

TOWN OF CHRISTIANSBURG, VIRGINIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Fiscal Year Ended June 30, 2024



TOWN OF CHRISTIANBURG, VIRGINIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

PREPARED BY:
VALERIE L. TWEEDIE, CPA, CFE, CGFM
DIRECTOR OF FINANCE/TREASURER
TOWN OF CHRISTIANBURG, VIRGINIA

TOWN OF CHRISTIANBURG, VIRGINIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024

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INTRODUCTORY SECTION



October 31, 2024

**The Honorable Mayor, Members of Town Council
and the Citizens of the Town of Christiansburg, Virginia:**

Section 15.1-167 of the *Code of Virginia* requires an annual independent audit and report of financial activity of the Town presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the Finance Department and Town Manager's Office hereby issue the Annual Comprehensive Financial Report (ACFR) of the Town of Christiansburg, Virginia for the fiscal year ended June 30, 2024.

This report consists of management's representations concerning the finances of the Town of Christiansburg. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds of the Town.

The Report

The Town of Christiansburg's financial statements have been audited by the independent certified public accounting firm of Robinson, Farmer, Cox, Associates, LLC. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town of Christiansburg, for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Christiansburg's financial statements for the fiscal year ended June 30, 2024 are fairly presented in conformity with GAAP. The independent auditor's report is presented at the front of the financial section of this report.

The independent audit of the financial statements of the Town of Christiansburg was part of a broader, federally mandated audit performed in accordance with Government Auditing Standards as issued by the Comptroller General of the United States of America. Those standards are designed to meet the special needs of federal grantor agencies. The standards require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with certain provisions of laws, regulations, contracts, and grants. These reports are contained at the end of the Annual Comprehensive Financial Report.

Town of Christiansburg
Letter of Transmittal continued

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A) that immediately follows the independent auditor's report. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the report of the independent auditor.

Profile of the Government

Location, History, and Government

The Town of Christiansburg was founded and organized in 1792 and incorporated in 1833. The Town is located in Montgomery County and is the county seat. The Town has a land area of 14.6 square miles. Christiansburg is the fourth largest town in the Commonwealth of Virginia with 23,348 residents (2020 U.S. Census). The Town is empowered to levy a property tax on real properties located within its boundaries. Town residents are also citizens of and are subject to taxation by Montgomery County.

The Town of Christiansburg is organized under the Council-Manager form of government. The Town Council is the legislative body of the Town and is comprised of the Mayor and six Council Members, who enact laws, determine policies, and adopt the annual budget. The Council, including the Mayor, is elected at large for four-year overlapping terms. Town Council appoints a Town Manager who is responsible for the daily management of the Town.

For financial reporting purposes, the Town of Christiansburg includes all funds, agencies, boards, commissions, and authorities that are controlled by, or are financially dependent upon, the Town. Controlled by, or financial dependence, was determined on the basis of obligations of the Town to finance deficits, guarantee debt, select the governing authority, approve the budget, have authority to make a public levy, and to have ownership of assets. The Town of Christiansburg has not identified any entities that should be reported as discretely presented component units of the Town.

Jointly governed organizations of the Town of Christiansburg that require only note disclosure presentation are the NRV Regional Water Authority, Montgomery Regional Solid Waste Authority, the New River Valley Passenger Rail Station Authority, the Virginia Tech-Montgomery Regional Airport Authority, the New River Valley Metropolitan Planning Organization, the New River Valley Emergency Communications Regional Authority, and the Montgomery Regional Tourism Board.

Town of Christiansburg
Letter of Transmittal continued

Services Provided

The Town of Christiansburg provides services for its citizens that have proven to be necessary and meaningful. Major services provided under the general government and enterprise function include: general administration, public safety, public works, planning, and recreational activities. The Town also provides and maintains water and sewer utilities, a storm water management program, and solid waste and recycling services. Montgomery County provides public school services and educational programs for the students of the Town of Christiansburg as well as courts, health department, social services programs, and animal control.

Accounting System and Budgetary Control

The Town's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received, and the liabilities are incurred. Accounting records for the Town's utilities and other proprietary activities are maintained on the accrual basis.

In developing the Town's accounting system, consideration is given to the adequacy of internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute assurance, regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the Town's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The Town Council adopts an annual budget for all funds prepared by Town management. The legally adopted budgets for the general fund, special revenue fund, permanent fund, and capital projects fund are prepared on the modified accrual basis. These budgets are reviewed by the Town Council and are formally adopted by the passage of a budget ordinance. The Director of Finance is authorized to transfer budgeted amounts between line items and departments within the general fund upon request and justification from management; however, any revisions that alter the total expenditures of any fund must be approved by the Town Council.

Town of Christiansburg
Letter of Transmittal continued

The legal level of budgetary control has been established at the individual fund level except within the special revenue fund where the legal level of compliance is at the functional/program level. Financial reports are produced showing budget to actual expenditures by line item and are available for review by Town departmental management on an on-going basis through the Town's newly implemented Enterprise Resources Planning (ERP) software system.

Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level and capital expenditures are monitored and controlled item by item. Revenue budgets are reviewed monthly.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented in Exhibit 10 as part of the required supplementary information. The Special Revenue, Cemetery, Capital Projects, and other funds budget-to-actual comparisons are presented in the other supplementary information in Exhibit 11 and Exhibits 22 - 27. The budgetary comparison for all Governmental Funds is presented in Schedule 1 and Schedule 2.

Local Economy

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town of Christiansburg operates.

The Town of Christiansburg is located along the I-81 corridor in Montgomery County and is the county seat. The Town is the major retail shopping outlet for the surrounding community which includes the City of Radford and the Town of Blacksburg. The City of Radford is home to Radford University and the Town of Blacksburg is home to Virginia Tech. Each university houses a large annual student population and Virginia Tech has a popular football team which attracts thousands of visitors throughout the football season. The Town continues to work with the Montgomery County Department of Economic Development to increase its business base and industrial customers. The Town's revenues from meals and lodging taxes continued to increase from prior years; meals by 7% and lodging by 4%. Sales tax revenue increased by 4%. 30% of our general fund revenues are derived from meals and lodging taxes. The Town's reserves remain stable and the Town continues to operate within its fund balance policy.

Long-term Financial Planning

In 2020, the Town Council revisited two guiding documents: Vision 2020, established in 2009 and Destination 2022, established in 2017. At this time, Council affirmed the goals set forth in Destination 2022 which includes the following 7 goals: An Active Destination for Culture, Recreation & Entertainment; Destination for Retail, Commerce & Service; Clean and Green Healthy and Safe Community; A Town of Well informed and Engaged Citizens; Partnering with Businesses and Residents; A Sound Financial Entity; and Everyone's Hometown.

Each of these goals are considered when evaluating financial and operational issues and they are the framework under which the annual budget is established. Over the last several years the Town has been establishing new policies and procedures for various aspects of its operations to achieve these objectives. Town Council is evaluating several sustainability projects such as solar for town facilities and charging stations for EV's. They have also established the office of business liaison to foster and support our business community as well as promoting business development within the town. The Town Council Chambers were updated to include projectors and microphones and meetings are now live-streamed and available on-line and on the public cable channel designated for government use so that the citizens may be better informed. Furthermore, new initiatives have been made to establish more sidewalks and trails throughout the Town for recreational purposes as well as fostering an interconnected community.

Relevant Financial Policies

The annual budget serves as the Town's operations plan and is prepared in accordance with Virginia Law providing a forecast for future years' operations and capital needs. This format provides the governing body with information to assess the sustainability of ongoing operational as well as capital needs, and what changes may need to be made in the future to create a fiscally sound and sustainable plan.

Each year the budget includes new assignments of fund balance for projects and capital needs in the future. The Town has adopted a fund balance policy that sets forth best practices for the amount of unassigned fund balance to be retained and the use of those balances for nonoperational costs. These fund balances are reviewed each year and appropriate actions are taken to ensure appropriate fund balances are in place. Assignments of fund balances are determined as a part of the budget review and approval of the annual budget.

Town of Christiansburg
Letter of Transmittal continued

The Town invests its reserved or assigned fund balances in local banks in certificates of deposits, savings, and money market funds to provide liquidity and to guard against the risk of loss. In 2013, a number of local governments joined together to form the Virginia Investment Pool (VIP) to strengthen localities resources for investment of local government funds. The VIP is designed to follow all the current laws required for the Local Government Investment Pool (LGIP), managed by the Commonwealth for investment of funds by local governments. The VIP anticipates achieving higher rates of return on the funds and is more actively managed by the participants. Through periodic requests for proposals, the Town strives to increase the investment earnings on these funds.

The real estate tax rate was reduced to .14 per \$100 in 2024 to equalize an increase in assessed value. Prior to this reduction, the rate had remained unchanged in the Town for seven years and was actually reduced in 2007 from 0.144 per \$100 to a rate of 0.1126 per \$100. In 2013-2014 the tax rate was increased to .13 per \$100 and in 2015-2016 the rate was increased to .16 per \$100. The personal property tax rate is 0.45 per \$100 and has not been changed since 1987 when the rate was reduced from 2.25 per \$100.

Citizens of Christiansburg are taxed by both the Town and Montgomery County. The County increased its real estate tax rate for 2024 from 0.70 per \$100 to 0.75 per \$100. Its personal property tax rate increased from 2.45 per \$100 in 2012 to 2.55 in 2013 and has remained unchanged to date.

The Town participates in the Virginia Retirement System (VRS) with benefits as outlined in the footnotes to the financial statements. The Town's annual contractually required contributions totaled \$2,116,244. The Town currently funds the current year requirement as well as an amortized portion of the unfunded liability. The unfunded actuarial accrued liability is amortized over a period of 30 years. The Town's net pension liability as of the last measurement date of June 30, 2023 is approximately \$9.7 million.

The Town also provides a payout of sick leave balance for personnel hired before June 30, 2011 that accrues from divesting a retiree of accrued sick leave upon retirement. The details of this plan are also described in the footnotes of the financial statements (Note 1). The balance expected to be paid out for these benefits is accrued as a part of compensated absences.

Christiansburg also provides its employees who retire from the Town with 20 years of service an amount that is to be paid into a medical reimbursement account. This other post-employment benefit is also a pay-as-you-go system and has an unfunded actuarial accrued liability of \$2,411,803 as of the last measurement date of July 1, 2023. This plan is more fully described in the footnotes of the financial statements (Note 9) and Exhibit 11.

Town of Christiansburg
Letter of Transmittal continued

Major Initiatives

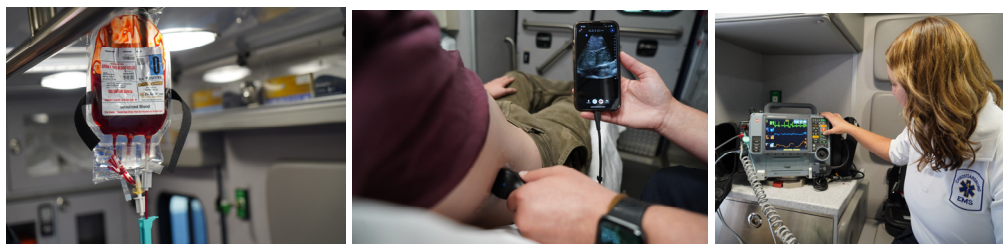
The **Town** is in the process of implementing a new ERP (Enterprise Resource Planning) software and has gone live with its BPOL (Business, Professional and Occupational Licenses) tax, purchasing and financial modules and expects its utility billing module to go live in October 2024. The new software has a Citizen Self Service (CSS) module which enables citizens to make most payments on-line.

The Town's **Engineering Department** oversaw numerous paving projects: Roanoke Street, Peppers Ferry Road and several secondary street projects. In addition, in conjunction with the Public Works Department, the following water and wastewater projects were completed: Silver Lake Sewer Interceptor Phase II and Wastewater Treatment Facility Waterline Extension.

The Town's **Fire Department** received a grant to provide gas detector meters in Command Response vehicles, continued to provide fire prevention programs within the community, and partnered with the National Fire Safety Council, Inc. to provide targeted Fire Prevention education to all first graders in both Christiansburg Primary and Falling Branch Elementary Schools.

The Town's **Aquatic Center** added two new scoreboards to its competitive pool arena. The new scoreboards provide for increased advertisement ability, duplicate screens, increased championship environment and video streaming capability.

In 2024, the **Rescue Squad** became the first program in the region to provide whole blood delivery which helps increase survivability for trauma patients. In addition, the Rescue Squad also became the first program in the region to offer ultrasound, cardiac monitoring and ventilator and RSI.



Awards and Acknowledgements

The **Rescue Squad** was recognized by the American Heart Association with the Gold Plus EMS Award for outstanding Achievements in Cardiac Care in 2017 - 2021. In 2022, the Rescue Squad was awarded the Silver Plus EMS Award. In 2023, the Rescue Squad was awarded the EMS Gold – Target: Heart Attack Honor Roll.

Awards and Acknowledgements (continued)

Rescue Squad (Continued)

The Gold Plus award is the program's highest achievement award and recognizes EMS agencies for providing quality, pre-hospital emergency care and implementing improvement measures for the treatment of patients who experience severe heart attacks. The Silver Plus award is for applying the most up-to-date evidence-based treatment guidelines to improve patient care and outcomes in the community they serve.

The **Recreation Department** received numerous awards during the 23-24 fiscal year: The *2024 Renee S. Brown Award* presented by the ARC of NRV, shines light on people or organizations who embody the ARC's vision: "People with disabilities leading full, rich lives as active contributing members of their communities." The acceptance of this award shows the dedication and emphasis the Town has place on the development of inclusive play facilities at the Christiansburg Huckleberry Park.

The *2023 Best New Facility* (Playgrounds, Parks, Greenways, Blueways or Trails) for populations under 25,000 presented by the Virginia Recreation Park Society, honors organizations throughout Virginia who have demonstrated excellence in any of several areas. The *2024 Catalyst of Change Award*, presented by the ARC of Virginia, recognizes individuals, business and other organizations that have made extraordinary contributions toward greater social inclusion and the advancement of the human and civil rights of people with intellectual and developmental disabilities.



Awards and Acknowledgements (continued)

The **Police Department** has received the following awards and accreditations:

The Police Department is a fully accredited agency. The Department was re-accredited in 2024 which makes this the seventh accreditation award for the Department. The accreditation is provided by the Virginia Law Enforcement Professional Standards Commission and requires regular reviews and recertification of the Department's operations.

The Police Department serves as servant leaders in the community through its daily operations as well as participating in community service events. The Town has maintained this certification since 2009 with the most recent re-assessment occurring in 2022.

The **Finance Department** has produced an Annual Comprehensive Financial Report (ACFR) for twelve years. In prior years, the Town issued General Purpose Financial Statements. The Town submitted the report to the Government Finance Officers' Association and is very pleased to announce that we again received the Certificate of Achievement for Excellence in Financial Reporting.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Christiansburg for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards and satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The Town believes its current report also conforms to the Certificate of Achievement Program's requirements and is submitting it to the GFOA for consideration again this year.

The Town's **Finance Department**, in conjunction with the **Public Relations Department**, prepared the Town's Citizen Centric Report for which they received the Certificate of Excellence in Citizen Centric Reporting for 2023. This report is a 4-page concise executive summary of financial and performance results for the government. Copies are available at the Town Hall in the Finance Department. The Town intends to complete a similar report for 2024. The Town continues to strive to increase the level of information available to the citizens so that they may be better informed about the government's operations and activities.

Town of Christiansburg
Letter of Transmittal continued

We would like to express our sincere thanks to all of the staff in the Finance office and all of the department directors and staff for their assistance and support in gathering and compiling all the data and information required for this report. Their cooperation and dedication to improving the Town in every way is remarkable.

Respectfully submitted,

A handwritten signature in blue ink, reading "Valerie L. Tweedie". The signature is fluid and cursive, with the first name "Valerie" being more prominent than the last name "Tweedie".

Valerie L. Tweedie CPA CFE CGFM
Director of Finance/Treasurer
Town of Christiansburg

A handwritten signature in blue ink, reading "Randy Wingfield". The signature is fluid and cursive, with the first name "Randy" being more prominent than the last name "Wingfield".

Randy Wingfield
Town Manager
Town of Christiansburg



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Christiansburg
Virginia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

TOWN OF CHRISTIANBURG, VIRGINIA AS OF JUNE 30, 2024

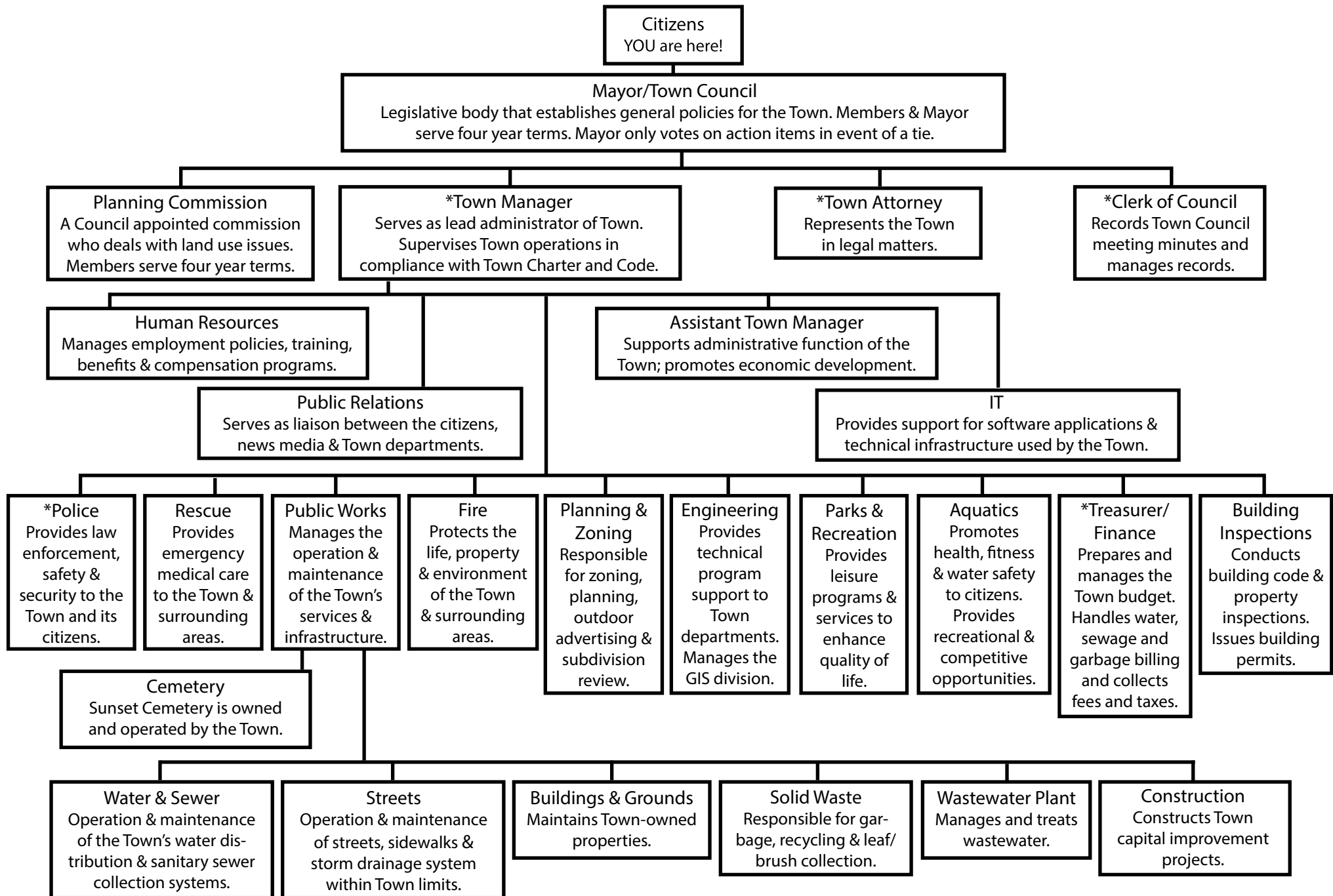
TOWN COUNCIL

D. Michael Barber, Mayor
Samuel M. Bishop
Johana Hicks
Tanya Hockett
Casey Jenkins
Henry Showalter
Timothy Wilson

OTHER OFFICIALS

Randy Wingfield Town Manager
Valerie Tweedie Director of Finance/Treasurer
Sands Anderson PC Town Attorney
Mike Kelley Director of Engineering
Jim Lancianese Director of Public Works
Andrew Warren Interim Director of Planning
Mark Sisson Chief of Police
Brad Epperley Director of Parks and Recreation
Alicia Dials Director of Human Resources
Christina Edney Director of Public Relations
Jerry Heinline Director of Building Department
Terry Caldwell Director of Aquatics
Billy Hanks Fire and Rescue Chief

Town of Christiansburg Organizational Structure & Departmental Functions



FINANCIAL SECTION



Independent Auditors' Report

**To the Honorable Members of Town Council
Town of Christiansburg, Virginia**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Christiansburg, Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Christiansburg, Virginia's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Christiansburg, Virginia, as of and for the year ended June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Town of Christiansburg, Virginia, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Christiansburg, Virginia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Specifications for Audits of Counties, Cities, and Towns* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Specifications for Audits of Counties, Cities, and Towns*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Christiansburg, Virginia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Christiansburg, Virginia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules related to pension and OPEB funding as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any

Required Supplementary Information (Continued)

assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Town of Christiansburg, Virginia's basic financial statements. The accompanying combining and individual fund financial statements and schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

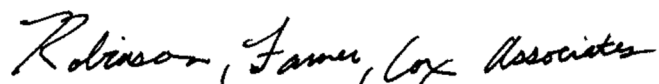
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2024, on our consideration of the Town of Christiansburg, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Town of Christiansburg, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Christiansburg, Virginia's internal control over financial reporting and compliance.



Blacksburg, Virginia
October 31, 2024

**TOWN OF CHRISTIANSBURG, VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

The following discussion and analysis of the Town of Christiansburg's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2024. It should be read in conjunction with the Town's basic financial statements.

FINANCIAL HIGHLIGHTS

- The Town's total net position increased by \$8,336,884 during the fiscal year, on the government-wide basis. The Town's total net position, on the government-wide basis, totaled \$236,529,593 at June 30, 2023. Net Position as of June 30, 2024 is \$244,866,477. Of this amount, \$43,775,879 may be used to meet ongoing obligations to citizens and creditors, \$198,749,361 is invested in capital assets, net of related debt, \$1,113,171 is restricted for perpetual care in the Cemetery Fund; \$1,228,066 is restricted for other purposes.
- On a government-wide basis, the Town had expenses (including transfers) net of program revenues of \$22,992,105 which were \$8,336,884 less than the general revenues, of \$31,328,989.
- At June 30, 2024 the Town's Governmental Funds Balance Sheet reported total ending fund balances of \$49,599,790 of which \$1,126,610 was non-spendable as a part of the cemetery perpetual care fund and prepaid expenses of the general fund, \$1,228,066 was restricted by law or donor restrictions; \$16,071,203 was assigned to specific savings for future needs of the Town and \$31,173,911 was unassigned and available to meet future needs.

OVERVIEW OF THE FINANCIAL STATEMENTS

Our discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's financial statements present two types of statements, each with a different snapshot of the Town's finances. The focus is on both the Town as a whole (government-wide) and the fund financial statements. The government-wide financial statements provide both short-term and long-term information about the Town's overall financial status. The fund financials focus on the individual parts of the Town government, reporting the Town's operations in more detail than the government-wide statements, which present a longer-term view. Presentation of both perspectives provides the user a broader overview, enhances the basis for comparisons, and better reflects the Town's accountability.

Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements provide information about the Town as a whole using the accrual basis of accounting, which is the method used by most private-sector enterprises. All current year revenues and expenses are reported in the Statement of Activities regardless of when cash is received or paid. These statements allow readers to answer the question, "Is the Town's financial position, as a whole, better or worse as a result of the year's activities?"

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

One of the main goals of these two statements is to report the Town's net position and changes that affected net position during the fiscal year. The change in the Town's net position, the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources, is one way to measure the Town's financial health, or financial position. Increases or decreases in net position are indicators of whether the Town's financial health is improving or deteriorating. Other nonfinancial factors, such as changes in the Town's property tax base and the condition of the Town's infrastructure should also be considered in assessing the overall financial health of the Town.

In the Statement of Net Position and the Statement of Activities, the Town's fund-based activity is classified as follows:

Governmental activities - Most of the Town's basic services are reported here, including general government, public safety, public works, health and welfare, parks and recreation, cemetery and community development. Property taxes, other local taxes, and federal and state grants finance most of these activities.

Business-type activities - The Town's water and sewer operations, as well as the Town's storm water operations are reported here as the Town charges fees to customers designed to cover all or most of the cost of the services it provides.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statement presentation more familiar. The fund financial statements focus on the Town's most significant funds rather than fund types. The fund financial statements begin on page 28 and provide detailed information about the most significant funds, not the Town as a whole. The Town has two types of funds:

Governmental funds - Most of the Town's basic services are included in governmental funds. Fund-based statements for these funds focus on how resources flow into and out of those funds and the balances left at year-end that are available for future spending. These funds are reported on the modified accrual basis of accounting, which measures cash and other liquid assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term overview that helps the reader determine the financial resources that can be spent in the near future to finance the Town's programs. The differences between governmental activities as reported in the government-wide and fund financial statements are reconciled in Exhibits 4 and 6 on pages 29 and 31.

The Cemetery Fund (Permanent Fund) is a non-major Governmental Fund. The Town took over control of the cemetery on April 1, 2008.

The Special Revenue Fund is used in accordance with generally accepted accounting principles to account for the proceeds of specific revenue sources that are legally restricted by contract or donor to expenditures for a specified purpose. The funds primarily come from federal, state, and county grants and specific donations to the Fire department and Rescue department.

Proprietary funds - When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, utilize the accrual basis of accounting, and their statements provide both short and long-term financial information.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The Town's enterprise funds (two proprietary funds), are the same as the government-wide business-type activities; however, the fund financial statements provide more detail and additional information, such as cash flows. The Town's enterprise funds are the Water and Sewer Fund and the Stormwater Fund.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Christiansburg, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$244,866,477 at the close of the most recent fiscal year, June 30, 2024.

By far the largest portion of the Town of Christiansburg's net position (81 percent) reflects its investment in capital assets (e.g., land, buildings and structures, and equipment); less any related debt used to acquire those assets that is still outstanding. The Town of Christiansburg uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Christiansburg's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the liabilities.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Summary of Net Position:

The following table presents a condensed summary of net position:

Summary of Net Position As of June 30, 2023 and June 30, 2024 (In Thousands)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 63,960	\$ 59,335	\$ 15,636	\$ 13,345	\$ 79,596	\$ 72,680
Capital assets, net	161,679	162,615	55,110	53,613	216,789	216,228
Total Assets	\$ 225,639	\$ 221,950	\$ 70,746	\$ 66,958	\$ 296,385	\$ 288,908
Deferred charge on refunding, net	\$ 173	\$ 193	\$ -	\$ -	\$ 173	\$ 193
Pension related items	2,386	2,656	388	423	2,774	3,079
OPEB related items	1,103	1,293	43	49	1,146	1,342
Total Deferred Outflows of Resources	\$ 3,662	\$ 4,142	\$ 431	\$ 472	\$ 4,093	\$ 4,614
Other liabilities	\$ 7,172	\$ 6,396	\$ 2,679	\$ 1,721	\$ 9,851	\$ 8,117
Long-term liabilities	30,995	33,608	3,361	3,898	34,356	37,506
Total Liabilities	\$ 38,167	\$ 40,004	\$ 6,040	\$ 5,619	\$ 44,207	\$ 45,623
Pension related items	\$ 701	\$ 1,483	\$ 192	\$ 346	\$ 893	\$ 1,829
OPEB related items	1,311	1,385	62	63	1,373	1,448
Deferred tax revenue	6,951	5,937	-	-	6,951	5,937
Lease related items	2,188	2,155	-	-	2,188	2,155
Total Deferred Inflows of Resources	\$ 11,151	\$ 10,960	\$ 254	\$ 409	\$ 11,405	\$ 11,369
Net investment in capital assets	\$ 145,935	\$ 143,794	\$ 52,814	\$ 51,570	\$ 198,749	\$ 195,364
Restricted	2,340	2,580	-	-	2,340	2,580
Unrestricted	31,708	28,754	12,069	9,832	43,777	38,586
Total Net Position	\$ 179,983	\$ 175,128	\$ 64,883	\$ 61,402	\$ 244,866	\$ 236,530

The Town's combined net position increased from \$236,529,593 to \$244,866,477. This increase is primarily due a net increase in revenues over expenses from 2023 to 2024 resulting in an increase in cash reserves. Unrestricted net position, the portion of net position that can be used to finance the day-to-day operations of the Town totaled \$43,775,879. Net investment in capital assets, represents the amount of capital assets owned by the Town, including infrastructure, net of any outstanding debt and totaled \$198,749,361 at June 30, 2024. Net assets are reported as restricted when constraints on asset use are externally imposed by creditors, grantors, contributors, regulators, or are imposed by law through constitutional provisions. The total amount of restricted net position is \$2,341,237; \$1,113,171 is restricted for the use of perpetual care in the Cemetery Fund, and \$1,228,066 is restricted by law, contract or donor restrictions.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Summary of Changes in Net Position:

The following table shows the revenues and expenses of the government:

Summary of Changes in Net Position For the Fiscal Year Ended June 30, 2023 and 2024 (In Thousands)							
	Governmental Activities		Business-type Activities		Total Primary Government		
	2024	2023	2024	2023	2024	2023	
Revenues:							
Program Revenues:							
Charges for services	\$ 5,333	\$ 5,086	\$ 14,516	\$ 13,390	\$ 19,849	\$ 18,476	
Operating grants and contributions	5,978	5,460	-	-	5,978	5,460	
Capital grants and contributions	2,144	1,861	1,056	2,283	3,200	4,144	
General Revenues:							
Property taxes	6,032	5,625	-	-	6,032	5,625	
Other Local Taxes:							
Local sales and use tax	2,800	2,680	-	-	2,800	2,680	
Business, Professional & occupational license tax	3,508	3,304	-	-	3,508	3,304	
Restaurant food taxes	10,291	9,532	-	-	10,291	9,532	
Other local taxes	5,161	5,239	-	-	5,161	5,239	
Unrestricted revenues from use of money	1,835	1,244	2	-	1,837	1,244	
Miscellaneous	569	593	-	-	569	593	
Grants and contributions not restricted to specific programs	1,129	1,151	-	-	1,129	1,151	
Transfers	-	(187)	-	187	-	-	
Total Revenues	\$ 44,780	\$ 41,588	\$ 15,574	\$ 15,860	\$ 60,354	\$ 57,448	
Expenses							
General Government	\$ 4,750	\$ 4,104	\$ -	\$ -	\$ 4,750	\$ 4,104	
Public Safety	14,312	13,632	-	-	14,312	13,632	
Public works	11,513	10,232	-	-	11,513	10,232	
Health and Welfare	9	5	-	-	9	5	
Parks, Recreation and Cultural	7,238	6,443	-	-	7,238	6,443	
Community Development	1,830	1,820	-	-	1,830	1,820	
Interest and fiscal Charges	273	281	-	-	273	281	
Water and Sewer	-	-	10,968	10,343	10,968	10,343	
Stormwater	-	-	1,125	986	1,125	986	
Total Expenses	\$ 39,925	\$ 36,517	\$ 12,093	\$ 11,329	\$ 52,018	\$ 47,846	
Change in net position	4,855	5,071	3,481	4,531	8,336	9,602	
Net position, beginning	175,128	170,057	61,402	56,871	236,530	226,928	
Net position, ending	\$ 179,983	\$ 175,128	\$ 64,883	\$ 61,402	\$ 244,866	\$ 236,530	

The property tax classification, which comprises approximately 13% of total revenue generated by governmental activities, includes real estate taxes, the local portion of personal property taxes, machinery and tools taxes, and public service corporation taxes. Total property tax revenues totaled \$6,032,091.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Sales taxes, consumer's utility taxes, Commonwealth share of personal property taxes, business and professional occupational license taxes, prepared food and beverage taxes, transient room taxes, E-911 taxes, and cigarette taxes comprised the majority of other local taxes collected by the Town. Other taxes comprised approximately 49% of total revenues generated for governmental activities and are the largest source of revenue for the Town.

Charges for services include items such as recreational fees, fines, forfeitures, and garbage collection fees, when combined represent approximately 12% of the governmental activities revenues.

Public Safety expenses comprised approximately 36% of expenses of the governmental activities. Operations of the labor-intensive Police Department are included in this category, along with expenses of the Building Inspections, Rescue Squad, Fire Department and E-911 Call Center.

Public Works expenses comprised approximately 29% of governmental activities expenses. Expenses for solid waste management, building maintenance, street paving, and street maintenance are included in the Public Works category.

Recreation expenses comprised approximately 18% of government activities expenses.

Community Development and Health & Welfare include such items as industrial development, planning district commission, planning, and engineering services.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

For the fiscal year ended June 30, 2024, the governmental funds reflect a total fund balance of \$47,141,602. Of this amount, \$31,173,911 constitutes unassigned fund balance, which is available for spending for services, debt obligations and future capital projects. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures, which was 78%.

The General Fund balance increased by \$5,291,998 during the fiscal year ending June 30, 2024 which was due to significant increases in property tax, local tax and interest revenue.

Local taxes generated the majority of General Fund revenue, totaling approximately \$27.8 million in fiscal year ending June 30, 2024.

Intergovernmental revenue is the second largest source of General Fund revenues, generating approximately \$6,604,580 million in fiscal year ending June 30, 2024. This revenue is received from the Commonwealth and the federal government and includes street maintenance funding, law enforcement grants and ARPA Funding.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues were more than the budgeted revenues by \$5,256,911. While all revenues came in above the budgeted amounts, the significant increases were due to increases in meals and lodging taxes and interest income. These three revenue sources exceeded the budget estimates by a combined \$3,318,744.

General Fund expenditures were less than the budgeted amount by \$5,701,948 for general operations due primarily to delayed projects and asset purchases as well as department-controlled spending.

CAPITAL ASSETS

As of June 30, 2024, the Town's capital assets for its governmental and business-type activities amounted to \$216,789,686 (net of accumulated depreciation). This investment includes land, streets and highways, construction in progress, land improvements, buildings and structures, vehicles, equipment, and infrastructure. The total net increase (additions less retirements and depreciation) in the Town's investment in capital assets for the current fiscal year was \$561,971.

Capital Assets, Net of Depreciation
(in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 8,581	\$ 8,193	\$ 199	\$ 199	\$ 8,780	\$ 8,392
Construction in progress	2,559	21,979	2,786	2,122	5,345	24,101
Building and Improvement	22,511	23,174	-	-	22,511	23,174
Machinery & Equipment	8,266	8,567	3,041	3,133	11,307	11,700
Infrastructure	119,252	100,053	49,084	48,159	168,336	148,212
Right-to-Use Leased Equipment	391	565	-	-	391	565
Right-to-Use Leased Subscription	119	84	-	-	119	84
Total	\$ <u>161,679</u>	\$ <u>162,615</u>	\$ <u>55,110</u>	\$ <u>53,613</u>	\$ <u>216,789</u>	\$ <u>216,228</u>

The changes in each category of Capital Assets are presented in detail in note 7 of the notes to financial statements.

Major capital asset events during the fiscal year included the following: numerous pedestrian improvement projects, and a community flood preparation project.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

LONG-TERM DEBT

At June 30, 2024, the Town's long-term liabilities, not including compensated absences, net OPEB liability, net pension liability, bond premiums, subscription liabilities and post closure care costs payable, totaled \$17,090,334; which is comprised of \$15,446,755 related to governmental activities, and \$1,643,579 related to business-type activities. Total debt decreased by \$1,921,144 which was normal debt retirement.

The Charter of the Town of Christiansburg and Code of Virginia limits the Town's net debt to 10% of the assessed valuation of real estate within the Town limits. This limit applies to governmental activity debt as well as long-term liabilities of business-type funds which were issued as general obligations of the Town, even though those debts are expected to be paid with revenues generated by those activities. The Town's total general obligation debt of \$16,728,716 (excluding premiums) is well below the legal debt limit of \$323,383,083 (see Table 13 of Statistical Section).

Interest and fiscal charges for fiscal year ending June 30, 2024 were \$257,263 of the total governmental activities expenses and \$25,656 of the enterprise expenses.

For more detailed information about long-term debt refer to note 5 in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The economic outlook during 2024 has improved over the previous year due to continued increases in meals and lodging taxes, as well as investment income and property tax revenues. In addition, the unemployment rate stayed steady, increasing only three-tenths of a percent from 3.2% at June 30, 2023 to 3.5% as of June 2024. The unemployment rate for the Commonwealth of Virginia at June 30, 2024 was 3.0% as compared to the U.S. overall rate of 4.1%.

One indicator of the state of the economy is the sales tax revenue, which is directly related proportionally to the retail sales. Retail sales increased 4.25% over the prior year throughout the County. The Town's distribution of sales tax increased by 4.5% over prior years due primarily from a slight increase of school age population within town limits of .01%. School age population is how the distribution of sales tax is distributed throughout the County. The Town's distributive share of local sales tax in 2024 was 30.37% as compared to the prior year's 30.36%. Overall, the economic indicator is that retail sales are maintaining indicating some economic stability going forward.

Overall, these signals seem to indicate the economy in our area continues to improve, with small growth in the retail and real estate markets. The Town continues to have concerns with future intergovernmental revenues from both federal and state sources, declining as a result of State and Federal budget constraints, particularly as it relates to street maintenance funds and law enforcement funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the resources it receives and their uses. Questions concerning this report or requests for additional information should be directed to the Town Manager or the Director of Finance at 100 East Main Street, Christiansburg, Virginia 24073, telephone (540) 382-9519. The Town's website address is www.christiansburg.org.

Basic Financial Statements

Town of Christiansburg, Virginia
Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash and cash equivalents	\$ 53,923,058	\$ -	\$ 53,923,058
Cash and cash equivalents - restricted	4,701,318	-	4,701,318
Investments	6,490,027	-	6,490,027
Receivables (net of allowance for uncollectibles):			
Taxes receivable	7,320,641	-	7,320,641
Accounts receivable	1,900,975	1,473,436	3,374,411
Leases receivable	2,238,926	-	2,238,926
Internal balances	(14,034,638)	14,034,638	-
Due from other governmental units	1,405,340	122,960	1,528,300
Prepaid items	13,439	5,155	18,594
Capital assets, not being depreciated/amortized	11,141,541	2,985,397	14,126,938
Capital assets, net of accumulated depreciation/amortization	150,538,035	52,124,713	202,662,748
Total assets	<u>\$ 225,638,662</u>	<u>\$ 70,746,299</u>	<u>\$ 296,384,961</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on refunding	\$ 173,475	\$ -	\$ 173,475
OPEB related items	1,103,025	43,232	1,146,257
Pension related items	2,385,895	387,856	2,773,751
Total deferred outflows of resources	<u>\$ 3,662,395</u>	<u>\$ 431,088</u>	<u>\$ 4,093,483</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 2,335,412	\$ 1,833,299	\$ 4,168,711
Customers' deposits	-	539,086	539,086
Accrued interest payable	96,956	11,987	108,943
Unearned revenues	2,430,013	-	2,430,013
Noncurrent liabilities:			
Due within one year	2,309,328	294,773	2,604,101
Due in more than one year	30,995,296	3,360,549	34,355,845
Total liabilities	<u>\$ 38,167,005</u>	<u>\$ 6,039,694</u>	<u>\$ 44,206,699</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	\$ 6,935,011	\$ -	\$ 6,935,011
Deferred revenue - prepaid taxes	16,303	-	16,303
OPEB related items	1,310,842	61,957	1,372,799
Pension related items	701,062	192,398	893,460
Lease related items	2,187,695	-	2,187,695
Total deferred inflows of resources	<u>\$ 11,150,913</u>	<u>\$ 254,355</u>	<u>\$ 11,405,268</u>
NET POSITION			
Net investment in capital assets	\$ 145,935,235	\$ 52,814,126	\$ 198,749,361
Restricted:			
Nonexpendable:			
Cemetery	1,113,171	-	1,113,171
Expendable:			
Volunteer Fire Department	697,242	-	697,242
Lifesaving and Rescue	275,911	-	275,911
Police Department Grants	136,521	-	136,521
Recreation and Streets Grants	118,392	-	118,392
Unrestricted	31,706,667	12,069,212	43,775,879
Total net position	<u>\$ 179,983,139</u>	<u>\$ 64,883,338</u>	<u>\$ 244,866,477</u>

The notes to the financial statements are an integral part of this statement.

Town of Christiansburg, Virginia
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Primary Government		Total
						Governmental Activities	Business-type Activities	
Governmental activities:								
General government administration	\$ 4,750,317	\$ 177,429	\$ -	\$ -	\$ (4,572,888)			\$ (4,572,888)
Public safety	14,312,397	1,730,520	989,847	-	(11,592,030)			(11,592,030)
Public works	11,513,257	2,121,623	4,987,723	2,144,946	(2,258,965)			(2,258,965)
Health and welfare	9,003	-	-	-	(9,003)			(9,003)
Parks, recreation, and cultural	7,237,783	1,301,044	-	-	(5,936,739)			(5,936,739)
Community development	1,829,553	2,110	-	-	(1,827,443)			(1,827,443)
Interest on long-term debt	274,138	-	-	-	(274,138)			(274,138)
Total governmental activities	\$ 39,926,448	\$ 5,332,726	\$ 5,977,570	\$ 2,144,946	\$ (26,471,206)			\$ (26,471,206)
Business-type activities:								
Water and Sewer	\$ 10,967,911	\$ 13,015,238	\$ -	\$ 934,514		\$ 2,981,841		\$ 2,981,841
Stormwater	1,125,048	1,500,659	-	121,649		497,260		497,260
Total business-type activities	\$ 12,092,959	\$ 14,515,897	\$ -	\$ 1,056,163	\$ -	\$ 3,479,101		\$ 3,479,101
Total	\$ 52,019,407	\$ 19,848,623	\$ 5,977,570	\$ 3,201,109	\$ (26,471,206)	\$ 3,479,101		\$ (22,992,105)
General revenues and transfers:								
General property taxes						\$ 6,032,091	\$ -	\$ 6,032,091
Other local taxes:								
Restaurant food taxes						10,290,665	-	10,290,665
Business license taxes						3,508,266	-	3,508,266
Local sales and use taxes						2,800,298	-	2,800,298
Lodging taxes						2,042,523	-	2,042,523
Bank stock taxes						1,188,038	-	1,188,038
Motor vehicle licenses						752,437	-	752,437
Consumers' utility taxes						686,367	-	686,367
Other local taxes						493,219	-	493,219
Unrestricted revenues from use of money						1,835,149	2,186	1,837,335
Miscellaneous						569,142	-	569,142
Grants and contributions not restricted to specific programs						1,128,608	-	1,128,608
Total general revenues and transfers						\$ 31,326,803	\$ 2,186	\$ 31,328,989
Change in net position						\$ 4,855,597	\$ 3,481,287	\$ 8,336,884
Net position - beginning						175,127,542	61,402,051	236,529,593
Net position - ending						\$ 179,983,139	\$ 64,883,338	\$ 244,866,477

The notes to the financial statements are an integral part of this statement.

Town of Christiansburg, Virginia
Balance Sheet
Governmental Funds
June 30, 2024

	<u>General</u>	<u>ARPA Fund</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 53,806,107	\$ -	\$ -	\$ 116,951	\$ 53,923,058
Cash and cash equivalents - restricted	-	2,438,717	-	2,262,601	4,701,318
Investments	6,490,027	-	-	-	6,490,027
Receivables (net of allowance for uncollectibles):					
Taxes receivable	7,320,641	-	-	-	7,320,641
Accounts receivable	1,558,450	-	-	342,525	1,900,975
Leases receivable	2,238,926	-	-	-	2,238,926
Due from other funds	-	-	-	35,209	35,209
Due from other governmental units	588,378	-	735,065	81,897	1,405,340
Prepaid items	13,439	-	-	-	13,439
Total assets	<u>\$ 72,015,968</u>	<u>\$ 2,438,717</u>	<u>\$ 735,065</u>	<u>\$ 2,839,183</u>	<u>\$ 78,028,933</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 1,758,026	\$ -	\$ 495,095	\$ 82,291	\$ 2,335,412
Due to other funds	13,666,380	9,400	239,970	154,097	14,069,847
Unearned revenue	696	2,429,317	-	-	2,430,013
Total liabilities	<u>\$ 15,425,102</u>	<u>\$ 2,438,717</u>	<u>\$ 735,065</u>	<u>\$ 236,388</u>	<u>\$ 18,835,272</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	\$ 7,245,266	\$ -	\$ -	\$ -	\$ 7,245,266
Unavailable revenue - EMS billings	-	-	-	144,607	144,607
Deferred revenue - prepaid taxes	16,303	-	-	-	16,303
Lease related items	2,187,695	-	-	-	2,187,695
Total deferred inflows of resources	<u>\$ 9,449,264</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,607</u>	<u>\$ 9,593,871</u>
FUND BALANCES					
Nonspendable	\$ 13,439	\$ -	\$ -	\$ 1,113,171	\$ 1,126,610
Restricted	-	-	-	1,228,066	1,228,066
Assigned	15,954,252	-	-	116,951	16,071,203
Unassigned	31,173,911	-	-	-	31,173,911
Total fund balances	<u>\$ 47,141,602</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,458,188</u>	<u>\$ 49,599,790</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 72,015,968</u>	<u>\$ 2,438,717</u>	<u>\$ 735,065</u>	<u>\$ 2,839,183</u>	<u>\$ 78,028,933</u>

The notes to the financial statements are an integral part of this statement.

Town of Christiansburg, Virginia
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2024

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds \$ 49,599,790

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Land	\$ 8,581,568	
Buildings and system	22,511,604	
Machinery and equipment	8,265,218	
Infrastructure	119,251,932	
Intangible right-to-use assets:		
Machinery, equipment, and vehicles	390,963	
Subscription asset	118,318	
Construction in progress	<u>2,559,973</u>	161,679,576

Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.

Deferred revenue-property taxes	\$ 310,255	
Deferred revenue-EMS billings	<u>144,607</u>	454,862

Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.

Pension related items	\$ 2,385,895	
OPEB related items	1,103,025	
Deferred loss on refunding	<u>173,475</u>	3,662,395

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds payable	\$ (15,085,137)	
Net pension liability	(8,367,962)	
Subscription liability	(51,832)	
Lease liabilities	(361,618)	
Landfill liability	(606,990)	
Accrued interest payable	(96,956)	
Net OPEB liabilities	(4,242,171)	
Compensated absences	<u>(4,588,914)</u>	(33,401,580)

Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.

Pension related items	\$ (701,062)	
OPEB related items	<u>(1,310,842)</u>	(2,011,904)

Net position of governmental activities		<u><u>\$ 179,983,139</u></u>
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The notes to the financial statements are an integral part of this statement.

Town of Christiansburg, Virginia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	General Fund	ARPA Fund	Capital Projects	Other Governmental Funds	Total
REVENUES					
General property taxes	\$ 6,054,161	\$ -	\$ -	\$ -	\$ 6,054,161
Other local taxes	21,761,813	-	-	-	21,761,813
Permits, privilege fees, and regulatory licenses	687,765	-	-	-	687,765
Fines and forfeitures	41,635	-	-	-	41,635
Revenue from the use of money and property	2,261,931	65,800	-	80,200	2,407,931
Charges for services	2,965,915	-	-	973,326	3,939,241
Miscellaneous	249,424	-	-	319,718	569,142
Intergovernmental	6,604,580	80,642	2,055,199	510,703	9,251,124
Total revenues	\$ 40,627,224	\$ 146,442	\$ 2,055,199	\$ 1,883,947	\$ 44,712,812
EXPENDITURES					
Current:					
General government administration	\$ 4,928,213	\$ -	\$ -	\$ -	\$ 4,928,213
Public safety	11,548,535	-	-	1,972,024	13,520,559
Public works	6,913,825	-	-	-	6,913,825
Health and welfare	9,003	-	-	-	9,003
Parks, recreation, and cultural	6,319,884	-	-	469,163	6,789,047
Community development	1,816,499	-	-	-	1,816,499
Capital projects	-	146,442	3,629,152	-	3,775,594
Debt service:					
Principal	1,755,622	-	-	-	1,755,622
Interest and other fiscal charges	257,263	-	-	-	257,263
Total expenditures	\$ 33,548,844	\$ 146,442	\$ 3,629,152	\$ 2,441,187	\$ 39,765,625
Excess (deficiency) of revenues over (under) expenditures	\$ 7,078,380	\$ -	\$ (1,573,953)	\$ (557,240)	\$ 4,947,187
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ -	\$ -	\$ 1,573,953	\$ 304,064	\$ 1,878,017
Transfers out	(1,878,017)	-	-	-	(1,878,017)
Issuance of subscription liabilities	91,635	-	-	-	91,635
Total other financing sources (uses)	\$ (1,786,382)	\$ -	\$ 1,573,953	\$ 304,064	\$ 91,635
Net change in fund balances	\$ 5,291,998	\$ -	\$ -	\$ (253,176)	\$ 5,038,822
Fund balances - beginning	41,849,604	-	-	2,711,364	44,560,968
Fund balances - ending	\$ 47,141,602	\$ -	\$ -	\$ 2,458,188	\$ 49,599,790

The notes to the financial statements are an integral part of this statement.

Town of Christiansburg, Virginia
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	5,038,822
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the detail of items supporting this adjustment:

Capital asset additions	\$ 5,796,473	
Depreciation and amortization expense	<u>(6,731,468)</u>	(934,995)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Increase (decrease) in unavailable revenue - property taxes	\$ (22,070)	
Increase (decrease) in unavailable revenue - EMS billings	<u>91,303</u>	69,233

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of subscription liability	\$ (91,635)	
Principal payments:		
Bonds payable	1,481,833	
Subscription liabilities	94,943	
Lease liabilities	<u>178,846</u>	1,663,987

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds.

Changes in pension and related items	\$ 121,940	
Changes in OPEB and related items	(211,153)	
(Increase) decrease in compensated absences	(853,712)	
(Increase) decrease in landfill closure liability	(21,650)	
(Increase) decrease in accrued interest payable	2,400	
Amortization of deferred charge on refunding	<u>(19,275)</u>	(981,450)

Change in net position of governmental activities	\$	<u>4,855,597</u>
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The notes to the financial statements are an integral part of this statement.

Town of Christiansburg, Virginia
Statement of Net Position
Proprietary Funds
June 30, 2024

	Enterprise Funds		
	Water and Sewer Fund	Stormwater Fund	Total
ASSETS			
Current assets:			
Accounts receivable, net of allowance for uncollectibles	\$ 1,305,659	\$ 167,777	\$ 1,473,436
Prepaid items	3,437	1,718	5,155
Due from other funds	11,026,709	3,007,929	14,034,638
Due from other governmental units	95,040	27,920	122,960
Total current assets	\$ 12,430,845	\$ 3,205,344	\$ 15,636,189
Noncurrent assets:			
Capital assets, net of depreciation:			
Land	\$ 12,500	\$ 186,676	\$ 199,176
Construction in progress	2,198,886	587,335	2,786,221
Machinery and equipment	2,709,571	331,630	3,041,201
Water system	21,771,649	-	21,771,649
Waste water system	8,249,585	-	8,249,585
Waste water treatment plant	12,129,660	-	12,129,660
Stormwater system	-	6,932,618	6,932,618
Total capital assets	\$ 47,071,851	\$ 8,038,259	\$ 55,110,110
Total noncurrent assets	\$ 47,071,851	\$ 8,038,259	\$ 55,110,110
Total assets	\$ 59,502,696	\$ 11,243,603	\$ 70,746,299
DEFERRED OUTFLOWS OF RESOURCES			
OPEB related items	\$ 33,260	\$ 9,972	\$ 43,232
Pension related items	300,062	87,794	387,856
Total deferred outflows of resources	\$ 333,322	\$ 97,766	\$ 431,088
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 191,614	\$ 63,841	\$ 255,455
Construction payables	652,405	-	652,405
Customers' deposits	539,086	-	539,086
Accrued interest payable	11,987	-	11,987
Due to Water Authority	925,439	-	925,439
Compensated absences - current portion	25,013	5,378	30,391
Bonds payable - current portion	264,382	-	264,382
Total current liabilities	\$ 2,609,926	\$ 69,219	\$ 2,679,145
Noncurrent liabilities:			
Compensated absences - net of current portion	\$ 225,112	\$ 48,398	\$ 273,510
Bonds payable - net of current portion	1,379,197	-	1,379,197
Net OPEB liabilities	267,633	80,246	347,879
Net pension liability	1,070,071	289,892	1,359,963
Total noncurrent liabilities	\$ 2,942,013	\$ 418,536	\$ 3,360,549
Total liabilities	\$ 5,551,939	\$ 487,755	\$ 6,039,694
DEFERRED INFLOWS OF RESOURCES			
OPEB related items	\$ 47,666	\$ 14,291	\$ 61,957
Pension related items	160,757	31,641	192,398
Total deferred inflows of resources	\$ 208,423	\$ 45,932	\$ 254,355
NET POSITION			
Net investment in capital assets	\$ 44,775,867	\$ 8,038,259	\$ 52,814,126
Unrestricted	9,299,789	2,769,423	12,069,212
Total net position	\$ 54,075,656	\$ 10,807,682	\$ 64,883,338

The notes to the financial statements are an integral part of this statement.

Town of Christiansburg, Virginia
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Enterprise Funds		
	Water and Sewer	Stormwater	Total
	<u>Fund</u>	<u>Fund</u>	
OPERATING REVENUES			
Charges for services:			
Water and sewer service fees	\$ 11,784,194	\$ -	\$ 11,784,194
Water and wastewater connection fees	952,090	-	952,090
Stormwater fees	-	1,500,659	1,500,659
Penalties and other	278,954	-	278,954
Total operating revenues	<u>\$ 13,015,238</u>	<u>\$ 1,500,659</u>	<u>\$ 14,515,897</u>
OPERATING EXPENSES			
Salaries and wages	\$ 1,758,892	\$ 528,252	\$ 2,287,144
Employee benefits	572,762	194,899	767,661
Purchase of water	3,728,333	-	3,728,333
Utilities	756,540	-	756,540
Maintenance and repairs	454,327	18,091	472,418
Depreciation	2,490,740	248,860	2,739,600
Materials and supplies	484,311	68,145	552,456
General and administrative	593,416	29,082	622,498
Professional services	102,934	37,719	140,653
Total operating expenses	<u>\$ 10,942,255</u>	<u>\$ 1,125,048</u>	<u>\$ 12,067,303</u>
Operating income (loss)	<u>\$ 2,072,983</u>	<u>\$ 375,611</u>	<u>\$ 2,448,594</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	\$ 2,186	\$ -	\$ 2,186
Interest expense	(25,656)	-	(25,656)
Total nonoperating revenues (expenses)	<u>\$ (23,470)</u>	<u>\$ -</u>	<u>\$ (23,470)</u>
Income (loss) before capital contributions and transfers	\$ 2,049,513	\$ 375,611	\$ 2,425,124
Capital contributions and construction grants	934,514	121,649	1,056,163
Change in net position	\$ 2,984,027	\$ 497,260	\$ 3,481,287
Net position - beginning	51,091,629	10,310,422	61,402,051
Net position - ending	<u>\$ 54,075,656</u>	<u>\$ 10,807,682</u>	<u>\$ 64,883,338</u>

The notes to the financial statements are an integral part of this statement.

Town of Christiansburg, Virginia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Enterprise Funds		
	Water and Sewer Fund	Stormwater Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 12,940,779	\$ 1,506,088	\$ 14,446,867
Payments to and for employees	(2,441,957)	(709,326)	(3,151,283)
Payments for goods and services	(6,020,915)	(126,345)	(6,147,260)
Net cash provided by (used for) operating activities	\$ 4,477,907	\$ 670,417	\$ 5,148,324
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund borrowings	\$ (1,480,564)	\$ (619,818)	\$ (2,100,382)
Net cash provided (used) by noncapital financing activities	\$ (1,480,564)	\$ (619,818)	\$ (2,100,382)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Additions to capital assets	\$ (2,714,576)	\$ (86,705)	\$ (2,801,281)
Principal payments on bonds	(260,465)	-	(260,465)
Contributions in aid of construction	-	36,106	36,106
Interest payments	(24,488)	-	(24,488)
Net cash provided by (used for) capital and related financing activities	\$ (2,999,529)	\$ (50,599)	\$ (3,050,128)
Net increase (decrease) in cash and cash equivalents	\$ -	\$ -	\$ -
Cash and cash equivalents - June 30, 2023	-	-	-
Cash and cash equivalents - June 30, 2024	\$ -	\$ -	\$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 2,072,983	\$ 375,611	\$ 2,448,594
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	\$ 2,490,740	\$ 248,860	\$ 2,739,600
(Increase) decrease in accounts receivable	(93,654)	5,429	(88,225)
(Increase) decrease in prepaid items	(3,437)	(1,718)	(5,155)
(Increase) decrease in deferred outflows of resources related to OPEB	5,874	92	5,966
(Increase) decrease in deferred outflows of resources related to pension	33,504	1,390	34,894
Increase (decrease) in customers' deposits	19,195	-	19,195
Increase (decrease) in accounts payable and accrued liabilities	49,038	28,410	77,448
Increase (decrease) in due to Water Authority	53,345	-	53,345
Increase (decrease) in compensated absences	(39,304)	5,268	(34,036)
Increase (decrease) in net pension liability	10,185	14,209	24,394
Increase (decrease) in net OPEB liabilities	12,151	14,545	26,696
Increase (decrease) in deferred inflows of resources related to OPEB	(2,293)	1,443	(850)
Increase (decrease) in deferred inflows of resources related to pension	(130,420)	(23,122)	(153,542)
Total adjustments	\$ 2,404,924	\$ 294,806	\$ 2,699,730
Net cash provided by (used for) operating activities	\$ 4,477,907	\$ 670,417	\$ 5,148,324
Noncash investing, capital, and financing activities:			
Contributions of infrastructure by developers	\$ 839,474	\$ 82,857	\$ 922,331
Construction related payables	652,405	-	652,405

The notes to the financial statements are an integral part of this statement.

TOWN OF CHRISTIANBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies:

The financial statements of the Town conform to generally accepted accounting principles (GAAP) applicable to governmental units promulgated by the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the Town are discussed below.

A. Financial reporting entity:

The Town of Christiansburg, Virginia (the "Town") operates on a Council-Manager form of government and provides municipal services to its residents including fire and police protection, planning, engineering, inspections, public works and public utilities, parks, and general government. The Town also provides water, sewer, refuse collection, and public transit services to its citizens. The Town is the county seat of Montgomery County and has taxing powers subject to state-wide restrictions and limits. The financial statements present the Town as the primary government. A component unit is an entity for which the Town is considered to be financially accountable. The Town does not have any component units.

For financial reporting purposes, the Town includes all funds, account groups, agencies, boards, commissions, and authorities that are controlled by or dependent upon the Town Council. Control by, or dependence upon, the Town Council was determined on the basis of the following:

1. The Town's ability to designate the management or significantly control the operations of the entity.
2. The Town's responsibility for the fiscal matters of the entity, including the authorization of budgetary appropriations, funding of operating deficiencies, control or use of surplus funds, responsibility for debts, and control over the collections and disbursement of funds.
3. The scope of public services rendered by and the geographic location of the entity.

Based on the foregoing criteria, the financial activities of no other organizations are included in the accompanying financial statements.

The following entities are excluded from the accompanying financial statements:

Jointly Governed Organizations:

NRV Regional Water Authority

The NRV Regional Water Authority was created by a concurrent resolution of the Town and other participating governing bodies. The Authority operates and maintains a water supply system for the Town, Virginia Tech, Montgomery County PSA, and the Town of Blacksburg. Each governing body appoints one member of the five-member Board of Directors, one from each member jurisdiction and one at-large member. All indebtedness is payable solely from the revenues of the water system. Although the Town is one of the Authority's customers, the Town has no obligation for any of its indebtedness. During fiscal year 2024, the Town paid \$3,728,333 to the Water Authority and has a fiscal year end liability of \$925,439 for purchases of water.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

A. Financial reporting entity: (Continued)

Jointly Governed Organizations: (Continued)

Montgomery Regional Solid Waste Authority

The Town is a member of the Montgomery Regional Solid Waste Authority (MRSWA), which was created by a joint resolution on December 14, 1994 by the Town of Blacksburg, Virginia; the Town of Christiansburg, Virginia; Montgomery County, Virginia; and Virginia Tech. The Authority is governed by a five-member board whereby the governing body of each member jurisdiction appoints one board member, and all jurisdictions jointly appoint a fifth member. The Authority, which began operation in August 1995, operates a sanitary landfill and recycling facility. Each jurisdiction provides collection of solid waste and recyclables from within its jurisdiction and delivers the collected materials to the Authority for disposal of waste in the landfill, and processing and marketing of the recyclables. All Authority operations are financed by tipping fees and the individual jurisdictions are not liable for the debt of the Authority. The MRSWA has negotiated with an adjacent Authority (New River Resource Authority) for shared use of a permitted landfill. The Town paid \$594,262 in tipping fees during fiscal year 2024.

Virginia Tech-Montgomery Regional Airport Authority

The Virginia Tech-Montgomery Regional Airport Authority (the “Airport Authority”) was created by concurrent resolutions of the governing bodies of the Town of Blacksburg, Virginia; Town of Christiansburg, Virginia; Montgomery County, Virginia; and Virginia Tech. The Airport Authority is governed by a five-member board whereby the governing body of each member jurisdiction appoints one board member, and all jurisdictions jointly appoint a fifth member. The Airport Authority utilizes revenues generated by the airport and contributions by the members to fund all airport activities. The Airport Authority has bonded indebtedness. All indebtedness of the Airport Authority is payable solely from its revenues and is not an obligation of the Town. Annual support for the Authority is \$60,000 per year.

New River Valley Airport Commission

The New River Valley Airport Commission (the “Airport Commission”) was created by concurrent resolutions of the governing bodies of the Towns of Christiansburg, Dublin, Pulaski, the City of Radford, and the Counties of Giles, Montgomery, and Pulaski. The Airport Commission is governed by a board whereby the governing body of each member jurisdiction appoints one board member. The Airport Commission utilizes revenues generated by the airport and contributions by the members to fund all airport activities. The Airport Authority has bonded indebtedness. All indebtedness of the Airport Authority is payable solely from its revenues and is not an obligation of the Town. The Town paid \$23,611 in contributions for the fiscal year 2024 operations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

A. Financial reporting entity: (Continued)

Jointly Governed Organizations: (Continued)

Blacksburg/Christiansburg/Montgomery Area Metropolitan Planning Organization

The Town is a member of the Blacksburg/Christiansburg/Montgomery Area Metropolitan Planning Organization. The Metropolitan Planning Organization (MPO) is a transportation policy-making organization serving the Blacksburg, Christiansburg, and Montgomery areas. The MPO provides the information, tools, and public input necessary to improve the performance of the transportation system of the region. Future transportation needs are addressed, giving consideration to all possible strategies and the community's vision. The Town has three members within this organization, two of which are voting members. During fiscal year 2024, the Town paid \$38,339 toward operations of the MPO.

Montgomery Regional Tourism Board

The Town is a member of the Montgomery Regional Tourism Board ("MRTB"). The MRTB functions as a joint tourism agency that serves the County of Montgomery and the Towns of Blacksburg and Christiansburg to promote tourism in the region. The Town has one member on the Board of this organization. Funding for tourism expenditures are based on the amount of funding received from hotel occupancy taxes. The Town pays 85% of 1% of the 9% transient lodging tax rate collections for the fiscal year to the MRTB. The Town retains 15% of the 1% tax for its own tourism efforts. During fiscal year 2024, the Town paid \$189,165 to the MRTB.

New River Valley Emergency Communications Regional Authority

The Town is a member of the New River Valley Emergency Communications Regional Authority (the "Communications Authority"). The Communications Authority is a regional partnership, serving the County of Montgomery, the Towns of Blacksburg and Christiansburg, and Virginia Tech. The Communications Authority provides quality and reliable 911 dispatch and emergency communication services to the community and agencies in these localities. The Town has one member on the Board of this organization. During fiscal year 2024, the Town paid \$1,006,398 toward operations of the Authority and an additional \$40,962 for annual LERMS maintenance.

B. Government-wide financial statements:

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

B. Government-wide financial statements: (Continued)

Statement of Net Position - The Statement of Net Position is designed to display the financial position of the primary government (governmental and business-type activities) and its discretely presented component units. Governments will report all capital assets in the government-wide Statement of Net Position and will report depreciation expense, the cost of “using up” capital assets, in the Statement of Activities. The net position of a government will be broken down into three categories - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities - The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government’s functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

C. Budgetary basis of accounting

The following procedures are used by the Town in establishing the budgetary data reflected in the financial statements:

1. The Town Manager, in coordination with the Finance Director and the Finance Committee, prepares the budget and the Finance Committee presents it to the Town Council.
2. Legal notice of the public hearing is published in the newspaper at least 10 days prior to the hearing. Notice contains information as to date, place, and time, and solicits citizen attendance or written comments at the hearing with a synopsis of the budget.
3. The public hearing is held at least seven days (State Code 15.1-162 as amended) prior to approval of the budget.
4. Budget is approved at least seven days after public hearing, and no later than the beginning of the new fiscal year. Council sets tax rates for real estate and personal property.
5. The Town Council budget appropriations place legal restrictions on expenditures at the fund level. Only the Town Council can revise the appropriation for each fund. The Director of Finance is authorized to transfer budgeted amounts between line items and departments within the general fund upon request and justification from management; however, any revisions that alter the total expenditures of any fund must be approved by the Town Council. The legal level of budgetary control has been established at the individual fund level except within the special revenue fund where the legal level of compliance is at the functional/program level.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

C. Budgetary basis of accounting (Continued)

6. Notice of budget adoption and availability for viewing of adopted budget is published in a local newspaper one time, within thirty (30) days of adoption.
7. The budgetary basis for all funds is in accordance with the modified accrual basis of accounting.
8. Appropriations lapse on June 30 for all Town units. For the year ended June 30, 2023, the Lifesaving and Rescue Fund had expenditures in excess of their appropriations. At year end, no funds had deficit fund balance.

D. Measurement focus, basis of accounting, and financial statement presentation:

The accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board. The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease and subscription liabilities, as well as expenditures related to compensated absences, claims and judgments, and postemployment benefits are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the government the right to use lease and subscription assets, are reported as expenditures in the governmental funds. Issuance of long-term debt and financing through leases and subscriptions are reported as other financing sources.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

D. Measurement focus, basis of accounting, and financial statement presentation: (Continued)

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Property taxes not collected within 60 days after year-end are reflected as unavailable revenues.

Sales and utility taxes, which are collected by the state or utilities and subsequently remitted to the Town, are recognized as revenues and receivables upon collection by the state or utility, which is generally in the month preceding receipt by the Town.

Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state and other grants for the purpose of funding specific expenditures, are recognized when the qualifying expenditures have been incurred and all other eligibility requirements have been met. Revenues from general-purpose grants are recognized when all eligibility requirements are met, including any time requirements, and the amount has been received in the period to which the grant applies. All other revenue items are considered to be measurable and available when received by the government.

The Town reports the following major governmental funds:

The *general fund* is the primary operating fund of the Town. The fund is used to account for and report for all financial resources except those required to be accounted for and reported in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service and interest income.

The *ARPA fund* is a major special revenue fund that accounts for the Town's activity related to the COVID-19 Coronavirus Relief State and Local Fiscal Relief Funds.

The *capital projects fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital assets. Revenues for this fund are obtained from federal and state highway funds and transfers from the General Fund. The Town funds a portion of the capital projects each year. For the year ended June 30, 2024, capital support from the General Fund totaled \$1,573,953.

The Town reports the following nonmajor governmental funds:

The *permanent fund* is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs. The Town's permanent fund is used to account for the operations of the cemetery (perpetual care fund) and related interest income. The earnings can be used to maintain the community cemetery. On April 1, 2008 the Town took over control of the cemetery from the Cemetery Corporation. The Town funds a portion of the operational costs of the cemetery each year. For the year ended June 30, 2024, the operational and capital support totaled \$167,148.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

D. Measurement focus, basis of accounting, and financial statement presentation: (Continued)

Special revenue funds account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The Town reports operating grants from the State, Federal and County Government for fire and rescue operations as well as donations to be used for specific purposes as special revenue funds. The Volunteer Fire Dept., Lifesaving and Rescue, Police Department, and Recreation and Streets funds are nonmajor special revenue funds.

The Town reports the following major proprietary funds:

The Town operates a water and sewer system and a stormwater system. The activities of these systems, including the acquisition, operation, and maintenance of governmental facilities and services that are supported by user charges, are accounted for in the water and sewer fund and stormwater fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the Town's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds, which consist of Enterprise funds, distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise fund are charges to customers for sales and services. The Town also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

E. Assets, deferred outflows/inflows of resources, liabilities, and net position/fund balance:

1. Cash and Cash Equivalents/Investments

Cash and cash equivalents include cash on hand, amounts in demand deposits, and short-term investments with a maturity date within three months of the date acquired by the government. For purposes of the statement of cash flows, the government's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments, and external investment pools are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

E. Assets, deferred outflows/inflows of resources, liabilities, and net position/fund balance:
(Continued)

2. Property Taxes

Property is assessed at 100% of its fair market value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Real estate taxes are payable on December 5th. Personal property taxes are due and collectible annually on December 5th. The Town bills and collects its own property taxes.

3. Allowance for Uncollectible Accounts

The Town calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$161,405 for the General Fund, \$209,935 for the Lifesaving and Rescue Fund, and \$227,960 for the Enterprise Fund at June 30, 2024. The allowance consists of unpaid taxes in the amount of \$117,576, unpaid garbage bills of \$43,829, ambulance services of \$209,935, unpaid water/sewer bills of \$214,246, and unpaid stormwater fees of \$13,714.

4. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

5. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

6. Capital Assets

Capital assets, which include property, plant, equipment, lease, subscription, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost (except for intangible right-to-use lease and subscription assets, the measurement of which is discussed in more detail below) or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's life is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)E. Assets, deferred outflows/inflows of resources, liabilities, and net position/fund balance:
(Continued)

6. Capital Assets (Continued)

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, lease assets, subscription assets, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	15
Buildings	25-50
Building improvements	25-50
Utility plant and equipment	15-40
Machinery, equipment, and vehicles	5-20
Infrastructure	15-40
Subscription asset	3-5
Lease - Machinery, equipment, and vehicles	5-20

7. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused compensated absences. For government-wide reporting, a liability is recorded for compensated absences when services are rendered and employees have earned the right to receive compensation for such services.

Town employees hired who qualify as VRS Plan 1 and 2 employees:

Vacation:

- Twelve days per year for less than five full years of service
- Fifteen days per year for more than five but less than ten full years of service
- Eighteen days per year for ten full years or more of service

Sick leave:

- One and one-fourth days per month with unlimited accrual

Accumulated vacation leave is paid upon termination with a maximum accumulation of 32 days. All sick leave is forfeited upon termination unless termination is deemed a retirement in accordance with VRS. After five years of employment and retirement from the Town, the employee may receive full or partial payout of their sick leave, subject to limitations.

Town employees hired who qualify as VRS Hybrid Plan employees:

Vacation:

- Eighteen days per year for less than five full years of service

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

E. Assets, deferred outflows/inflows of resources, liabilities, and net position/fund balance:
(Continued)

7. Compensated Absences (Continued)

- Twenty-One days per year for more than five but less than ten full years of service
- Twenty-Four days per year for more than ten but less than fifteen full years of service
- Twenty-Seven days per year for more than fifteen but less than twenty full years of service
- Thirty days per year for twenty full years or more of service

Employees who qualify as Hybrid do not earn sick leave as it is incorporated in the PTO policy.

For employees who qualify as Hybrid accumulated PTO is paid upon termination as follows:

- Maximum of zero days for less than one full year of service
- Maximum of fifteen days for more than one year but less than ten full years of service
- Maximum of thirty days for more than ten years but less than twenty full years of service
- Maximum of forty-five days for more than twenty full years of service

8. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town's Retirement Plan and the additions to/deductions from the Town's Retirement Plan's fiduciary net position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Other Postemployment Benefits (OPEB)

Service Merit Plan

The Town offers eligible retirees a monthly stipend to be deposited into a health savings account. This plan is funded on a pay as you go basis and further information is provided at Note 9.

Line of Duty Act (LODA) Program

For purposes of measuring the net VRS LODA OPEB liability, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about the fiduciary net position of the VRS LODA OPEB Plan and the additions to/deductions from the VRS OPEB Plans' fiduciary net position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

E. Assets, deferred outflows/inflows of resources, liabilities, and net position/fund balance:
(Continued)

10. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Fund Balance

The Town reports fund balance in the following classifications which describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are either not in spendable form (such as inventory and prepaids) or are legally or contractually required to be maintained intact (corpus of a permanent fund);
- Restricted fund balance - amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers;
- Committed fund balance - amounts that can be used only for the specific purposes determined by the adoption of an ordinance committing fund balance for a specified purpose by the Town Council prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Council adopts another ordinance to remove or revise the limitation;
- Assigned fund balance - amounts a government intends to use for a specific purpose but do not meet the criteria to be classified as committed; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are only reported in the general fund. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

E. Assets, deferred outflows/inflows of resources, liabilities, and net position/fund balance:
(Continued)

11. Fund Balance (Continued)

When fund balance resources are available for a specific purpose in more than one classification, it is the Town's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

Town Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance / resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment, which does not lapse at year end, is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by Town Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

The Town Council has approved a fund balance policy with fund balance goals. Council seeks to maintain an unassigned fund balance of between 35-40% of all expenditures in the preceding year. Expenditures shall include operating expenditures (excluding capital) of the General Fund, Cemetery Fund, and Water and Sewer Fund. If the unassigned fund balance is less than 30% a plan shall be developed to restore the reserves in an acceptable manner.

12. Restricted Assets

The Town has \$3,607,942 in restricted cash that is restricted by grants or donors and held in the Town's special revenue funds. In addition, the Town has \$1,093,376 in restricted cash that is restricted for use in the Town cemetery.

13. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has multiple items that qualify for reporting in this category. One item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item is comprised of certain items related to pension and OPEB. For more detailed information on these items, reference the related notes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

E. Assets, deferred outflows/inflows of resources, liabilities, and net position/fund balance:
(Continued)

13. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has multiple items that qualify for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of uncollected property taxes due prior to June 30, 2nd half installments levied during the fiscal year but due after June 30th, and amounts prepaid on the 2nd half installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. Under the accrual basis, 2nd half installments levied during the fiscal year but due after June 30th and amounts prepaid on the 2nd half installments are reported as deferred inflows of resources. In addition, certain items related to pension, OPEB, and leases are reported as deferred inflows of resources. For more detailed information on these items, reference the related notes.

14. Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

E. Assets, deferred outflows/inflows of resources, liabilities, and net position/fund balance:
(Continued)

15. Leases and Subscription-Based IT Arrangements

The Town has various lease assets and subscription-based IT arrangements (SBITAs). A lease is a contract that conveys control of the right to use another entity's nonfinancial asset. Lease recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

Lessee - The Town recognizes lease liabilities and intangible right-to-use lease assets (lease asset) with an initial value of \$5,000, individually or in the aggregate in the government-wide financial statements. At the commencement of the lease, the lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease liability is reduced by the principal portion of payments made. The lease asset is measured at the initial amount of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset.

Lessor - The Town recognizes leases receivable and deferred inflows of resources in the government-wide and governmental fund financial statements. At commencement of the lease, the lease receivable is measured at the present value of lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured at the initial amount of the lease receivable, less lease payments received from the lessee at or before the commencement of the lease term (less any lease incentives).

Subscriptions - The Town recognizes intangible right-to-use subscription assets (subscription assets) and corresponding subscription liabilities with an initial value of \$5,000, in individually or in the aggregate, in the government-wide financial statements. At the commencement of the subscription, the subscription liability is measured at the present value of payments expected to be made during the subscription liability term (less any contract incentives). The subscription liability is reduced by the principal portion of payments made. The subscription asset is measured at the initial amount of the subscription liability payments made to the SBITA vendor before commencement of the subscription term, and capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized over the shorter of the subscription term or the useful life of the underlying IT asset.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 1-Summary of Significant Accounting Policies: (Continued)

E. Assets, deferred outflows/inflows of resources, liabilities, and net position/fund balance:
(Continued)

15. Leases and Subscription-Based IT Arrangements (Continued)

Key Estimates and Judgments

Lease and subscription-based IT arrangement accounting includes estimates and judgments for determining the (1) rate used to discount the expected lease and subscription payments to present value, (2) lease and subscription term, and (3) lease and subscription payments.

- The Town uses the interest rate stated in lease or subscription contracts. When the interest rate is not provided or the implicit rate cannot be readily determined, the Town uses its estimated incremental borrowing rate as the discount rate for leases and subscriptions.
- The lease and subscription term includes the noncancellable period of the lease or subscription and certain periods covered by options to extend to reflect how long the lease or subscription is expected to be in effect, with terms and conditions varying by the type of underlying asset.
- Fixed and certain variable payments as well as lease or subscription incentives and certain other payments are included in the measurement of the lease liability (lessee), lease receivable (lessor), or subscription liability.

The Town monitors changes in circumstances that would require a remeasurement or modification of its leases and subscriptions. The Town will remeasure the lease receivable and deferred inflows of resources (lessor), the lease asset and liability (lessee) or the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the lease receivable, lease liability or subscription liability.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 2-Deposits and Investments:

Deposits: Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”) Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments: Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper that has received at least two of the following ratings: P-1 by Moody’s Investors Service, Inc.; A-1 by Standard & Poor’s; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker’s acceptances, repurchase agreements, the State Treasurer’s Local Government Investment Pool (LGIP), and the Virginia Investment Pool (VIP).

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town’s investments at June 30, 2024 were held in the Town’s name by the Town’s custodial bank.

Interest Rate Risk:

The Town has not adopted an investment policy for interest rate risk. Listed below are the Town’s investments subject to investment rate risk and their corresponding maturity dates.

Investment Type	Investment Maturities (in years)		
	Fair Value	Less 1 yr	1-5 yrs
VACO/VML Virginia Investment Pool	\$ 6,490,027	\$ 6,210,267	\$ 279,760

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TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 2-Deposits and Investments: (Continued)

Credit Risk of Debt Securities: The Town has not adopted an investment policy for credit risk. The Town's rated debt investments as of June 30, 2024 were rated by Standard & Poor's and/or an equivalent national rating organization and the ratings are presented below using the Standard & Poor's rating scale.

Town's Rated Debt Investments' Values			
Rated Debt Investments	Fair Quality Ratings		
	AAAm	AA+f	Total
VACO/VML Virginia Investment Pool	\$ 6,210,267	\$ 279,760	\$ 6,490,027

External Investment Pool: The Town is a participant in the Virginia Investment Pool (VIP). VIP is a Section 115 governmental fund created under the Joint Exercise of Powers statute of the Commonwealth of Virginia to provide political subdivisions with an investment vehicle to pool surplus funds and to invest such funds into one or more investment portfolios under the direction and daily supervision of a professional fund manager. The VIP Trust is governed by a Board of Trustees. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Town has measured fair value of the above VACO/VML Investment Pool investment at the net asset value (NAV). VACO/VML VIP allows the Town to have the option to have access to withdraw funds twice a month, with a five-day period notice. Additionally, funds are available to meet unexpected needs such as fluctuations in revenue sources with one-time outlays (disasters, immediate capital needs, state budget cuts, and etc.).

Note 3-Due from Other Governmental Units:

The following amounts represent receivables from other governments at year-end:

	Governmental Activities	Business-type Activities	Total
<u>County of Montgomery, Virginia:</u>			
Local sales tax	\$ 441,032	\$ -	\$ 441,032
<u>Commonwealth of Virginia:</u>			
Categorical aid	70,532	27,920	98,452
Noncategorical aid	147,345	-	147,345
<u>Federal Government:</u>			
Categorical aid	746,431	95,040	841,471
Total	<u>\$ 1,405,340</u>	<u>\$ 122,960</u>	<u>\$ 1,528,300</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 4-Interfund Activity:

Interfund transfers for the year ended June 30, 2024, consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 1,878,017
Lifesaving and Rescue Fund	136,153	
Police Department Fund	763	-
Cemetery Fund	167,148	-
Capital Projects Fund	1,573,953	-
Total	<u>\$ 1,878,017</u>	<u>\$ 1,878,017</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgeting authorization.

Amounts due to or from the Water and Sewer and Stormwater Funds represent short-term interfund advances for operating and capital needs. This allows the Town to utilize one primary bank account for payment of all invoices and costs before the respective revenues are received in the given fund or program.

<u>Fund</u>	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 13,666,380	\$ -
Water and Sewer Fund	-	11,026,709
Stormwater Fund	-	3,007,929
Lifesaving and Rescue Fund	90,809	-
Police Fund	32,218	-
Recreation and Streets Fund	31,070	-
ARPA Fund	9,400	-
Cemetery Fund	-	35,209
Capital Projects Fund	239,970	-
Total	<u>\$ 14,069,847</u>	<u>\$ 14,069,847</u>

TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 5-Long-term Obligations:

Governmental Activity Obligations:

The following is a summary of long-term obligation transactions of the Town for the year ended June 30, 2024:

	Balance July 1, 2023	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2024
Direct Borrowings and Direct				
Placements - GO Bonds	\$ 16,566,970	\$ -	\$ (1,481,833)	15,085,137
Lease liability	540,464	-	(178,846)	361,618
Subscription liability	55,140	91,635	(94,943)	51,832
Net OPEB liabilities	4,146,437	2,140,438	(2,044,704)	4,242,171
Compensated absences	3,735,202	3,655,114	(2,801,402)	4,588,914
Landfill closure/postclosure liability	585,340	21,650	-	606,990
Net pension liability	7,978,023	5,476,472	(5,086,533)	8,367,962
Total	<u>\$ 33,607,576</u>	<u>\$11,385,309</u>	<u>\$ (11,688,261)</u>	<u>\$ 33,304,624</u>

For governmental activities, the above long-term obligations are generally liquidated in the General Fund.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending June 30,	Direct Borrowings and Direct Placements - GO Bonds		Lease Liabilities		Subscription Liabilities	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,502,399	\$ 225,226	\$ 180,151	\$ 2,640	\$ 25,460	\$ 1,420
2026	1,529,058	200,471	181,467	1,325	26,372	507
2027	1,328,811	177,651	-	-	-	-
2028	1,354,880	156,785	-	-	-	-
2029	1,234,823	136,804	-	-	-	-
2030-2034	6,156,712	400,840	-	-	-	-
2035-2036	1,978,454	30,655	-	-	-	-
Totals	<u>\$ 15,085,137</u>	<u>\$ 1,328,432</u>	<u>\$ 361,618</u>	<u>\$ 3,965</u>	<u>\$ 51,832</u>	<u>\$ 1,927</u>

TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 5-Long-term Obligations: (Continued)

Governmental Activity Obligations: (Continued)

Details of long-term obligations:

	Total Amount	Amount Due Within One Year
<u>Direct Borrowings and Direct Placements - GO Bonds:</u>		
\$9,999,900 general obligation refunding bond issued July 23, 2013, maturing annually with principal and interest payable semi-annually through August 1, 2024; interest rate is fixed at 1.62%.	\$ 5,851,500	\$ 483,300
\$9,300,000 general obligation bond bearing interest at 1.48%, issued November 23, 2021, payable in semi-annual principal and interest installments through February 1, 2036.	7,799,217	598,530
\$3,083,000 general obligation bond bearing interest at 1.75%, issued March 16, 2021, payable in annual principal installments and semi-annual interest installments through August 1, 2029. 22% of this bond will be paid out of the general fund with the remainder to be paid out of the water and sewer fund.	464,420	74,569
\$2,014,000 general obligation bond issued September 1, 2015, maturing annually with principal and interest payable semi-annually through August 1, 2025; interest rate is fixed at 2.10%.	437,000	216,000
\$1,315,000 general obligation refunding bond issued June 23, 2016, maturing annually with principal and interest payable semi-annually through August 1, 2027; interest rate is fixed at 1.78%.	533,000	130,000
Total Direct Borrowing and Direct Placement - GO Bonds	\$ 15,085,137	\$ 1,502,399
<u>Lease Liability:</u>		
Body Camera Lease, \$868,014 issued on October 1, 2021, bearing interest at .73%. Annual payments of principal and interest of \$182,791 are made on October 1 through 2026.	\$ 361,618	\$ 180,151
<u>Subscription Liability:</u>		
Assure data protection subscription, \$76,635 issued on July 1, 2023, bearing interest at 3.53%. Monthly payments of principal and interest of \$2,240 are made through 2026.	\$ 51,832	\$ 25,460
<u>Other Obligations:</u>		
Net OPEB liabilities	\$ 4,242,171	\$ 81,728
Compensated absences	4,588,914	458,891
Landfill closure/postclosure liability	606,990	60,699
Net pension liability	8,367,962	-
Total Other Obligations	\$ 17,806,037	\$ 601,318
Total Long-term Obligations	\$ 33,304,624	\$ 2,309,328

TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 5-Long-term Obligations: (Continued)

Business-type Activity Obligations:

The following is a summary of long-term obligation transactions of the Enterprise Funds for the year ended June 30, 2024:

	Balance July 1, 2023	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2024
Direct Borrowings and Direct				
Placements - GO Bonds	\$ 1,904,044	\$ -	\$ (260,465)	\$ 1,643,579
Net OPEB liabilities	321,183	43,867	(17,171)	347,879
Compensated absences	337,937	219,417	(253,453)	303,901
Net pension liability	1,335,569	886,451	(862,057)	1,359,963
Total	\$ 3,898,733	\$ 1,149,735	\$ (1,393,146)	\$ 3,655,322

For the Enterprise Fund, the above long-term obligations are generally liquidated from the Water and Sewer Fund and Stormwater Fund.

Annual requirements to amortize long-term obligations and the related interest are as follows:

Year Ending June 30,	Direct Borrowings and Direct Placements - GO Bonds	
	Principal	Interest
2025	264,382	20,866
2026	268,167	17,192
2027	271,819	13,466
2028	276,115	9,685
2029	279,483	5,851
2030	283,613	1,961
Totals	\$ 1,643,579	\$ 69,021

TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 5-Long-term Obligations: (Continued)

Business-type Activity Obligations: (Continued)

Details of long-term obligations:

	<u>Total Amount</u>	<u>Amount Due Within One Year</u>
<u>Direct Borrowings and Direct Placements - GO Bonds:</u>		
\$3,083,000 general obligation bond bearing interest at 1.75%, issued March 16, 2021, payable in annual principal installments and semi-annual interest installments through August 1, 2029. 78% of this bond will be paid out of the water and sewer fund with the remainder paid out of the General fund.	\$ 1,643,579	\$ 264,382
Total Direct Borrowing and Direct Placement - GO Bonds	\$ 1,643,579	\$ 264,382
<u>Other Obligations:</u>		
Net OPEB liabilities	\$ 347,879	\$ -
Compensated absences	303,901	30,391
Net pension liability	1,359,963	-
Total Other Obligations	\$ 2,011,743	\$ 30,391
Total Long-term Obligations	<u>\$ 3,655,322</u>	<u>\$ 294,773</u>

Arbitrage Rebate Compliance:

As of June 30, 2024, and for the year then ended, the Town was not liable for any amounts due under current rules governing arbitrage earnings.

Debt Purpose:

All of the bonds issued in either the governmental activities or business-type activities as listed above were issued for capital projects, land purchases, or refunding bonds previously issued for capital projects.

Legal Debt Margin:

The Town is subject to a debt limit that is 10 percent of the full valuation of taxable real estate. At June 30, 2024, that amount was \$292,612,043. As of June 30, 2024, the total outstanding debt applicable to the limit was \$15,085,137 which is 5.15 percent of the total debt limit.

Events of Default:

The Town's outstanding notes from direct borrowings and direct placements related to both governmental activities and business-type activities of \$16,728,716 contain a provision that in an event of default, outstanding amounts become immediately due if the Town is unable to make payment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan:

Plan Description

All full-time, salaried permanent employees of the Town are automatically covered by a VRS Retirement Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

Benefit Structures

The System administers three different benefit structures for covered employees - Plan 1, Plan 2 and Hybrid. Each of these benefit structures has different eligibility criteria, as detailed below.

- a. Employees with a membership date before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of creditable service or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit. Hazardous duty employees (law enforcement officers, firefighters, and sheriffs) are eligible for an unreduced benefit beginning at age 60 with at least 5 years of creditable service or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.
- b. Employees with a membership date from July 1, 2010 to December 31, 2013, that have not taken a refund or employees with a membership date prior to July 1, 2010 and not vested before January 1, 2013 are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age plus service credit equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. Hazardous duty employees are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.
- c. Non-hazardous duty employees with a membership date on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 - April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service credit equals 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan: (Continued)***Average Final Compensation and Service Retirement Multiplier***

The VRS defined benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the employee's average final compensation multiplied by the employee's total service credit. Under Plan 1, average final compensation is the average of the employee's 36 consecutive months of highest compensation and the multiplier is 1.70% for non-hazardous duty employees, 1.85% for sheriffs and regional jail superintendents, and 1.70% or 1.85% for hazardous duty employees as elected by the employer. Under Plan 2, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the retirement multiplier is 1.65% for non-hazardous duty employees, 1.85% for sheriffs and regional jail superintendents, and 1.70% or 1.85% for hazardous duty employees as elected by the employer. Under the Hybrid Plan, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the multiplier is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

Cost-of-Living Adjustment (COLA) in Retirement and Death and Disability Benefits

Retirees with an unreduced benefit or with a reduced benefit with at least 20 years of service credit are eligible for an annual COLA beginning July 1 after one full calendar year from the retirement date. Retirees with a reduced benefit and who have less than 20 years of service credit are eligible for an annual COLA beginning on July 1 after one calendar year following the unreduced retirement eligibility date. Under Plan 1, the COLA cannot exceed 5.00%. Under Plan 2 and the Hybrid Plan, the COLA cannot exceed 3.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia, as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

Employees Covered by Benefit Terms

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	149
Inactive members:	
Vested inactive members	51
Non-vested inactive members	128
Inactive members active elsewhere in VRS	<u>110</u>
Total inactive members	289
Active members	<u>222</u>
Total covered employees	<u><u>660</u></u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan: (Continued)

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The Town's contractually required employer contribution rate for the year ended June 30, 2024 was 14.98% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Town were \$2,116,244 and \$1,934,379 for the years ended June 30, 2024 and June 30, 2023, respectively.

Net Pension Liability

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net pension. The Town's net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022 and rolled forward to the measurement date of June 30, 2023.

Actuarial Assumptions - General Employees

The total pension liability for General Employees in the Town's Retirement Plan was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation	3.50% - 5.35%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan: (Continued)

Actuarial Assumptions - General Employees (Continued)

Mortality rates:

All Others (Non-10 Largest) - Non-Hazardous Duty: 15% of deaths are assumed to be service related

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years.

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males and females set forward 2 years.

Mortality Improvement:

Rates projected generationally with Modified MP-2020 improvement Scale that is 75% of the MP-2020 rates.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on the VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non-10 Largest) - Non-Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan: (Continued)

Actuarial Assumptions - Public Safety Employees with Hazardous Duty Benefits

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the Town's Retirement Plan was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation	3.50% - 4.75%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

Mortality rates:

All Others (Non-10 Largest) - Hazardous Duty: 45% of deaths are assumed to be service related

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males; 105% of rates for females set forward 2 years.

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males; 105% of rates for females set forward 3 years.

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males and females set forward 2 years.

Mortality Improvement:

Rates projected generationally with Modified MP-2020 improvement Scale that is 75% of the MP-2020 rates.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan: (Continued)

Actuarial Assumptions - Public Safety Employees with Hazardous Duty Benefits (Continued)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non 10 Largest) - Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan: (Continued)**Long-term Expected Rate of Return**

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class (Strategy)</u>	<u>Long-Term Target Asset Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return*</u>
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi-Asset Public Strategies	4.00%	4.50%	0.18%
PIP - Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	<u>100.00%</u>		<u>5.75%</u>
		Inflation	<u>2.50%</u>
		Expected arithmetic nominal return**	<u>8.25%</u>

* The above allocation provides a one-year expected return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%.

**On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75% which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan: (Continued)**Discount Rate**

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the Town was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2022 actuarial valuations, whichever was greater. From July 1, 2023 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2022	\$ 60,489,006	\$ 51,175,414	\$ 9,313,592
Changes for the year:			
Service cost	\$ 1,651,626	\$ -	\$ 1,651,626
Interest	4,101,793	-	4,101,793
Benefit changes	-	-	-
Difference between expected and actual experience	541,504	-	541,504
Assumption changes	-	-	-
Contributions - employer	-	1,934,228	(1,934,228)
Contributions - employee	-	638,702	(638,702)
Net investment income	-	3,338,923	(3,338,923)
Benefit payments, including refunds	(2,746,649)	(2,746,649)	-
Administrative expenses	-	(32,608)	32,608
Other changes	-	1,345	(1,345)
Net changes	\$ 3,548,274	\$ 3,133,941	\$ 414,333
Balances at June 30, 2023	\$ 64,037,280	\$ 54,309,355	\$ 9,727,925

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan: (Continued)***Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate***

The following presents the net pension liability (asset) of the Town using the discount rate of 6.75%, as well as what the Town's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
Town's			
Net Pension Liability (Asset) \$	19,190,163	\$ 9,727,925	\$ 2,129,515

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the Town recognized pension expense of \$1,899,901. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 451,940	\$ 50,969
Change in assumptions	131,149	-
Net difference between projected and actual earnings on pension plan investments	-	768,073
Change in proportionate shares	74,418	74,418
Employer contributions subsequent to the measurement date	2,116,244	-
Total	\$ 2,773,751	\$ 893,460

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 6-Pension Plan: (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$2,116,244 reported as deferred outflows of resources related to pensions resulting from the Town’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year Ended June 30</u>		
2025	\$	(206,467)
2026		(779,842)
2027		728,654
2028		21,702
2029		-
Thereafter		-

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2023 Annual Comprehensive Financial Report (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <https://www.varetire.org/pdf/publications/2023-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

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TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 7-Capital Assets:

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 8,193,117	\$ 388,451	\$ -	\$ 8,581,568
Construction in progress	21,979,426	4,152,398	(23,571,851)	2,559,973
Total capital assets not being depreciated/amortized	<u>\$ 30,172,543</u>	<u>\$ 4,540,849</u>	<u>\$ (23,571,851)</u>	<u>\$ 11,141,541</u>
Capital assets, being depreciated/amortized:				
Buildings and improvements	\$ 36,380,732	\$ 358,247	\$ -	\$ 36,738,979
Machinery, equipment, and vehicles	25,270,793	1,245,431	(21,610)	26,494,614
Infrastructure	155,510,371	23,131,616	-	178,641,987
Right-to-use lease equipment	868,014	-	-	868,014
Right-to-use subscription	83,540	92,181	-	175,721
Total capital assets being depreciated/amortized	<u>\$ 218,113,450</u>	<u>\$ 24,827,475</u>	<u>\$ (21,610)</u>	<u>\$ 242,919,315</u>
Accumulated depreciation/amortization:				
Buildings and improvements	\$ (13,207,233)	\$ (1,020,142)	\$ -	\$ (14,227,375)
Machinery, equipment, and vehicles	(16,703,889)	(1,547,117)	21,610	(18,229,396)
Infrastructure	(55,457,327)	(3,932,728)	-	(59,390,055)
Right-to-use lease equipment	(302,973)	(174,078)	-	(477,051)
Right-to-use subscription	-	(57,403)	-	(57,403)
Total accumulated depreciation/amortization	<u>\$ (85,671,422)</u>	<u>\$ (6,731,468)</u>	<u>\$ 21,610</u>	<u>\$ (92,381,280)</u>
Total capital assets being depreciated/amortized, net	<u>\$ 132,442,028</u>	<u>\$ 18,096,007</u>	<u>\$ -</u>	<u>\$ 150,538,035</u>
Governmental activities capital assets, net	<u>\$ 162,614,571</u>	<u>\$ 22,636,856</u>	<u>\$ (23,571,851)</u>	<u>\$ 161,679,576</u>

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TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 7-Capital Assets: (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 199,176	\$ -	\$ -	\$ 199,176
Construction in progress	2,121,894	2,924,389	(2,260,062)	2,786,221
Total capital assets not being depreciated	<u>\$ 2,321,070</u>	<u>\$ 2,924,389</u>	<u>\$ (2,260,062)</u>	<u>\$ 2,985,397</u>
Capital assets, being depreciated:				
Machinery, equipment, and vehicles	\$ 9,090,764	\$ 389,206	\$ -	\$ 9,479,970
Utility plant and equipment	91,384,076	3,183,033	-	94,567,109
Total capital assets being depreciated	<u>\$ 100,474,840</u>	<u>\$ 3,572,239</u>	<u>\$ -</u>	<u>\$ 104,047,079</u>
Accumulated depreciation:				
Machinery, equipment, and vehicles	\$ (5,958,101)	\$ (480,668)	\$ -	\$ (6,438,769)
Utility plant and equipment	(43,224,665)	(2,258,932)	-	(45,483,597)
Total accumulated depreciation	<u>\$ (49,182,766)</u>	<u>\$ (2,739,600)</u>	<u>\$ -</u>	<u>\$ (51,922,366)</u>
Total capital assets being depreciated, net	<u>\$ 51,292,074</u>	<u>\$ 832,639</u>	<u>\$ -</u>	<u>\$ 52,124,713</u>
Business-type activities capital assets, net	<u>\$ 53,613,144</u>	<u>\$ 3,757,028</u>	<u>\$ (2,260,062)</u>	<u>\$ 55,110,110</u>

Depreciation/amortization expense was charged to functions/programs of the Town as follows:

Governmental activities:

General government administration	\$ 236,699
Public safety	1,066,481
Public works	4,638,516
Parks, recreation, and cultural	780,128
Community Development	9,644

Total depreciation/amortization expense - governmental activities \$ 6,731,468

Business-type activities:

Water and sewer	\$ 2,490,740
Stormwater	248,860

Total depreciation/amortization expense - business-type activities \$ 2,739,600

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 8-Risk Management:

The Town is exposed to various risks of loss related to the following: torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town employs a variety of risk management techniques, including the purchase of commercial insurance, participation in insurance pools, and self - insurance. The Town risk management programs are as follows:

Workers' Compensation - Workers' compensation insurance is provided through VACORP. During 2023-2024, total premiums paid were \$257,161. Benefits are those afforded through the State of Virginia as outlined in the Code of Virginia Section 65.2-100; premiums are based on covered payroll, job rates, and claims history.

General Liability and Other - The Town has general, automobile, property, and public officials' liability insurance through VACORP. Boiler and machinery coverage and property insurance are covered as per statement of values. Total premiums for 2023-2024 were \$188,914.

Self-Insurance - The Town established a limited risk management program for health insurance in fiscal year 2015. Premiums are paid into the health plan fund from the Town and are available to pay claims, and administrative costs of the program. During the fiscal year 2024, a total of \$2,000,796 was paid by the Town in benefits and administrative costs. The risk assumed by the Town is based on the number of participants in the program. The risk varies by the number of participants and their specific plan type (Keycare, Bluecare, etc.). Incurred but not reported claims of \$212,051 have been accrued as a liability based primarily on actual cost incurred prior to June 30 but paid after year-end. Liabilities are determined using a combination of actual claims experience and actuarially determined amounts and include incremental claim adjustment expenses and estimated recoveries. An independent contractor processes claims and the Town records a provision and liability in the government-wide statements and General Fund (current portion only) for an estimate of incurred but not reported claims. The Town has also assigned a portion of fund balance in the General Fund of \$393,714 to mitigate the risk of these claims.

Changes in the claims liability for the current and two prior fiscal years are as follows:

<u>Fiscal Year</u>	<u>Balance at Beginning of Fiscal Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Fiscal Year</u>
2023-24	\$ 212,051	\$ 2,000,796	\$ (2,000,796)	\$ 212,051
2022-23	212,051	2,089,388	(2,089,388)	212,051
2021-22	212,051	1,909,944	(1,909,944)	212,051

Other - There were no significant reductions in insurance coverage from the prior year and no settlements that exceeded the amount of insurance coverage during the last three fiscal years.

All Town employees are covered by a blanket bond in the amount of \$10,000. Additionally, the Treasurer and Town Manager are covered by surety bonds in the amount of \$100,000 each. The surety is United States Fidelity and Guaranty.

TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2024

Note 8-Risk Management: (Continued)

Intergovernmental dependency - The Town depends on financial resources flowing from, or associated with, both the federal government and the Commonwealth of Virginia. Because of this dependency, the Town is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and state laws and federal and state appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury securities because of actions by foreign governments and other holders of publicly held U.S. Treasury securities.

During the fiscal year ended June 30, 2024 the Town received direct funding from the federal and state government as follows:

Law Enforcement funds	\$	535,740
Street Maintenance funds		4,928,562
Sales Taxes		2,800,298
Non-Categorical State Aid		1,128,608
Federal and State grants		2,658,214
Total	\$	<u>12,051,422</u>

Note 9-Town Health Savings Service Merit - Pay-as-you-go (OPEB Plan):

Plan Description

In addition to the pension benefits described in Note 6, the Town administers a single-employer defined benefit healthcare plan, The Town of Christiansburg, VA Service Merit (OPEB) Plan. The plan provides postemployment health care benefits to all eligible permanent employees who meet the requirements under the Town's pension plans. The plan does not issue a publicly available financial report.

Benefits Provided

Postemployment benefits from the Service Merit Plan are provided to eligible retirees. Eligible retirees receive a Service Merit of \$10 per month for each year of service to the Town until attaining age 65 or Medicare eligibility, whichever occurs first. Upon attaining age 65 or Medicare eligibility, eligible retirees receive a Service Merit of \$100 per month for the remainder of their lifetime. Service Merit monies are deposited into the retiree's ICMA Retirement Health Savings (RHS) plan in compliance with IRS regulations. Upon death the benefits cease and are non-transferrable; however, monies already in the retiree's RHS account may be directed to a beneficiary. Employees become eligible for the Service Merit Plan when retiring directly from the Town with 20 or more years of service at retirement and meeting various Virginia Retirement System (VRS) eligibility criteria.

Plan Membership

At July 1, 2023 (valuation date), the following employees were covered by the benefit terms:

Active Participants	229
Inactive Participants	<u>33</u>
Total Participants	<u>262</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 9-Town Health Savings Service Merit - Pay-as-you-go (OPEB Plan): (Continued)

Contributions

The Town does not pre-fund benefits; therefore, no assets are accumulated in a trust fund. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The funding requirements are established and may be amended by the Town Council. The amount paid by the Town for OPEB as the benefits came due during the year ended June 30, 2024 was \$81,728.

Total OPEB Liability

The Town's total OPEB liability was measured as of June 30, 2024. The total OPEB liability was determined by an actuarial valuation performed as of July 1, 2023, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date.

Actuarial Assumptions

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50% per year
Salary Increases	The total salary rate consists of an inflation rate of 2.50%, a productivity component of 1.00%, and a variable component that is based on years of service, with total increases ranging from 3.25% to 4.75%
Discount Rate	3.93% for accounting and funding disclosures as of June 30, 2024
Participation Rate	100% participation is assumed.

The mortality rates for active and healthy retirees was calculated using the Pub-2010 Amount Weighted General Employee Rates projected generationally with MP-2020 Improvement Scale that is 75% of the MP-2020 rates. The mortality rates for inactive and healthy retirees was Pub-2010 Amount Weighted General Healthy Retiree Rates projected generationally; 110% of rates for females. Base rates are shown below. Base rates are projected generationally with a Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates. The mortality tables for inactive and disabled retirees was Pub-2010 Amount Weighted General Disabled Rates projected generationally; males and females set forward 3 years. Base rates are shown below. Base rates are projected generationally with a Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

The date of the most recent actuarial experience study for which significant assumptions were based is not available.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 9-Town Health Savings Service Merit - Pay-as-you-go (OPEB Plan): (Continued)**Discount Rate**

The discount rate used when OPEB plan investments are insufficient to pay for future benefit payments is based on the Bond Buyer General Obligation 20-Bond Municipal Index. The final equivalent single discount rate used for this year's valuation is 3.93% as of the end of the fiscal year with the expectation that the Town will continue paying the pay-go cost from operating funds.

Changes in Total OPEB Liability

	<u>Increase (Decrease)</u> <u>Total OPEB Liability</u>
Balances at June 30, 2023	\$ 2,392,776
Changes for the year:	
Service Cost	\$ 50,372
Interest on total OPEB liability	87,697
Changes in assumptions	(27,639)
Differences between expected and actual experience	(9,675)
Benefit payments	(81,728)
Net changes:	<u>19,027</u>
Balances at June 30, 2024	\$ <u>2,411,803</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following amounts present the total OPEB liability of the Town, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.65%) or one percentage point higher (4.65%) than the current discount rate:

<u>Discount Rate</u>		
1% Decrease (2.93%)	Current (3.93%)	1% Increase (4.93%)
\$ 2,741,045	\$ 2,411,803	\$ 2,138,012

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 9-Town Health Savings Service Merit - Pay-as-you-go (OPEB Plan): (Continued)***Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates***

Because the Town's OPEB Plan is based on a set dollar amount instead of healthcare the trend rate has no impact on the calculation as indicated below:

Healthcare Cost Trend Rates		
1% Decrease	Current	1% Increase
\$ 2,411,803	\$ 2,411,803	\$ 2,411,803

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2024, the Town recognized OPEB expense in the amount of \$129,185. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 80,952	\$ 44,643
Change in assumptions	218,778	384,900
Total	\$ 299,730	\$ 429,543

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense in future reporting periods as follows:

Year Ended June 30	
2025	\$ (8,884)
2026	(9,050)
2027	(10,670)
2028	(10,670)
2029	(10,670)
Thereafter	(79,869)

Additional disclosures on changes in OPEB liability, related ratios, and employer contributions can be found in the required supplementary information following the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 10-OPEB - Line of Duty Act (LODA) Program:

Plan Description

The Virginia Retirement System (VRS) Line of Duty Act Program (LODA) was established pursuant to §9.1-400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. The LODA Program provides death and health insurance benefits to eligible state employees and local government employees, including volunteers, who die or become disabled as a result of the performance of their duties as a public safety officer. In addition, health insurance benefits are provided to eligible survivors and family members. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System). Participating employers made contributions to the program beginning in FY 2012. The employer contributions are determined by the System's actuary using anticipated program costs and the number of covered individuals associated with all participating employers.

The specific information for LODA OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

All paid employees and volunteers in hazardous duty positions in Virginia localities as well as and hazardous duty employees who are covered under the Virginia Retirement System (VRS), the State Police Officers' Retirement System (SPORS), or the Virginia Law Officers' Retirement System (VaLORS) are automatically covered by the LODA Program. As required by statute, the Virginia Retirement System (the System) is responsible for managing the assets of the program.

Benefit Amounts

The LODA program death benefit is a one-time payment made to the beneficiary or beneficiaries of a covered individual. Amounts vary as follows: \$100,000 when a death occurs as the direct or proximate result of performing duty as of January 1, 2006, or after; \$25,000 when the cause of death is attributed to one of the applicable presumptions and occurred earlier than five years after the retirement date; or an additional \$20,000 benefit is payable when certain members of the National Guard and U.S. military reserves are killed in action in any armed conflict on or after October 7, 2001.

The LODA program also provides health insurance benefits. The health insurance benefits are managed through the Virginia Department of Human Resource Management (DHRM). The health benefits are modeled after the State Employee Health Benefits Program plans and provide consistent, premium-free continued health plan coverage for LODA-eligible disabled individuals, survivors and family members.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 10-OPEB - Line of Duty Act (LODA) Program: (Continued)

Contributions

The contribution requirements for the LODA Program are governed by §9.1-400.1 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies by the Virginia General Assembly. Each employer's contractually required employer contribution rate for the LODA Program for the year ended June 30, 2024 was \$830 per covered full-time-equivalent employee. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021 and represents the pay-as-you-go funding rate and not the full actuarial cost of the benefits under the program. The actuarially determined pay-as-you-go rate was expected to finance the costs and related expenses of benefits payable during the year. Contributions to the LODA from the entity were \$107,485 and \$72,105 for the years ended June 30, 2024 and June 30, 2023, respectively.

LODA OPEB Liabilities, LODA OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the LODA OPEB

At June 30, 2024, the entity reported a liability of \$2,178,246 for its proportionate share of the Net LODA OPEB Liability. The Net LODA OPEB Liability was measured as of June 30, 2023 and the total LODA OPEB liability used to calculate the Net LODA OPEB Liability was determined by an actuarial valuation as of June 30, 2022, and rolled forward to the measurement date of June 30, 2023. The entity's proportion of the Net LODA OPEB Liability was based on the entity's actuarially determined pay-as-you-go employer contributions to the LODA OPEB plan for the year ended June 30, 2023 relative to the total of the actuarially determined pay-as-you-go employer contributions for all participating employers. At June 30, 2023, the entity's proportion was 0.54330% as compared to 0.54820% at June 30, 2022.

For the year ended June 30, 2024, the entity recognized LODA OPEB expense \$302,992. Since there was a change in proportionate share between measurement dates, a portion of the LODA OPEB expense was related to deferred amounts from changes in proportion.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 10-OPEB - Line of Duty Act (LODA) Program: (Continued)

LODA OPEB Liabilities, LODA OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the LODA OPEB: (Continued)

At June 30, 2024, the entity reported deferred outflows of resources and deferred inflows of resources related to the LODA OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 116,190	\$ 410,162
Net difference between projected and actual earnings on LODA OPEB program investments	-	6,372
Change in assumptions	483,814	449,166
Change in proportionate share	139,038	77,556
Employer contributions subsequent to the measurement date	<u>107,485</u>	<u>-</u>
Total	<u>\$ 846,527</u>	<u>\$ 943,256</u>

\$107,485 reported as deferred outflows of resources related to the LODA OPEB resulting from the entity's contributions subsequent to the measurement date will be recognized as a reduction of the Net LODA OPEB Liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the LODA OPEB will be recognized in LODA OPEB expense in future reporting periods as follows:

Year Ended June 30

2025	\$ 264
2026	464
2027	3,812
2028	(8,879)
2029	(36,374)
Thereafter	(163,501)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 10-OPEB - Line of Duty Act (LODA) Program: (Continued)***Actuarial Assumptions***

The total LODA OPEB liability was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023. The assumptions include several employer groups. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS Annual Report.

Inflation	2.50%
Salary increases, including inflation:	
Locality employees	N/A
Medical cost trend rates assumption:	
Under age 65	7.00%-4.75%
Ages 65 and older	5.25%-4.75%
Year of ultimate trend rate:	
Under age 65	Fiscal year ended 2028
Age 65 and older	Fiscal year ended 2023
Investment rate of return	3.86%, including inflation*

* Since LODA is funded on a current-disbursement basis, the assumed annual rate of return of 3.86% was used since it approximates the risk-free rate of return.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 10-OPEB - Line of Duty Act (LODA) Program: (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates - Non-Largest Ten Locality Employers with Public Safety Employees

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally, 95% of rates for males; 105% of rates for females set forward 2 years.

Post-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally, 110% of rates for males; 105% of rates for females set forward 3 years.

Post-Disablement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally, 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally, 110% of rates for males and females set forward 2 years.

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 10-OPEB - Line of Duty Act (LODA) Program: (Continued)

Net LODA OPEB Liability

The net OPEB liability (NOL) for the LODA Program represents the program’s total OPEB liability, less the associated fiduciary net position. As of the measurement date of June 30, 2023, NOL amounts for the LODA Program are as follows (amounts expressed in thousands):

	<u>LODA Program</u>
Total LODA OPEB Liability	\$ 406,211
Plan Fiduciary Net Position	5,311
LODA Net OPEB Liability (Asset)	<u>\$ 400,900</u>
Plan Fiduciary Net Position as a Percentage of the Total LODA OPEB Liability	1.31%

The total LODA OPEB liability is calculated by the System’s actuary, and each plan’s fiduciary net position is reported in the System’s financial statements. The net OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System’s notes to the financial statements and required supplementary information.

Long-Term Expected Rate of Return

The long-term expected rate of return on LODA OPEB Program’s investments was set at 3.86% for this valuation. Since LODA is funded on a current-disbursement basis, it is not able to use the VRS Pooled Investments 6.75% assumption. Instead, the assumed annual rate of return of 3.86% was used since it approximates the risk-free rate of return. This Single Equivalent Interest Rate (SEIR) is the applicable municipal bond index rate based on the Fidelity Fixed Income General Obligation 20-year Municipal Bond Index as of the measurement date of June 30, 2023.

Discount Rate

The discount rate used to measure the total LODA OPEB liability was 3.86%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made per the VRS Statutes and that they will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ended June 30, 2023, the rate contributed by participating employers to the LODA OPEB Program will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 10-OPEB - Line of Duty Act (LODA) Program: (Continued)***Sensitivity of the Covered Employer's Proportionate Share of the Net LODA OPEB Liability to Changes in the Discount Rate***

The following presents the covered employer's proportionate share of the net LODA OPEB liability using the discount rate of 3.86%, as well as what the covered employer's proportionate share of the net LODA OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.86%) or one percentage point higher (4.86%) than the current rate:

	Discount Rate		
	1% Decrease (2.86%)	Current (3.86%)	1% Increase (4.86%)
Town's proportionate share of the LODA Net OPEB Liability	\$ 2,442,332	\$ 2,178,246	\$ 1,954,833

Sensitivity of the Covered Employer's Proportionate Share of the Net LODA OPEB Liability to Changes in the Health Care Trend Rate

Because the LODA Program contains a provision for the payment of health insurance premiums, the liabilities are also impacted by the health care trend rates. The following presents the covered employer's proportionate share of the net LODA OPEB liability using the health care trend rate of 7.00% decreasing to 4.75%, as well as what the covered employer's proportionate share of the net LODA OPEB liability would be if it were calculated using a health care trend rate that is one percentage point lower (6.00% decreasing to 3.75%) or one percentage point higher (8.00% decreasing to 5.75%) than the current rate:

	Health Care Trend Rates		
	1% Decrease (6.00% decreasing to 3.75%)	Current (7.00% decreasing to 4.75%)	1% Increase (8.00% decreasing to 5.75%)
Town's proportionate share of total LODA Net OPEB Liability	\$ 1,847,226	\$ 2,178,246	\$ 2,588,431

LODA OPEB Fiduciary Net Position

Detailed information about the LODA Program Fiduciary Net Position is available in the separately issued VRS 2023 Annual Comprehensive Financial Report (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2023-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 11-OPEB Summary:

	Deferred Outflows	Deferred Inflows	Net OPEB Liabilities	OPEB Expense
Town Health Savings Service Merit Plan (Note 9)	\$ 299,730	\$ 429,543	\$ 2,411,803	\$ 129,185
VRS Line of Duty Act Program (Note 10)	846,527	943,256	2,178,246	302,992
Totals	<u>\$ 1,146,257</u>	<u>\$ 1,372,799</u>	<u>\$ 4,590,049</u>	<u>\$ 432,177</u>

Note 12-Deferred/ Unavailable Revenue:

Deferred and unavailable revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Under the accrual basis, assessments for future periods are deferred.

	Government-wide Statements Governmental Activities	Balance Sheet Governmental Funds
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures	\$ -	\$ 310,255
Tax assessments due after June 30	6,935,011	6,935,011
Prepaid property taxes due after June 30 but paid in advance by taxpayers	16,303	16,303
Lease related items	2,187,695	2,187,695
Unavailable EMS billing revenue representing uncollected billings that are not available for the funding of current expenditures	-	144,607
	<u>\$ 9,139,009</u>	<u>\$ 9,593,871</u>

Note 13-Contingencies:

In October 2002, the Town received a loan/grant of \$675,000 from the Virginia Department of Housing and Community Development for the construction of low-income housing for low income at-risk youth. The facility, Tekoa Boys Home, was to be built, run, and maintained by Community Housing Partners, Inc. (CHP). The loan is secured by this facility and will be forgiven at the end of the 20-year term provided that the original purpose continues to be met. In the event that CHP defaults on the terms of the agreement, the funds must be repaid to the Virginia Department of Housing and Community Development by the Town. During fiscal year 2010, the home was converted to other uses and the Virginia Department of Housing and Community Development has approved that change and current use.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 13-Contingencies: (Continued)

Federal programs in which the Town participates were audited in accordance with the provisions of Uniform Guidance. Pursuant to the provisions of this guidance all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance tests, which may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

Note 14-Commitments:

At June 30, 2024, the Town had the following outstanding construction commitments:

Project	Amount of Contract	Amount Outstanding	Accounts Payable	Retainage Payable
Silver Lake Sewer Interceptor Phase 2	\$ 2,276,986	\$ 319,751	\$ 524,806	\$ 95,140
FY23 Primary Extension	819,149	-	223,097	-
Arrowhead Sewershed Project	323,310	123,291	32,460	-
Cambria Trail Phase 1	689,219	604,868	31,716	-
Roanoke Street & Depot Street Sidewalks	143,080	72,868	10,461	-
Roanoke Street Crossing	248,327	151,335	16,841	-
North Franklin Street/Depot Street Intersection	671,391	469,574	71,573	-
Roanoke Street / 1st Street Pedestrian Accommodations	87,940	36,924	7,529	-
North Franklin Sidewalk	220,499	194,507	12,460	-
East Main Street Sidewalk Design	107,764	63,323	8,316	-
SGR Paving	130,945	69,312	11,669	-
Total	<u>\$ 5,718,610</u>	<u>\$ 2,105,753</u>	<u>\$ 950,928</u>	<u>\$ 95,140</u>

The Town has committed two purchase orders for two solid waste removal trucks for \$700,000 and two fire trucks for \$2,098,372, with delivery expected in 2025. Both of these commitment amounts will come from assigned fund balances when they are delivered.

Note 15-Contributed Capital:

The Town received infrastructure of \$839,474 and \$82,857 in the Water and Sewer Fund and Stormwater Fund, respectively, during the year ended June 30, 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 16-Landfill Closure and Postclosure Care Costs:

State and federal laws and regulations require the Town to place a final cover on its landfill site, as well as other sites opened in the future when they stop accepting waste, and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Town is required to record a portion of these closure and postclosure costs as a long-term liability in each period based on landfill capacity used as of each balance sheet date. The Town subsequently closed the landfill and postclosure monitoring is expected to continue for ten years. The \$606,990 liability for postclosure care costs at June 30, 2024 represents the estimated liability based on the usage of 100% of the estimated capacity of the landfill. The liability accrued at June 30, 2024 is based on what it would cost to perform all postclosure care in 2024. Actual costs may differ from this estimate due to inflation, changes in technology, or changes in regulation. The Town is no longer required to demonstrate financial assurance requirements for the Virginia Department of Environmental Quality.

Note 17-Fund Balances:

	General Fund	Special Revenue Funds	Cemetery Fund	Capital Projects Fund	Total
Nonspendable:					
Perpetual care	\$ -	\$ -	\$ 1,113,171	\$ -	\$ 1,113,171
Prepaid items	13,439	-	-	-	13,439
Restricted:					
Law enforcement	-	136,521	-	-	136,521
Fire department	-	697,242	-	-	697,242
Lifesaving-rescue squad	-	275,911	-	-	275,911
Parks and recreation	-	118,392	-	-	118,392
Assigned:					
Ambulance for rescue	366,350	-	-	-	366,350
Emergency serv. building	2,418,440	-	-	-	2,418,440
Ladder truck	1,894,458	-	-	-	1,894,458
Reserve for wastewater infrastructure	2,540,731	-	-	-	2,540,731
Construction of connector road	999,351	-	-	-	999,351
Public works building	942,109	-	-	-	942,109
New ERP system	1,454,091	-	-	-	1,454,091
Reserve for health insurance	393,714	-	-	-	393,714
New regional park	275,077	-	-	-	275,077
New retaining wall	564,250	-	-	-	564,250
Columbarium - cemetery	-	-	116,951	-	116,951
Aquatic center repairs/renov.	1,874,518	-	-	-	1,874,518
Capital projects	2,231,163	-	-	-	2,231,163
Unassigned	31,173,911	-	-	-	31,173,911
Total	\$47,141,602	\$ 1,228,066	\$ 1,230,122	\$ -	\$49,599,790

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

Note 18-Litigation:

As of June 30, 2024, there are two matters of litigation involving the Town which would materially affect the Town's financial position should a court decision on pending matters not be favorable.

The Town has been sued by a construction company for \$700,721 in compensatory damages, \$2,102,164 in treble damages, plus interest, costs, and attorney fees for an additional amount of \$350,000. The Town has since filed a similar suit against the engineering firm for the same project. At the present time, no reasonable estimate of a liability (if any) can be made relative to this claim and accordingly no liability has been recorded in the financial statements.

The Town has pending litigation by a homeowner that alleges the Town was negligent in maintenance of a water main that broke and caused damage to the home. The litigation seeks \$250,000 in damages from the Town. The Town has turned this case over to its insurer and at the present time, no reasonable estimate of a liability (if any) can be made relative to this claim and accordingly no liability has been recorded in the financial statements.

Note 19-COVID-19 Funding/Unearned Revenues:*ARPA Funding:*

On March 11, 2021, the American Rescue Plan (ARPA) Act of 2021 was passed by the federal government. A primary component of the ARPA was the establishment of the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF). Local governments were to receive funds in two tranches, with 50% provided beginning in May 2021 and the balance delivered approximately 12 months later.

In total, the Town received \$3,115,411. As a condition of receiving CSLFRF funds, any funds unobligated by December 31, 2024, and unexpended by December 31, 2026, will be returned to the federal government. Unspent funds in the amount of \$2,429,317 from the allocation are reported as unearned revenue as of June 30.

Note 20-Leases Receivable:

The following is a summary of leases receivable transactions of the Town for the year ended June 30, 2024:

	Beginning Balance,	Increases/ Issuances	Decreases/ Retirements	Ending Balance	Interest Revenue
Leases receivable	<u>\$ 2,183,896</u>	<u>\$ 407,318</u>	<u>\$ (352,288)</u>	<u>\$ 2,238,926</u>	<u>\$ 61,095</u>

Lease revenue recognized during the fiscal year was \$407,318.

TOWN OF CHRISTIANSBURG, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2024

Note 20-Leases Receivable: (continued)

Details of leases receivable:

Lease Description	Start Date	End Date	Payment Frequency	Discount Rate	Ending Balance	Amount Due Within One Year
AT&T Tower Lease	6/30/2021	6/14/2025	Monthly	3.00%	\$ 15,163	\$ 15,163
US Cellular - Warren St	6/30/2021	9/21/2025	Monthly	2.00%	16,195	13,858
US Cellular - Applewood	6/30/2021	10/3/2027	Monthly	3.00%	110,440	32,844
Verizon - Warren ST	6/30/2021	9/21/2026	Monthly	2.00%	19,969	17,088
Verizon - Woodrow	6/30/2021	3/16/2041	Monthly	3.00%	492,156	23,112
VT Aquatic Building Rental	6/30/2021	8/31/2029	Annual	1.78%	1,185,926	222,890
T-Mobile Lease	9/1/2023	8/31/2038	Monthly	5.00%	399,077	9,421
Total					<u>\$ 2,238,926</u>	<u>\$ 334,376</u>

There are no variable payments for any of the lease receivables above.

Note 21-Subsequent Events:

Subsequent to June 30, 2024, the Town entered into or amended the following contracts:

- Entered into a contract for construction for the Arrowhead Sanitary Sewer Rehabilitation Project in the amount of \$1,564,963.
- Entered into a contract for construction for the Biosolids Management Facilities and Headworks Improvements Project in the amount of \$16,226,000.
- Entered into a contract for Pepper's Ferry Road paving in the amount of \$791,237.
- Approved a contract for the purchase of 2025 Freightliner solid waste trucks in the amount of \$818,774.
- Approved a loan and related financing agreement for wastewater treatment plan improvements for a loan amount not to exceed \$15,500,000.

On September 27, 2024, the remnants of Hurricane Helene provided substantial rainfall which resulted in significant flooding in the region surrounding the Authority. As of release of these financial statements, the financial impact of the damages and resulting repairs has not been determined.

Note 22-Upcoming Pronouncements:

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. It aligns the recognition and measurement guidance under a unified model and amends certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

Statement No. 102, *Certain Risk Disclosures*, provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Management is currently evaluating the impact these standards will have on the financial statements when adopted.

Required Supplementary Information

Town of Christiansburg, Virginia
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
REVENUES				
General property taxes	\$ 5,899,675	\$ 5,899,675	\$ 6,054,161	\$ 154,486
Other local taxes	19,770,000	19,770,000	21,761,813	1,991,813
Permits, privilege fees, and regulatory licenses	365,225	365,225	687,765	322,540
Fines and forfeitures	34,500	34,500	41,635	7,135
Revenue from the use of money and property	935,000	935,000	2,261,931	1,326,931
Charges for services	2,715,500	2,715,500	2,965,915	250,415
Miscellaneous	166,575	166,575	249,424	82,849
Intergovernmental:				
Commonwealth	5,483,838	5,483,838	6,604,580	1,120,742
Total revenues	<u>\$ 35,370,313</u>	<u>\$ 35,370,313</u>	<u>\$ 40,627,224</u>	<u>\$ 5,256,911</u>
EXPENDITURES				
Current:				
General government administration	\$ 5,163,432	\$ 5,346,513	\$ 4,928,213	\$ 418,300
Public safety	12,711,721	12,691,721	11,548,535	1,143,186
Public works	9,439,379	9,451,379	6,913,825	2,537,554
Health and welfare	9,003	9,003	9,003	-
Parks, recreation, and cultural	7,963,977	7,963,976	6,319,884	1,644,092
Community development	2,060,515	2,050,515	1,816,499	234,016
Debt service:				
Principal	1,481,938	1,481,938	1,755,622	(273,684)
Interest and other fiscal charges	255,747	255,747	257,263	(1,516)
Total expenditures	<u>\$ 39,085,712</u>	<u>\$ 39,250,792</u>	<u>\$ 33,548,844</u>	<u>\$ 5,701,948</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,715,399)</u>	<u>\$ (3,880,479)</u>	<u>\$ 7,078,380</u>	<u>\$ 10,958,859</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (3,022,645)	\$ (3,022,645)	\$ (1,878,017)	\$ 1,144,628
Issuance of subscription liabilities	-	-	91,635	91,635
Total other financing sources (uses)	<u>\$ (3,022,645)</u>	<u>\$ (3,022,645)</u>	<u>\$ (1,786,382)</u>	<u>\$ 1,236,263</u>
Net change in fund balances	<u>\$ (6,738,044)</u>	<u>\$ (6,903,124)</u>	<u>\$ 5,291,998</u>	<u>\$ 12,195,122</u>
Fund balances - beginning	6,738,044	6,903,124	41,849,604	34,946,480
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,141,602</u>	<u>\$ 47,141,602</u>

Note 1: GAAP serves as the budgetary basis of accounting

Town of Christiansburg, Virginia

ARPA Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Revenue from the use of money and property	\$ 30,000	\$ 30,000	\$ 65,800	\$ 35,800
Intergovernmental:				
Federal	2,215,911	2,215,911	80,642	(2,135,269)
Total revenues	<u>\$ 2,245,911</u>	<u>\$ 2,245,911</u>	<u>\$ 146,442</u>	<u>\$ (2,099,469)</u>
EXPENDITURES				
Capital projects	\$ 2,245,911	\$ 2,245,911	\$ 146,442	\$ 2,099,469
Total expenditures	<u>\$ 2,245,911</u>	<u>\$ 2,245,911</u>	<u>\$ 146,442</u>	<u>\$ 2,099,469</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Town of Christiansburg, Virginia
Schedule of Changes in Total OPEB Liability (Asset) and Related Ratios - Town OPEB
For the Measurement Dates of June 30, 2018 through 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ 50,372	\$ 49,838	\$ 70,258	\$ 68,399	\$ 50,378	\$ 55,206	\$ 58,473
Interest	87,697	84,342	58,390	58,119	78,337	79,914	73,326
Changes of assumptions	(27,639)	(32,421)	(465,222)	18,136	382,538	104,088	(102,637)
Differences between expected and actual experience	(9,675)	-	117,201	-	(72,088)	-	-
Benefit payments	(81,728)	(82,684)	(79,337)	(66,919)	(64,078)	(58,185)	(53,872)
Net change in total OPEB liability	\$ 19,027	\$ 19,075	\$ (298,710)	\$ 77,735	\$ 375,087	\$ 181,023	\$ (24,710)
Total OPEB liability - beginning	2,392,776	2,373,701	2,672,411	2,594,676	2,219,589	2,038,566	2,063,276
Total OPEB liability - ending	\$ 2,411,803	\$ 2,392,776	\$ 2,373,701	\$ 2,672,411	\$ 2,594,676	\$ 2,219,589	\$ 2,038,566
 Covered-employee payroll	 \$ 14,493,565	 \$ 11,906,918	 \$ 12,649,789	 \$ 12,328,382	 \$ 11,999,939	 \$ 11,514,955	 \$ 10,661,914
 Town's total OPEB liability (asset) as a percentage of covered-employee payroll	 16.64%	 20.10%	 18.76%	 21.68%	 21.62%	 19.28%	 19.12%

Schedule is intended to show information for 10 years. Additional years will be included as they become available.

Town of Christiansburg, Virginia
Notes to Required Supplementary Information - Town OPEB
For the Year Ended June 30, 2024

Valuation Date: 7/1/2023
Measurement Date: 6/30/2024

No assets are accumulated in a trust that meets the criteria in GASB 75 to pay related benefits.

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age normal
Discount Rate	3.93% as of June 30, 2024
Inflation	2.50% per year as of June 30, 2024
Salary Increase Rates	The total salary rate consists of an inflation rate of 2.50%, a productivity component of 1.00%, and a variable component that is based on years of service, with total increases ranging from 3.50% to 5.35%
Participation Rate	The assumed participation rate is 100%
Retirement Age	The average age at retirement is 65
Mortality Rates	The mortality rates for active and healthy retirees was calculated using the Pub-2010 Amount Weighted General Employee Rates projected generationally with MP-2020 Improvement Scale that is 75% of the MP-2020 rates. The mortality rates for inactive and healthy retirees was Pub-2010 Amount Weighted General Healthy Retiree Rates projected generationally; 110% of rates for females. Base rates are shown below. Base rates are projected generationally with a Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates. The mortality tables for inactive and disabled retirees was Pub-2010 Amount Weighted General Disabled Rates projected generationally; males and females set forward 3 years. Base rates are shown below. Base rates are projected generationally with a Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

Town of Christiansburg, Virginia
Schedule of Employer's Share of Net LODA OPEB Liability
Line of Duty Act (LODA) Program
For the Measurement Dates of June 30, 2017 through June 30, 2023

Date (1)	Employer's Proportion of the Net LODA OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net LODA OPEB Liability (Asset) (3)	Covered- Employee Payroll * (4)	Employer's Proportionate Share of the Net LODA OPEB Liability (Asset) as a Percentage of its Covered-Employee Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total LODA OPEB Liability (6)
2023	0.5433%	\$ 2,178,246	N/A	N/A	1.31%
2022	0.5482%	2,074,844	N/A	N/A	1.87%
2021	0.5380%	2,372,314	N/A	N/A	1.68%
2020	0.5141%	2,153,256	N/A	N/A	1.02%
2019	0.5456%	1,957,465	N/A	N/A	0.79%
2018	0.5233%	1,641,000	N/A	N/A	0.60%
2017	0.5011%	1,317,000	N/A	N/A	1.30%

* The contributions for the Line of Duty Act Program are based on the number of participants in the Program using a per capita-based contribution versus a payroll-based contribution. Therefore, covered-employee payroll is the relevant measurement, which is the total payroll of the employees in the OPEB plan.

Schedule is intended to show information for 10 years. Information prior to the 2017 valuation is not available. However, additional years will be included as they become available.

Town of Christiansburg, Virginia
 Schedule of Employer Contributions
 Line of Duty Act (LODA) Program
 For the Years Ended June 30, 2017 through June 30, 2024

Date	Contributions in		Contributions		Contributions
	Contractually	Relation to	Contractually	Contribution	as a % of
	Required	Contractually	Required	Deficiency	Covered -
	Contribution	Contribution	Contribution	(Excess)	Employee
	(1)	(2)	(3)	(4)	Payroll
					(5)
2024	\$ 107,485	\$ 107,485	\$ -	\$ N/A	N/A
2023	72,105	72,105	-	\$ N/A	N/A
2022	75,507	75,507	-	N/A	N/A
2021	74,063	74,063	-	N/A	N/A
2020	69,871	69,871	-	N/A	N/A
2019	73,223	73,223	-	N/A	N/A
2018	55,744	55,744	-	N/A	N/A
2017	54,042	54,042	-	N/A	N/A

* The contributions for the Line of Duty Act Program are based on the number of participants in the Program using a per capita-based contribution versus a payroll-based contribution. Therefore, covered-employee payroll is the relevant measurement, which is the total payroll of employees in the OPEB plan.

Schedule is intended to show information for 10 years. Since 2017 is the first year for this presentation, only seven years of data are available. However, additional years will be included as they become available.

Town of Christiansburg, Virginia
Notes to Required Supplementary Information
Line of Duty Act (LODA) Program
For the Year Ended June 30, 2024

Changes of benefit terms - There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Changes of assumptions - The actuarial assumptions used in the June 30, 2022 valuation were based on results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study are as follows:

Employees in the Non-Largest Ten Locality Employers with Public Safety Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change

Town of Christiansburg, Virginia
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
For the Measurement Dates of June 30, 2014 through June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service cost	\$ 1,651,626	\$ 1,487,206	\$ 1,436,302	\$ 1,404,867	\$ 1,280,264	\$ 1,239,714	\$ 1,289,347	\$ 1,280,862	\$ 1,263,483	\$ 1,218,068
Interest	4,101,793	3,812,996	3,451,399	3,253,776	3,118,589	2,982,616	2,872,601	2,759,557	2,767,954	2,617,701
Changes in benefit terms	-	1,124,469	-	-	-	-	15,091	-	-	-
Differences between expected and actual experience	541,504	281,180	(815,516)	404,232	(166,199)	(132,342)	(270,061)	(513,834)	(2,435,426)	-
Changes of assumptions	-	-	2,098,378	-	1,562,917	-	(239,818)	-	-	-
Benefit payments	(2,746,649)	(2,436,939)	(2,164,626)	(2,105,620)	(2,179,887)	(2,115,148)	(2,075,883)	(1,747,447)	(1,684,483)	(1,694,123)
Net change in total pension liability	\$ 3,548,274	\$ 4,268,912	\$ 4,005,937	\$ 2,957,255	\$ 3,615,684	\$ 1,974,840	\$ 1,591,277	\$ 1,779,138	\$ (88,472)	\$ 2,141,646
Total pension liability - beginning	60,489,006	56,220,094	52,214,157	49,256,902	45,641,218	43,666,378	42,075,101	40,295,963	40,384,435	38,242,789
Total pension liability - ending (a)	\$ 64,037,280	\$ 60,489,006	\$ 56,220,094	\$ 52,214,157	\$ 49,256,902	\$ 45,641,218	\$ 43,666,378	\$ 42,075,101	\$ 40,295,963	\$ 40,384,435
Plan fiduciary net position										
Contributions - employer	\$ 1,934,228	\$ 1,585,282	\$ 1,519,956	\$ 1,263,285	\$ 1,219,011	\$ 1,194,090	\$ 1,175,271	\$ 1,434,651	\$ 1,411,075	\$ 1,350,284
Contributions - employee	638,702	624,294	586,672	571,472	549,979	530,617	527,321	534,433	529,905	521,352
Net investment income	3,338,923	(67,191)	11,129,839	763,892	2,529,397	2,629,672	3,910,906	561,458	1,373,398	4,047,352
Benefit payments	(2,746,649)	(2,436,939)	(2,164,626)	(2,105,620)	(2,179,887)	(2,115,148)	(2,075,883)	(1,747,447)	(1,684,483)	(1,694,123)
Administrator charges	(32,608)	(31,813)	(27,006)	(25,709)	(24,784)	(22,533)	(22,474)	(19,100)	(18,251)	(21,472)
Other	1,345	1,203	1,057	(912)	(1,596)	(2,352)	(3,487)	(235)	(292)	213
Net change in plan fiduciary net position	\$ 3,133,941	\$ (325,164)	\$ 11,045,892	\$ 466,408	\$ 2,092,120	\$ 2,214,346	\$ 3,511,654	\$ 763,760	\$ 1,611,352	\$ 4,203,606
Plan fiduciary net position - beginning	51,175,414	51,500,578	40,454,686	39,988,278	37,896,158	35,681,812	32,170,158	31,406,398	29,795,046	25,591,440
Plan fiduciary net position - ending (b)	\$ 54,309,355	\$ 51,175,414	\$ 51,500,578	\$ 40,454,686	\$ 39,988,278	\$ 37,896,158	\$ 35,681,812	\$ 32,170,158	\$ 31,406,398	\$ 29,795,046
Town's net pension liability (asset) - ending (a) - (b)	\$ 9,727,925	\$ 9,313,592	\$ 4,719,516	\$ 11,759,471	\$ 9,268,624	\$ 7,745,060	\$ 7,984,566	\$ 9,904,943	\$ 8,889,565	\$ 10,589,389
Plan fiduciary net position as a percentage of the total pension liability (asset)	84.81%	84.60%	91.61%	77.48%	81.18%	83.03%	81.71%	76.46%	77.94%	73.78%
Covered payroll	\$ 13,464,019	\$ 12,649,789	\$ 12,328,382	\$ 11,999,939	\$ 11,514,955	\$ 11,001,500	\$ 10,699,440	\$ 10,802,760	\$ 10,590,336	\$ 10,424,574
Town's net pension liability (asset) as a percentage of covered payroll	72.25%	73.63%	38.28%	98.00%	80.49%	70.40%	74.63%	91.69%	83.94%	101.58%

Town of Christiansburg, Virginia
Schedule of Employer Contributions - Pension Plan
For the Years Ended June 30, 2015 through June 30, 2024

Date	Contributions in Relation to			Contributions	
	Contractually Required Contribution (1)*	Contractually Required Contribution (2)*	Contribution Deficiency (Excess) (3)	Covered Payroll (4)	as a % of Covered Payroll (5)
2024	\$ 2,116,244	\$ 2,116,244	\$ -	\$ 14,821,253	14.28%
2023	1,934,379	1,934,379	-	13,464,019	14.37%
2022	1,585,282	1,585,282	-	12,649,789	12.53%
2021	1,456,574	1,456,574	-	12,328,382	11.81%
2020	1,263,319	1,263,319	-	11,999,939	10.53%
2019	1,222,062	1,222,062	-	11,514,955	10.61%
2018	1,194,090	1,194,090	-	11,001,500	10.85%
2017	1,175,271	1,175,271	-	10,699,440	10.98%
2016	1,434,651	1,434,651	-	10,802,760	13.28%
2015	1,411,075	1,411,075	-	10,590,336	13.32%

*Excludes contributions (mandatory and match on voluntary) to the defined contribution portion of the Hybrid plan.

Town of Christiansburg, Virginia
Notes to Required Supplementary Information - Pension Plan
For the Year Ended June 30, 2024

Changes of benefit terms - There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Changes of assumptions - The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non 10 Largest) - Non-Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

All Others (Non 10 Largest) - Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Other Supplementary Information

Town of Christiansburg, Virginia
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds				Permanent Fund	
	Volunteer Fire Dept. Fund	Lifesaving and Rescue Fund	Police Department Fund	Recreation and Streets Fund	Cemetery Fund	Total
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 116,951	\$ 116,951
Cash and cash equivalents - restricted	699,650	231,288	135,247	103,040	1,093,376	2,262,601
Accounts receivable, net of allowance	-	342,525	-	-	-	342,525
Due from other governmental units	-	-	33,492	48,405	-	81,897
Due from other funds	-	-	-	-	35,209	35,209
Total assets	<u>\$ 699,650</u>	<u>\$ 573,813</u>	<u>\$ 168,739</u>	<u>\$ 151,445</u>	<u>\$ 1,245,536</u>	<u>\$ 2,839,183</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 2,408	\$ 62,486	\$ -	\$ 1,983	\$ 15,414	\$ 82,291
Due to other funds	-	90,809	32,218	31,070	-	154,097
Total liabilities	<u>\$ 2,408</u>	<u>\$ 153,295</u>	<u>\$ 32,218</u>	<u>\$ 33,053</u>	<u>\$ 15,414</u>	<u>\$ 236,388</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - EMS billings	\$ -	\$ 144,607	\$ -	\$ -	\$ -	\$ 144,607
FUND BALANCES						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 1,113,171	\$ 1,113,171
Restricted	697,242	275,911	136,521	118,392	-	1,228,066
Assigned	-	-	-	-	116,951	116,951
Total fund balances	<u>\$ 697,242</u>	<u>\$ 275,911</u>	<u>\$ 136,521</u>	<u>\$ 118,392</u>	<u>\$ 1,230,122</u>	<u>\$ 2,458,188</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 699,650</u>	<u>\$ 573,813</u>	<u>\$ 168,739</u>	<u>\$ 151,445</u>	<u>\$ 1,245,536</u>	<u>\$ 2,839,183</u>

Town of Christiansburg, Virginia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds				Permanent Fund	
	Volunteer Fire Dept. Fund	Lifesaving and Rescue Fund	Police Department Fund	Recreation and Streets Fund	Cemetery Fund	Total
REVENUES						
Revenue from the use of money and property	\$ 18,291	\$ 19,446	\$ 3,112	\$ 2,676	\$ 36,675	\$ 80,200
Charges for services	-	833,708	-	-	139,618	973,326
Miscellaneous	162,067	113,544	20,657	23,450	-	319,718
Intergovernmental:						
Commonwealth	105,123	16,450	31,539	-	-	153,112
Federal	-	-	208,683	148,908	-	357,591
Total revenues	\$ 285,481	\$ 983,148	\$ 263,991	\$ 175,034	\$ 176,293	\$ 1,883,947
EXPENDITURES						
Current:						
Public safety	\$ 172,110	\$ 1,563,868	\$ 236,046	\$ -	\$ -	\$ 1,972,024
Parks, recreation, and cultural	-	-	-	165,001	304,162	469,163
Total expenditures	\$ 172,110	\$ 1,563,868	\$ 236,046	\$ 165,001	\$ 304,162	\$ 2,441,187
Excess (deficiency) of revenues over (under) expenditures	\$ 113,371	\$ (580,720)	\$ 27,945	\$ 10,033	\$ (127,869)	\$ (557,240)
OTHER FINANCING SOURCES (USES)						
Transfers in	\$ -	\$ 136,153	\$ 763	\$ -	\$ 167,148	\$ 304,064
Total other financing sources (uses)	\$ -	\$ 136,153	\$ 763	\$ -	\$ 167,148	\$ 304,064
Net change in fund balances	\$ 113,371	\$ (444,567)	\$ 28,708	\$ 10,033	\$ 39,279	\$ (253,176)
Fund balances - beginning	583,871	720,478	107,813	108,359	1,190,843	2,711,364
Fund balances - ending	\$ 697,242	\$ 275,911	\$ 136,521	\$ 118,392	\$ 1,230,122	\$ 2,458,188

Town of Christiansburg, Virginia
Volunteer Fire Department Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 18,291	\$ 18,291
Miscellaneous	125,295	125,295	162,067	36,772
Intergovernmental:				
Commonwealth	147,500	140,000	105,123	(34,877)
Total revenues	<u>\$ 272,795</u>	<u>\$ 265,295</u>	<u>\$ 285,481</u>	<u>\$ 20,186</u>
EXPENDITURES				
Current:				
Public safety	\$ 272,795	\$ 265,295	\$ 172,110	\$ 93,185
Total expenditures	<u>\$ 272,795</u>	<u>\$ 265,295</u>	<u>\$ 172,110</u>	<u>\$ 93,185</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,371</u>	<u>\$ 113,371</u>
Net change in fund balances	\$ -	\$ -	\$ 113,371	\$ 113,371
Fund balances - beginning	-	-	583,871	583,871
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 697,242</u>	<u>\$ 697,242</u>

Town of Christiansburg, Virginia
Lifesaving and Rescue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES				
Revenue from the use of money and property	\$ 10,000	\$ 10,000	\$ 19,446	\$ 9,446
Charges for services	1,060,000	1,060,000	833,708	(226,292)
Miscellaneous	113,950	113,950	113,544	(406)
Intergovernmental:				
Commonwealth	12,500	12,500	16,450	3,950
Total revenues	<u>\$ 1,196,450</u>	<u>\$ 1,196,450</u>	<u>\$ 983,148</u>	<u>\$ (213,302)</u>
EXPENDITURES				
Current:				
Public safety	\$ 1,653,964	\$ 1,653,964	\$ 1,563,868	\$ 90,096
Total expenditures	<u>\$ 1,653,964</u>	<u>\$ 1,653,964</u>	<u>\$ 1,563,868</u>	<u>\$ 90,096</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (457,514)</u>	<u>\$ (457,514)</u>	<u>\$ (580,720)</u>	<u>\$ (123,206)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 3,631	\$ 3,631	\$ 136,153	\$ 132,522
Net change in fund balances	\$ (453,883)	\$ (453,883)	\$ (444,567)	\$ 9,316
Fund balances - beginning	453,883	453,883	720,478	266,595
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275,911</u>	<u>\$ 275,911</u>

Town of Christiansburg, Virginia
Police Department Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 3,112	\$ 3,112
Miscellaneous	32,702	32,702	20,657	(12,045)
Intergovernmental:				
Commonwealth	18,000	30,500	31,539	1,039
Federal	100,308	280,808	208,683	(72,125)
Total revenues	<u>\$ 151,010</u>	<u>\$ 344,010</u>	<u>\$ 263,991</u>	<u>\$ (80,019)</u>
EXPENDITURES				
Current:				
Public safety	\$ 151,010	\$ 344,010	\$ 236,046	\$ 107,964
Total expenditures	<u>\$ 151,010</u>	<u>\$ 344,010</u>	<u>\$ 236,046</u>	<u>\$ 107,964</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,945</u>	<u>\$ 27,945</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 763</u>	<u>\$ 763</u>
Net change in fund balances	\$ -	\$ -	\$ 28,708	\$ 28,708
Fund balances - beginning	-	-	107,813	107,813
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,521</u>	<u>\$ 136,521</u>

Town of Christiansburg, Virginia
Recreation and Streets Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Revenue from the use of money and property	\$ 1,000	\$ 1,000	\$ 2,676	\$ 1,676
Miscellaneous	13,700	32,900	23,450	(9,450)
Intergovernmental:				
Federal	430,000	908,164	148,908	(759,256)
Total revenues	<u>\$ 444,700</u>	<u>\$ 942,064</u>	<u>\$ 175,034</u>	<u>\$ (767,030)</u>
EXPENDITURES				
Current:				
Parks, recreation, and cultural	\$ 471,200	\$ 993,364	\$ 165,001	\$ 828,363
Total expenditures	<u>\$ 471,200</u>	<u>\$ 993,364</u>	<u>\$ 165,001</u>	<u>\$ 828,363</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (26,500)</u>	<u>\$ (51,300)</u>	<u>\$ 10,033</u>	<u>\$ 61,333</u>
Net change in fund balances	\$ (26,500)	\$ (51,300)	\$ 10,033	\$ 61,333
Fund balances - beginning	26,500	51,300	108,359	57,059
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,392</u>	<u>\$ 118,392</u>

Town of Christiansburg, Virginia
Cemetery Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES				
Revenue from the use of money and property	\$ 2,500	\$ 2,500	\$ 36,675	\$ 34,175
Charges for services	120,000	120,000	139,618	19,618
Total revenues	<u>\$ 122,500</u>	<u>\$ 122,500</u>	<u>\$ 176,293</u>	<u>\$ 53,793</u>
EXPENDITURES				
Current:				
Parks, recreation, and cultural	\$ 357,779	\$ 378,611	\$ 304,162	\$ 74,449
Total expenditures	<u>\$ 357,779</u>	<u>\$ 378,611</u>	<u>\$ 304,162</u>	<u>\$ 74,449</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (235,279)</u>	<u>\$ (256,111)</u>	<u>\$ (127,869)</u>	<u>\$ 128,242</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>\$ 235,279</u>	<u>\$ 235,279</u>	<u>\$ 167,148</u>	<u>\$ (68,131)</u>
Net change in fund balances	\$ -	\$ (20,832)	\$ 39,279	\$ 60,111
Fund balances - beginning	-	20,832	1,190,843	1,170,011
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,230,122</u>	<u>\$ 1,230,122</u>

Town of Christiansburg, Virginia
Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Commonwealth	\$ 315,480	\$ 414,205	\$ 86,299	\$ (327,906)
Federal	8,767,368	9,360,794	1,968,900	(7,391,894)
Total revenues	<u>\$ 9,082,848</u>	<u>\$ 9,774,999</u>	<u>\$ 2,055,199</u>	<u>\$ (7,719,800)</u>
EXPENDITURES				
Capital projects	\$ 11,866,583	\$ 15,575,529	\$ 3,629,152	\$ 11,946,377
Total expenditures	<u>\$ 11,866,583</u>	<u>\$ 15,575,529</u>	<u>\$ 3,629,152</u>	<u>\$ 11,946,377</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,783,735)</u>	<u>\$ (5,800,530)</u>	<u>\$ (1,573,953)</u>	<u>\$ 4,226,577</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 2,783,735	\$ 5,800,530	\$ 1,573,953	\$ (4,226,577)
Total other financing sources and uses	<u>\$ 2,783,735</u>	<u>\$ 5,800,530</u>	<u>\$ 1,573,953</u>	<u>\$ (4,226,577)</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Supporting Schedules

Town of Christiansburg, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

Schedule 1
Page 1 of 6

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property tax	\$ 4,393,000	\$ 4,393,000	\$ 4,274,679	\$ (118,321)
Real and personal PSC tax	92,925	92,925	114,158	21,233
Personal property tax	1,023,500	1,023,500	1,196,278	172,778
Mobile home tax	6,800	6,800	7,397	597
Machinery and tools tax	314,000	314,000	354,767	40,767
Penalties	43,450	43,450	53,195	9,745
Interest	26,000	26,000	53,687	27,687
Total general property taxes	<u>\$ 5,899,675</u>	<u>\$ 5,899,675</u>	<u>\$ 6,054,161</u>	<u>\$ 154,486</u>
Other local taxes:				
Local sales and use taxes	\$ 2,630,000	\$ 2,630,000	\$ 2,800,298	\$ 170,298
Consumers' utility taxes	570,000	570,000	686,367	116,367
Cigarette taxes	380,000	380,000	378,366	(1,634)
Business license taxes	3,130,000	3,130,000	3,508,266	378,266
Consumption taxes	110,000	110,000	114,853	4,853
Motor vehicle licenses	625,000	625,000	752,437	127,437
Bank stock taxes	1,100,000	1,100,000	1,188,038	88,038
Lodging taxes	1,905,000	1,905,000	2,042,523	137,523
Restaurant food taxes	9,320,000	9,320,000	10,290,665	970,665
Total other local taxes	<u>\$ 19,770,000</u>	<u>\$ 19,770,000</u>	<u>\$ 21,761,813</u>	<u>\$ 1,991,813</u>
Permits, privilege fees, and regulatory licenses:				
Building permits	\$ 250,000	\$ 250,000	\$ 589,875	\$ 339,875
Zoning permits	10,500	10,500	11,380	880
Permits and other licenses	104,725	104,725	86,510	(18,215)
Total permits, privilege fees, and regulatory licenses	<u>\$ 365,225</u>	<u>\$ 365,225</u>	<u>\$ 687,765</u>	<u>\$ 322,540</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 34,500	\$ 34,500	\$ 41,635	\$ 7,135
Revenue from use of money and property:				
Revenue from use of money	\$ 350,000	\$ 350,000	\$ 1,689,149	\$ 1,339,149
Revenue from use of property	585,000	585,000	572,782	(12,218)
Total revenue from use of money and property	<u>\$ 935,000</u>	<u>\$ 935,000</u>	<u>\$ 2,261,931</u>	<u>\$ 1,326,931</u>
Charges for services:				
Charges for recreation	\$ 169,000	\$ 169,000	\$ 203,163	\$ 34,163
Charges for aquatics	377,500	377,500	562,910	185,410
Charges for Farmer's Market	-	-	2,110	2,110
Charges for alarm fees	500	500	-	(500)
Charges for refuse collections	2,080,500	2,080,500	2,121,623	41,123
Charges for radio installs	88,000	88,000	76,109	(11,891)
Total charges for services	<u>\$ 2,715,500</u>	<u>\$ 2,715,500</u>	<u>\$ 2,965,915</u>	<u>\$ 250,415</u>

Town of Christiansburg, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Revenue from local sources: (Continued)				
Miscellaneous:				
Miscellaneous	\$ 166,575	\$ 166,575	\$ 249,424	\$ 82,849
Total revenue from local sources	\$ 29,886,475	\$ 29,886,475	\$ 34,022,644	\$ 4,136,169
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Rolling stock tax	\$ 206,000	\$ 206,000	\$ 306,116	\$ 100,116
Mobile home titling tax	10,000	10,000	15,576	5,576
Telecommunication tax	650,000	650,000	578,363	(71,637)
Personal property tax relief funds	228,553	228,553	228,553	-
Total noncategorical aid	\$ 1,094,553	\$ 1,094,553	\$ 1,128,608	\$ 34,055
Categorical aid:				
Other categorical aid:				
Law enforcement grants	\$ 463,285	\$ 463,285	\$ 535,740	\$ 72,455
Litter control grant	5,000	5,000	11,670	6,670
Street maintenance	3,921,000	3,921,000	4,928,562	1,007,562
Total categorical aid	\$ 4,389,285	\$ 4,389,285	\$ 5,475,972	\$ 1,086,687
Total revenue from the Commonwealth	\$ 5,483,838	\$ 5,483,838	\$ 6,604,580	\$ 1,120,742
Total intergovernmental	\$ 5,483,838	\$ 5,483,838	\$ 6,604,580	\$ 1,120,742
Total General Fund	\$ 35,370,313	\$ 35,370,313	\$ 40,627,224	\$ 5,256,911
Special Revenue Funds:				
ARPA Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ 30,000	\$ 30,000	\$ 65,800	\$ 35,800
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Coronavirus State and Local Fiscal Recovery Funds	\$ 2,215,911	\$ 2,215,911	\$ 80,642	\$ (2,135,269)
Total revenue from the federal government	\$ 2,215,911	\$ 2,215,911	\$ 80,642	\$ (2,135,269)
Total intergovernmental	\$ 2,215,911	\$ 2,215,911	\$ 80,642	\$ (2,135,269)
Total ARPA Fund	\$ 2,245,911	\$ 2,245,911	\$ 146,442	\$ (2,099,469)

Town of Christiansburg, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Special Revenue Funds: (Continued)				
Volunteer Fire Dept. Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 18,291	\$ 18,291
Miscellaneous:				
Montgomery County, Virginia contributions	\$ 125,295	\$ 125,295	\$ 125,295	\$ -
Other miscellaneous	-	-	36,772	36,772
Total miscellaneous revenue	\$ 125,295	\$ 125,295	\$ 162,067	\$ 36,772
Total revenue from local sources	\$ 125,295	\$ 125,295	\$ 180,358	\$ 55,063
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
State Fire Programs	\$ 147,500	\$ 140,000	\$ 105,123	\$ (34,877)
Total revenue from the Commonwealth	\$ 147,500	\$ 140,000	\$ 105,123	\$ (34,877)
Total intergovernmental	\$ 147,500	\$ 140,000	\$ 105,123	\$ (34,877)
Total Volunteer Fire Department Fund	\$ 272,795	\$ 265,295	\$ 285,481	\$ 20,186
Lifesaving and Rescue Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ 10,000	\$ 10,000	\$ 19,446	\$ 9,446
Charges for services:				
EMS billings	\$ 1,060,000	\$ 1,060,000	\$ 833,708	\$ (226,292)
Miscellaneous:				
Montgomery County, Virginia contributions	\$ 103,950	\$ 103,950	\$ 103,950	\$ -
Other contributions	10,000	10,000	9,594	(406)
Total miscellaneous	\$ 113,950	\$ 113,950	\$ 113,544	\$ (406)
Total revenue from local sources	\$ 1,183,950	\$ 1,183,950	\$ 966,698	\$ (217,252)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Four for Life grants	\$ 12,500	\$ 12,500	\$ 16,450	\$ 3,950
Total categorical aid	\$ 12,500	\$ 12,500	\$ 16,450	\$ 3,950
Total revenue from the Commonwealth	\$ 12,500	\$ 12,500	\$ 16,450	\$ 3,950
Total Lifesaving and Rescue Fund	\$ 1,196,450	\$ 1,196,450	\$ 983,148	\$ (213,302)

Town of Christiansburg, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Special Revenue Funds: (Continued)				
Police Department Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 3,112	\$ 3,112
Miscellaneous:				
Contributions	\$ -	\$ -	\$ 5,925	\$ 5,925
Other miscellaneous	32,702	32,702	14,732	(17,970)
Total miscellaneous	\$ 32,702	\$ 32,702	\$ 20,657	\$ (12,045)
Total revenue from local sources	\$ 32,702	\$ 32,702	\$ 23,769	\$ (8,933)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Police Department grants	\$ 18,000	\$ 30,500	\$ 31,539	\$ 1,039
Total revenue from the Commonwealth	\$ 18,000	\$ 30,500	\$ 31,539	\$ 1,039
Revenue from the federal government:				
Categorical aid:				
Bullet Proof Vest Grant	\$ 4,000	\$ 4,000	\$ 2,912	\$ (1,088)
DMV Selective Enforcement Grant	12,308	12,308	15,547	3,239
Police ARPA Equipment Grant	-	173,000	171,679	(1,321)
Anti-Drug Grant	84,000	84,000	12,934	(71,066)
Homeland Security Grant	-	7,500	5,611	(1,889)
Total categorical aid	\$ 100,308	\$ 280,808	\$ 208,683	\$ (72,125)
Total revenue from the federal government	\$ 100,308	\$ 280,808	\$ 208,683	\$ (72,125)
Total intergovernmental	\$ 118,308	\$ 311,308	\$ 240,222	\$ (71,086)
Total Police Department Fund	\$ 151,010	\$ 344,010	\$ 263,991	\$ (80,019)

Town of Christiansburg, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Special Revenue Funds: (Continued)				
Recreation and Streets Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ 1,000	\$ 1,000	\$ 2,676	\$ 1,676
Miscellaneous:				
Contributions and donations	\$ 13,700	\$ 32,900	\$ 23,450	\$ (9,450)
Total revenue from local sources	\$ 14,700	\$ 33,900	\$ 26,126	\$ (7,774)
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Community Development Block Grant	\$ 125,000	\$ 603,164	\$ 87,247	\$ (515,917)
Coronavirus State and Local Fiscal Recovery Funds	30,000	30,000	59,161	29,161
Appalachian Regional Development	275,000	275,000	2,500	(272,500)
Total categorical aid	\$ 430,000	\$ 908,164	\$ 148,908	\$ (759,256)
Total revenue from the federal government	\$ 430,000	\$ 908,164	\$ 148,908	\$ (759,256)
Total intergovernmental	\$ 430,000	\$ 908,164	\$ 148,908	\$ (759,256)
Total Recreation and Streets Fund	\$ 444,700	\$ 942,064	\$ 175,034	\$ (767,030)
Permanent Fund:				
Cemetery Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ 2,500	\$ 2,500	\$ 36,675	\$ 34,175
Charges for services:				
Charges for grave openings	\$ 60,000	\$ 60,000	\$ 63,338	\$ 3,338
Charges for plots	50,000	50,000	75,630	25,630
Charges for niches	10,000	10,000	650	(9,350)
Total charges for services	\$ 120,000	\$ 120,000	\$ 139,618	\$ 19,618
Total revenue from local sources	\$ 122,500	\$ 122,500	\$ 176,293	\$ 53,793
Total Cemetery Fund	\$ 122,500	\$ 122,500	\$ 176,293	\$ 53,793

Town of Christiansburg, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

Schedule 1
Page 6 of 6

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Capital Projects Fund:				
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
VDOT revenue sharing projects	\$ 315,480	\$ 414,205	\$ 86,299	\$ (327,906)
Total categorical aid	<u>\$ 315,480</u>	<u>\$ 414,205</u>	<u>\$ 86,299</u>	<u>\$ (327,906)</u>
Total revenue from the Commonwealth	<u>\$ 315,480</u>	<u>\$ 414,205</u>	<u>\$ 86,299</u>	<u>\$ (327,906)</u>
Revenue from the federal government:				
Categorical aid:				
Transportation grants	\$ 8,767,368	\$ 9,360,794	\$ 1,968,900	\$ (7,391,894)
Total categorical aid	<u>\$ 8,767,368</u>	<u>\$ 9,360,794</u>	<u>\$ 1,968,900</u>	<u>\$ (7,391,894)</u>
Total revenue from the federal government	<u>\$ 8,767,368</u>	<u>\$ 9,360,794</u>	<u>\$ 1,968,900</u>	<u>\$ (7,391,894)</u>
Total Capital Projects Fund	<u>\$ 9,082,848</u>	<u>\$ 9,774,999</u>	<u>\$ 2,055,199</u>	<u>\$ (7,719,800)</u>
Total Primary Government	<u>\$ 48,886,527</u>	<u>\$ 50,261,542</u>	<u>\$ 44,712,812</u>	<u>\$ (5,548,730)</u>

Town of Christiansburg, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

<u>Funds, Functions and Departments</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund:				
General government administration:				
Town Council and Town Clerk	\$ 63,392	\$ 73,824	\$ 67,020	\$ 6,804
General and financial administration:				
Town Manager	\$ 1,061,852	\$ 1,061,852	\$ 1,345,985	\$ (284,133)
Finance/Treasurer	1,923,336	2,090,985	1,615,490	475,495
Human Resources	521,191	526,191	425,288	100,903
Public Relations	231,832	248,932	235,899	13,033
Information Systems	1,361,829	1,344,729	1,238,531	106,198
Total general and financial administration	\$ 5,100,040	\$ 5,272,689	\$ 4,861,193	\$ 411,496
Total general government administration	\$ 5,163,432	\$ 5,346,513	\$ 4,928,213	\$ 418,300
Public safety:				
Law enforcement and traffic control:				
Police	\$ 9,629,263	\$ 9,629,263	\$ 8,837,151	\$ 792,112
Radio shop	102,086	102,086	90,499	11,587
Total law enforcement and traffic control	\$ 9,731,349	\$ 9,731,349	\$ 8,927,650	\$ 803,699
Fire and rescue services:				
Fire department	\$ 1,115,847	\$ 1,115,847	\$ 988,841	\$ 127,006
Lifesaving and Rescue Squad	1,298,890	1,278,890	1,133,680	145,210
Total fire and rescue services	\$ 2,414,737	\$ 2,394,737	\$ 2,122,521	\$ 272,216
Inspections:				
Building	\$ 565,635	\$ 565,635	\$ 498,364	\$ 67,271
Total public safety	\$ 12,711,721	\$ 12,691,721	\$ 11,548,535	\$ 1,143,186
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Street department	\$ 5,816,486	\$ 5,816,486	\$ 4,539,240	\$ 1,277,246
Sanitation and waste removal:				
Refuse collections and disposal	\$ 2,594,329	\$ 2,594,329	\$ 1,518,818	\$ 1,075,511
Maintenance of general buildings and grounds:				
General properties	\$ 1,028,564	\$ 1,040,564	\$ 855,767	\$ 184,797
Total public works	\$ 9,439,379	\$ 9,451,379	\$ 6,913,825	\$ 2,537,554

Town of Christiansburg, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

<u>Funds, Functions and Departments</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Health and welfare:				
Welfare:				
Contribution to Area Agency on Aging	\$ 9,003	\$ 9,003	\$ 9,003	\$ -
Parks, recreation, and cultural:				
Parks and recreation:				
Recreation department	\$ 3,974,818	\$ 3,974,818	\$ 3,665,199	\$ 309,619
Aquatic center	3,436,653	3,436,653	2,153,081	1,283,572
Skate board park	552,506	552,505	501,604	50,901
Total parks and recreation	<u>\$ 7,963,977</u>	<u>\$ 7,963,976</u>	<u>\$ 6,319,884</u>	<u>\$ 1,644,092</u>
Total parks, recreation, and cultural	<u>\$ 7,963,977</u>	<u>\$ 7,963,976</u>	<u>\$ 6,319,884</u>	<u>\$ 1,644,092</u>
Community development:				
Planning and community development:				
Planning department	\$ 469,960	\$ 469,960	\$ 381,997	\$ 87,963
Community development	562,585	552,585	518,979	33,606
Farmer's Market	7,680	7,680	4,359	3,321
Economic development	136,016	136,016	86,090	49,926
Engineering	884,274	884,274	825,074	59,200
Total planning and community development	<u>\$ 2,060,515</u>	<u>\$ 2,050,515</u>	<u>\$ 1,816,499</u>	<u>\$ 234,016</u>
Total community development	<u>\$ 2,060,515</u>	<u>\$ 2,050,515</u>	<u>\$ 1,816,499</u>	<u>\$ 234,016</u>
Debt service:				
Principal retirement	\$ 1,481,938	\$ 1,481,938	\$ 1,755,622	\$ (273,684)
Interest and other fiscal charges	255,747	255,747	257,263	(1,516)
Total debt service	<u>\$ 1,737,685</u>	<u>\$ 1,737,685</u>	<u>\$ 2,012,885</u>	<u>\$ (275,200)</u>
Total General Fund	<u>\$ 39,085,712</u>	<u>\$ 39,250,792</u>	<u>\$ 33,548,844</u>	<u>\$ 5,701,948</u>
Special Revenue Funds:				
ARPA Fund:				
Capital projects:				
College Street Drainage Project	\$ 2,245,911	\$ 2,245,911	\$ 146,442	\$ 2,099,469
Total ARPA Fund	<u>\$ 2,245,911</u>	<u>\$ 2,245,911</u>	<u>\$ 146,442</u>	<u>\$ 2,099,469</u>

Town of Christiansburg, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

<u>Funds, Functions and Departments</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Special Revenue Funds: (Continued)				
Volunteer Fire Department Fund:				
Public Safety:				
Fire and rescue services:				
Fire department	\$ 272,795	\$ 265,295	\$ 172,110	\$ 93,185
Total Volunteer Fire Department Fund	\$ 272,795	\$ 265,295	\$ 172,110	\$ 93,185
Lifesaving and Rescue Fund:				
Public Safety:				
Fire and rescue services:				
Lifesaving and Rescue Squad	\$ 1,653,964	\$ 1,653,964	\$ 1,563,868	\$ 90,096
Total Lifesaving and Rescue Fund	\$ 1,653,964	\$ 1,653,964	\$ 1,563,868	\$ 90,096
Police Department Fund:				
Public Safety:				
Law enforcement and traffic control:				
Police	\$ 151,010	\$ 344,010	\$ 236,046	\$ 107,964
Total Police Department Fund	\$ 151,010	\$ 344,010	\$ 236,046	\$ 107,964
Recreation and Streets Fund:				
Parks, recreation, and cultural:				
Parks and recreation:				
Recreation department	\$ 471,200	\$ 993,364	\$ 165,001	\$ 828,363
Total Recreation and Streets Fund	\$ 471,200	\$ 993,364	\$ 165,001	\$ 828,363
Permanent Fund:				
Cemetery Fund:				
Parks, recreation, and cultural:				
Cultural enrichment:				
Cemetery	\$ 357,779	\$ 378,611	\$ 304,162	\$ 74,449
Total Cemetery Fund	\$ 357,779	\$ 378,611	\$ 304,162	\$ 74,449

Town of Christiansburg, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2024

<u>Funds, Functions and Departments</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Capital Projects Fund:				
Capital projects expenditures:				
Highway planning and construction projects	\$ 11,866,583	\$ 15,213,011	\$ 3,548,323	\$ 11,664,688
Huckleberry Park improvements	-	362,518	80,829	281,689
Total capital projects	<u>\$ 11,866,583</u>	<u>\$ 15,575,529</u>	<u>\$ 3,629,152</u>	<u>\$ 11,946,377</u>
Total Capital Projects Fund	<u>\$ 11,866,583</u>	<u>\$ 15,575,529</u>	<u>\$ 3,629,152</u>	<u>\$ 11,946,377</u>
Total Primary Government	<u>\$ 56,104,954</u>	<u>\$ 60,707,476</u>	<u>\$ 39,765,625</u>	<u>\$ 20,941,851</u>

Statistical Section

This part of the Town of Christiansburg Annual Comprehensive Financial Report (Report) presents detailed information as a context for understanding what the information the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health. Information is obtained from this Report unless otherwise noted.

Contents		Page
Financial Trends	These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time. Tables 1-6	114-120
Revenue Capacity	These schedules contain information to help the reader assess the Town's most significant local revenue sources. Tables 7-10	121-124
Debt Capacity	These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future. Tables 11-14	125-128
Demographic and Economic Information	These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place. Tables 15-16	129-130
Operating Information	These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs. Tables 17-23	131-138

Table 1

Town of Christiansburg, Virginia
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017(2)	2016	2015 (1)
Governmental Activities:										
Net Investment in capital assets	\$ 145,935,235	\$ 143,793,961	\$ 140,026,374	\$ 136,938,754	\$ 131,146,689	\$ 122,641,448	\$ 115,334,428	\$ 115,058,635	\$ 115,738,426	\$ 116,146,817
Restricted	2,341,237	2,580,110	957,849	2,561,542	3,303,017	3,057,205	2,850,816	2,829,791	2,541,147	7,439,965
Unrestricted	43,775,879	28,753,471	29,072,727	24,760,478	22,608,524	22,749,723	19,389,766	14,689,901	11,016,008	3,225,438
Total governmental activities net position	<u>\$ 192,052,351</u>	<u>\$ 175,127,542</u>	<u>\$ 170,056,950</u>	<u>\$ 164,260,774</u>	<u>\$ 157,058,230</u>	<u>\$ 148,448,376</u>	<u>\$ 137,575,010</u>	<u>\$ 132,578,327</u>	<u>\$ 129,295,581</u>	<u>\$ 126,812,220</u>
Business-type Activities:										
Net Investment in capital assets	\$ 52,814,126	\$ 51,569,649	\$ 48,279,636	\$ 46,862,274	\$ 45,182,974	\$ 41,904,619	\$ 38,738,098	\$ 36,457,700	\$ 33,472,929	\$ 32,160,376
Unrestricted	12,069,212	9,832,402	8,591,848	4,951,993	3,552,793	2,424,081	1,311,037	595,422	404,731	275,465
Total business-type activities net position	<u>\$ 64,883,338</u>	<u>\$ 61,402,051</u>	<u>\$ 56,871,484</u>	<u>\$ 51,814,267</u>	<u>\$ 48,735,767</u>	<u>\$ 44,328,700</u>	<u>\$ 40,049,135</u>	<u>\$ 37,053,122</u>	<u>\$ 33,877,660</u>	<u>\$ 32,435,841</u>
Primary Government:										
Net Investment in capital assets	\$ 198,749,361	\$ 195,363,610	\$ 188,306,010	\$ 183,801,028	\$ 176,329,663	\$ 164,546,067	\$ 154,072,526	\$ 151,516,335	\$ 149,211,355	\$ 148,307,193
Restricted	2,341,237	2,580,110	957,849	2,561,542	3,303,017	3,057,205	2,850,816	2,829,791	2,541,147	7,439,965
Unrestricted	43,775,879	38,585,873	37,664,575	29,712,471	26,161,317	25,173,804	20,700,803	15,285,323	11,420,739	3,500,903
Total primary government net position	<u>\$ 244,866,477</u>	<u>\$ 236,529,593</u>	<u>\$ 226,928,434</u>	<u>\$ 216,075,041</u>	<u>\$ 205,793,997</u>	<u>\$ 192,777,076</u>	<u>\$ 177,624,145</u>	<u>\$ 169,631,449</u>	<u>\$ 163,173,241</u>	<u>\$ 159,248,061</u>

(1) Fiscal year ending 2015 net position was restated as of July 1, 2015. The restated balances are reflected in the ending balances for fiscal year ending 2015 as shown above.

(2) Fiscal year ending 2017 net position was restated as of July 1, 2017. The restated balances are reflected in the ending balances for fiscal year ending 2017 as shown above.

Table 2

Town of Christiansburg, Virginia
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental Activities:										
General Government	\$ 4,750,317	\$ 4,103,964	\$ 3,692,378	\$ 3,547,209	\$ 4,784,905	\$ 3,112,647	\$ 3,057,593	\$ 2,924,666	\$ 2,865,185	\$ 2,747,508
Public Safety	14,312,397	13,631,795	11,931,566	12,747,192	9,926,696	9,917,232	9,458,653	8,514,939	9,216,920	8,583,324
Public Works	11,513,257	10,232,675	9,953,474	7,292,765	10,479,180	9,839,037	8,348,240	9,465,078	9,352,889	9,809,882
Health and Welfare	9,003	5,049	4,719	4,719	4,494	4,280	4,076	3,882	3,697	3,521
Parks, Recreation, and Culture	7,237,783	6,442,790	5,306,007	3,857,202	3,323,342	4,600,565	4,769,414	4,971,901	4,713,745	4,803,568
Community Development	1,829,553	1,820,411	1,513,463	1,278,181	2,845,475	1,180,279	1,426,797	1,480,200	1,534,477	1,519,574
Interest on Long Term Debt	274,138	280,819	251,511	206,390	212,732	226,717	241,069	247,633	334,535	289,866
Total governmental activities expenses	\$ 39,926,448	\$ 36,517,503	\$ 32,653,118	\$ 28,933,658	\$ 31,576,824	\$ 28,880,757	\$ 27,305,842	\$ 27,608,299	\$ 28,021,448	\$ 27,757,243
Business-Type Activities:										
Water and Sewer and Stormwater	\$ 12,092,959	\$ 11,329,457	\$ 10,630,540	\$ 10,867,704	\$ 10,284,603	\$ 10,113,804	\$ 9,839,198	\$ 8,328,959	\$ 7,479,021	\$ 7,319,365
Total business-type activities expenses	\$ 12,092,959	\$ 11,329,457	\$ 10,630,540	\$ 10,867,704	\$ 10,284,603	\$ 10,113,804	\$ 9,839,198	\$ 8,328,959	\$ 7,479,021	\$ 7,319,365
Total primary government expenses	\$ 52,019,407	\$ 47,846,960	\$ 43,283,658	\$ 39,801,362	\$ 41,861,427	\$ 38,994,561	\$ 37,145,040	\$ 35,937,258	\$ 35,500,469	\$ 35,076,608
Program Revenues										
Governmental activities:										
Charges for Services										
General Government services	\$ 177,429	\$ 426,638	\$ 515,105	\$ 239,068	\$ 255,607	\$ 257,136	\$ 268,441	\$ 304,427	\$ 241,749	\$ 231,905
Solid waste collection services	2,121,623	2,032,727	2,021,371	1,965,452	2,007,414	1,986,954	1,584,492	1,535,759	1,672,738	1,497,715
Public Safety	1,730,520	1,535,117	1,401,205	1,292,767	1,252,710	1,176,335	1,180,664	1,215,412	1,037,404	158,669
Parks, Recreation, and Cultural	1,301,044	1,090,757	753,624	752,257	918,537	1,025,485	1,154,377	1,178,694	1,157,044	1,067,981
Community Development	2,110	1,154	1,344	349	766	1,470	375	-	-	-
Operating grants and contributions	5,977,570	5,459,982	5,002,401	7,305,326	4,898,509	4,216,735	4,122,752	4,225,825	4,265,499	4,236,637
Capital grants and contributions	2,144,946	1,860,653	2,272,531	1,653,540	8,054,236	7,100,413	1,583,117	3,058,837	779,606	225
Total governmental activities program revenues	\$ 13,455,242	\$ 12,407,028	\$ 11,967,581	\$ 13,208,759	\$ 17,387,779	\$ 15,764,528	\$ 9,894,218	\$ 11,518,954	\$ 9,154,040	\$ 7,193,132
Business-Type Activities:										
Charges for Services										
Water and Sewer	\$ 13,015,238	\$ 11,893,441	\$ 11,751,171	\$ 11,219,076	\$ 11,775,306	\$ 10,989,349	\$ 10,272,784	\$ 8,913,642	\$ 8,824,901	\$ 7,629,157
Storm Water	1,500,659	1,497,256	1,479,885	1,475,327	1,436,821	1,432,291	1,385,403	1,397,976	-	-
Capital Grants and contributions	1,056,163	2,282,651	2,456,701	1,076,694	1,479,543	1,188,695	1,177,024	973,318	95,939	-
Total business-type activities program revenues	\$ 15,572,060	\$ 15,673,348	\$ 15,687,757	\$ 13,771,097	\$ 14,691,670	\$ 13,610,335	\$ 12,835,211	\$ 11,284,936	\$ 8,920,840	\$ 7,629,157
Total primary government program revenues	\$ 29,027,302	\$ 28,080,376	\$ 27,655,338	\$ 26,979,856	\$ 32,079,449	\$ 29,374,863	\$ 22,729,429	\$ 22,803,890	\$ 18,074,880	\$ 14,822,290
Net (Expense) Revenue										
Governmental activities	\$ (26,471,206)	\$ (24,110,475)	\$ (20,685,537)	\$ (15,724,899)	\$ (14,189,045)	\$ (13,116,229)	\$ (17,411,624)	\$ (16,089,345)	\$ (18,867,408)	\$ (20,796,016)
Business-type activities	3,479,101	4,343,891	5,057,217	2,903,393	4,407,067	3,496,531	2,996,013	2,955,977	1,441,819	309,792
Total primary government net (expense) revenue	\$ (22,992,105)	\$ (19,766,584)	\$ (15,628,320)	\$ (12,821,506)	\$ (9,781,978)	\$ (9,619,698)	\$ (14,415,611)	\$ (13,133,368)	\$ (17,425,589)	\$ (20,486,223)

(continued)

Table 2

Town of Christiansburg, Virginia
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Revenues and Other										
Changes in Net Position										
Governmental Activities:										
Taxes										
Property	\$ 6,032,091	\$ 5,624,514	\$ 5,211,058	\$ 5,167,035	\$ 4,941,041	\$ 4,589,313	\$ 4,503,626	4,405,924	\$ 4,293,227	\$ 3,659,388
Sales	2,800,298	2,680,197	2,706,608	2,371,546	2,142,903	1,600,581	1,923,415	1,891,739	1,876,235	1,810,171
Prepared Meals	10,290,665	9,532,313	8,743,128	7,132,520	6,692,216	7,283,251	7,015,544	6,928,924	6,683,891	6,357,292
Transient Lodging	2,042,523	1,965,018	1,996,828	1,126,363	1,405,149	1,600,581	1,642,906	1,673,548	1,547,110	1,410,294
Business Licenses	3,508,266	3,304,145	3,175,283	2,820,789	2,722,613	2,603,996	2,471,309	2,443,328	2,366,398	2,236,295
Franchise	1,188,038	1,497,245	1,017,644	801,220	884,585	934,793	830,169	794,033	709,970	726,136
Cigarette	378,366	352,203	390,585	379,135	470,310	465,833	486,156	513,200	562,770	554,155
Other	684,639	860,861	1,164,109	790,286	912,646	1,449,360	742,605	911,042	911,798	2,026,356
Permits, fees and licenses	687,765	563,431	303,076	398,274	326,681	203,292	253,563	338,511	267,368	272,733
Investment earnings and unrealized gains	1,835,149	1,243,998	285,122	287,128	882,396	1,099,083	728,710	285,287	240,599	315,432
Intergovernmental	1,128,608	1,150,504	1,147,013	1,102,072	1,168,304	1,206,874	1,228,927	1,257,967	1,310,714	886,223
Fines and Forfeitures	41,635	43,437	47,208	41,475	64,153	65,138	-	-	-	-
Cemetery	139,618	154,510	166,320	139,395	135,785	95,430	70,205	52,510	59,092	29,565
Miscellaneous	569,142	395,367	127,731	545,312	305,724	1,049,206	511,172	520,429	521,597	1,020,334
Transfers	-	(186,676)	-	(175,107)	-	-	-	-	-	-
FY16 Restatement to beginning balances	-	-	-	-	-	-	-	-	(3)	20,510,874
Special items	-	-	-	-	-	-	-	-	-	-
Total Governmental activities	\$ 31,326,803	\$ 29,181,067	\$ 26,481,713	\$ 22,927,443	\$ 23,054,506	\$ 24,246,731	\$ 22,408,307	\$ 22,016,442	\$ 21,350,769	\$ 41,815,248
Business-Type activities:										
Grants in Aid of Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,735
Miscellaneous	2,186	-	-	-	-	-	-	-	-	171,143
FY16 Restatement to beginning balances	-	-	-	-	-	-	-	-	-	(220,676)
Transfers	-	186,676	-	175,107	-	-	-	-	-	-
Total business-type activities	\$ 2,186	\$ 186,676	\$ -	\$ 175,107	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,202
Total primary government	\$ 31,328,989	\$ 29,367,743	\$ 26,481,713	\$ 23,102,550	\$ 23,054,506	\$ 24,246,731	\$ 22,408,307	\$ 22,016,442	\$ 21,350,769	\$ 41,890,449
Changes in Net Position:										
Governmental activities	\$ 4,855,597	\$ 5,070,592	\$ 5,796,176	\$ 7,202,544	\$ 8,865,461	\$ 11,130,502	\$ 4,996,683	\$ 5,927,097	\$ 2,483,361	\$ 21,019,232
Business type activities	3,481,287	4,530,567	5,057,217	3,078,500	4,407,067	3,496,531	2,996,013	2,955,977	1,441,819	260,259
Total primary government	\$ 8,336,884	\$ 9,601,159	\$ 10,853,393	\$ 10,281,044	\$ 13,272,528	\$ 14,627,033	\$ 7,992,696	\$ 8,883,074	\$ 3,925,180	\$ 21,279,491

(3) A significant portion of this restatement is related to adding infrastructure assets constructed by VDOT for the Town in prior years.

Table 3

Town of Christiansburg, Virginia
Fund Balances - Governmental Funds (1)
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	\$ 13,439	\$ 75,888	\$ 75,546	\$ 150,587	\$ 405,909	\$ 150,868	\$ 135,279	\$ 126,291	\$ 130,844	\$ 93,355
Assigned	15,954,252	14,883,719	10,609,421	11,445,904	10,102,734	10,319,877	9,193,654	4,371,279	3,742,702	3,814,143
Unassigned	31,173,911	26,889,997	28,461,698	27,265,079	25,132,831	24,950,794	23,179,082	23,982,472	19,510,248	16,889,399
Total General Fund	<u>\$ 47,141,602</u>	<u>\$ 41,849,604</u>	<u>\$ 39,146,665</u>	<u>\$ 38,861,570</u>	<u>\$ 35,641,474</u>	<u>\$ 35,421,539</u>	<u>\$ 32,508,015</u>	<u>\$ 28,480,042</u>	<u>\$ 23,383,794</u>	<u>\$ 20,796,897</u>
All Other Governmental Funds										
Nonspendable	\$ 1,113,171	\$ 1,059,589	\$ 957,849	\$ 864,099	\$ 804,673	\$ 727,610	\$ 684,430	\$ 648,463	\$ 566,654	\$ 522,364
Restricted	1,228,066	1,520,521	4,965,485	1,697,443	2,498,344	2,329,595	2,166,386	2,181,328	1,974,493	1,964,871
Assigned	116,951	131,254	1,679,537	127,524	127,524	125,570	152,393	-	-	-
Total All Other Governmental Funds	<u>\$ 2,458,188</u>	<u>\$ 2,711,364</u>	<u>\$ 7,602,871</u>	<u>\$ 2,689,066</u>	<u>\$ 3,430,541</u>	<u>\$ 3,182,775</u>	<u>\$ 3,003,209</u>	<u>\$ 2,829,791</u>	<u>\$ 2,541,147</u>	<u>\$ 2,487,235</u>
Grand Total All Governmental Fund Balances	<u>\$ 49,599,790</u>	<u>\$ 44,560,968</u>	<u>\$ 46,749,536</u>	<u>\$ 41,550,636</u>	<u>\$ 39,072,015</u>	<u>\$ 38,604,314</u>	<u>\$ 35,511,224</u>	<u>\$ 31,309,833</u>	<u>\$ 25,924,941</u>	<u>\$ 23,284,132</u>

(1) Modified accrual basis of accounting

Table 4

Town of Christiansburg, Virginia
Changes in Fund Balance - Governmental Funds (1)
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Taxes										
Property	\$ 6,054,161	\$ 5,541,293	\$ 5,201,754	\$ 5,156,600	\$ 4,903,679	\$ 4,566,835	\$ 4,515,381	\$ 4,376,741	\$ 4,333,618	\$ 3,589,471
Sales	2,800,298	2,680,197	2,706,608	2,371,546	2,142,903	2,010,576	1,923,415	1,891,739	1,876,235	1,810,171
Prepared Meals	10,290,665	9,532,313	8,743,128	7,132,520	6,692,216	7,283,251	7,015,544	6,928,924	6,683,891	6,357,292
Transient Lodging	2,042,523	1,965,018	1,996,828	1,126,363	1,405,149	1,600,581	1,642,906	1,673,548	1,547,110	1,410,294
Business License	3,508,266	3,304,145	3,175,283	2,820,789	2,722,613	2,603,996	2,471,249	2,443,328	2,366,398	2,236,295
Franchise	1,188,038	1,497,245	1,017,644	801,220	884,585	934,793	830,169	794,033	709,970	726,136
Cigarette	378,366	352,203	390,585	379,135	470,310	465,833	486,156	513,200	562,770	554,155
Other	1,553,657	1,424,292	1,330,429	1,369,430	1,304,661	1,403,225	1,334,874	1,205,662	1,238,258	2,026,356
Permits, fees and licenses	687,765	563,431	303,076	398,274	326,681	203,292	253,563	338,511	267,369	272,733
Revenues from use of property	572,782	612,950	515,105	239,068	573,870	314,565	268,441	-	217,650	231,905
Investment earnings	1,835,149	1,190,421	285,122	287,128	308,526	784,518	460,269	285,287	264,698	315,432
Charges for services	3,799,623	3,976,234	3,616,798	3,377,809	3,666,936	3,813,151	3,537,227	3,475,354	3,406,325	2,565,697
Intergovernmental	9,251,124	8,382,456	8,421,945	10,060,938	14,121,049	8,657,642	6,934,796	8,542,629	6,355,819	5,305,125
Fines and forfeitures	41,635	43,437	47,208	41,475	64,153	65,138	85,653	76,994	95,980	158,669
Cemetery	139,618	154,510	166,320	139,395	135,785	95,430	70,205	96,401	97,512	29,565
Miscellaneous	569,142	438,804	478,015	545,312	441,509	1,049,206	511,172	520,429	525,798	994,841
Total Revenues Governmental Funds	\$ 44,712,812	\$ 41,658,949	\$ 38,395,848	\$ 36,247,002	\$ 40,164,625	\$ 35,852,032	\$ 32,341,020	\$ 33,162,780	\$ 30,549,401	\$ 28,584,138
Expenditures										
General Government	\$ 4,928,213	\$ 4,252,596	\$ 3,920,416	\$ 3,535,831	\$ 3,484,481	\$ 3,347,783	\$ 3,070,637	\$ 2,957,429	\$ 5,067,749	\$ 2,400,235
Public Safety	13,520,559	12,168,245	12,386,391	14,361,929	10,922,253	10,434,334	9,930,025	9,229,494	10,199,486	8,147,492
Public Works	6,913,825	6,196,163	6,514,149	5,432,072	5,832,096	6,139,353	5,890,243	6,645,359	6,801,167	5,330,341
Health and Welfare	9,003	5,049	4,719	-	4,494	4,280	4,076	3,882	3,697	3,521
Parks, Recreation, and Culture	6,789,047	6,128,478	5,246,511	4,095,676	4,016,155	4,677,645	4,299,063	4,471,939	4,915,799	4,001,327
Community Development	1,816,499	1,816,486	1,629,790	1,465,902	2,972,615	1,285,445	1,440,216	1,451,493	1,521,739	1,519,444
Capital Outlay	3,775,594	11,325,617	12,151,616	3,682,507	11,444,878	5,850,521	2,484,701	2,408,073	565,978	2,838,508
Debt Service										
Principal retirement	1,755,622	1,661,632	1,328,668	835,700	822,340	807,980	792,840	785,580	560,440	767,100
Interest and fiscal charges	257,263	278,798	182,702	183,657	197,612	211,601	227,828	235,783	272,569	276,924
Bond issuance cost	-	-	-	-	-	-	-	-	30,883	-
Total Expenditures Governmental Funds	\$ 39,765,625	\$ 43,833,064	\$ 43,364,962	\$ 33,593,274	\$ 39,696,924	\$ 32,758,942	\$ 28,139,629	\$ 28,189,032	\$ 29,939,507	\$ 25,284,891
Excess (Deficiency) of Revenues over Expenditures	\$ 4,947,187	\$ (2,174,115)	\$ (4,969,114)	\$ 2,653,728	\$ 467,701	\$ 3,093,090	\$ 4,201,391	\$ 4,973,748	\$ 609,894	\$ 3,299,247
Other Financing Sources and (Uses)										
Insurance Recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 195
Issuance of Debt	-	-	-	-	-	-	-	-	2,014,000	-
Issuance of Refunding Debt	-	-	-	678,920	-	-	-	-	1,315,000	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	(1,298,086)	-
Other financing use - current refunding	-	-	-	(678,920)	-	-	-	-	-	-
Issuance of subscription liabilities	91,635	83,540	-	-	-	-	-	-	-	-
Contributed capital from Virginia Tech	-	88,683	-	-	-	-	-	-	-	-
Transfers (to) from:										
General fund	(1,878,017)	(4,939,082)	(5,464,061)	(2,266,868)	(3,516,473)	2,605,161	1,115,378	1,278,030	641,662	648,628
Cemetery Fund	167,148	187,325	169,365	159,191	123,795	(142,927)	(209,721)	(291,288)	(231,393)	(189,563)
Capital Projects	1,573,953	4,750,492	5,346,241	2,101,235	3,390,642	(2,459,198)	(905,657)	(986,742)	(410,269)	(459,065)
Special Revenue Funds	136,916	(185,411)	(51,545)	(168,665)	2,036	(3,036)	-	-	-	-
Total Other Financing Sources and (Uses)	\$ 91,635	\$ (14,453)	\$ -	\$ (175,107)	\$ -	\$ -	\$ -	\$ -	\$ 2,030,914	\$ 195
Net Changes in Fund Balance Increases (Decreases)	\$ 5,038,822	\$ (2,188,568)	\$ (4,969,114)	\$ 2,478,621	\$ 467,701	\$ 3,093,090	\$ 4,201,391	\$ 4,973,748	\$ 2,640,808	\$ 3,299,442
Debt Service as a percentage of noncapital expenditures	5.59%	5.97%	4.84%	3.41%	3.85%	4.09%	3.98%	3.96%	2.84%	4.65%

(1) Modified accrual basis of accounting

Table 5

Town of Christiansburg, Virginia
General Government Revenues by Source
Last Ten Fiscal Years

Fiscal Year	General Property Taxes	Other Local Taxes	Permits, Privilege Fees, and Regulatory Licenses	Fines and Forfeitures	Revenues from Use of Money and Property	Charges for Services	Miscellaneous	Inter- governmental	Total	Business-Type Activities Water and Sewer
2023-2024	\$ 6,054,161	\$ 21,761,813	\$ 687,765	\$ 41,635	\$ 2,407,931	\$ 3,939,241	\$ 569,142	\$ 9,251,124	\$ 44,712,812	\$ 14,518,083
2022-2023	5,541,293	20,755,413	563,431	43,437	1,803,371	3,976,234	593,314	8,382,456	41,658,949	13,390,697
2021-2022	5,201,754	19,360,505	303,076	47,208	800,227	3,783,118	478,015	8,421,945	38,395,848	13,231,056
2020-2021	5,156,600	16,001,003	398,274	41,475	526,196	3,517,204	545,312	10,060,938	36,247,002	12,694,403
2019-2020	4,903,679	15,622,437	326,681	64,153	882,396	3,802,721	441,509	14,121,049	40,164,625	13,212,127
2018-2019	4,566,835	16,302,255	203,292	65,138	1,099,083	3,908,581	1,049,206	8,657,642	35,852,032	12,421,640
2017-2018	4,515,381	15,704,313	253,563	85,653	728,710	3,607,432	511,172	6,934,796	32,341,020	11,658,187
2016-2017	4,376,741	15,546,835	338,511	76,994	589,714	3,475,354	520,429	8,542,629	33,467,207	10,311,618
2015-2016	4,333,618	14,984,632	267,369	95,980	482,348	3,503,837	525,798	6,355,819	30,549,401	8,824,901
2014-2015	3,589,471	15,120,700	272,733	158,669	511,764	2,565,697	164,506	4,250,618	26,634,158	7,800,301

Table 6

Town of Christiansburg, Virginia
General Government Expenditures by Function
Last Ten Fiscal Years

Fiscal Year	General Administration	Public Safety	Public Works	Health and Welfare	Parks, Recreation, and Culture	Community Development	Debt Service	Capital Outlay	Total
2023-2024	\$ 4,928,213	\$ 13,520,559	\$ 6,913,825	\$ 9,003	\$ 6,789,047	\$ 1,816,499	\$ 2,012,885	\$ 3,775,594	\$ 39,765,625
2022-2023	4,252,596	12,168,245	6,196,163	5,049	6,128,478	1,816,486	1,940,430	11,325,617	43,833,064
2021-2022	3,920,416	12,386,391	6,514,149	4,179	5,246,511	1,629,790	1,511,370	12,151,616	43,364,422
2020-2021	3,535,831	14,361,929	5,432,072	4,719	4,095,676	1,461,183	1,019,357	3,682,507	33,593,274
2019-2020	3,484,481	10,922,253	5,832,096	4,494	4,016,155	2,972,615	1,019,952	11,444,878	39,696,924
2018-2019	3,347,783	10,434,334	6,139,353	4,280	4,677,645	1,285,445	1,019,581	5,850,521	32,758,942
2017-2018	3,070,637	9,930,025	5,890,243	4,076	4,299,063	1,440,216	1,020,668	2,484,701	28,139,629
2016-2017	2,957,429	9,229,494	6,645,359	3,882	4,471,939	1,451,493	1,021,363	2,408,073	28,189,032
2015-2016	5,067,749	10,199,486	6,801,167	3,697	4,915,799	1,512,739	863,892	565,978	29,930,507
2014-2015	2,400,235	7,477,105	5,330,341	3,521	3,811,821	1,519,444	1,044,024	1,645,765	23,232,256

Table 7

Town of Christiansburg, Virginia
Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Calendar Year	Real Estate	Personal Property	Machinery and Tools	Mobile Homes	Public Utility		Total Assessed Value	Real Estate	
						Unequalized	Equalized		Total Direct Rate(1)	Montgomery County Overlapping Rate (1)
2023-2024	2023	\$ 3,076,971,800	\$ 317,385,890	\$ 86,208,429	\$ 5,082,700	\$ 74,014,890	\$ 259,351	\$ 3,559,923,060	0.14	0.70
2022-2023	2022	2,450,614,100	307,484,110	70,654,538	4,923,400	53,499,283	377,284	2,887,552,715	0.16	0.89
2021-2022	2021	2,403,713,400	279,601,491	74,045,350	4,893,500	58,069,128	320,307	2,820,643,176	0.16	0.89
2020-2021	2020	2,329,701,100	257,747,915	74,744,429	4,436,800	61,080,839	406,038	2,728,117,121	0.16	0.89
2019-2020	2019	2,275,989,200	246,125,337	75,125,937	4,479,300	58,819,155	287,609	2,660,826,538	0.16	0.89
2018-2019	2018	2,111,895,400	229,745,017	70,762,114	4,319,281	54,189,773	221,168	2,471,132,753	0.16	0.89
2017-2018	2017	2,098,098,800	224,494,664	67,407,095	4,278,500	53,659,680	143,400	2,448,082,139	0.16	0.89
2016-2017	2016	2,035,888,480	213,349,806	64,732,027	3,835,440	52,854,027	175,579	2,370,835,359	0.16	0.89
2015-2016	2015	2,024,104,291	193,280,940	62,480,906	3,674,240	52,133,700	193,316	2,335,867,393	0.16	0.89
2014-2015	2014	2,013,143,620	199,319,596	61,964,189	3,817,340	49,944,236	212,391	2,328,401,372	0.13	0.89

Property Tax Rates - Last Ten Years

Fiscal Year	Calendar Year	Real Estate	Personal Property	Machinery and Tools	Mobile Homes	Public Utility	
						Unequalized	Equalized
2023-2024	2023	\$.14	\$.45	\$.45	\$.14	\$.14	\$.45
2022-2023	2022	.16	.45	.45	.16	.16	.45
2021-2022	2021	.16	.45	.45	.16	.16	.45
2020-2021	2020	.16	.45	.45	.16	.16	.45
2019-2020	2019	.16	.45	.45	.16	.16	.45
2018-2019	2018	.16	.45	.45	.16	.16	.45
2017-2018	2017	.16	.45	.45	.16	.16	.45
2016-2017	2016	.16	.45	.45	.16	.16	.45
2015-2016	2015	.16	.45	.45	.16	.16	.45
2014-2015	2014	.13	.45	.45	.13	.13	.45

(1) Per \$100 of assessed value

NOTE: Real property is assessed at full market value. Real property assessments are made by the Commissioner of Revenue of Montgomery County for concurrent use of the County and the Town. Property is reassessed every four years. Public Service Corporations are assessed by the State Corporation Commission. Both Real Estate and Public Service rates are \$.14 for 2023 and 2024 prior years at .16

Table 8

**Town of Christiansburg, Virginia
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections To Date	
		Amount (1)	Percentage of Levy		Amount	Percentage of Levy
2023-2024	\$ 6,035,265	\$ 5,715,151	94.70%	\$ 232,128	\$ 5,947,279	98.54%
2022-2023	5,516,467	5,294,183	95.97%	166,990	5,461,173	99.00%
2021-2022	5,295,951	5,065,291	95.64%	83,644	5,148,935	97.22%
2020-2021	5,083,927	4,892,164	96.23%	165,891	5,058,055	99.49%
2019-2020	4,914,016	4,817,471	98.04%	87,444	4,904,915	99.81%
2018-2019	4,552,194	4,452,406	97.81%	76,593	4,528,999	99.49%
2017-2018	4,460,824	4,374,999	98.08%	91,409	4,466,408	100.13%
2016-2017	4,368,110	4,271,079	97.78%	70,726	4,341,805	99.40%
2015-2016	4,283,977	4,174,249	97.44%	16,171	4,190,420	97.82%
2014-2015	3,292,944	3,178,960	96.54%	62,638	3,241,599	98.44%

(1) Includes payments received from the Commonwealth of Virginia for Personal Property Tax Relief Act.

(2) Includes refunds issued for overpayments and corrections.

Table 9

**Town of Christiansburg, Virginia
Principal Property Tax Payers
Current Year and Nine Years Ago**

Taxpayer	Fiscal Year 2024				Fiscal Year 2015			
	Assessed Value	Rank	Percentage of Total Town Assessed Value		Assessed Value	Rank	Percentage of Total Town Assessed Value	
Shelor Properties	\$ 63,065,400	1	2.05%	\$	62,356,000	2	3.10%	
Roger Woody	57,877,700	2	1.88%		62,649,100	1	3.11%	
MI Blacksburg Owner LP	47,158,000	3	1.53%		NA			
Christiansburg Market Place (now NRV Market Place)	45,067,600	4	1.46%		12,667,200	10	0.63%	
Appalachian Power	43,970,900	5	1.43%		26,749,900	4	1.33%	
BVA Spradline LLC (was Centro Heritage)	32,096,900	6	1.04%		24,815,800		1.23%	
Denstock Peppers Ferry LLC	28,000,000	7	0.91%		NA			
NVR Investments (was BRE RC New River VA LLC)	24,700,000	8	0.80%		NA			
Backcountry.com	19,665,400	9	0.64%		14,432,300	9	0.72%	
Rockstep Christiansburg LLC	17,400,000	10	0.57%		NA			
Wal-Mart					15,831,400	8	0.79%	
PR Financing					58,400,000	3	2.90%	
PR New River Owner LP					24,472,800	7	1.22%	
Verizon VA, Inc.					25,582,800	5	1.27%	
	<u>\$ 379,001,900</u>		<u>12.32%</u>	\$	<u>327,957,300</u>		<u>16.29%</u>	

Source: Montgomery County Commissioner of Revenue

Table 10

Town of Christiansburg, Virginia
Water and Sewer Rates
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>WATER</u>										
INSIDE TOWN LIMITS										
4,000 OR LESS	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2,000 OR LESS*								11.00	21.00	19.00
1,000 OR LESS	10.00	9.00	9.00	8.00	8.00	7.00	6.00		10.50	
PER THOUSAND FOR NEXT 96,000									5.90	5.50
PER THOUSAND FOR NEXT 49,000	12.00	11.00	11.00	10.00	10.00	9.00	8.00			
PER THOUSAND FOR ALL OVER 50,000	9.00	7.50	7.50	7.50	7.50	6.75	6.00			
PER THOUSAND FOR NEXT 48,000*								6.14	5.90	
PER THOUSAND FOR NEXT 5,900,000									3.50	3.20
PER THOUSAND FOR NEXT 2,950,000*								4.00	3.50	
OUTSIDE TOWN LIMITS										
4,000 OR LESS	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2,000 OR LESS*								16.50	31.50	28.50
1,000 OR LESS	20.00	13.50	13.50	12.00	12.00	10.50	9.00		15.75	
PER THOUSAND FOR NEXT 96,000									8.85	8.25
PER THOUSAND FOR NEXT 49,000	24.00	16.50	16.50	15.00	15.00	13.50	12.00			
PER THOUSAND FOR ALL OVER 50,000	18.00	11.25	11.25	11.25	11.25	10.13	9.00			
PER THOUSAND FOR NEXT 48,000*								9.21	8.85	
PER THOUSAND FOR NEXT 5,900,000									5.25	4.80
PER THOUSAND FOR NEXT 2,950,000*								6.00	5.25	
<u>SEWER</u>										
INSIDE TOWN LIMITS										
0-4,000	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2,000 OR LESS*								15.00	30.00	28.00
1,000 OR LESS	10.00	10.00	10.00	10.00	10.00	10.00	9.00		15.00	
PER THOUSAND FOR ALL OVER 1000	10.25	10.25	10.25	10.25	10.25	10.25	10.25			
PER THOUSAND FOR NEXT 96,000									8.50	8.50
PER THOUSAND FOR NEXT 48,000*								8.50	8.50	
PER THOUSAND FOR NEXT 5,900,000									8.50	8.50
PER THOUSAND FOR NEXT 2,950,000*								8.50	8.50	
OUTSIDE TOWN LIMITS										
0-4,000	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2,000 OR LESS								22.50	45.00	42.00
1,000 OR LESS	20.00	15.00	15.00	15.00	15.00	15.00	13.50		22.50	
PER THOUSAND FOR ALL OVER 1000	20.50	15.38	15.38	15.38	15.38	15.38	15.38			
PER THOUSAND FOR NEXT 96,000									12.75	12.75
PER THOUSAND FOR NEXT 48,000*								12.75	12.75	
PER THOUSAND FOR NEXT 5,900,000									12.75	12.75
PER THOUSAND FOR NEXT 2,950,000*								12.75	12.75	
<u>GARBAGE</u>										
INSIDE TOWN LIMITS BIMONTHLY	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
INSIDE TOWN LIMITS MONTHLY*	23.00	22.00	22.00	22.00	22.00	22.00	17.00	17.00	34.00	34.00
OUTSIDE TOWN LIMITS BIMONTHLY									17.00	
OUTSIDE TOWN LIMITS MONTHLY*	46.00	33.00	33.00	33.00	33.00	33.00	25.50	25.50	51.00	51.00

* Late in 2016 the Town changed its billing cycle from bimonthly to monthly. Rates and usage amounts were 1/2 of the previous amounts. Minimum usage went from 4000 to 2000 gallons on a monthly basis and the rate was also reduced to 1/2 of the bimonthly rate.
2017 Water Sewer Rate study conducted and new rate calculations and minimums were instituted beginning July 1, 2017
2019 the town added curbside recycling and increased rates for garbage service

Table 11

Town of Christiansburg, Virginia
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita
Last Ten Fiscal Years

Fiscal Year	Population (1)	Assessed Value of All Taxable Property (In Thousands)	Gross Bonded Debt	Less:		Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
				Debt Services Monies Available	Debt Payable from Enterprise Revenues			
2023-2024	23,348	\$ 3,559,923	\$ 16,728,716	\$ -	\$ (1,643,579)	\$ 15,085,137	.0045:1	\$ 646.10
2022-2023	23,348	2,887,553	18,471,014	-	(1,904,044)	16,566,970	.0045:1	\$ 709.57
2021-2022	23,348	2,820,643	20,183,903	-	(2,161,251)	18,022,652	.0045:1	771.91
2020-2021	23,348	2,728,117	12,305,400	-	(2,404,080)	9,901,320	.0045:1	424.08
2019-2020	23,348	2,660,827	14,086,663	-	-	14,086,663	.0053:1	603.33
2018-2019	22,505	2,471,133	15,821,162	-	-	15,821,162	.0064:1	703.01
2017-2018	22,259	2,448,082	17,511,722	-	-	17,511,722	.0071:1	786.73
2016-2017	22,088	2,370,835	19,360,672	-	-	19,360,672	.0082:1	876.52
2015-2016	21,943	2,335,867	21,172,839	-	-	21,172,839	.0091:1	964.90
2014-2015	21,805	2,328,401	20,649,474	-	-	20,649,474	.0089:1	947.01

(1) Population data is derived from the Weldon Cooper Center UVA, which approximates populations for Towns between census'. 2020 data is from the U.S. Census Bureau decennial census.

Town of Christiansburg, Virginia
Schedule of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Funds											Business-Type Activities							Total Primary Government	Percentage Personal Income	Per Capita
	Direct Borrowings and Direct Placements - GO Bonds											Direct Borrowings and Direct Placements - GO Bonds									
	2014 Revenue Bond Refunding	2014 General Obligation Bond	2014 General Obligation Improvement Bond	2015 General Obligation Bond	2016 General Obligation Bond	2022 General Obligation Bond	2007 Revenue Bond	2021 Refunding Bond	Leases Payable	Subscription Liabilities	Bond Premiums	2014 General Obligation Bond	2001 VA Revolving Loan Fund	1998 VA Revolving Loan Fund	2021 Refunding Bond						
2023-2024	\$ 5,851,500	\$ -	\$ -	\$ 437,000	\$ 533,000	\$ 7,799,217	\$ -	\$ 464,420	\$ 361,618	\$ 51,832	\$ -	\$ -	\$ -	\$ -	\$ 1,643,579	\$ 17,142,166	**	**			
2022-2023	6,329,100	-	-	649,000	662,000	8,388,986	-	537,884	540,464	55,140	-	-	-	-	1,904,044	19,066,618	**	**			
2021-2022	6,796,100	-	-	856,000	790,000	8,970,122	-	610,430	718,014	-	-	-	-	-	2,161,251	20,901,917	**	**			
2020-2021	7,252,400	-	-	1,059,000	911,000	-	-	678,920	-	-	\$ -	-	-	-	2,404,080	12,305,400	1.20%	527			
2019-2020	7,703,100	744,920	-	1,258,000	1,031,000	-	-	-	-	-	-	2,641,080	708,563	-	-	14,086,663	1.50%	603			
2018-2019	8,148,200	809,160	-	1,453,000	1,149,000	-	-	-	-	-	-	2,868,840	1,392,962	-	-	15,821,162	1.83%	701			
2017-2018	8,587,700	871,640	-	1,644,000	1,264,000	-	-	-	-	-	-	3,090,360	2,054,022	-	-	17,511,722	2.07%	781			
2016-2017	9,021,600	932,580	-	1,831,000	1,285,000	-	90,000	-	-	-	-	3,306,420	2,692,539	201,533	-	19,360,672	2.42%	873			
2015-2016	9,170,000	991,760	275,000	2,014,000	1,315,000	- (1)	180,000	-	-	-	5,747	3,516,240	3,309,280	395,812	-	21,172,839	2.77%	964			
2014-2015	9,284,900	1,049,400	577,900	-	-	-	1,480,000	-	-	-	48,587	3,720,600	3,904,989	583,098	-	20,649,474	2.79%	945			

Notes:

Population data (See Table 11)

Personal Income data (See Schedule 14)

** Data not available

(1) Advance refunded this debt on 6-23-2016

Town of Christiansburg, Virginia
Legal Debt Margin
Last Ten Fiscal Years

Legal Debt Limit: Calculation for the Fiscal Year Ended June 30, 2024

10% of assessed value of taxable real estate (1)	\$ 3,076,971,800	\$ 307,697,180
Less: Debt applicable to limit		
Bonds payable		\$ 17,142,166
Legal margin for creation of additional debt		<u>\$ 290,555,014</u>

(1) Includes assessed value of Public Service Corporation Real Estate.

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Debt limit	\$ 307,697,180	\$ 245,061,410	\$ 240,371,340	\$ 232,970,110	\$ 227,598,920	\$ 211,189,540	\$ 215,175,848	208,874,251	207,623,799	\$ 206,308,786
Total net debt applicable to limit	17,142,166	18,471,014	20,183,903	12,305,400	14,086,663	15,821,162	17,511,722	19,360,672	21,172,839	20,649,474
Legal debt margin	<u>\$ 290,555,014</u>	<u>\$ 226,590,396</u>	<u>\$ 220,187,437</u>	<u>\$ 220,664,710</u>	<u>\$ 213,512,257</u>	<u>\$ 195,368,378</u>	<u>\$ 197,664,126</u>	<u>189,513,579</u>	<u>186,450,960</u>	<u>\$ 185,659,312</u>
Total net debt applicable to the limit as a percentage of debt limit	5.57%	7.54%	8.40%	5.28%	6.19%	7.49%	8.14%	9.27%	10.20%	10.01%

Table 14

Town of Christiansburg, Virginia
Direct and Overlapping Governmental Activities Debt
At June 30, 2024

<u>Governmental Unit:</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable to Primary Government</u>
County of Montgomery	\$ 205,144,082	22%	\$ 45,131,698
Subtotal, overlapping debt			\$ 45,131,698
Town of Christiansburg direct debt			17,142,166
Total direct and overlapping debt			\$ 62,273,864

Sources: Outstanding debt and applicable percentages provided by each government unit.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the Town of Christiansburg. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**Town of Christiansburg, Virginia
Demographic Statistics
Last Ten Fiscal Years**

Fiscal Year Ended	Population (1)	Total Personal Income in Thousands of Dollars (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2024	**	**	**	3.50%
2023	22,542	**	**	3.20%
2022	22,562	5,248,210	45,379	3.10%
2021	23,348	5,033,263	43,778	3.90%
2020	23,348	4,600,702	40,112	6.60%
2019	22,557	4,526,103	38,352	3.20%
2018	22,432	4,400,507	37,730	3.50%
2017	22,178	4,177,039	36,125	4.30%
2016	21,969	4,013,920	34,754	4.50%
2015	21,840	3,889,162	33,933	4.20%

Notes:

(1) Data derived from Weldon Cooper statistical analysis for Towns in Virginia.

(2) Data is for Montgomery County and Radford City as this data is not available for Towns. Data derived from the Bureau of Economic Analysis. Christiansburg is the County seat for Montgomery County.

(3) Data is for Montgomery County and Radford City as this data is not available for Towns. Data derived from the Bureau of Economic analysis

(4) Unemployment data is as of June 30 and derived from Virginia Employment Commission (VEC).

** Data not yet available

Table 16

**Town of Christiansburg, Virginia
Principal Employers
Current Year and Nine Years Ago**

Employer	Fiscal Year 2024		Fiscal Year 2015	
	Number of Employees	Rank	Number of Employees	Rank
Montgomery County School Board	1,000 and over employees	1	1,000 and over employees	1
MOOG Inc.	500 to 999 employees	2	NA	
New River Valley Community Services	500 to 999 employees	3	NA	
County of Montgomery	250 to 499 employees	4	250 to 499 employees	5
Town of Christiansburg	250 to 499 employees	5	251 to 499 employees	3
Shelor Motor Mile, Inc.	250 to 499 employees	6	250 to 499 employees	4
Wal-Mart	250 to 499 employees	7	250 to 499 employees	6
Corning Glass Works	250 to 499 employees	8	250 to 499 employees	7
Echosphere Corporation (Dish Network)	NA		500 to 999 employees	2
Backcountry.com Inc	250 to 499 employees	9	100 to 249 employees	11
Food Lion	100 to 249 employees	10	100 to 249 employees	19
Hubbell Lighting	100 to 249 employees	11	100 to 249 employees	9
Community Housing Partners	100 to 249 employees	12	250 to 499 employees	8
Crestline Hotels & Resorts	100 to 249 employees	22	NA	
Target Corp.	100 to 249 employees	13	100 to 249 employees	13
Lowe's Home Centers, Inc.	100 to 249 employees	14	100 to 249 employees	12
The Home Depot	100 to 249 employees	15	100 to 249 employees	17
Cracker Barrel Old Country Store	100 to 249 employees	16	100 to 249 employees	14
National Bank of Blacksburg	100 to 249 employees	17	less than 50 employees	21
Postal Service	100 to 249 employees	18	NA	
Texas Roadhouse	100 to 249 employees	19	50 to 99 employees	16
Kroger	100 to 249 employees	20	100 to 249 employees	18
Chipotle Mexican Grill	100 to 249 employees	21	NA	
Macado's	less than 50 employees	22	100 to 249 employees	15
Jimmy John's	less than 50 employees	23	less than 50 employees	24
Red Lobster and The Olive Garden	less than 50 employees	24	100 to 249 employees	10
First National Bank (Stellar One)	less than 50 employees	25	less than 50 employees	22
Belk's	less than 50 employees	26	less than 50 employees	23
Panera Bread	less than 50 employees	27	less than 50 employees	20
Manpower International	na		less than 50 employees	25
Virginia Department of Transportation	less than 50 employees	28	NA	

Source: Virginia Employment Commission

Table 17

Town of Christiansburg, Virginia
Full-time Equivalent Town Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Administration										
Town Manager's office	3.5	3.5	3.5	4.0	4.0	5.0	5.0	5.0	5.0	5.0
Planning	3.5	3.5	4.0	3.0	3.0	3.5	3.0	3.0	4.0	3.5
Treasurer/Finance	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Human Resources	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	2.0	1.5
Public Relations	2.0	2.0	2.0	2.0	2.0	2.0	3.0	2.0	2.0	1.5
Information Technology	4.0	4.0	4.0	3.0	3.0	2.0	2.0	2.0	3.0	3.0
Public Safety										
Police	69.5	67.5	67.5	69.5	69.5	69.5	69.0	68.0	74.0	73.0
Fire	6.6	5.0	5.0	3.5	3.5	3.5	3.5	3.0	3.0	3.0
Rescue	26.8	19.0	18.2	9.0	8.2	8.2	6.8	3.0	3.0	3.5
Public Works										
Maintenance	6.0	9.0	10.0	10.0	10.5	10.5	9.0	6.0	3.0	3.0
Sanitation	5.0	4.0	7.0	9.0	9.0	9.0	10.0	10.0	11.0	11.0
Streets	44.0	40.0	40.0	40.0	40.0	40.0	37.0	40.0	36.0	36.0
Water	18.5	13.0	21.0	21.0	21.0	21.0	30.0	24.0	36.0	36.0
Plant Operations & sewer Opera	18.0	17.0	22.0	22.0	22.5	22.5	14.0	14.0	11.0	11.0
Engineering	12.0	12.0	12.0	13.0	14.6	14.6	13.0	12.0	11.0	11.0
Building Inspections	5.0	5.0	5.0	4.0	4.0	4.4	4.0	4.0	4.0	4.0
Parks and Recreation	60.0	31.0	26.2	26.4	25.5	25.5	25.5	24.0	24.7	23.2
Aquatics	33.5	22.0	21.6	19.1	28.8	28.8	34.0	34.0	34.0	34.0
Cemetery	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Totals	335.9	275.5	287.0	276.5	287.1	288.0	286.8	273.0	281.7	278.2
Fire Department Volunteers	40.0	40.0	40.0	40.0	40.0	40.0	38.0	38.0	38.0	38.0
Rescue Department Volunteers	2.0	10.0	50.0	50.0	57.0	92.0	95.0	95.0	75.0	75.0

Note: A full-time employee is scheduled to work 2080 hours per year (including holiday, vacation, and sick leave). Full-time employment is calculated by dividing total labor hours by 2080.

Table 18

Town of Christiansburg, Virginia
Operating Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Building/zoning permits issued	1,491	1,341	1,212	1,567	1,717	1,617	1,449	2,019	1,436	198
Building inspections	4,656	4,019	4,643	5,035	5,226	6,226	5,131	4,986	3,905	3,282
Conditional use permits approved	11	6	9	17	9	10	15	6	9	1
Rezoning requests approved	3	7	3	7	5	2	4	1	3	2
Streets approved for vacation	2	3	-	1	2	2	-	2	-	-
Amendments to Town Code/Ordinances	3	1	-	4	-	5	9	2	2	3
Public Safety										
Police										
Criminal offenses	1,594	1,262	1,217	1,499	2,364	2,724	2,490	2,241	1,955	2,133
Traffic warrants	2,077	2,680	1,817	1,326	2,073	3,370	3,210	3,505	4,043	5,211
Parking violations	8	17	41	20	183	267	143	157	149	88
Patrol miles driven	401,522	479,089	546,309	562,515	514,291	578,995	580,272	595,906	574,459	622,187
Fire										
Christiansburg calls answered	672	657	577	612	491	558	575	508	505	416
County calls answered	405	370	357	355	356	432	407	398	323	317
Total calls answered	1,077	1,027	934	967	847	990	982	906	828	733
Rescue										
Christiansburg calls answered	3,560	3,687	3,227	3,141	3,056	3,614	3,376	3,349	2,883	2,792
County calls answered	1,057	1,286	1,666	1,386	1,455	1,119	1,097	1,214	1,141	1,195
Total calls answered	4,617	4,973	4,893	4,527	4,511	4,733	4,473	4,563	4,024	3,987
Public Works										
Sanitation										
Trash removal in tons	6,995	6,925	7,395	7,023	6,780	6,637	7,997	8,925	8,185	7,089
Spring and fall cleanup in tons										
Junk	584.23	696.00	592.31	678.53	438.45	754.89	893.00	741.34	856.56	631.12
Leaves	766.51	267.00	659.02	619.62	653.76	558.42	749.88	599.50	870.75	865.75
Brush	355.54	990.00	383.86	398.73	299.33	276.04	385.00	290.06	307.29	446.00
Recycling in pounds ****										
Papers	****	****	****	****	****	****	****	178,760	110,980	685,560
Single Stream	1,931,260	2,020,500	2,097,460	2,226,000	2,270,000	2,271,760	1,124,240			
cardboard	3,200	5,300	2,220	8,920	106,000	152,860	191,720			
Containers	****	****	****	****	****	****	****	1,110,360	1,018,440	471,960
Total pounds recycled	1,934,460	2,025,800	2,099,680	2,234,920	2,376,000	2,424,620	1,315,960	1,289,120	1,129,420	1,157,520
Streets										
Principal/minor arterial lane miles	47.09	47.09	44.71	44.71	44.79	45.42	44.45	46.93	46.93	46.93
Principal/minor arterial center lane miles	17.18	17.18	17.18	17.18	17.18	17.47	15.83	15.90	15.90	15.90
Collector/local streets lane miles	232.37	232.50	228.67	229.23	229.68	225.60	203.01	206.03	206.03	206.03
Collector/local streets center lane miles	116.19	116.26	114.44	114.73	114.95	112.97	101.42	102.83	102.83	102.83
Sidewalks installed new and replaced in linear feet										
Storm drains installed in linear feet	2,797	8,306	6,927	6,789	3,178	5,016	-	2,715	-	-
Street lights installed	845	3,413	7,901	2,562	2,373	2,565	3,000	1,952	-	874
Street signs new	9	-	5	-	40	-	27	8	7	12
Street signs repaired or replaced	68	51	65	224	218	62	53	45	40	37
Total street signs	221	129	186	64	134	288	327	184	164	507
	289	180	251	288	352	350	380	229	204	544
Water										
New water services installed, net of removed	75	83	94	104	190	32	25	65	70	74
Total water customers in Town	10,493	10,418	10,335	10,241	10,137	9,947	9,915	9,890	9,825	9,724
New water services installed Out of Town	2	9	-	3	10	47	7	6	6	4
Accumulative water services Out of Town	595	593	584	584	581	571	524	517	511	505
Total water services In and Out of Town	11,088	11,011	10,919	10,825	10,718	10,518	10,439	10,407	10,336	10,229

(continued)

Table 18

Town of Christiansburg, Virginia
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Water										
Water consumption in gallons Town System	902,743,992	836,536,357	813,821,910	755,363,301	773,589,063	810,839,670	776,903,788	753,035,713	996,710,692	559,161,576
Montgomery County PSA	86,180,500	79,356,522	93,426,333	90,158,504	87,685,297	91,748,150	80,502,800	81,528,160	63,279,923	34,907,969
Total water consumption	988,924,492	915,892,879	907,248,243	845,521,805	861,274,360	902,587,820	857,406,588	916,092,033	1,123,270,538	594,069,545
New water mains installed in linear feet	12,095	11,575	10,157	4,777	4,601	7,457	810	9,951	1,855	2,314
Cumulative water mains, feet	871,436	859,341	849,311	840,490	836,564	838,099	830,642	829,832	819,881	818,026
Cumulative water mains, miles	165.04	162.75	160.85	159.18	158.44	158.73	157.32	157.17	155.28	154.93
Sewer										
New service installed in Town, net of service removed	68	86	91	102	47	66	121	134	101	74
Accumulative services in Town	9,839	9,771	9,685	9,594	9,401	9,354	9,288	9,167	9,033	8,932
New sewer service installed Out of Town	-	-	-	-	-	-	6	5	4	2
Accumulative services Out of Town	48	48	48	48	139	139	139	133	128	124
Total sewer services In and Out of Town	9,887	9,819	9,733	9,642	9,540	9,493	9,427	9,300	9,161	9,056
New Sanitary Sewer Gravity Mains installed in linear feet	12,232	4,323	5,547	5,391	6,053	1,855	4,488	6,581	2,152	2,152
New Sanitary Sewer Force Mains installed in linear feet	172	-	142	-	-	-	-	-	-	-
Total sewer system lines in linear feet	932,596	920,478	896,207	889,515	883,165	879,409	877,554	873,066	866,485	810,599
Total sewer system lines in miles	176.63	174.33	169.74	168.47	167.27	166.55	166.20	165.35	164.11	154.00
Waste Water Treatment Plant										
Gallons collected and treated	997,300,000	1,031,700,000	998,600,000	1,391,800,000	1,088,600,000	1,227,100,000	972,000,000	968,000,000	1,066,000,000	846,000,000
Average number of gallons treated per day	2,700,000	2,800,000	2,735,890	3,813,151	2,982,466	3,361,918	2,663,014	2,652,055	2,920,548	2,317,808
Parks and Recreation										
Number of programs offered										
Youth and community	76	77	59	37	53	95	94	103	91	105
Adult and community	222	263	240	182	226	235	238	258	196	210
Youth athletic	49	44	44	40	39	50	47	47	47	47
Adult athletic	30	28	28	10	30	28	28	27	27	22
Senior citizen	170	190	185	130	148	170	155	169	136	160
Special population	27	25	2	3	12	14	13	14	10	6
Youth special events	25	26	26	8	20	17	10	10	7	8
Adult special events	32	34	26	8	19	21	10	8	7	7
Senior citizen special events	12	11	11	11	24	27	21	18	14	15
Clubs	0	0	0	0	0	0	4	3	1	1
Aquatics										
Membership packages sold										
Resident	852	3,274	1,895	937	705	860	578	392	493	457
Non resident	462	1,844	945	551	783	781	905	540	1,147	515
Day passes sold	19,257	17,995	9,714	4,747	14,367	27,558	29,605	30859	34,025	36,397
Birthday parties	125	180	44	7	111	91	220	206	206	199
Competitive meets	53	43	40	30	35	34	32	30	28	23
Number of classes	4,176	3,456	2,281	1,142	913	834	1,072	252	371	272
Cemetery ***										
Burials	64	51	84	87	84	59	57	59	56	82
Cremations	22	42	24	15	22	11	18	21	8	19
Lots sold	60	95	79	69	57	49	32	38	32	70
Columbarium units sold	1	1	12	4	3	2	0	4 ***	***	

Notes:

* Estimated due to lost data in software change over

*** The Sunset Cemetery the columbarium was added in fy 2017

**** In 2017-2018 the Montgomery Regional Solid Waste Authority moved to single stream recycling so data in now collected differently then in years past.

Source: Data obtained from Town Department Heads

Table 19

Town of Christiansburg, Virginia
Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public Safety										
Law Enforcement Vehicles Patrol	37	37	37	37	35	35	35	35	35	26
Law Enforcement Vehicles detective and vice	14	14	14	14	14	14	14	14	14	12
Law Enforcement Vehicles ERT and Special operations	4	4	4	4	4	4	4	4	4	13
Law Enforcement Vehicles Administrative	6	6	6	6	6	5	5	5	5	4
Fire Fighting Apparatus	10	10	9	9	9	9	9	9	9	7
Fire Response Vehicles	8	8	8	8	8	8	8	8	8	6
Medical Rescue Ambulances	7	6	6	6	6	6	6	6	5	5
Medical Rescue Extraction Vehicles	2	3	3	3	3	3	3	3	4	3
Medical Rescue Response Vehicles other	6	4	4	4	4	4	4	5	6	8
Public Works										
Sanitation										
Trash Collection Vehicles	5	5	5	5	5	5	5	5	5	4
Streets										
Principal/minor arterial lane miles	47.09	47.09	44.71	44.71	44.79	45.42	44.45	46.93	46.93	46.93
Collector/local streets lane miles	232.37	232.50	228.67	229.23	229.60	225.30	203.04	206.03	206.03	206.03
Traffic lights	16	16	16	15	15	13	12	12	12	18
Street lights	1,838	1,838	1,838	1,838	1,838	1,798	1,798	1,771	1,763	1,756
Parks and Recreation										
Indoor Aquatic Center	1	1	1	1	1	1	1	1	1	1
Recreation Center	1	1	1	1	1	1	1	1	1	1
Parks mini parks, large and community	15	15	14	14	14	14	14	14	14	13
Trails (miles)	7.6	7.6	6.2	6.2	6.2	6.2	6.2	6.2	6.2	4
Business Type Activities Water and Sewer										
Water Mains (miles)	165.04	162.75	160.85	159.18	158.44	158.73	157.32	157.17	155.28	154.93
Sewer Mains (miles)	176.63	174.33	169.74	168.47	167.27	166.55	166.20	165.35	164.11	153.52

Notes:

** Data not available for this year. It is the Town's intention to gather this information on an annual basis moving forward.

Source: Data obtained from Town Department Heads

Table 20

Town of Christiansburg, Virginia
Proprietary Fund Business-type Activities Water and Sewer Fund Statement of Revenues, Expenses, and Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating Revenues										
Charges for Services:										
Water and Sewer Service Fees	\$ 11,784,194	\$ 10,920,766	\$ 10,809,483	\$ 10,089,551	\$ 10,447,273	\$ 9,714,709	\$ 9,198,252	\$ 7,588,435	\$ 7,920,865	\$ 7,085,257
Water and Wastewater Connection Fees	952,090	671,837	650,750	809,945	1,113,597	1,023,015	829,947	1,147,510	694,270	543,901
Penalties and Other	278,954	300,838	290,938	319,580	214,433	251,625	244,585	177,697	209,766	171,143
Total Operating Revenues	\$ 13,015,238	\$ 11,893,441	\$ 11,751,171	\$ 11,219,076	\$ 11,775,303	\$ 10,989,349	\$ 10,272,784	\$ 8,913,642	\$ 8,824,901	\$ 7,800,300
Operating Expenses										
Salaries and Wages	\$ 1,758,892	\$ 1,576,305	\$ 1,537,448	\$ 1,885,467	\$ 1,626,191	\$ 1,646,623	\$ 1,670,012	\$ 1,637,894	\$ 1,574,646	\$ 1,898,115
Employee Benefits	572,762	638,267	381,620	721,408	558,622	411,641	547,824	536,071	532,323	256,803
Water Authority Purchases	3,728,333	3,709,366	3,580,823	3,187,618	3,186,715	3,258,342	2,640,812	1,950,183	1,821,897	1,639,458
Utilities	756,540	587,397	536,644	493,318	545,476	492,809	487,310	513,363	532,195	352,364
Repairs and Maintenance	454,327	351,747	209,768	244,322	285,180	279,640	210,220	195,282	185,580	164,164
Depreciation and Amortization	2,490,740	2,319,731	2,256,969	2,210,899	2,110,060	2,083,552	1,936,624	1,911,711	1,810,513	1,747,846
Materials and Supplies	484,311	440,744	572,902	556,568	535,851	555,039	563,148	479,715	478,304	605,214
General and Administrative	593,416	608,225	403,863	529,384	488,585	483,109	417,809	499,554	307,104	384,284
Professional Services	102,934	85,034	167,756	-	-	-	-	-	-	-
Total Operating Expenses	\$ 10,942,255	\$ 10,316,816	\$ 9,647,793	\$ 9,828,984	\$ 9,336,680	\$ 9,210,755	\$ 8,473,759	\$ 7,723,773	\$ 7,242,562	\$ 7,048,248
Operating Income (Loss)	\$ 2,072,983	\$ 1,576,625	\$ 2,103,378	\$ 1,390,092	\$ 2,438,623	\$ 1,778,594	\$ 1,799,025	\$ 1,189,869	\$ 1,582,339	\$ 752,052
Nonoperating Revenues (Expenses)										
Interest and Fiscal Charges	\$ (25,656)	\$ (26,599)	\$ (29,409)	\$ (79,925)	\$ (108,515)	\$ (135,092)	\$ (168,772)	\$ (203,738)	\$ (236,459)	\$ (271,118)
Interest income	2,186	-	-	-	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$ (23,470)	\$ (26,599)	\$ (29,409)	\$ (79,925)	\$ (108,515)	\$ (135,092)	\$ (168,772)	\$ (203,738)	\$ (236,459)	\$ (271,118)
Income (Loss) Before Contributions and Transfers	\$ 2,049,513	\$ 1,550,026	\$ 2,073,969	\$ 1,310,167	\$ 2,330,108	\$ 1,643,502	\$ 1,630,253	\$ 986,131	\$ 1,345,880	\$ 480,934
Capital Contributions	934,514	1,704,251	1,264,170	680,745	955,180	199,884	520,000	483,510	95,939	124,736
Transfers In (Out)	-	-	-	172,737	-	-	-	-	-	-
Change in Net Position	\$ 2,984,027	\$ 3,254,277	\$ 3,338,139	\$ 2,163,649	\$ 3,285,288	\$ 1,843,386	\$ 2,150,253	\$ 1,469,641	\$ 1,441,819	\$ 605,670
Net Position, Beginning	\$ 51,091,629	\$ 47,837,352	\$ 44,499,213	\$ 42,335,564	\$ 39,050,276	\$ 37,206,890	\$ 35,347,301	\$ 33,877,660	\$ 32,656,517	\$ 33,599,856
Prior Period Adjustment	-	-	-	-	-	-	(290,664)	-	(220,676)	(1,549,009)
Net Position, Ending	\$ 54,075,656	\$ 51,091,629	\$ 47,837,352	\$ 44,499,213	\$ 42,335,564	\$ 39,050,276	\$ 37,206,890	\$ 35,347,301	\$ 33,877,660	\$ 32,656,517

Table 21

Town of Christiansburg, Virginia
Water and Sewer Enterprise Fund Expenses and Bond Payments
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Water										
Personal service -										
Salaries, wages, payroll taxes, and retirement	\$ 677,603	\$ 608,071	\$ 673,780	\$ 897,671	\$ 760,072	\$ 626,910	\$ 657,780	\$ 641,837	\$ 724,535	\$ 808,435
Fringe benefits - insurance	227,468	228,127	176,815	331,338	261,663	154,474	216,654	234,975	158,780	115,705
Water Authority purchases	3,728,333	3,709,366	3,580,823	3,187,618	3,186,715	3,258,342	2,640,812	1,950,183	1,821,897	1,639,458
Utilities	12,562	13,819	10,222	17,095	10,161	10,275	46,674	31,544	11,552	19,289
Repairs & maintenance	62,823	158,979	85,597	94,227	102,874	74,427	38,208	41,102	39,668	44,722
Depreciation & amortization	867,170	711,224	665,224	663,270	658,279	644,912	609,546	578,158	556,027	366,727
Materials & supplies	312,177	243,739	282,242	340,266	250,895	250,321	210,105	150,093	198,998	119,413
General & administrative	228,161	230,692	179,505	216,740	166,604	223,624	162,899	136,032	135,702	
Professional fees	70,543	12,664	30,606	15,994	-	47,454	-	-	-	-
Bond payments- principal	260,465	257,207	242,829	141,713	227,760	201,583	190,936	244,790	-	-
Bond payments- interest	25,656	26,599	29,409	51,152	76,024	68,144	82,263	105,467	-	-
Water Totals	\$ 6,472,961	\$ 6,200,487	\$ 5,957,052	\$ 5,957,083	\$ 5,697,026	\$ 5,503,446	\$ 4,916,602	\$ 4,141,048	\$ 3,647,489	\$ 3,249,451
Waste Water Operations										
Personal service -										
Salaries, wages, payroll taxes, and retirement	\$ 503,182	\$ 470,270	\$ 493,999	\$ 494,077	\$ 426,742	\$ 518,470	\$ 492,522	\$ 458,735	\$ 444,539	\$ 501,699
Fringe benefits - insurance	156,982	202,554	129,222	196,468	149,354	130,422	162,529	154,455	128,181	78,565
Utilities	113,062	122,473	105,737	97,684	96,586	92,524	108,851	205,585	103,877	102,372
Repairs & maintenance	222,644	88,502	90,188	82,267	133,526	109,253	79,523	87,135	70,861	53,303
Depreciation & amortization	632,320	624,397	1,491,639	663,270	568,071	532,297	495,581	538,678	451,616	586,172
Materials & supplies	84,243	102,222	113,814	116,499	104,846	123,310	128,625	102,698	154,658	127,421
General & administrative	176,773	170,091	157,565	107,720	104,445	112,410	121,155	83,346	119,408	126,609
Professional fees	-	13,378	39,018	23,360	-	8,324	15,826	29,881	-	-
Waste Water Totals	\$ 1,889,206	\$ 1,793,887	\$ 2,621,182	\$ 1,781,345	\$ 1,583,570	\$ 1,627,010	\$ 1,604,612	\$ 1,660,513	\$ 1,505,531	\$ 1,576,141
Waste Water Treatment Plant										
Personal service -										
Salaries, wages, payroll taxes, and retirement	\$ 578,107	\$ 497,964	\$ 369,669	\$ 493,719	\$ 439,377	\$ 501,243	\$ 519,846	\$ 537,322	\$ 529,123	\$ 587,981
Fringe benefits - insurance	188,312	207,586	75,583	193,602	147,606	126,745	168,507	146,641	121,811	62,534
Utilities	630,916	451,105	420,685	378,539	438,727	390,010	198,540	276,234	416,766	230,703
Repairs & maintenance	168,860	104,266	33,983	67,828	153,986	95,960	66,576	67,045	75,051	66,138
Depreciation & amortization	991,250	984,110	100,106	884,360	883,710	906,343	831,496	794,874	802,870	794,948
Materials & supplies	87,891	94,783	176,846	99,803	109,043	181,409	303,787	226,924	124,648	358,380
General & administrative	188,482	207,442	66,793	69,111	125,366	74,910	101,192	60,845	51,664	121,973
Professional fees	32,391	58,992	98,132	96,462	62,051	73,404	35,800	162,582	-	-
Bond payments- principal	-	-	-	566,850	684,399	680,997	829,904	776,051	987,355	755,938
Bond payments- interest	-	-	-	28,773	42,817	66,948	86,509	98,271	247,254	271,118
Waste Water Treatment Plant Totals	\$ 2,866,209	\$ 2,606,248	\$ 1,341,797	\$ 2,879,047	\$ 3,087,082	\$ 3,097,969	\$ 3,142,157	\$ 3,146,789	\$ 3,356,542	\$ 3,249,713
Totals										
Personal service -										
Salaries, wages, payroll taxes, and retirement	\$ 1,758,892	\$ 1,576,305	\$ 1,537,448	\$ 1,885,467	\$ 1,626,191	\$ 1,646,623	\$ 1,670,148	\$ 1,637,894	\$ 1,698,197	\$ 1,898,115
Fringe benefits - insurance	572,762	638,267	381,620	721,408	558,623	411,641	547,690	536,071	408,772	256,804
Water Authority purchases	3,728,333	3,709,366	3,580,823	3,187,618	3,186,715	3,258,342	2,640,812	1,950,183	1,821,897	1,639,458
Utilities	756,540	587,397	536,644	493,318	545,474	492,809	354,065	513,363	532,195	352,364
Repairs & maintenance	454,327	351,747	209,768	244,322	390,386	279,640	184,307	195,282	185,580	164,163
Depreciation & amortization	2,490,740	2,319,731	2,256,969	2,210,899	2,110,060	2,083,552	1,936,623	1,911,710	1,810,513	1,747,847
Materials & supplies	484,311	440,744	572,902	556,568	464,784	555,040	642,517	479,715	478,304	605,214
General & administrative	593,416	608,225	403,863	393,571	392,394	353,924	445,971	307,090	307,104	384,284
Professional fees	102,934	85,034	167,756	135,816	62,051	129,182	51,626	192,463	-	-
Bond payments- principal	260,465	257,207	242,829	708,563	912,159	882,580	1,020,840	1,020,841	1,019,746	755,938
Bond payments- interest	25,656	26,599	29,409	79,925	118,841	135,092	168,772	203,738	247,254	271,118
Totals	\$ 11,228,376	\$ 10,600,622	\$ 9,920,031	\$ 10,617,475	\$ 10,367,678	\$ 10,228,425	\$ 9,663,371	\$ 8,948,350	\$ 8,509,562	\$ 8,075,305

Table 22

Town of Christiansburg, Virginia
Water and Sewer Enterprise Fund Expenses and Bond Payments Breakdown
For the Year Ended June 30, 2024

	<u>Total</u>	<u>Water</u>	<u>Waste Water</u>	<u>Waste Water Treatment Plant</u>
Personal service - Salaries, wages, payroll taxes, and retirement	\$ 1,758,892	\$ 677,603	503,182	578,107
Fringe benefits - insurance	572,762	227,468	156,982	188,312
Water Authority purchases	3,728,333	3,728,333	-	-
Utilities	756,540	12,562	113,062	630,916
Repairs & maintenance	454,327	62,823	222,644	168,860
Depreciation & amortization	2,490,740	867,170	632,320	991,250
Materials & supplies	484,311	312,177	84,243	87,891
General & administrative	593,416	228,161	176,773	188,482
Professional fees	102,934	70,543	-	32,391
Bond payments- principal	260,465	260,465	-	-
Bond payments- interest	25,656	25,656	-	-
Totals	\$ 11,228,376	\$ 6,472,961	\$ 1,889,206	\$ 2,866,209

Town of Christiansburg, Virginia
 Proprietary Fund Business-type Activities Storm Water Statement of Revenues, Expenses, and Changes in Net Position
 Last Ten Fiscal Years (1)

	Fiscal Year							
	2024	2023	2022	2021	2020	2019	2018	2017
Operating Revenues								
Charges for Services:								
Storm water monthly fees	\$ 1,500,659	\$ 1,497,256	\$ 1,437,097	\$ 1,475,327	\$ 1,436,821	\$ 1,388,141	\$ 1,350,405	\$ 1,366,949
Storm water maintenance & transfer fees	-	-	42,788	-	-	32,210	29,226	30,319
Penalties and Other	-	-	-	-	-	11,940	5,772	708
Total Operating Revenues	<u>\$ 1,500,659</u>	<u>\$ 1,497,256</u>	<u>\$ 1,479,885</u>	<u>\$ 1,475,327</u>	<u>\$ 1,436,821</u>	<u>\$ 1,432,291</u>	<u>\$ 1,385,403</u>	<u>\$ 1,397,976</u>
Operating Expenses								
Salaries and Wages	\$ 528,252	\$ 422,269	\$ 395,377	\$ 443,758	\$ 408,163	\$ 325,690	\$ 282,376	\$ 167,432
Employee Benefits	194,899	189,583	164,380	210,707	173,663	129,947	84,439	25,831
Depreciation and Amortization	248,860	235,727	222,736	206,672	153,691	122,341	99,164	34,143
Materials and Supplies	86,236	75,345	63,902	54,627	67,348	56,543	49,758	73,338
General and Administrative	29,082	29,715	37,304	39,599	31,697	73,387	30,154	100,704
Professional Services	37,719	33,403	12,439	3,429	4,846	60,049	650,776	-
Total Operating Expenses	<u>\$ 1,125,048</u>	<u>\$ 986,042</u>	<u>\$ 896,138</u>	<u>\$ 958,792</u>	<u>\$ 839,408</u>	<u>\$ 767,957</u>	<u>\$ 1,196,667</u>	<u>\$ 401,448</u>
Operating Income (Loss)	\$ 375,611	\$ 511,214	\$ 583,747	\$ 516,535	\$ 597,413	\$ 664,334	\$ 188,736	\$ 996,528
Nonoperating Revenues (Expenses)								
Loss on Disposal of Fixed Assets	\$ -	\$ -	\$ (57,200)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Nonoperating Revenues (Expenses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (57,200)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Income (Loss) Before Contributions and Transfers	\$ 375,611	\$ 511,214	\$ 526,547	\$ 516,535	\$ 597,413	\$ 664,334	\$ 188,736	\$ 996,528
Capital Contributions	121,649	578,400	1,192,531	395,949	524,363	988,811	657,024	489,808
Transfers In (Out)	-	186,676	-	2,370	-	-	-	-
Change in Net Position	<u>\$ 497,260</u>	<u>\$ 1,276,290</u>	<u>\$ 1,719,078</u>	<u>\$ 914,854</u>	<u>\$ 1,121,776</u>	<u>\$ 1,653,145</u>	<u>\$ 845,760</u>	<u>\$ 1,486,336</u>
Net Position, Beginning	\$ 10,310,422	\$ 9,034,132	\$ 7,315,054	\$ 6,400,200	\$ 5,278,424	\$ 3,625,279	\$ 2,040,405	\$ -
Prior Period Adjustment	-	-	-	-	-	-	739,114	554,069
Net Position, Ending	<u>\$ 10,807,682</u>	<u>\$ 10,310,422</u>	<u>\$ 9,034,132</u>	<u>\$ 7,315,054</u>	<u>\$ 6,400,200</u>	<u>\$ 5,278,424</u>	<u>\$ 3,625,279</u>	<u>\$ 2,040,405</u>

(1) The Stormwater fund was created at the beginning of fiscal year 2017 annual data will be presented going forward.

COMPLIANCE SECTION

**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

**To the Honorable Members of Town Council
Town of Christiansburg, Virginia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Christiansburg, Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Christiansburg, Virginia's basic financial statements, and have issued our report thereon dated October 31, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Christiansburg, Virginia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Christiansburg, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Christiansburg, Virginia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

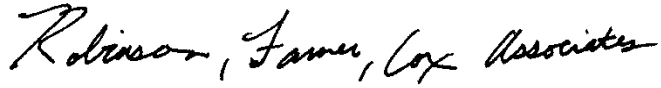
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Christiansburg, Virginia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Robinson, Famer, Cox Associates". The script is cursive and fluid.

Blacksburg, Virginia
October 31, 2024

**Independent Auditors' Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance**

To the Honorable Members of Town Council
Town of Christiansburg, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Town of Christiansburg, Virginia's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Town of Christiansburg, Virginia's major federal programs for the year ended June 30, 2024. Town of Christiansburg, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Town of Christiansburg, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Town of Christiansburg, Virginia and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Town of Christiansburg, Virginia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Town of Christiansburg, Virginia's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Town of Christiansburg, Virginia's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Town of Christiansburg, Virginia's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Town of Christiansburg, Virginia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Town of Christiansburg, Virginia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Town of Christiansburg, Virginia's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Report on Internal Control over Compliance (Continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Robinson, Famer, Cox Associates

Blacksburg, Virginia
October 31, 2024

Town of Christiansburg, Virginia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
Department of Justice:			
Direct payments:			
Equitable Sharing Program	16.922	Not applicable	\$ 9,064
Bulletproof Vest Partnership Program	16.607	Not applicable	2,912
Total Department of Justice			<u>\$ 11,976</u>
Department of Homeland Security:			
Pass Through Payments:			
Virginia Department of Emergency Management:			
Emergency Management Performance Grants	97.042	Not available	<u>\$ 5,611</u>
Department of Transportation:			
Pass Through Payments:			
Virginia Department of Motor Vehicles:			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	BPT-2024-54243-24243	\$ 8,591
Alcohol Open Container Requirements	20.607	ENF_AL-2023-53354-23354	\$ 589
Alcohol Open Container Requirements	20.607	ENF_AL-2024-54246-24246	<u>6,367</u>
Virginia Department of Transportation:			6,956
Highway Planning and Construction:			
Highway Planning and Construction	20.205	0011-154-255	\$ 23,537
Highway Planning and Construction	20.205	EN-20-154-251	13,964
Highway Planning and Construction	20.205	EN-20-154-252	11,339
Highway Planning and Construction	20.205	EN18-154-236	601,420
Highway Planning and Construction	20.205	EN22-154-267	55,179
Highway Planning and Construction	20.205	EN22-154-268	41,311
Highway Planning and Construction	20.205	EN22-154-269	50,895
Highway Planning and Construction	20.205	EN22-154-270	77,411
Highway Planning and Construction	20.205	0011-154-263	315,327
Highway Planning and Construction	20.205	0011-154-265	309,633
Highway Planning and Construction	20.205	0014-154-266	251,977
Highway Planning and Construction	20.205	0014-154-274	15,090
Highway Planning and Construction	20.205	0011-154-254	<u>201,817</u>
			1,968,900
Total Department of Transportation			<u>\$ 1,984,447</u>
Department of Treasury:			
Direct payments:			
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	Not applicable	\$ 80,642
Pass Through Payments:			
Virginia Department of Environmental Quality:			
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	SCS-21	95,040
Virginia Department of Housing and Community Development:			
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	Not available	59,161
Virginia Department of Criminal Justice Services:			
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	Not available	<u>171,679</u>
			\$ 406,522
Department of Housing and Urban Development:			
Direct payments:			
Community Development Block Grants/Entitlement Grants	14.218	Not applicable	\$ 83,068
CDBG-Entitlement Grants Cluster:			
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	Not applicable	<u>4,179</u>
Total Department of Housing and Urban Development			<u>\$ 87,247</u>

Town of Christiansburg, Virginia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
Appalachian Regional Commission:			
Pass Through Payments:			
Virginia Department of Housing and Community Development:			
Appalachian Regional Development	23.001	Not available	\$ 2,500
Total Expenditures of Federal Awards			<u>\$ 2,498,303</u>

Notes to Schedule of Expenditures of Federal Awards

Note 1 -- Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Christiansburg, Virginia under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Christiansburg, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Christiansburg, Virginia.

Note 2 -- Summary of Significant Accounting Policies

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Pass-through entity identifying numbers are presented where available.

Note 3 -- De Minimis Cost Rate

The Town did not elect to use the 10 percent de minimis indirect cost rate as it typically only requests direct costs for reimbursement.

Note 4 -- Subrecipients

The Town did not have any subrecipients during 2024.

Note 5 -- Relationship to the Financial Statements:

Federal expenditures, revenues and capital contributions are reported in the Town's basic financial statements as follows:

Intergovernmental federal revenues and other reconciling items per the basic financial statements:

Primary government:

Special Revenue Funds - nonmajor	\$ 357,591
ARPA Fund	80,642
Water and Sewer Fund	95,040
Equitable sharing funds received but not spent	(3,870)
Capital Projects Fund	1,968,900
Total expenditures of federal awards per basic financial statements	<u>\$ 2,498,303</u>

Town of Christiansburg, Virginia
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

Identification of major programs:

<u>Assistance Listing #</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

There are no financial statement findings to report.

Section III - Federal Award Findings and Questioned Costs

There are no federal award findings and questioned costs to report.

Town of Christiansburg, Virginia
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2024

There were no prior audit findings.