

**Rivanna Water and Sewer Authority
Executive Summary
FY 2009-2010 Budget**

Urban Rates:

Water			FY 2009	FY 2010	\$ Change	% Change
Urban (\$ per 1000 gallons)						
Operations			\$ 1.164	\$ 1.233	\$ 0.069	5.93%
Debt Service	CITY		1.121	1.231	0.110	9.81%
	ACSA		1.819	2.090	0.271	14.90%
Urban Totals	CITY		\$ 2.285	\$ 2.464	\$ 0.179	7.83%
	ACSA		\$ 2.983	\$ 3.323	\$ 0.340	11.40%

Wastewater			FY 2009	FY 2010	\$ Change	% Change
Urban (\$ per 1000 gallons)						
Operations			\$ 1.549	\$ 1.593	\$ 0.044	2.84%
Debt Service	CITY		0.917	1.201	0.284	30.97%
	ACSA		1.173	1.480	0.307	26.17%
Urban Totals	CITY		\$ 2.466	\$ 2.794	\$ 0.328	13.30%
	ACSA		\$ 2.722	\$ 3.073	\$ 0.351	12.89%

Additional capital and related debt service needs relative to the Capital Improvement Plan (CIP) are going to be affecting rates for many years to come for both Urban rate centers. On page 2 of the budget detail and above, you can see that the Urban Wastewater debt service rates are increasing significantly for both customers (31% for the City and 26% for the ACSA). Please see the Debt Service and Capital sections below for more details.

Proposed rates in the non-urban areas are fluctuating significantly. These rate centers are very small and a significant change in operations like switching the chlorination methods or a major maintenance project can cause a significant change in the overall budgeted O&M expenses. Scottsville debt service rates were affected by the 2005B bond draw down reallocations. Scottsville Wastewater was supposed to use more of the bond proceeds than it actually did and Scottsville Water actually used more. As a note, we estimate how bond proceeds are going to be used when the bond is issued, and then after the proceeds are used, we reallocate the use and related debt service. This also shifted more debt service costs to the Urban Water rate center but it is not as noticeable as in the smaller rate centers. Table 3 of this executive summary shows the rural rates that are solely paid by the Albemarle County Service Authority. These rates are not based on flows but are monthly charges based on budgeted expenses.