



## THE AUDITOR OF PUBLIC ACCOUNTS LOCALITY STORMWATER UTILITY REPORTING FORM

The purpose of this form is to implement the following locality stormwater utility reporting requirement established by Paragraph D.1. of Item 2 of the Fiscal Year 2019-2020 State Budget ([Chapter 854](#) of the 2019 Acts of Assembly): *Each locality establishing a utility or enacting a system of service charges to support a local stormwater management program pursuant to §15.2-2114, Code of Virginia, shall provide to the Auditor of Public Accounts by October 1 of each year, in a format specified by the Auditor, a report as to each program funded by these fees and the expected nutrient and sediment reductions for each of these programs. For any specific stormwater outfall generating more than \$200,000 in annual fees, such report shall include identification of specific actions to remediate nutrient and sediment reduction from the specific outfall.*

Each locality subject to the reporting requirement set forth above should complete and submit this report form each year to the Auditor of Public Accounts by October 1, in an electronic format emailed to [LocalGovernment@apa.virginia.gov](mailto:LocalGovernment@apa.virginia.gov). **The report for the Fiscal Year 2019 (or applicable reporting period) is due by October 1, 2019.**

### SECTION 1 – LOCALITY INFORMATION

**Locality Name:** City of Charlottesville

**Contact Name/Title:** Ms. Melissa Orndorff Stephens, Stormwater Utility Administrator

**Contact Address:** 305 4<sup>th</sup> Street, NW, Charlottesville, VA 22903

**Contact Email:** stephensm@charlottesville.org

**Contact Phone:** 434-970-3876

**Report Completion Date:** 9/30/2019

### SECTION 2 - STORMWATER UTILITY FEES

*For your stormwater utility fees provide the following information from your most recent audited annual financial report.*

**Financial Statement Fund Name:** Enterprise Funds – Stormwater Fund  
**Fiscal year:** 2018

Revenues	Expenditures	Ending Fund Balance or Net Position
\$2,007,791	\$642,260	\$6,408,894

**If necessary, provide any additional detail/clarification below about the financial information provided at Section 2.**

- Financial information provided at Section 2 has been compiled from the City of Charlottesville’s most recent audited Comprehensive Annual Financial Report, for the fiscal year ended on June 30, 2018 (Fiscal Year 2018).
- Specifically, data has been pulled from Exhibit E-2 of that document, which has been included as an attachment to this report.
- Revenues reported include \$29,526 collected in other, non-utility service charges (i.e., permit fees). Utility and other charges are combined in the Stormwater Fund and are audited together.
- Net position represents Capital Improvement Program funds which have been set aside to fund the City’s Water Resources Protection Program (WRPP). The programs within the WRPP are explained in more detail in Section 3B of this report and include: the Stormwater Pipe and Structure Rehabilitation Program, the Neighborhood Drainage Program, and the Stormwater Master Planning Program.

### **SECTION 3 – FUNDED PROGRAMS AND OTHER MAJOR ACTIVITIES**

*Provide a brief description of each major program funded by the utility fee system and, where applicable, the expected nutrient and sediment reductions for each of these programs.*

#### **A. Operations & Maintenance Program**

Not Applicable

#### **B. Capital Improvement Program**

Stormwater Pipe and Structure Rehabilitation Program – The Stormwater Pipe and Structure Rehabilitation Program is used to address aging infrastructure in the City. Through this program, older, compromised, or less efficient pipes, especially those constructed from corrugated metal and vitrified clay and their associated structures are evaluated for needed repairs. Following evaluation, pipes and structures are lined, repaired, or replaced, as needed. Nutrient and sediment reductions are not estimated from this work.

Neighborhood Drainage Program – Supplemental funding is provided to the City’s Neighborhood Development Services Department to fund the Neighborhood Drainage Program. This program is funded primarily out of City General Funds and is used to address small scale drainage concerns affecting private property. Nutrient and sediment reductions are not estimated from this work.

Stormwater Master Planning Program – The Stormwater Master Planning Program, using a decision support tool, identifies and prioritizes water quality and drainage improvement projects on both public and private properties across the City. Identified Master Plan projects typically achieve pollutant reductions required by the City’s Municipal Separate Storm Sewer System (MS4) permit. Nutrient and sediment reductions will be quantified as applicable projects are implemented.

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018**

	Business - Type Activities - Enterprise Funds						Internal Service Funds
	Water	Sewer	Gas	Stormwater	Golf	Total	
<b>OPERATING REVENUES</b>							
Utility charges	\$ 10,409,263	\$ 14,989,642	\$ 22,235,170	\$ 1,978,265	\$ -	\$ 49,612,340	\$ -
Charges for services	206,263	97,112	211,761	29,526	787,347	1,332,009	27,025,162
Total operating revenues	<u>10,615,526</u>	<u>15,086,754</u>	<u>22,446,931</u>	<u>2,007,791</u>	<u>787,347</u>	<u>50,944,349</u>	<u>27,025,162</u>
<b>OPERATING EXPENSES</b>							
Purchases for resale	5,255,913	7,938,035	11,924,239	-	30,055	25,148,242	2,074,657
Personnel costs	1,152,458	1,099,298	4,935,582	344,124	486,101	8,017,563	3,093,960
Materials and supplies	493,713	127,558	885,739	9,336	131,679	1,648,025	1,263,055
Contractual services and charges	1,094,253	1,995,685	3,225,995	87,976	213,204	6,617,113	1,986,573
Depreciation	1,010,094	1,026,551	1,330,200	122,435	29,664	3,518,944	47,341
Claims incurred	-	-	-	-	-	-	13,845,723
Insurance premiums	-	-	-	-	-	-	2,654,025
Total operating expenses	<u>9,006,431</u>	<u>12,187,127</u>	<u>22,301,755</u>	<u>563,871</u>	<u>890,703</u>	<u>44,949,887</u>	<u>24,965,334</u>
Operating income (loss)	<u>1,609,095</u>	<u>2,899,627</u>	<u>145,176</u>	<u>1,443,920</u>	<u>(103,356)</u>	<u>5,994,462</u>	<u>2,059,828</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Interest expense	(386,686)	(299,910)	(12,538)	(49,803)	-	(748,937)	-
Interest income	19,724	23,731	51,314	30,896	-	125,665	45,895
Bond issuance expense	(63,830)	(16,335)	-	(28,586)	-	(108,751)	-
Capacity fees	397,700	683,450	-	-	-	1,081,150	-
Insurance recovery	-	-	1,383	-	-	1,383	36,535
Total nonoperating revenues (expenses), net	<u>(33,092)</u>	<u>390,936</u>	<u>40,159</u>	<u>(47,493)</u>	<u>-</u>	<u>350,510</u>	<u>82,430</u>
Income (loss) before contributions and transfers	<u>1,576,003</u>	<u>3,290,563</u>	<u>185,335</u>	<u>1,396,427</u>	<u>(103,356)</u>	<u>6,344,972</u>	<u>2,142,258</u>
Transfers in	1,800,000	3,000,000	300,000	1,349,683	133,006	6,582,689	-
Transfers out	(2,560,466)	(3,926,258)	(4,011,041)	(1,349,683)	-	(11,847,448)	(350,000)
Total transfers, net	<u>(760,466)</u>	<u>(926,258)</u>	<u>(3,711,041)</u>	<u>-</u>	<u>133,006</u>	<u>(5,264,759)</u>	<u>(350,000)</u>
Change in net position	815,537	2,364,305	(3,525,706)	1,396,427	29,650	1,080,213	1,792,258
Total net position - July 1, 2017 Restated	<u>8,643,851</u>	<u>10,355,741</u>	<u>20,870,234</u>	<u>5,012,467</u>	<u>1,132,063</u>	<u>46,014,356</u>	<u>10,004,158</u>
Total net position - June 30, 2018	<u>\$ 9,459,388</u>	<u>\$ 12,720,046</u>	<u>\$ 17,344,528</u>	<u>\$ 6,408,894</u>	<u>\$ 1,161,713</u>	<u>\$ 47,094,569</u>	<u>\$ 11,796,416</u>
						Total business-type change in net position	\$ 1,080,213
						Warehouse sales operating revenues	1,118,113
						Expenses associated with warehouse sales	(1,098,452)
						Net internal service fund allocation	<u>19,661</u>
						Change in net position of business-type activities	<u>\$ 1,099,874</u>

The accompanying notes are an integral part of the basic financial statements.