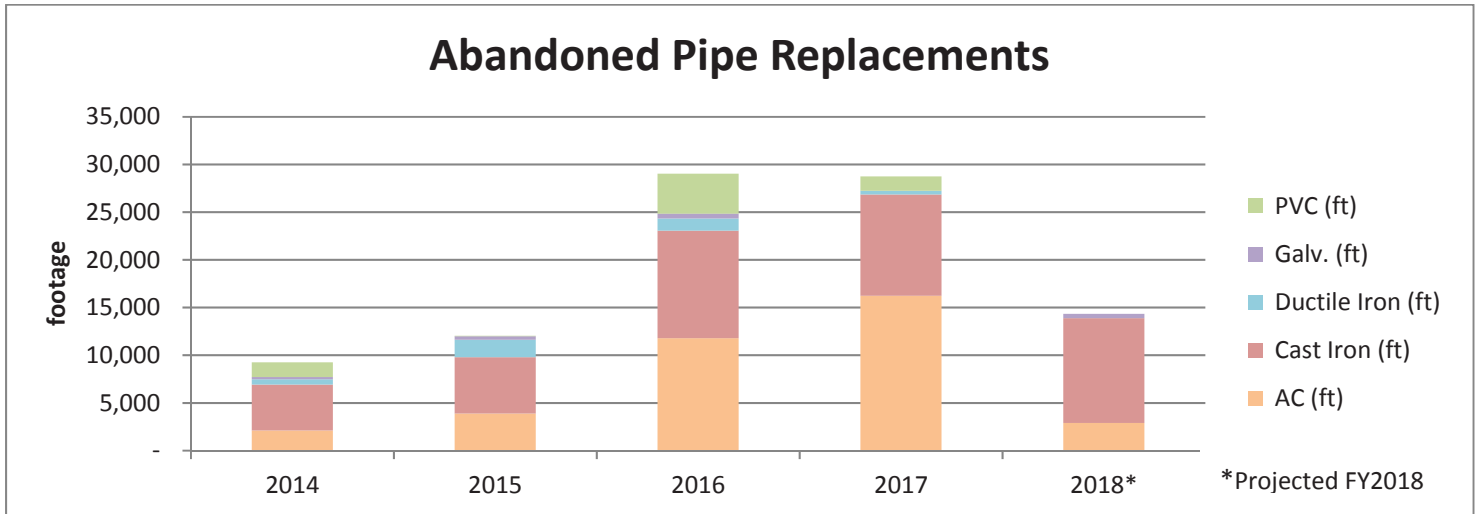
- Replacement of aging, deteriorating and under-sized water mains;
- Elimination of asbestos-cement water mains;
- Adding redundancy to the existing water system;
- Rehabilitation and replacement of deteriorating sewer facilities; including abandonment of two pump stations;
- Increase pumping capacity and improve resiliency and reliability at several pump stations;
- Improvements to Operations Center both external and internal;
- Implementation of recommendations from Vulnerability Assessment, increasing security of critical assets;

##### Operating Budget:

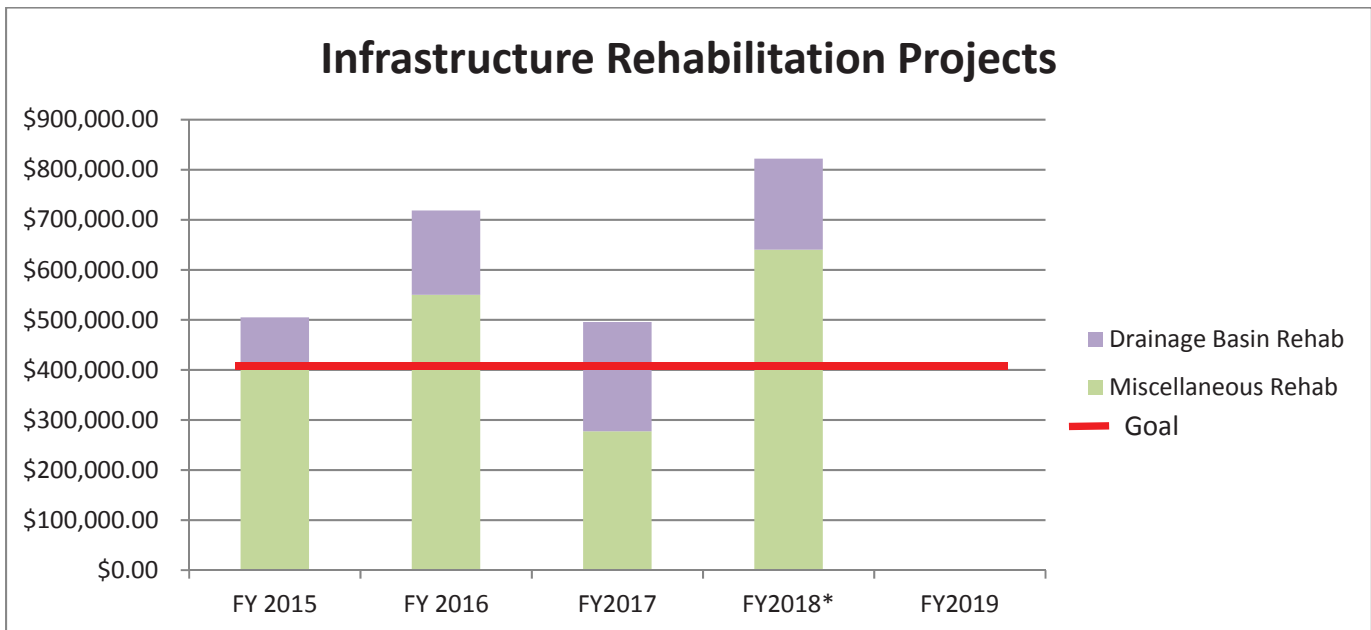
- Replacement and repair of aging equipment that supports hydraulic modeling, reduction of infiltration (groundwater) and inflow (storm water) into wastewater system, and monitoring of capacity in the wastewater system;
- Training directed toward improving workforce skills and succession planning;
- Scheduled replacement of four vehicles;
- Currently the engineering department has two Engineering Technicians. We are proposing through the budget a title change for one of the Engineering Technician positions to Hydraulic Modeling Technician. Expectations of the Hydraulic Modeling Technician position requires a higher level of mathematical and computer skills to support the Modeling Engineer and associated work. This change will facilitate an increase in the job's grade as compared to the current Engineering Technician's grade.

Performance Metrics:

**Pipe Replacement Program** – The ACSA has a goal to replace aging, undersized, and inferior pipe within our system over a period of years to meet updated standards. The illustration below indicates the amount and type of abandoned pipe that has been replaced over recent years. Current amount of pipe requiring replacement is 291,900 feet.



**Miscellaneous Sewer Rehabilitation** – The ACSA has a goal to invest \$400,000 on miscellaneous sewer rehabilitation projects each fiscal year. Sometimes instances arise where funds may be redirected but our intention is to focus on rehabilitation of our system infrastructure. The graph below shows how much is used each year on the two categories of rehab in relation to our goal for miscellaneous projects.



# Engineering Department

Description	FY 2017 <u>Expended</u>	FY 2018 Actual Expenses <u>To-Date(Feb)</u>	FY 2018 Anticipated Expenses <u>To-EOFY 2018</u>	FY 2018 <u>Budget</u>	FY 2019 <u>Base Budget</u>	FY 2019 <u>Total Proposed</u>	FY 2019 as % of <u>FY 2018</u>
<b><i>PERSONAL SERVICES</i></b>							
Salaries & Wages	\$ 1,024,635	725,188	1,087,782	1,140,900	1,209,990	1,209,990	106.1%
Overtime Pay	12,430	25,537	38,306	11,000	11,000	11,000	100.0%
Social Security	71,219	55,926	83,889	87,360	92,250	92,250	105.6%
Retirement	41,816	49,044	73,566	73,570	69,070	69,070	93.9%
Health & Benefit Dollars	157,533	81,732	122,598	207,980	194,840	194,840	93.7%
Life Insurance	13,058	9,323	13,985	14,610	15,600	15,600	106.8%
Workers' Compensation	7,045	7,638	11,457	11,400	14,200	14,200	124.6%
<b>Subtotal:</b>	<b>\$ 1,327,736</b>	<b>954,388</b>	<b>1,431,583</b>	<b>1,546,820</b>	<b>1,606,950</b>	<b>1,606,950</b>	<b>103.9%</b>
<b><i>OPERATING SUPPLIES</i></b>							
Personal Protective Equipment	2,561	1,252	1,878	3,884	3,435	3,435	88.4%
Fuel, Oil & Grease	13,549	7,965	11,946	20,200	16,800	16,800	83.2%
Small Tools & Equipment	8,192	10,412	15,618	17,030	12,885	12,885	75.7%
<b>Subtotal:</b>	<b>\$ 24,302</b>	<b>19,629</b>	<b>29,442</b>	<b>41,114</b>	<b>33,120</b>	<b>33,120</b>	<b>80.6%</b>
<b><i>REPAIR &amp; MAINTENANCE SUPPLIES</i></b>							
Vehicle Supplies	\$ 4,215	3,295	4,943	3,890	3,500	3,500	90.0%
<b>Subtotal:</b>	<b>\$ 4,215</b>	<b>3,295</b>	<b>4,943</b>	<b>3,890</b>	<b>3,500</b>	<b>3,500</b>	<b>90.0%</b>
<b><i>PROFESSIONAL &amp; CONTRACTUAL SERVICES</i></b>							
Uniform Rental	\$ 415	587	882	2,104	5,199	5,199	247.1%
Other Contractual Services	23,356	10,835	16,253	28,925	30,890	30,890	106.8%
<b>Subtotal:</b>	<b>\$ 23,771</b>	<b>11,422</b>	<b>17,135</b>	<b>31,029</b>	<b>36,089</b>	<b>36,089</b>	<b>116.3%</b>

# Engineering Department

Description	FY 2017 <u>Expended</u>	FY 2018 Actual Expenses <u>To-Date(Feb)</u>	FY 2018 Anticipated Expenses <u>To-EOFY 2018</u>	FY 2018 <u>Budget</u>	FY 2019 <u>Base Budget</u>	FY 2019 <u>Total Proposed</u>	FY 2019 as % of <u>FY 2018</u>
<b>REPAIRS AND MAINTENANCE</b>							
Equipment Repair and Maintenance	\$ 2,804	9,245	13,868	14,415	14,530	14,530	100.8%
Vehicle Repair and Maintenance	2,626	1,719	2,579	4,150	4,200	4,200	101.2%
<b>Subtotal:</b>	<b>\$ 5,430</b>	<b>10,964</b>	<b>16,447</b>	<b>18,565</b>	<b>18,730</b>	<b>18,730</b>	<b>100.9%</b>
<b>OTHER SERVICES AND CHARGES</b>							
Dues and Memberships	\$ 955	908	1,362	1,605	1,605	1,605	100.0%
Books and Periodicals	684	238	357	750	600	600	80.0%
Education and Training	13,112	4,982	7,473	15,610	16,830	16,830	107.8%
Travel	9,688	6,582	9,873	22,817	25,009	25,009	109.6%
<b>Subtotal:</b>	<b>\$ 24,439</b>	<b>12,710</b>	<b>19,065</b>	<b>40,782</b>	<b>44,044</b>	<b>44,044</b>	<b>108.0%</b>
<b>TOTAL ENGINEERING</b>	<b>\$ 1,409,893</b>	<b>1,012,408</b>	<b>1,518,615</b>	<b>1,682,200</b>	<b>1,742,433</b>	<b>1,742,433</b>	<b>103.6%</b>
<b>Capital Outlays - Capital Equipment</b>							
New Equipment Acquisition	\$ -	26,017	39,026	39,000	-	-	0.0%
<b>Total</b>	<b>\$ -</b>	<b>26,017</b>	<b>39,026</b>	<b>39,000</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>Planned Equipment Replacement</b>							
Planned Equipment Replacement	\$ 310	653	980	3,800	127,400	127,400	3352.6%
<b>Total</b>	<b>\$ -</b>	<b>-</b>	<b>42,590</b>	<b>3,800</b>	<b>127,400</b>	<b>127,400</b>	<b>3352.6%</b>

### Information Technology

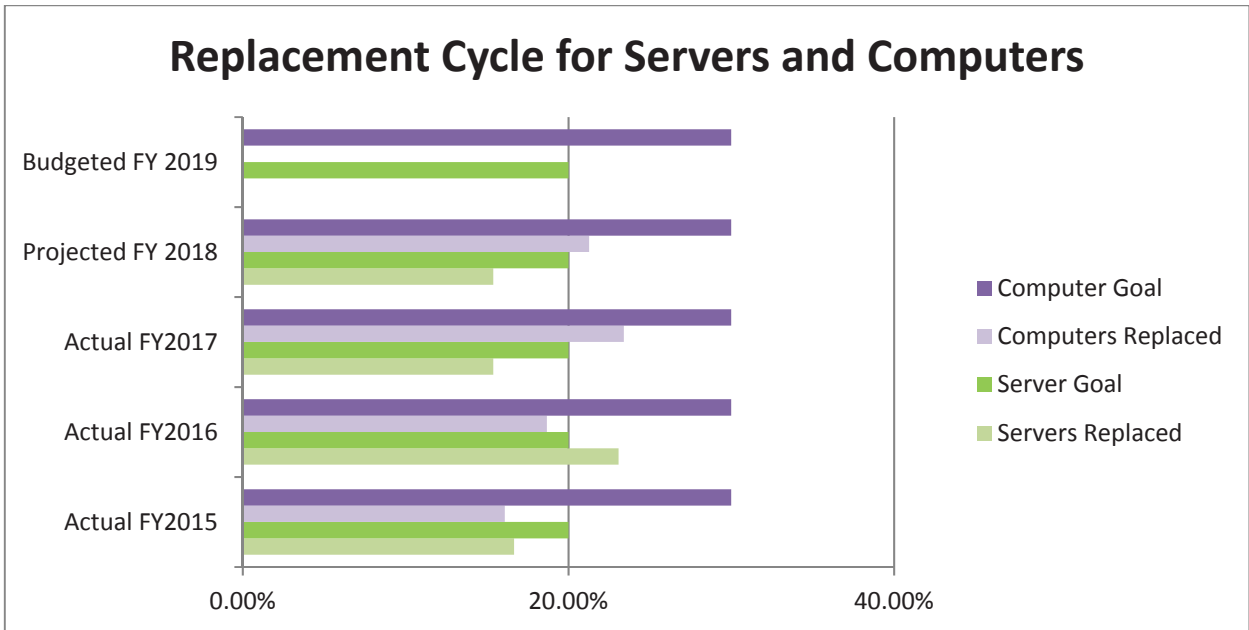
The Information Technology (IT) Department is responsible for planning, managing and protecting our information technology infrastructure and assets. Our responsibilities encompass the implementation, management and security of electronic communications for the organization. As operational needs change, existing methods and assets are reviewed, updated and improved for efficiency. Network and computing environments along with application initiatives are designed and deployed to support specific departmental processes, along with the collaboration of information resources. IT is responsible for all computer related hardware, software, and technology initiatives.

#### Key initiatives and changes for FY 2019:

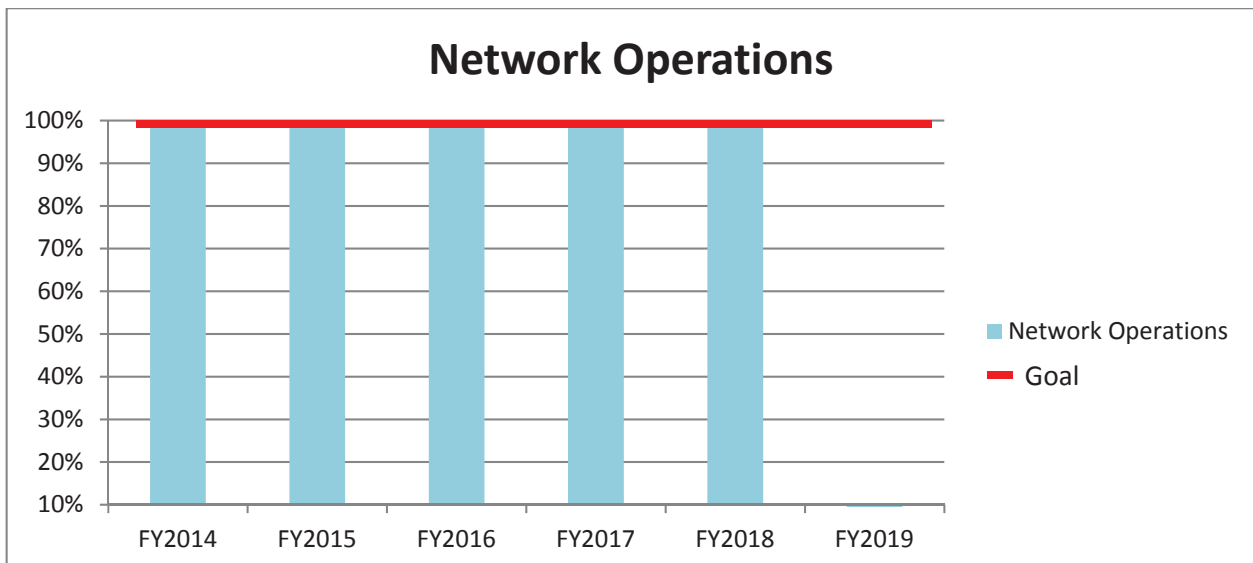
- CMMS Implementation.
- Continue to collect data in the field utilizing cellular network for both GIS and CMMS;
  - Utilizing Verizon cell data plans for hotspots & tablets
- Replacement of server and PCs in accordance with the Strategic Plan and the formalized replacement cycle.
- Replace server room uninterruptible power supply (UPS) which provides emergency power to every outlet in the server room;
- Drone for collecting aerial imagery to improve GIS maps;
- Replacement of all SCADA 3G cell modems;

Performance Metrics:

**Information Technology Hardware/Software Replacement Program** – In conjunction with the ACSA’s strategic plan, one of the six main themes state that “Implementing modern concepts and approaches to acquire and create resources in data distribution/acquisition, communications, and documentation.” The ACSA IT Department has adopted a replacement plan for technological requirements with a goal of replacing 30% (three-year cycle) of computers each year and 20% of servers (five-year cycle):



**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 2017	FY 2018	FY 2018	FY 2018	FY 2019	FY 2019	FY 2019
	Expended	Actual Expenses To-Date(Feb)	Anticipated Expenses To-EOFY 2018		Base Budget	Total Proposed	as % of FY 2018
<b><i>PERSONAL SERVICES</i></b>							
Salaries & Wages	235,544	192,701	289,052	296,850	320,700	320,700	108.0%
Overtime	1,008	441	662	2,400	2,400	2,400	100.0%
Social Security	17,938	14,666	21,999	22,900	24,720	24,720	107.9%
Retirement	9,656	12,920	19,380	19,360	18,330	18,330	94.7%
Health & Benefit Dollars	55,317	39,188	58,782	76,840	66,950	66,950	87.1%
Life Insurance	2,948	2,469	3,704	3,850	4,140	4,140	107.5%
Workers' Compensation	235	225	338	330	350	350	106.1%
<b>Subtotal:</b>	<b>\$ 322,646</b>	<b>262,610</b>	<b>393,917</b>	<b>422,530</b>	<b>437,590</b>	<b>437,590</b>	<b>103.6%</b>
<b><i>OPERATING SUPPLIES</i></b>							
Office Supplies	\$ 6,832	6,030	9,045	13,000	11,000	11,000	84.6%
Copier Supplies	280	-	-	340	340	340	100.0%
Fuel, Oil & Grease	344	284	426	2,208	2,208	2,208	100.0%
Small Tools & Equipment	34,477	7,285	10,928	58,200	49,100	49,100	84.4%
<b>Subtotal:</b>	<b>\$ 41,933</b>	<b>13,599</b>	<b>20,399</b>	<b>73,748</b>	<b>62,648</b>	<b>62,648</b>	<b>84.9%</b>
<b><i>PROFESSIONAL &amp; CONTRACTUAL SERVICES</i></b>							
Service Contracts	109,627	103,653	155,480	148,355	146,720	146,720	98.9%
Telephone/Communications	52,803	38,048	57,072	84,060	86,100	86,100	102.4%
<b>Subtotal:</b>	<b>\$ 162,430</b>	<b>141,701</b>	<b>212,552</b>	<b>232,415</b>	<b>232,820</b>	<b>232,820</b>	<b>100.2%</b>
<b><i>REPAIRS AND MAINTENANCE</i></b>							
Vehicle Repair and Maintenance	14	-	-	1,750	1,750	1,750	100.0%
<b>Subtotal:</b>	<b>\$ 14</b>	<b>-</b>	<b>-</b>	<b>1,750</b>	<b>1,750</b>	<b>1,750</b>	<b>100.0%</b>

## Information Technology

Description	FY 2017 Expended	FY 2018 Actual Expenses To-Date(Feb)	FY 2018 Anticipated Expenses To-EOFY 2018	FY 2018 Budget	FY 2019 Base Budget	FY 2019 Total Proposed	FY 2019 as % of FY 2018
<b><i>OTHER SERVICES AND CHARGES</i></b>							
Software	\$ 27,180	30,580	45,872	56,150	54,125	54,125	96.4%
Books and Periodicals	243	326	489	1,000	1,000	1,000	100.0%
Education and Training	3,195	1,238	1,857	21,825	16,110	16,110	73.8%
Travel	5,424	1,448	2,172	35,382	20,800	20,800	58.8%
<b>Subtotal:</b>	<b>\$ 36,042</b>	<b>33,592</b>	<b>50,390</b>	<b>114,357</b>	<b>92,035</b>	<b>92,035</b>	<b>80.5%</b>
<b>TOTAL INFORMATION TECHNOLOGY</b>	<b>\$ 563,065</b>	<b>451,502</b>	<b>677,258</b>	<b>844,800</b>	<b>826,843</b>	<b>826,843</b>	<b>97.9%</b>
<b>Capital Outlays - Capital Equipment</b>							
New Equipment Acquisition	\$ -	-	-	70,000	10,000	10,000	14.3%
<b>Total</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>70,000</b>	<b>10,000</b>	<b>10,000</b>	<b>14.3%</b>
<b>Planned Equipment Replacement</b>							
Planned Equipment Replacmeent	\$ 55,792	3,392	5,088	57,400	93,400	93,400	162.7%
<b>Total</b>	<b>\$ 55,792</b>	<b>3,392</b>	<b>5,088</b>	<b>57,400</b>	<b>93,400</b>	<b>93,400</b>	<b>162.7%</b>

### Maintenance

The Maintenance Department operates its program with two primary goals. The first is upgrading and maintaining our water system so that we can provide safe and clean drinking water with minimal service disruptions at a reasonable cost. The second goal is to systematically evaluate and monitor our sewer system with our two camera vans and to perform routine flushing, rodding and repairs to prevent potential sanitary sewer overflows. The Maintenance Department oversees a total of 20 pump stations (12 sewer and 8 water) that are critical for the operation of our system that we continuously perform preventative maintenance activities for optimum reliability. Maintenance is the ACSA's largest department, which shows the level of priority that is placed on keeping the ACSA water and sewer system in optimum condition. Our system continues to grow every year, and the level of maintenance responsibility continues to increase.

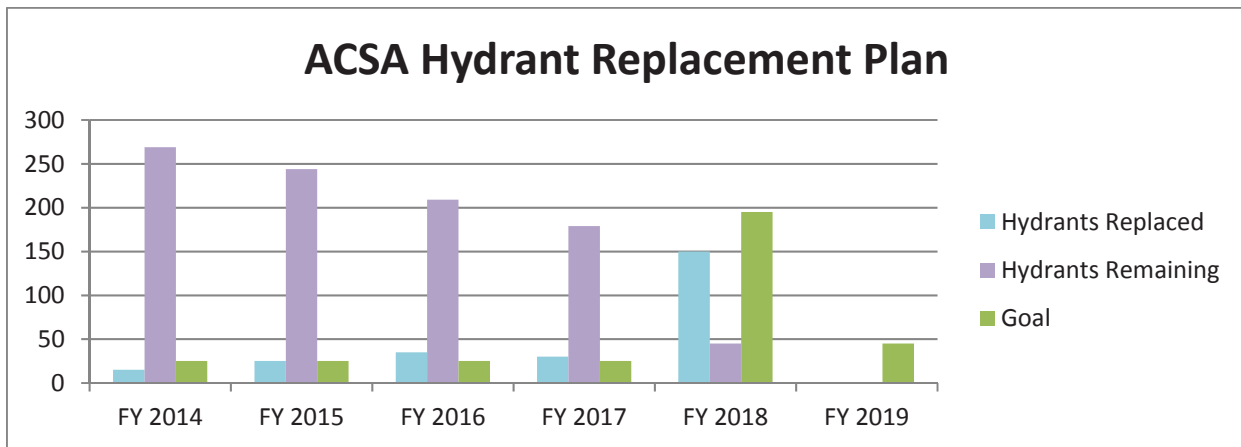
### Key initiatives for FY 2019:

- The hydrant replacement program will continue into the FY 2019 Budget. We currently have 45 hydrants left to be replaced;
- Continue efforts to install generators at our water and sewer pump stations that do not currently have them. Through current CIP projects we will install generators at 2 water stations (Ashcroft I and II);
- The Oak Forest sewer pump station will be eliminated through a current CIP project and the Redfields pump station will be eliminated through a developer project;
- Increased emphasis on training, specifically training related to emergency response, safety, and overall system knowledge for maintenance staff as well as operation of the CCTV equipment. The ACSA system continues to grow and with this training, ACSA staff will better understand critical areas and response protocols that are needed to minimize impacts during emergencies;
- Deploy new equipment and CCTV all wastewater systems within our jurisdiction;

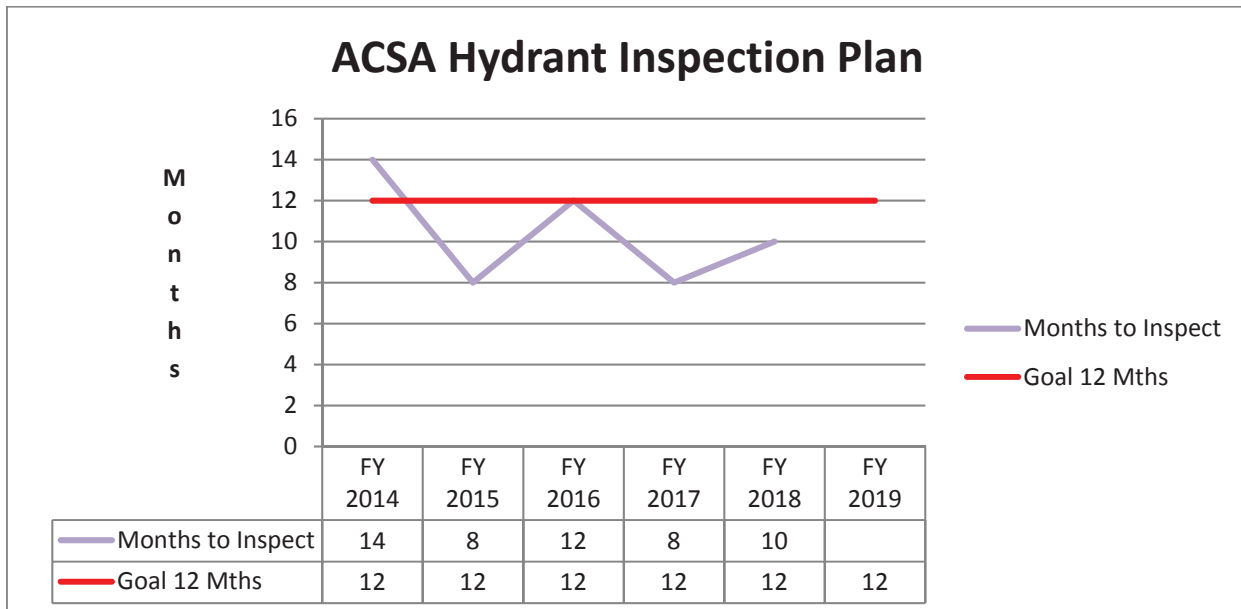
Performance Metrics

The ACSA utilizes a variety of performance metrics to track and review progress related to strategic plan initiatives, system reliability, and performance. The metrics below illustrate key performance metrics for the budget year and results from years preceding.

**ACSA Hydrant Replacement Plan** – The ACSA maintains nearly 2,600 fire hydrants and is responsible for their proper function and access. Of these 2,600 fire hydrants, 300 of these were identified as needing replacement for operational requirements. The ACSA’s goal has been to replace 10 hydrants per year for this project and 15 hydrants in the normal course of business activities through capital improvements (total goal of 25 per year). The chart below illustrates progress related to this new program and the new goal to replace the remaining 45 hydrants:



**ACSA Hydrant Inspection Plan** -- The ACSA has developed a process to better allow compliance with an AWWA standard that notes “all hydrants should be inspected regularly, at least once a year to ensure their satisfactory operation.” Efficiencies in the ACSA program have allowed the ACSA to meet this goal for the four years directly preceding as noted below:



# Maintenance Department

Description	FY 2017 <u>Expended</u>	FY 2018	FY 2018	FY 2018 <u>Budget</u>	FY 2019	FY 2019	FY 2019
		<u>Actual Expenses To-Date(Feb)</u>	<u>Anticipated Expenses To-EOFY 2018</u>		<u>Base Budget</u>	<u>Total Proposed</u>	as % of FY 2018
<b>PERSONAL SERVICES</b>							
Salaries & Wages	\$ 1,347,800	873,469	1,310,204	1,507,450	1,628,180	1,628,180	108.0%
Overtime Pay	36,641	27,819	41,729	60,000	60,000	60,000	100.0%
Standby Pay	10,892	23,395	35,093	5,000	5,000	5,000	100.0%
Social Security	102,446	68,829	103,244	120,297	129,530	129,530	107.7%
Retirement	53,018	57,125	85,688	98,629	93,980	93,980	95.3%
Health & Benefit Dollars	310,719	134,046	201,069	400,780	379,240	379,240	94.6%
Life Insurance	17,159	11,490	17,235	19,583	21,230	21,230	108.4%
Workers' Compensation	30,432	28,128	42,192	43,041	53,800	53,800	125.0%
Meals - Overtime	289	94	141	1,200	1,200	1,200	100.0%
<b>Subtotal:</b>	<b>\$ 1,909,396</b>	<b>1,224,395</b>	<b>1,836,595</b>	<b>2,255,980</b>	<b>2,372,160</b>	<b>2,372,160</b>	<b>105.1%</b>
<b>OPERATING SUPPLIES</b>							
Shop Supplies	8,257	3,441	5,162	27,260	27,522	27,522	101.0%
Personal Protective Equipment	18,676	9,362	14,045	25,400	65,934	65,934	259.6%
Fuel, Oil & Grease	54,885	23,167	34,751	67,463	60,994	60,994	90.4%
Heating Fuel	2,733	3,169	4,754	11,869	9,924	9,924	83.6%
Small Tools & Equipment	57,250	34,680	52,020	112,060	90,655	90,655	80.9%
<b>Subtotal:</b>	<b>\$ 141,801</b>	<b>73,819</b>	<b>110,732</b>	<b>244,052</b>	<b>255,029</b>	<b>255,029</b>	<b>104.5%</b>
<b>REPAIR &amp; MAINTENANCE SUPPLIES</b>							
Vehicle Supplies	\$ 18,251	8,869	13,304	42,375	34,575	34,575	81.6%
Materials - Water	129,514	49,785	74,678	110,000	91,000	91,000	82.7%
Materials - Hydrants	33,441	14,490	21,735	45,000	40,000	40,000	88.9%
Materials - Sewer	8,356	2,635	3,953	12,000	12,000	12,000	100.0%
Building & Grounds Supplies	17,337	12,474	18,711	38,800	34,700	34,700	89.4%
Equipment Supplies	49,042	9,398	14,097	51,925	58,025	58,025	111.7%
Water Pump Station Supplies	35,605	34,077	51,116	82,500	43,150	43,150	52.3%
Sewer Pump Station Supplies	70,449	41,659	62,489	124,900	95,700	95,700	76.6%
<b>Subtotal:</b>	<b>\$ 361,995</b>	<b>173,387</b>	<b>260,083</b>	<b>507,500</b>	<b>409,150</b>	<b>409,150</b>	<b>80.6%</b>
<b>PROFESSIONAL &amp; CONTRACTUAL SERVICES</b>							
Labor - Outside Contract	\$ 289,374	79,560	119,340	203,600	123,003	123,003	60.4%
Uniform Rental	19,748	10,742	16,115	22,925	23,970	23,970	104.6%
Building & Grounds Services	44,989	36,811	55,217	62,544	144,614	144,614	231.2%
Other Contractual Services	784	84	126	10,861	13,891	13,891	127.9%
<b>Subtotal:</b>	<b>\$ 354,895</b>	<b>127,197</b>	<b>190,798</b>	<b>299,930</b>	<b>305,478</b>	<b>305,478</b>	<b>101.8%</b>

## Maintenance Department

Description	FY 2017 <u>Expended</u>	FY 2018 Actual Expenses <u>To-Date(Feb)</u>	FY 2018 Anticipated Expenses <u>To-EOFY 2017</u>	FY 2018 <u>Budget</u>	FY 2019 Base <u>Budget</u>	FY 2019 Total <u>Proposed</u>	FY 2019 as % of FY 2018
<b>REPAIRS AND MAINTENANCE</b>							
Equipment Repair and Maintenance	\$ 27,029	14,203	21,305	52,233	75,233	75,233	144.0%
Building & Grounds Repair and Maintenance	137	3,560	5,340	12,200	13,200	13,200	108.2%
Vehicle Repair and Maintenance	23,794	18,393	27,590	37,923	37,303	37,303	98.4%
<b>Subtotal:</b>	<b>\$ 50,960</b>	<b>36,156</b>	<b>54,235</b>	<b>102,356</b>	<b>125,736</b>	<b>125,736</b>	<b>122.8%</b>
<b>OTHER SERVICES AND CHARGES</b>							
Rental of Equipment	\$ 299	79	119	10,000	10,000	10,000	100.0%
Education and Training	16,075	8,809	13,214	24,000	35,260	35,260	146.9%
Travel	7,776	3,624	5,436	14,525	16,600	16,600	114.3%
Electricity - Water Pump Station	23,990	17,206	25,809	30,155	32,858	32,858	109.0%
Electricity - Sewer Pump Station	26,501	17,080	25,620	35,743	38,701	38,701	108.3%
Electricity - Shop & Office	39,348	22,766	34,149	49,800	45,240	45,240	90.8%
Permits	350	(200)	(300)	7,130	7,130	7,130	100.0%
<b>Subtotal:</b>	<b>\$ 114,339</b>	<b>69,364</b>	<b>104,047</b>	<b>171,353</b>	<b>185,789</b>	<b>185,789</b>	<b>108.4%</b>
<b>CAPITAL OUTLAYS</b>							
Furniture and Fixtures	76	-	-	-	-	-	0.0%
Machinery and Equipment		47	71				0.0%
<b>Subtotal:</b>	<b>\$ 76</b>	<b>47</b>	<b>71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>TOTAL MAINTENANCE</b>	<b>\$ 2,933,462</b>	<b>1,704,365</b>	<b>2,556,561</b>	<b>3,581,171</b>	<b>3,653,342</b>	<b>3,653,342</b>	<b>102.0%</b>

### Capital Outlays - Capital Equipment

New Equipment Acquisition	\$ 8,054	19,994	29,991	183,300	31,000	31,000	16.9%
<b>Total</b>	<b>\$ 8,054</b>	<b>19,994</b>	<b>29,991</b>	<b>183,300</b>	<b>31,000</b>	<b>31,000</b>	<b>16.9%</b>

### Planned Equipment Replacement

Equipment Replacement Expense	\$ 8,739	28,545	42,818	48,250	398,600	398,600	826.1%
<b>Total</b>	<b>\$ 8,739</b>	<b>28,545</b>	<b>42,818</b>	<b>48,250</b>	<b>398,600</b>	<b>398,600</b>	<b>826.1%</b>

The Authority does not anticipate the issuance of new debt as it will be using cash or reserves to fund capital projects in the future. The Authority is required to the rebate and reporting requirements of the federal tax code pertaining to arbitrage. The Authority is in compliance with federal arbitrage regulations. Below is a summary of the ACSA debt service requirements along with the effect to future budget years.

Debt Type	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Amounts Due Within One Year
Revenue Bond	\$ 8,352,000	\$ -	\$ (449,000)	\$ 7,903,000	\$ 463,000

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. All water and sewer revenues are pledged equally and ratably to secure payment of the principal and interest on the revenue bond. This Bond bears interest at the rate of 4.6%, payable semiannually. The true interest cost, after application of the BAB subsidy, is 2.98%.

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

Fiscal Year Ending June 30,	Principal	Interest	Anticipated BAB Subsidy	Net Interest
2018	\$ 463,000	\$ 363,538	\$ (127,238)	\$ 236,300
2019	477,000	342,240	(119,784)	222,456
2020	491,000	320,298	(112,104)	208,194
2021	506,000	297,712	(104,199)	193,513
2022	521,000	274,436	(96,053)	178,383
2023-2027	2,846,000	998,246	(349,386)	648,860
2028-2031	2,599,000	303,324	(106,164)	197,160
	<b>\$ 7,903,000</b>	<b>\$ 2,899,794</b>	<b>\$ (1,014,928)</b>	<b>\$ 1,884,866</b>

### Capital Equipment Purchases

The Authority 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 has been made to determine the funding source. Those items being replaced are being purchased from the 3R reserve while equipment being purchased for the first time is funded by operating reserves. Please see summaries of equipment purchased below:

#### Equipment – Newly acquired - \$41,000

Information Technology – The IT group has identified the need for an Unmanned Aircraft System (UAS) or a drone. The drone will assist the Authority in obtaining current aerial imagery, specifically related to new construction. (Budget Impact: \$10,000).

Maintenance – The Maintenance Department identified the need for a steerable power mole that is designed to install infrastructure under roads or in an area which cannot be dug. We have also identified the need for a cage for the Authority's 4600 bush hog. (Budget Impact: \$21,000 and \$10,000, respectively).

#### Equipment- Replacement - \$649,400

Administration – Construction and reconfiguration of the Administration office is proposed to more appropriately separate the Human Resource Technician's space into a defined, secure office. Also included in this request is office furniture for the Administration Team. (Budget impact: \$15,000).

Engineering – Scheduled replacement of the ACSA inspector's trucks (three trucks), the environmental compliance group's SUV (one SUV), one Flo-Dar Sensor, and three loggers that communicate by modem. (Budget Impact: \$81,000; \$23,500; \$6,700 and \$16,200, respectively).

Finance – The Customer Service area was reconfigured in fiscal year 18 to improve customer interaction and enhance security. This budget proposes funds for office furniture and partitions which have reached the end of its useful life. (Budget impact: \$15,000).

Information Technology – Replacement of two servers, eighteen computers, twenty SCADA cell modem replacements, and one server room uninterruptible power supply (UPS) is planned during FY 2019 in accordance with the ACSA's regularly scheduled change out policy. We have also identified the need for office furniture. (Budget impact: \$10,400; \$36,000; \$12,000; \$30,000 and \$5,000, respectively).

Maintenance – Scheduled replacement of two crew leader trucks with utility beds, one sewer truck with a utility bed, an air compressor, a truck mounted sewer jetter, replacement of garage doors and garage door openers, replace pillars on the front of the ACSA Administration building, and replace shingles at the Crozet, Glenmore, Mosby Pump Station as part of the business continuity plan project. (Budget impact: \$96,000; \$48,000; \$20,000; \$145,000; \$42,000; \$17,600 and \$30,000, respectively)

## Capital Equipment Purchases

Description	FY 2019 Proposed Budget
<b><i>NEW EQUIPMENT ACQUISITION</i></b>	
Information Technology	\$ 10,000
Maintenance	31,000
<b>Total:</b>	<b><u>\$ 41,000</u></b>
 <b><i>PLANNED EQUIPMENT REPLACEMENT</i></b>	
Administration	\$ 15,000
Engineering	127,400
Finance	15,000
Information Technology	93,400
Maintenance	398,600
<b>Total:</b>	<b><u>\$ 649,400</u></b>

The following is a summary of the estimated project costs to be undertaken in FY 2019:

Water Projects:	\$ 3,906,925
Wastewater Projects:	\$ 2,220,525
<b>Total:</b>	<b>\$ 6,127,450</b>

In this budget approximately 62% of the funds to be expended for water projects will be used to replace aging and undersized pipelines. Approximately 35% of the funds to be expended for sewer projects will address rehabilitation of the existing collection system to reduce infiltration and inflow (I/I). Of the total \$6,127,450 budgeted, existing projects account for \$3,566,500, while new projects are estimated at \$2,560,950.

The new projects include, the replacement of existing water mains, creating redundancy in the water system, extending the useful life of a water tank, identifying I/I in our sanitary sewer system, upgrades to wastewater pump stations, the abandonment of a wastewater pump station, and addressing security issues at water and wastewater assets throughout our utility system. The Maintenance Department will continue to construct some of the CIP Projects. A summary of the proposed CIP projects with their anticipated required funding in FY 2019 follows:

**Vulnerability Assessment Improvements (New):** After the attacks of September 11, 2001 industry leaders were tasked by the federal government to prioritize requirements for the protection of the nation’s critical infrastructure. The Water Sector, encompassing both water and wastewater, was one of the categories identified that were expected to remain resilient and continue operating regardless of emergency events. As part of the on-going preparedness program for the ACSA to remain resilient a Vulnerability Assessment was completed in conjunction with our community partners. All our critical assets were analyzed for risks caused by both natural and human-made hazards, using the AWWA Standard J100: *Risk and Resilience Management of Water and Wastewater Systems*. The result was a report to establish mitigation measures to lower risks and increase resiliency. Some mitigation measures are already underway and the amount budgeted is for the higher priority improvements to be made in FY 2019 with further actions budgeted in the next two or three fiscal years. **FY 2019 Budget - \$437,450**

**ACSA Facilities – Operations Center Expansion Phase 1:** The study to evaluate all ACSA properties and develop a master plan for the long-term needs of the organization is nearly complete. In the early phase of the study certain improvements to our existing Operations Center were identified as necessary to begin immediately, which were designated as Phase 1. As part of this project the house on the hill (171 Spotnap Road) overlooking the Administration Building was converted to office space to alleviate some crowded workspaces in the main office building. This project will continue with construction of an access stairway to 171 Spotnap Road, internal renovations to the Administration Building, as well as, construction of additional parking in the lower level parking area. The designs of the various components of Phase 1 are nearing completion and construction will begin in the current fiscal year. The amount budgeted is for the additional funds required to finish construction of the improvements in FY 2019. **FY 2019 Budget - \$280,200 (FY 2018 Budget - \$364,800)**

**ACSA Facilities – HVAC System Upgrade:** During recent years it has become apparent that the HVAC System serving the Administration Building needs replacement or upgrading. An evaluation of the existing system and modeling of the required heating/cooling loads has been completed and the final report identified different alternatives with corresponding cost analyses. Design of the recommended upgrade alternative is nearing completion. The amount budgeted is for additional estimated funds to construct the upgrade of the HVAC System in FY 2019. **FY 2019 Budget - \$357,600 (FY 2018 Budget - \$1,020,400)**

**Camelot Water Main Replacement:** This project will replace the asbestos-cement and PVC water mains that have been in service approximately 50 years, some of which are also undersized. Recent repairs in this area have revealed the asbestos-cement water main is deteriorating and becoming unreliable. This project addresses the goal in our Strategic

Plan for the eventual replacement of all asbestos-cement water mains in our system. The design is currently in progress and is expected to be completed in FY 2018 with funds previously appropriated. The amount budgeted is for funds to begin construction in FY 2019. It is expected that additional funding will be required in FY 2020 to complete the project. **FY 2019 Budget - \$606,500 (FY 2017 Budget - \$218,900)**

**Scottsville Phase 3 Water Main Replacement:** An evaluation of a portion of the water main along East Main Street to investigate reduced fire flow revealed significant tuberculation in the water main. The design of the replacement of this aging and undersized cast iron pipe is nearing completion using funds already appropriated. The amount budgeted is for additional estimated funds combined with funds previously budgeted to construct the project in FY 2019. **FY 2019 Budget - \$125,400 (FY 2017 Budget - \$350,000)**

**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 design will begin in the current fiscal year and carry over into FY 2019 with funds previously budgeted. Construction is not anticipated to occur until FY 2021 and FY 2022, possibly as separate phases. **FY 2019 Budget - \$0 (FY 2018 Budget - \$301,900)**

**Crozet Phase 4 Water Main Replacement (New):** Our Strategic Plan calls for the eventual replacement of all asbestos-cement and PVC (pre-1990) water mains in our system, as they are older and made of a weaker material than the current industry norm. This project continues our systematic program to replace the aging and undersized asbestos-cement and PVC water mains in the Crozet Water System. This is the fourth of five phases that have been defined to carry out these improvements. The amount budgeted is for the design phase to be completed in FY 2019. **FY 2019 Budget - \$385,000**

**Jefferson Village Water Main Replacement:** This project addresses the goal in our Strategic Plan for the eventual replacement of all asbestos-cement water mains in our system. The existing water mains are approximately 50 years old and have reached the end of their useful life. As a former well system that was connected to public water, many of the mains are also undersized. The design phase is currently underway with funds previously appropriated and could carry over into FY 2019. Construction is expected to take place in FY 2020. **FY 2019 Budget - \$0 (FY 2018 Budget - \$188,800)**

**Barterbrook Phase 2 Water Main Replacement:** In recent years the water main along Solomon Road has experienced multiple breaks in a relatively short segment of pipe. This water main has been in service for approximately 56 years, as have the water mains in the same area, along North Berkshire Road and Inglewood Drive. An investigation into reduced fire flow in the area revealed significant tuberculation in the water main, further reinforcing the need to replace these aging water mains. This project addresses our Strategic Plan goal to replace aging and undersized water mains throughout our system. The design phase has been completed using funds previously appropriated. The amount budgeted is for construction that could begin at the very end of the current fiscal year and will be completed in FY 2019. **FY 2019 Budget - \$770,000 (FY 2017 Budget - \$147,000)**

**Meriwether Hill Water Main Replacement:** This project follows our Strategic Plan goal of replacing all asbestos-cement and galvanized steel water mains in our system. The existing water mains have been in service approximately 42 years and are reaching the end of their useful life. As a former well system that was connected to public water, many of the mains are also undersized. The design phase is currently underway with funds previously appropriated and should be completed in FY 2019. Construction is anticipated to take place in FY 2020. **FY 2019 Budget - \$0 (FY 2018 Budget - \$280,000)**

**Hessian Hills Water Main Replacement (New):** The water mains in the Hessian Hills area are of a similar age and material as the water mains in the Barterbrook Phase 2 Project, plus they are in the same general area. By extension we are assuming their condition is similar with respect to tuberculation and they are also undersized throughout most of the subdivision. This project follows our Strategic Plan goal to replace aging and undersized water mains throughout our system. It will also eliminate a small amount of PVC main installed in the early 1980's. The amount budgeted is for the design phase to take place in FY 2019 with construction anticipated to begin in FY 2020 and carry over into FY 2021. **FY 2019 Budget - \$372,000**

**Recoating Scottsville Water Storage Tank (New):** As part of our new program of regular water storage tank cleaning and inspections it was determined that the Scottsville Tank was exhibiting generalized degradation of the paint coating on the interior and exterior surfaces. This tank has not been recoated since its construction approximately 25 years ago. To be proactive in extending the useful life of our water tanks our consultant recommended the Scottsville Tank be recoated.

The amount budgeted is for the development of coating specifications and design, as well as, the repainting of the tank in FY 2019. **FY 2019 Budget - \$372,000**

**Pantops Drainage Basin Rehabilitation:** The wastewater flow metering in 2015 for the update of the RWSA sewer interceptor model has shown the Pantops Area is experiencing peak wet weather flows due to infiltration and inflow (I/I). This project will continue our efforts to maintain the integrity of our wastewater collection system by reducing I/I. The sanitary sewer evaluation survey (SSES) will include the ACSA collection system east of the South Fork Rivanna River and north of I-64, including the Peter Jefferson Place Pump Station. The SSES will begin in the current fiscal year with funding previously budgeted and carry over into FY 2019. The amount budgeted is to complete the rehabilitation work recommended by the SSES in FY 2019. **FY 2019 Budget - \$150,000 (FY 2018 Budget - \$250,700)**

**Hollymead Drainage Basin SSES (New):** ACSA staff has identified other large drainage basins to be evaluated for infiltration and inflow (I/I) to continue our efforts to maintain the integrity of our wastewater collection system. The study area includes the oldest portions of the Hollymead Subdivision, as well as, the offsite portion of the sewer main that serves the westernmost area of Forest Lakes South. The Forest Lakes Offsite Sewer will be the primary collector for the upcoming extensive Brookhill development and the evaluation of this trunk main will provide an excellent baseline of pipe integrity in advance of the future construction activities around this sewer. The amount budgeted is to complete the SSES in FY 2019. **FY 2019 Budget - \$219,700**

**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. This work will utilize a publicly bid miscellaneous sewer rehabilitation contract that is renewable on an annual basis up to four times after the initial year long contract. The contract will include cooperative contracting language that could allow the City of Charlottesville to enter into a separate contract with the awarded contractor, if necessary. It will be used to make repairs and rehabilitate problems in our system found with systematic CCTV inspection by ACSA crews and the subcontractor. **FY 2019 Budget - \$400,000**

**Oak Forest Sewer Pump Station Abandonment:** This wastewater pump station was constructed 38 years ago by private development and the original equipment is wearing down. The building and wet well are also undersized and deteriorating. With the development of the Stonefield Area between Route 29 and Commonwealth Drive ACSA staff has identified a sewer main extension project that could eliminate this aging pump station and avoid an expensive upgrade. The design phase is nearing completion with funds previously appropriated and is anticipated to be completed in the current fiscal year. The amount budgeted is for construction to begin in FY 2019 and carry over into FY 2020. It is expected that additional funding will be required in FY 2020 to complete the project. **FY 2019 Budget - \$550,000 (FY 2016 Budget - \$105,000)**

**Peter Jefferson Place Sewer Pump Station Improvements:** This wastewater pump station was constructed 20 years ago and designed to serve a large drainage basin with the potential for dense development. To date the potential development within the drainage basin has been slow and as a result the pumps are over-sized for the flow received at the station. Due to the lower flows the pumps are not operating efficiently and this is increasing the wear and tear on the equipment. A study to evaluate options to improve the efficiency of the pumps was completed and the best option included replacing the pumps and making some piping adjustments. The project has been expanded to also include SCADA controls, a new emergency standby generator, a more secure type of fencing as identified in our Vulnerability Assessment, and a small HVAC unit within the pump station. The design phase is nearing completion with funds previously appropriated. The amount budgeted is for additional estimated funds combined with funds previously budgeted to construct the project in FY 2019. **FY 2019 Budget - \$117,000 (FY 2016 and FY 2018 Budgets - \$371,000)**

**Sewer Pump Stations Comminuters (New):** Three sewer pump stations: Glenmore, Georgetown Green, and Crozet have all been experiencing higher than normal amounts of solid debris that have been causing undue wear and tear on our pumps, reducing their effective life. They have also been subjected to clogging from the fibrous cloth wipes that are marketed as flushable but do not break down in the sanitary sewer collection system. Maintenance identified the need to install comminuters (aka grinders) in the wet wells or just upstream of them, to eliminate these solids that are adversely impacting our pumps. The amount budgeted is for the design of the mounting systems and the materials and labor to install the devices. It is anticipated some of the work will be performed in-house by Maintenance Department personnel and is expected to be completed in FY 2019. **FY 2019 Budget - \$240,000**

**Lewis Hill – West Leigh Water Connection:** The existing PVC water main that serves as the primary connection between West Leigh Subdivision and Lewis Hill Subdivision is at risk for failure due to the encroachment of a nearby stream. The water main has been taken out of service to avoid a catastrophic failure and the resulting large volume of lost water. This project re-establishes the connection from West Leigh by taking advantage of the recent water main replacement along Sheffield Road with an 8” diameter pipe. Preliminary design work has already begun with an ACSA staff engineer. Construction is anticipated to be completed in-house by the Maintenance CIP crew in FY 2019 with funds previously budgeted. **FY 2019 Budget \$0 (FY 2018 Budget - \$80,900)**

**Parkview Drive Water Connection (New):** The water in Thurston Drive experiences a high degree of water age and is currently the location of one of our fixed position automatic flushing assemblies. This flushing assembly produces the highest volume of wasted water to keep water age down and maintain an acceptable chlorine residual. ACSA staff has identified a water interconnection between Thurston Drive and Three Notch’d Road along Parkview Drive that could reduce the amount of time for water to reach the Thurston Subdivision and potentially eliminate the need for the flushing assembly. The amount budgeted is for the design, including a directional drilling, and the construction by the Maintenance CIP crew in FY 2019. **FY 2019 Budget - \$300,000**

**Stony Point Water Main Replacement (New):** This project was originally intended to be part of the Scottsville Phase 4 Water Main Replacement Project but ACSA staff recognized that it could be constructed by our Maintenance CIP crew. The pipes are undersized cast iron and galvanized due to it originally being a well system and they are approximately 50 years old. This project is in accordance with our Strategic Plan to eliminate aging and undersized pipe throughout our water system. The amount budgeted is for in-house design and construction in FY 2019. **FY 2019 Budget - \$175,000**

**Redfields Sewer Pump Station Abandonment (New):** This wastewater pump station was constructed 23 years ago by private development and the parcel is too small to add an emergency standby generator. The Maintenance Department must rely on a portable pump to operate this station during power outages. With the development of Wintergreen Farm Subdivision, ACSA staff saw an opportunity for a sewer main extension that could eliminate this pump station. Now that the sewer main extension is in place the timing is perfect for abandoning this wastewater pump station. The amount budgeted anticipates using our new Miscellaneous Sewer Rehabilitation contract to bypass the pump station with a gravity main and have Maintenance handle the building decommissioning and demolition. The construction is scheduled for FY 2019. **FY 2019 Budget - \$59,800**

**Ashcroft Pump Stations #2 & #3 Capacity Improvement:** In order to meet current domestic demand, fire flow requirements and future development in Ashcroft, the pumps in stations #2 and #3 will need to be upgraded. This will allow the Ashcroft Water Tank to be cycled more frequently, reducing water age and improving water quality. A Preliminary Engineering Report was completed to determine the best alternative for increasing the pumping capacity within the limited space of the existing buildings, and the available electrical service. The project has since been expanded to include emergency standby generators and a redundant, secure radio communication system for pumping controls. The design phase is nearing completion with construction expected to begin in the current fiscal year and carry over into FY 2019. The amount budgeted is for additional estimated funds combined with funds previously budgeted to complete the project in FY 2019. **FY 2019 Budget - \$109,800 (FY 2017 and FY 2018 Budgets - \$586,600)**

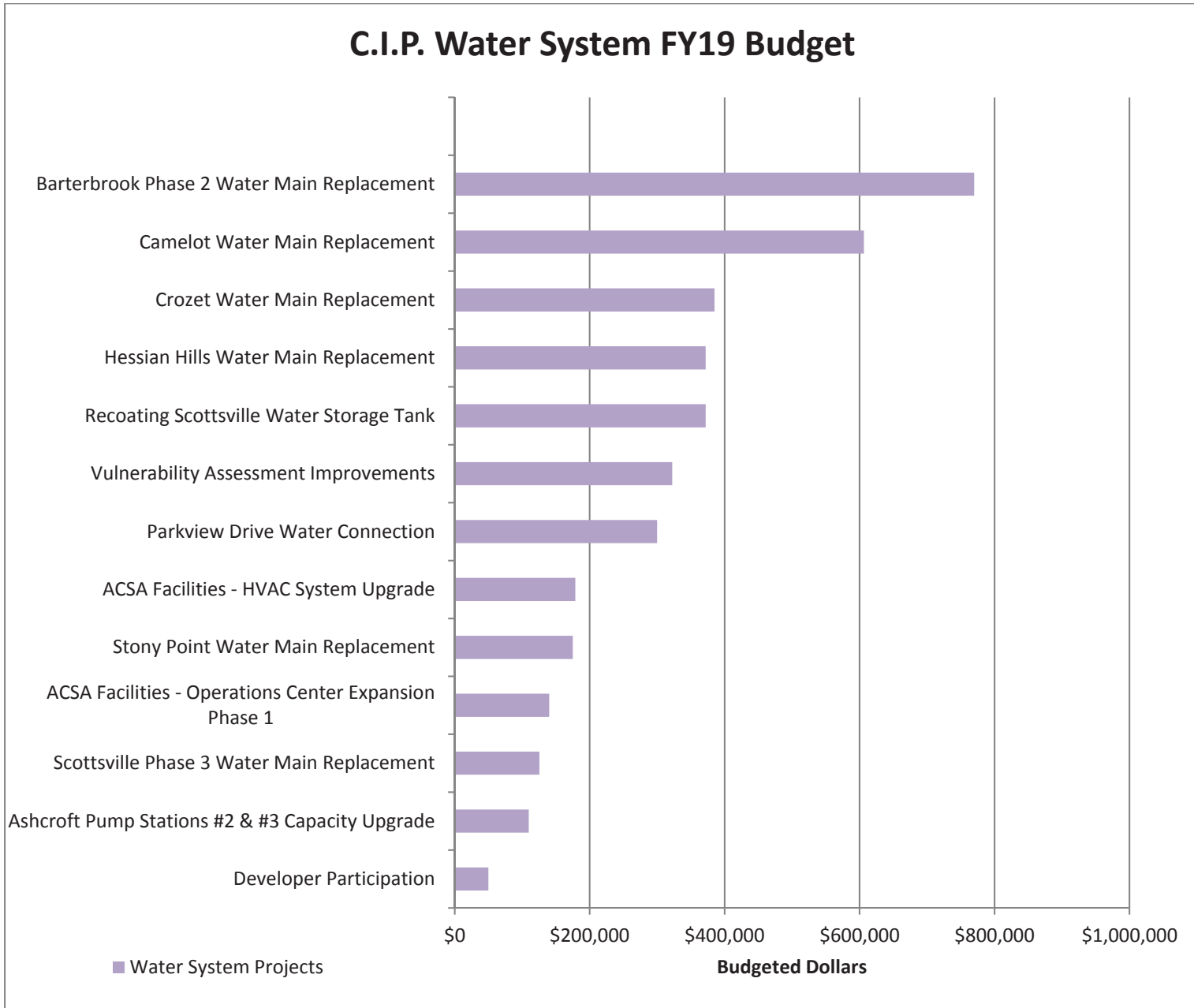
**Developer Participation:** Each year funds are set aside to participate in oversizing utilities constructed to serve new development. The Rate Model includes \$100,000 divided equally between water and wastewater projects as a contingency to insure the new pipes are sized to meet the ACSA’s long-range needs. **FY 2019 Budget - \$100,000**

Albemarle County Service Authority Water & Sewer Rate Model

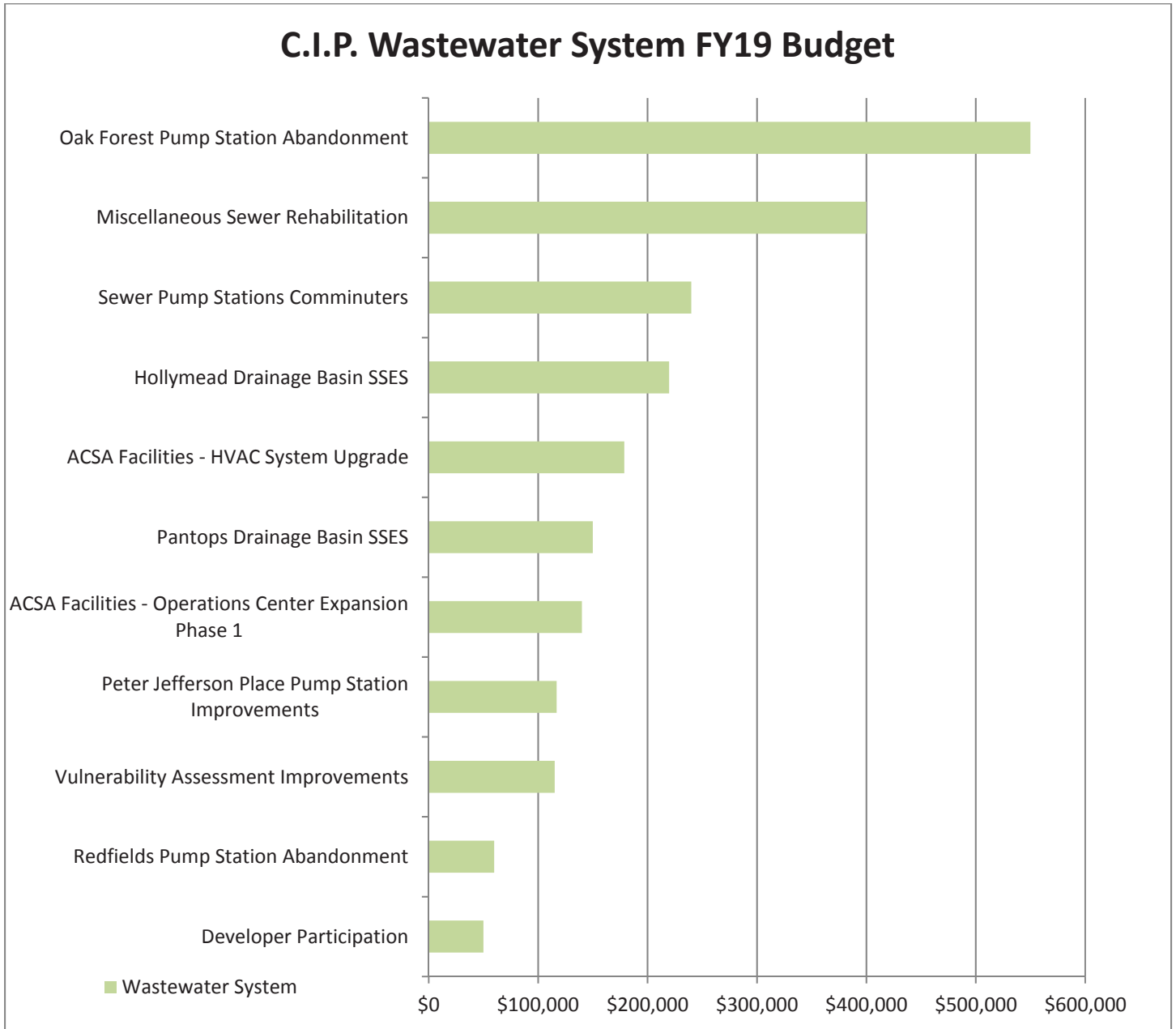
Water System	Percent Growth	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast
<b>Vulnerability Assessment Improvements</b>	0%		<b>322,325</b>	63,100								
<b>ACSA Facilities - HVAC System Upgrade</b>	100%	<b>510,200</b>	<b>178,800</b>									
<b>ACSA Facilities - Operations Center Expansion Phase 1</b>	100%	<b>182,400</b>	<b>140,100</b>									
AMI Feasibility Study	50%	<b>200,000</b>										
<b>Scottsville Phase 3 Water Main Replacement</b>	0%	<b>0</b>	<b>125,400</b>									
<b>Scottsville Phase 4 Water Main Replacement</b>	0%	<b>301,900</b>	<b>0</b>	0	211,000	844,320						
<b>Stony Point Water Main Replacement</b>	0%		<b>175,000</b>									
Ragged Mountain Water Phase I	0%					80,000						
<b>Ashcroft Pump Stations #2 &amp; #3 Capacity Upgrade</b>	50%	<b>274,600</b>	<b>109,800</b>									
<b>Crozet Water Main Replacement</b>	0%	<b>914,200</b>	<b>385,000</b>		2,626,000	200,000	243,000		1,042,500	347,500		
Orchard Acres Water Main Replacement	0%	<b>530,800</b>										
<b>Jefferson Village Water Main Replacement</b>	0%	<b>188,800</b>	<b>0</b>	942,000								
Rt 785 Water Replacement	0%						185,700					
Stagecoach Rd Water connection	50%									57,800		363,600
<b>Recoating Scottsville Water Storage Tank</b>	0%		<b>372,000</b>									
Recoating Ednam Water Storage Tank	0%			180,000								
Carrsbrook Transite Water Replacement	0%				200,300		594,550	594,550				
Northfields Transite Water Replacement	0%			390,000		1,100,000			1,100,000		1,100,000	
Baker Butler -Forest Lakes Water connection	0%						186,500					
<b>Hessian Hills Water Main Replacement</b>	0%		<b>372,000</b>	930,000	2,170,000							
Airport Acres Water System	100%								93,000	681,700		
<b>Barterbrook Phase 2 Water Main Replacement</b>	0%	<b>0</b>	<b>770,000</b>									
Running Deer Water Extension	100%						951,300					
<b>Parkview Drive Water Connection</b>	0%		<b>300,000</b>									
Old Lynchburg Rd Water Connection	50%							150,000				
<b>Lewis Hill - West Leigh Water Connection</b>	0%	<b>80,900</b>	<b>0</b>									
Woolen Mills - State Farm Water Connection	0%											662,000
Glenorchy - Viewmont Court Water Extension	100%							85,000				
Ashcroft Water Main Replacement	0%									1,012,100		
Briarwood Water Main Replacement	0%			176,700		1,340,200	236,500					
Riverrun Water Main Replacement	0%					190,500		920,000				
Townwood Water Main Replacement	0%						130,000			600,000		
<b>Meriwether Hill Water Main Replacement</b>	0%	<b>280,000</b>	<b>0</b>	1,600,000								
Kearsarge - Ednam Water Connection	100%									205,000	683,400	683,400
<b>Camelot Water Main Replacement</b>	0%	<b>0</b>	<b>606,500</b>	606,500								
Stony Point Booster Pump	0%											
<b>Developer Participation</b>	100%	<b>50,000</b>	<b>50,000</b>	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
<b>Actual Total Water Capital Projects</b>		<b>3,513,800</b>	<b>3,906,925</b>	<b>4,938,300</b>	<b>5,257,300</b>	<b>3,805,020</b>	<b>2,577,550</b>	<b>1,799,550</b>	<b>2,285,500</b>	<b>2,954,100</b>	<b>1,833,400</b>	<b>1,759,000</b>

Wastewater System	Percent Growth	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast
<b>Vulnerability Assessment Improvements</b>	0%		115,125									
<b>ACSA Facilities - HVAC System Upgrade</b>	100%	510,200	178,800									
<b>ACSA Facilities - Operations Center Expansion Phase 1</b>	100%	182,400	140,100									
Airport Sewer Collector Upgrade	100%									427,000		2,800,000
<b>Redfields Pump Station Abandonment</b>	0%		59,800									
Glenmore Drainage Basin Rehabilitation	0%	75,000										
<b>Hollymead Drainage Basin SSES</b>	0%		219,700	235,000								
<b>Pantops Drainage Basin SSES</b>	0%	250,700	150,000									
Northfields Sewer	100%					612,000	612,000			612,000	612,000	
Buckingham Circle Sewer	100%						730,000					
Madison Park Pump Station Upgrade	0%	338,700										
<b>Peter Jefferson Place Pump Station Improvements</b>	0%	266,000	117,000									
Carrsbrook Collection System	100%					350,000		795,900	1,857,100			
Deerwood Sewer Phase II	100%			82,800								
Hessian Hills Sewer Phase III	100%						124,200					
<b>Miscellaneous Sewer Rehabilitation</b>	0%	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
<b>Oak Forest Pump Station Abandonment</b>	0%	0	550,000	220,000								
Springfield Pump Station	100%											443,000
Ednam Forest Sewer	100%							530,000		1,142,880	2,666,720	
Brookwood Road Sewer Extension	100%											21,000
Buck Road Sewer Extension	100%											40,000
Park Road Sewer Extension	100%											80,400
Airport Acres Sewer	100%						308,900		976,900			
Airport Acres Offsite Sewer	100%						140,000	458,750				
Bellair - Liberty Hills Sewer	100%					313,200	496,800	1,159,200				
<b>Sewer Pump Stations Comminuters</b>	0%		240,000									
<b>Developer Participation</b>	100%	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Actual Total Sewer Capital Projects		2,073,000	2,220,525	987,800	450,000	1,725,200	2,861,900	3,393,850	3,284,000	2,631,880	3,728,720	3,834,400
TOTAL CAPITAL IMPROVEMENT PROJECTS		5,586,800	6,127,450	5,926,100	5,707,300	5,530,220	5,439,450	5,193,400	5,569,500	5,585,980	5,562,120	5,593,400

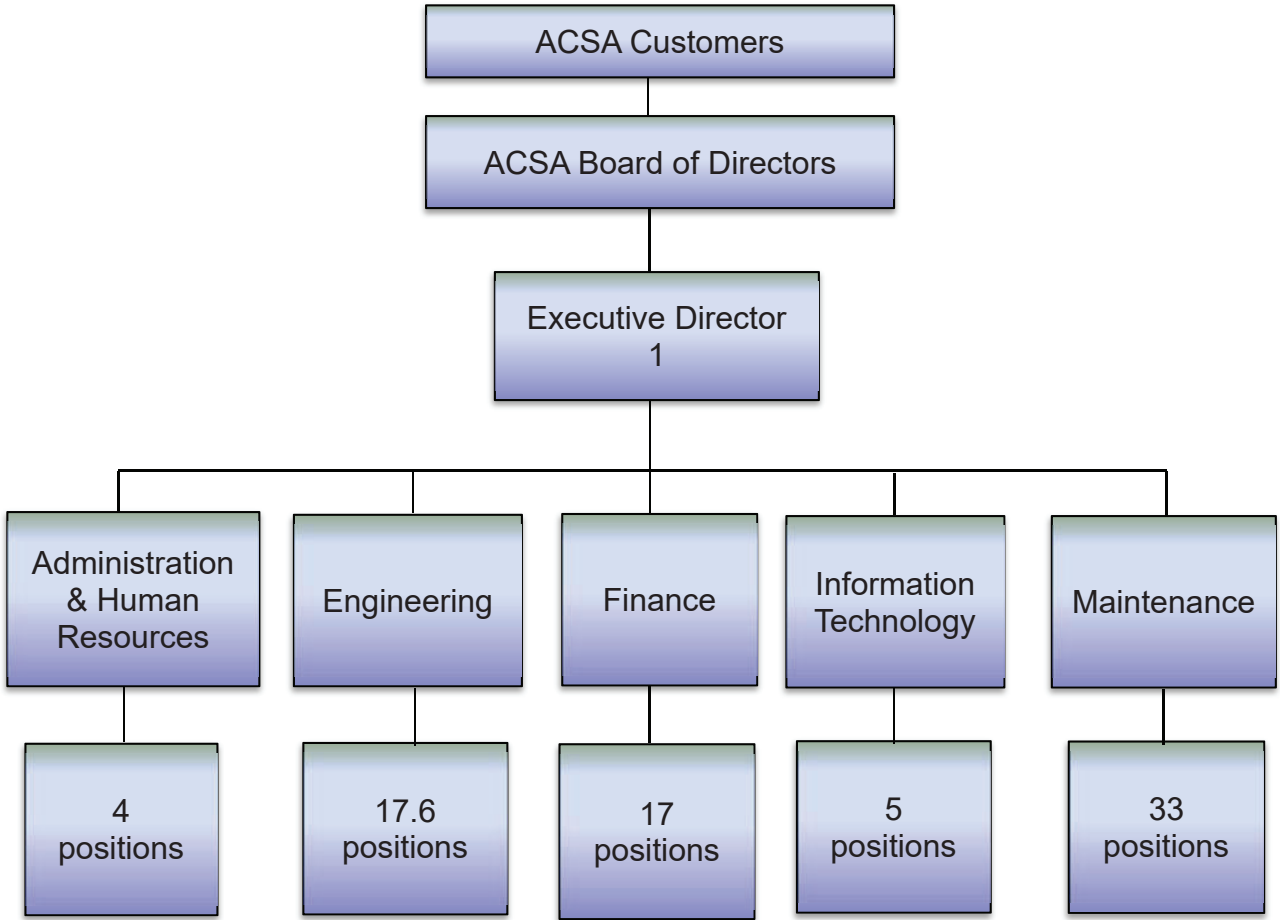
The following is an illustration of estimated water system project costs to be undertaken in FY 2019:



The following is an illustration of estimated wastewater system project costs to be undertaken in FY 2019:



# ACSA Organizational & Personnel Chart Proposed FY 2019



		FY 2017 Number of Positions	FY 2018 Number of Positions	FY 2019 Proposed Number of Positions
<b>ADMINISTRATION</b>	Executive Director	1	1	1
	Human Resources & Admin. Mgr.	1	1	1
	Administrative Office Assoc.	3	1	1
	Executive Assistant	-	1	1
	Human Resources Tech.	-	1	1
<b>INFO. TECH.</b>	Mgr. of Information Technology	1	1	1
	Systems Engineer	1	1	1
	Systems Analyst	1	1	1
	GIS Coordinator	1	1	1
	SCADA/LAN Technician	1	1	1
<b>FINANCE</b>	Director of Finance	1	1	1
	Accounting Supervisor	2	2	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
	Procurement and Fin. Specialist	1	1	1
	Payroll and Rev. Specialist	1	1	1
	Accounting Clerk	-	-	1
	Customer Service Rep. I/II	4	4	4*
	Meter Technician I/II	5	4	4*
<b>ENGINEERING</b>	Director of Engineering	1	1	1
	Senior Civil Engineer	2	2	2
	Civil Engineer	1	1	1
	Modeling Engineer	1	1	1
	Envir. Compliance Specialist	1	1	1
	Reg. Compliance Specialist	1	1	1
	Construction Inspector	5	5	5
	Sr. Utility Location Tech.	1	1	1
	Utility Location Tech.	1	2	2
	Engineering Tech.	2	2	1
	Hydraulic Modeling Tech.	-	-	1**
P.T. Engineering Intern	0.6	0.6	0.6	
<b>MAINTENANCE</b>	Operations Manager	1	1	1
	Operations Supervisor	2	2	2
	Facilities Supervisor	1	1	1
	Electrician/Pump Technician	1	1	1
	Electrical Pump Apprentice	1	1	1
	CCTV Technician	2	2	2
	Crew Leader I/II	4	5	5
	Utility Worker 1/II/III	21	20	20
<b>TOTAL</b>		<b>76.6</b>	<b>77.6</b>	<b>77.6</b>

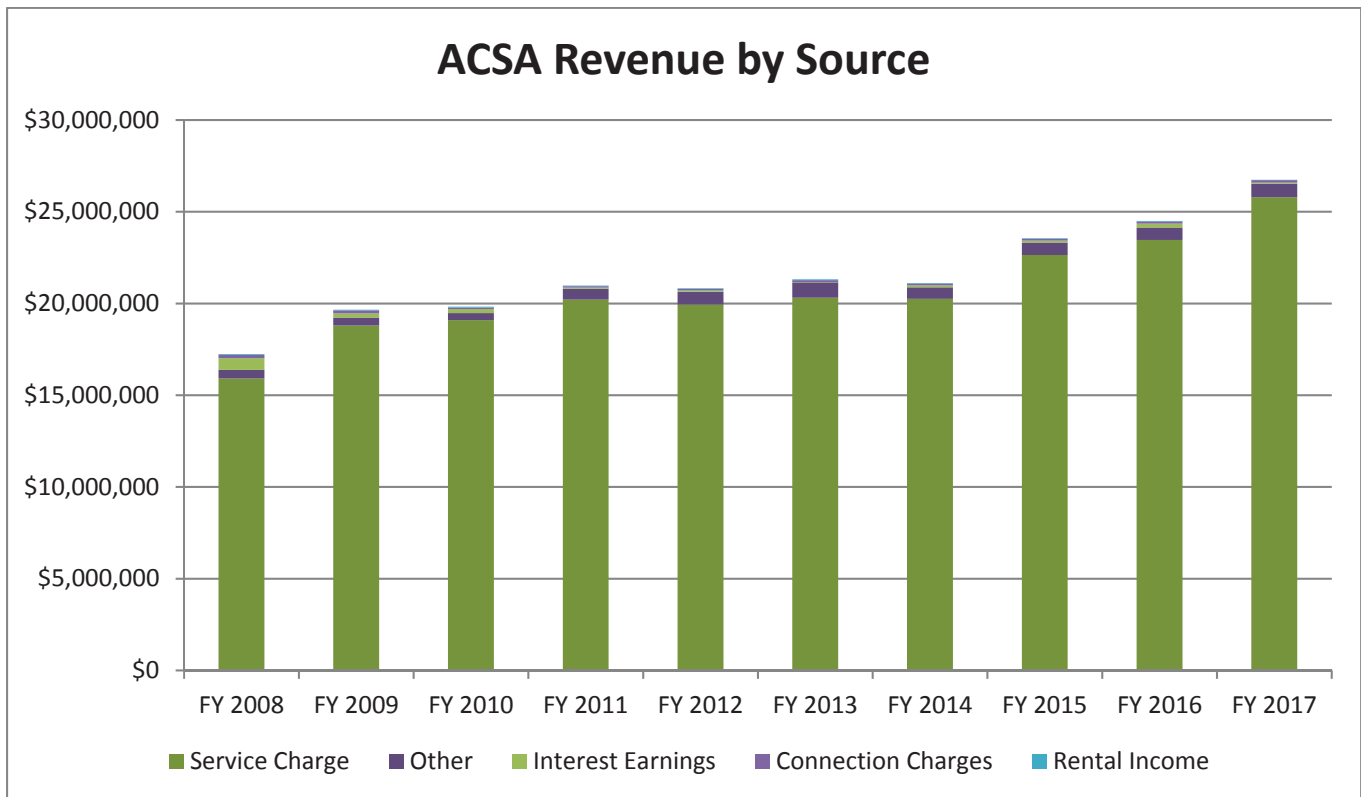
\*See Finance reorganization on page 30

\*\*See Engineering reorganization on page 34

Revenue by Source

Fiscal Year	Service Charges	Connection Charges	Rental Income	Interest Earnings	Other	Total
2008	15,902,915	184,056	44,713	633,377	478,430	17,243,491
2009	18,797,289	167,218	39,972	220,234	436,474	19,661,188
2010	19,088,212	91,726	39,972	219,634	381,692	19,821,236
2011	20,203,499	69,869	39,972	52,937	608,497	20,974,774
2012	19,932,215	94,442	32,294	68,431	699,885	20,827,267
2013	20,312,821	102,275	43,656	19,745	836,157	21,314,654
2014	20,254,140	92,788	33,810	110,135	621,330	21,112,203
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

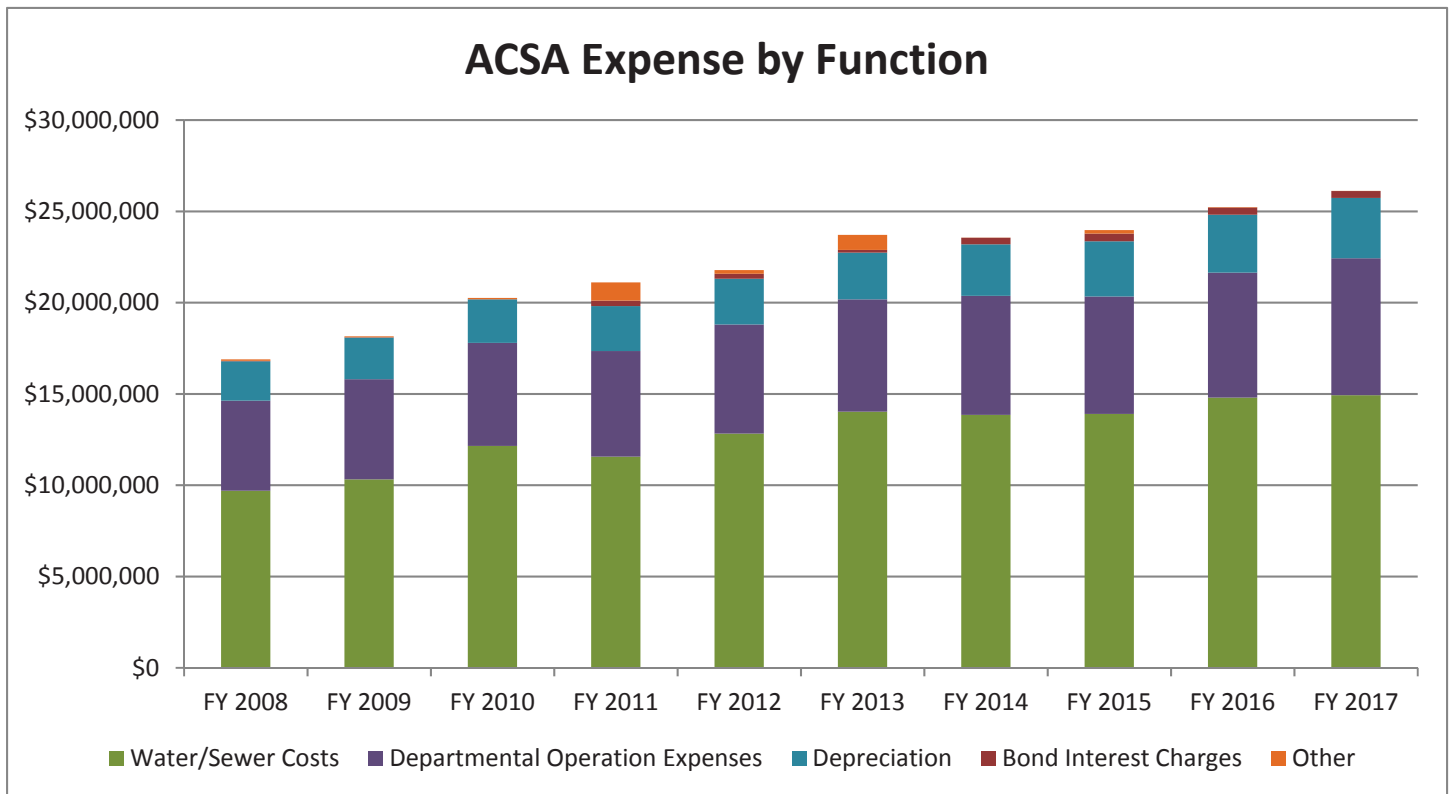
Source: ACSA Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017.



**Expense by Function**

Fiscal Year	Water/Sewer Costs	Departmental Operating Expenses	Bond Interest Charges	Depreciation	Other	Total
2008	9,692,393	4,938,905	30,666	2,153,004	72,542	16,887,510
2009	10,315,905	5,489,297	21,010	2,275,108	52,131	18,153,451
2010	12,149,203	5,644,236	11,029	2,382,631	70,116	20,257,215
2011	11,560,006	5,783,526	295,636	2,469,557	995,398	21,104,123
2012	12,824,548	5,979,395	275,791	2,501,718	201,333	21,782,785
2013	14,027,324	6,150,195	152,232	2,556,232	825,500	23,711,483
2014	13,849,536	6,524,651	360,711	2,819,633	2,032	23,556,563
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	3,177,311	22,163	25,233,832
2017	14,928,569	7,501,581	374,726	3,302,779	4,761	26,112,416

Source: ACSA Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017.

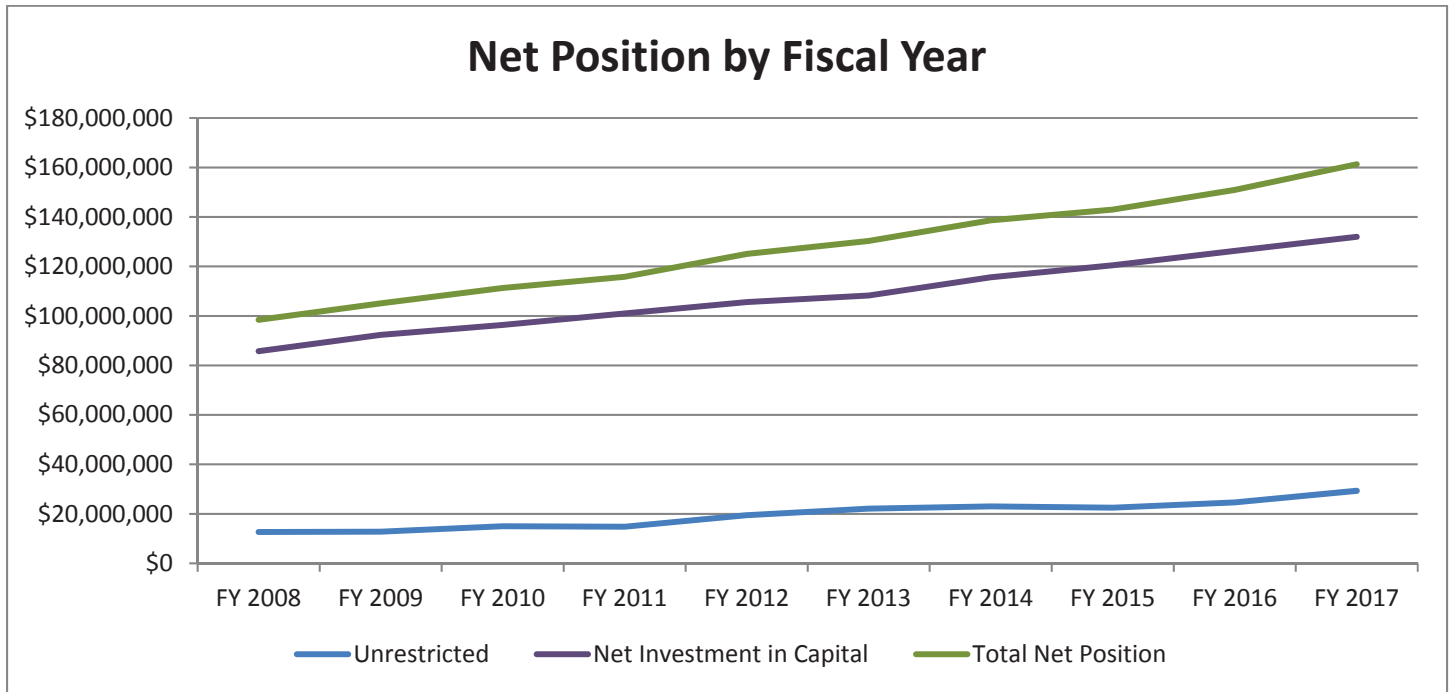


**Changes in Net Position**

Fiscal Year	Beginning Net Position	Net Investment in Capital Assets	Unrestricted	Ending Net Position	Change in Net Position
2008	92,366,143	85,760,478	12,668,284	98,428,762	6,062,619
2009	98,428,762	92,339,372	12,773,883	105,113,255	6,684,493
2010	105,113,255	96,348,624	14,974,733	111,323,357	6,210,102
2011	111,323,357	101,013,464	14,796,257	115,809,721	4,486,364
2012	115,809,721	105,620,650	19,429,475	125,050,125	9,240,404
2013	125,050,125	108,233,265	22,100,955	130,334,220	5,284,095
2014	130,334,220	115,617,250	23,012,237	138,629,487	8,295,267
2015*	135,919,461	120,460,048	22,511,105	142,971,153	7,051,692
2016**	142,225,250	126,311,674	24,664,507	150,976,181	8,750,931
2017	150,976,181	131,997,020	29,324,354	161,321,374	10,345,193

Source: ACSA records, \* -- Beginning FY 2015 net position restated in accordance with GASB Statement No. 68

Source: ACSA records, \*\* -- Beginning FY 2016 net position restated to correct an overstatement of capital assets related to a disposition not recognized in FY 2013.



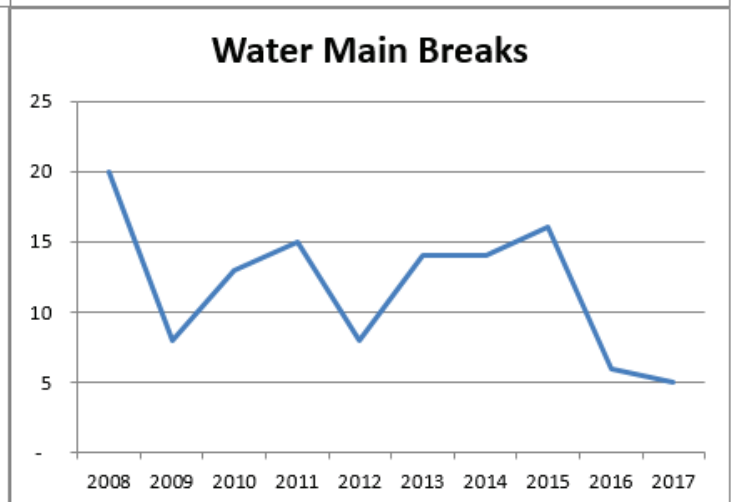
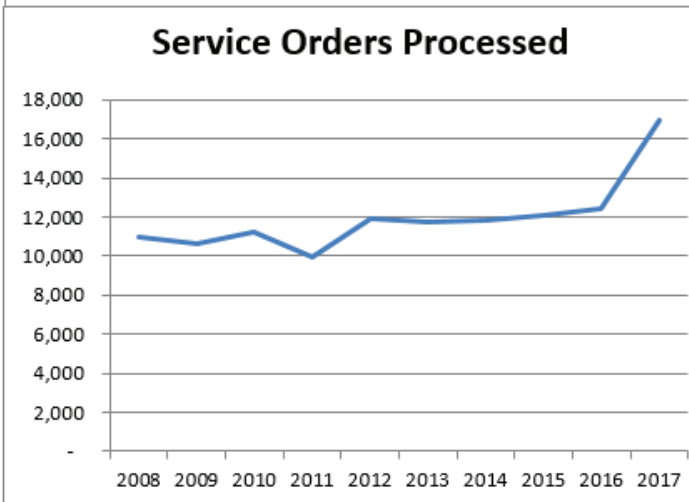
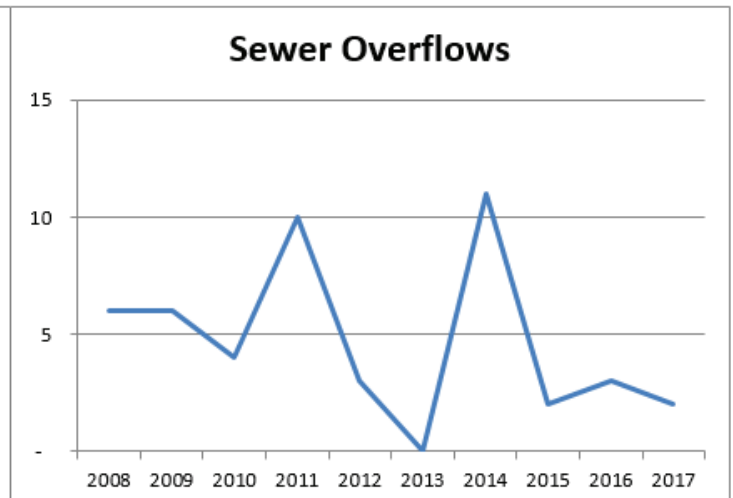
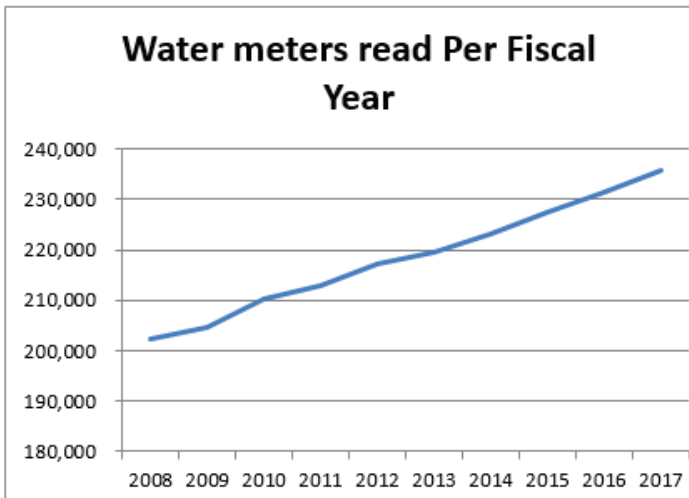
**County Demographic and Economic Statistics**

Calendar Year	Population	Personal Income	Per Capita Income	Per Capita Income as a Percent of U.S. Average	School Enrollment	Unemployment Rate
2007	93,117	6,386,472,000	47,336	124	12,803	2.2
2008	94,075	6,823,322,000	49,971	126	12,830	3.0
2009	96,247	7,038,250,000	50,558	123	13,035	5.1
2010	99,150	6,742,806,000	47,779	121	13,222	5.1
2011	98,970	7,014,795,000	49,137	122	13,222	5.1
2012	102,251	7,609,998,000	52,687	124	13,122	5.2
2013	103,000	8,350,340,000	56,979	129	13,263	5.4
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

Source: ACSA Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017.

For the Year Ended June 30, 2017

Year Created	1964
Size of Service Area:	
Miles of water lines	344.76
Miles of sewer lines	288.17
Fire hydrants	2,590
Water pumping stations	8
Sewer Pumping stations	12
Water storage tanks	8



Source: ACSA Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017.

**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.

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

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

**AMI – Advanced Metering Infrastructure** – enhanced meter reading technology.

**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.

**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 waste water lines with the system infrastructure to detect blockages or leaks.

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

**ENTERPRISE FUND** – An enterprise fund is a proprietary type fund used to account for operations that are financed and operated in a manner similar to private business enterprises. The Authority’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 Authority’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—**new 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.

**INFORMATION TECHNOLOGY – IT –** a department within the organization responsible for all technological operating aspects of the Albemarle County Service Authority.

**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 Authority 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 work place.

**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 Authority’s primary service activities and derived from user charges for services.

**OTHER POST-EMPLOYEMENT 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 waste water infrastructure.

**PROPERTY, PLANT, AND EQUIPMENT** – a category that defines fixed assets of the Albemarle County Service Authority.

**PUMP STATION** – Structure containing pumps, controls, valves, piping and electrical equipment for pumping water, wastewater or other liquids 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 Albemarle County Service Authority.

**SANITARY SEWER OVERFLOWS – SSO** – overflows of the sewer system caused by the buildup of products within the waste water 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.*