



# City of Waynesboro, Virginia

*Annual Comprehensive Financial Report  
Prepared by the Finance Department  
June 30, 2024*



**CITY OF WAYNESBORO, VIRGINIA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2024**

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**CITY OF WAYNESBORO, VIRGINIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2024**

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## ***INTRODUCTORY SECTION***

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**CITY OF WAYNESBORO, VIRGINIA**  
**(As of June 30, 2024)**

**COUNCIL**

Lana Williams, Mayor  
James “Jim” Wood, Vice Mayor  
Terry Short Jr.  
Bruce Allen  
Kenneth “Kenny” Lee  
Julia Bortle, Clerk

**OFFICIALS**

Michael G. Hamp, II	City Manager/City Auditor
Stephanie M. Beverage	City Treasurer
Sabrina Von Schilling	Commissioner of the Revenue
Mary Honbarrier	City Assessor
David L. Ledbetter	Commonwealth's Attorney
Dr. Jeffrey Cassell	Superintendent of Schools
Sherry McClanahan	Director of Social Services
Christopher Johnson, Jr.	Sheriff
Nicole A. Briggs	Clerk of Circuit Court

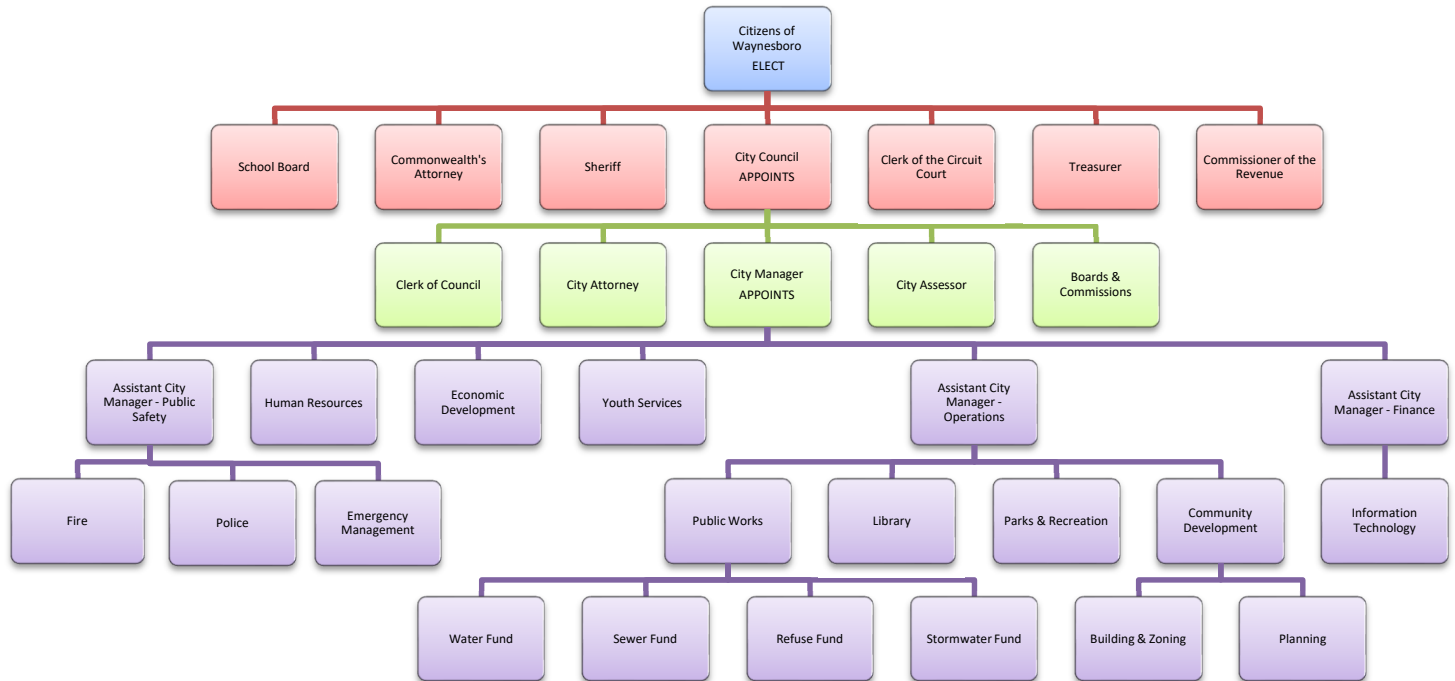
**SCHOOL BOARD**

Debra Freeman, Chair  
Amber Lipscomb, Vice Chair  
Erika Smith  
Harry Richard Wheeler, Jr.  
Diana L. Williams  
Vonda A. Hutchinson, Clerk

**ECONOMIC DEVELOPMENT AUTHORITY**

George Reed, Chair  
Tami Radecke, Vice Chair  
Brenda Arkward  
Kelly Maggi  
Chanda McGuffin  
Chris Ornelas  
Mark Snyder  
Gregory Hitchin, Secretary/Treasurer

## 2024 City of Waynesboro Organizational Chart



### BOARDS AND COMMISSIONS APPOINTED BY CITY COUNCIL

Senior Advocacy Commission • Historical Commission • Planning Commission • Parks & Recreation Commission • Flood and Stormwater Control Commission • Cultural Commission • Transportation Safety Commission • Airport Commission • Library Board • Economic Development Authority • Disability Services Board • Redevelopment & Housing Authority • Housing Rehabilitation Advisory Board (2 Year Board) • Building Code Appeals • Local Emergency Planning Commission

### OTHER AGENCIES & BOARDS

Courts • Registrar of Voters • Board of Elections • Valley CSB • Central Shenandoah Regional Planning Commission • Middle River Regional Jail • Regional Landfill • Central Shenandoah EMS Council • Regional Youth Commission • Board of Zoning Appeals • Board of Equalization • Social Services Advisory Board • Health Department • Board of Health • Airport Commission • CAP-SAW • SPCA • Bicycle Advisory Committee • Valley Program for Aging • BRCC Board • Blue Ridge Criminal Justice Board • Shenandoah Valley Partnership • Coordinated Area Transportation System (CATS) • Waynesboro City School Board • Artisan's Center of Virginia Board of Directors • Virginia Alcohol Safety Action Program (VASAP)



## ***FINANCIAL SECTION***

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the City Council  
City of Waynesboro, Virginia  
Waynesboro, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Waynesboro, Virginia (the "City") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Waynesboro, Virginia, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Augusta Regional Landfill. The City's share of this undivided interest represents the ACSA Joint Landfill Fund. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Augusta Regional Landfill, is based on the report of the other auditors.

#### *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 *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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Waynesboro, 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.

### ***Management's Responsibilities for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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 the City'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.

### ***Auditor's 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 auditor's 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 the City of Waynesboro, 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 City of Waynesboro, 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 and other required supplementary information, 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 assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Waynesboro, Virginia's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, budgetary comparison schedules, capital asset 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 nonmajor fund financial statements, budgetary comparison schedules, capital asset 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 auditor's 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 November 20, 2024 on our consideration of the City'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 the City'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 City's internal control over financial reporting and compliance.

*Brown, Edwards & Company, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia  
November 20, 2024

The management of the City of Waynesboro offers the readers of the City of Waynesboro's financial statements this narrative overview and analysis of the City's financial position for the fiscal year ended June 30, 2024. This analysis is a cursory overview and is meant to be considered as a companion document to the *Financial Statements* and *Notes* that follow.

### Financial Highlights

- The total assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$119,895,747. Of this amount, \$26,944,834 (unrestricted net position) may be used to satisfy the primary government's obligations to citizens and creditors.
- The City's total net position related to the primary government increased by \$20,072,092 compared to 2023.
- As of the end of 2024, the City's governmental funds reported a combined ending fund balance of \$50,665,897 – an increase of \$4,593,660 in comparison to the prior year. Of this amount, \$1,209,652 is shown as an increase to the fund balance of the General Fund, \$324,150 as a decrease to the fund balance of the Bond Fund, \$3,640,188 as an increase to fund balance of the Capital Improvements Fund, and \$67,970 as an increase to the fund balance of Other Governmental Funds.
- The City has a formal policy regarding the General Fund's fund balance. The policy states that the City will maintain a fund balance for cash liquidity purposes that will provide sufficient cash flow. This balance will be maintained in committed fund balance in the General Fund and will be no less than 16% of the next year's General Fund adopted budget. Accordingly, General Fund committed fund balance should be no less than \$10,514,474. There were sufficient funds in committed fund balance at the end of 2024 to satisfy this policy.
- The City's total long-term liabilities at the close of 2024, including governmental and business type activities, were \$69,678,521. During fiscal year 2024, the City retired a total of \$5,025,014, predominantly through principal reductions. Over the same period, the City added a total of \$582,634 in new long-term obligations, primarily due to an increase in net pension liability. At the close of the fiscal year, the amount of debt principal payments and other liabilities due within one year was \$12,704,605 (See Note 9 for relevant disclosures regarding the City's long-term debt.)

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Waynesboro's basic financial statements which are comprised of three main components: 1) government-wide financial statements, 2) fund financial statements and budgetary comparisons, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements. Condensed comparative information is provided this year and will continue to be added, the goal being to achieve a ten-year comparison for all information reported.

**Government-wide financial statements** are designed to provide readers with a broad overview of the City of Waynesboro's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City of Waynesboro's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the four reported as *net position*. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City of Waynesboro is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. Changes are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish between the functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) and other functions that recover all or a significant portion of their costs from user fees and charges (business-type activities). The governmental activities of the City of Waynesboro include general government, judicial administration, public safety, street maintenance, education, parks and recreation, and community development. The business-type activities include water, sewer, refuse collection, stormwater and the joint Augusta County Service Authority landfill operations.

The government-wide financial statements include not only the City of Waynesboro itself (known as the primary government), but also a legally separate school board (component unit) for which the City of Waynesboro is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Waynesboro uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Waynesboro can be divided into three categories: governmental, proprietary, and fiduciary.

- **Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. These two statements, read together, will give the reader a better understanding of the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. The City has three major governmental funds--the General Fund, Bond Fund, and Capital Improvements Fund. There are seven non-major governmental funds. Fund financial statements immediately follow the government-wide financial statement section
- **Proprietary funds.** The City of Waynesboro maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-like activities in the government-wide financial statements. The City of Waynesboro uses enterprise funds to account for water, sewer, refuse collection, stormwater, and the joint Augusta County Service Authority landfill operations. Internal Service funds are used to report activities of the City's Store and Equipment funds which account for inventory supplies for City operations and maintenance of the City's equipment fleet, respectively. It is important to note that the proprietary funds are accounted for on a full accrual basis, whereas the governmental funds are accounted for using a modified accrual basis.
- **Fiduciary funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. No such funds were reported during 2024.

**Notes to the financial statements** provide additional information that is essential to a full understanding of the data provided in both government-wide and fund financial statements.

## Government-Wide Financial Analysis

As noted earlier, a comparison of net position over several years can serve as a useful indicator of a government's financial position. In the case of the City, total primary government assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$119,895,747 at the close of fiscal year 2024. Capital assets (e.g., land, buildings, machinery, and equipment) in 2024 comprise approximately 53% of total assets, which is slightly less than 2023. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although their value is reported net of related debt, it should be noted that the resources needed to repay this debt must be derived from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	73,129,278	67,667,834	24,185,643	20,381,775	97,314,921	88,049,609
Capital assets	50,183,261	44,371,074	57,645,115	58,610,323	107,828,376	102,981,397
<b>Total assets</b>	<b>123,312,539</b>	<b>112,038,908</b>	<b>81,830,758</b>	<b>78,992,098</b>	<b>205,143,297</b>	<b>191,031,006</b>
Deferred charges	41,694	60,140	409,029	482,139	450,723	542,279
Deferred losses	6,292,115	8,084,582	1,210,179	1,619,144	7,502,294	9,703,726
<b>Total deferred outflows of resources</b>	<b>6,333,809</b>	<b>8,144,722</b>	<b>1,619,208</b>	<b>2,101,283</b>	<b>7,953,017</b>	<b>10,246,005</b>
Current and other liabilities	23,287,545	15,837,475	4,358,699	3,730,718	27,646,244	19,568,193
Long-term liabilities outstanding	34,627,888	44,135,327	22,346,028	25,004,822	56,973,916	69,140,149
<b>Total liabilities</b>	<b>57,915,433</b>	<b>59,972,802</b>	<b>26,704,727</b>	<b>28,735,540</b>	<b>84,620,160</b>	<b>88,708,342</b>
Unavailable revenue	-	-	-	-	-	-
Leases	115,361	158,460	-	-	115,361	158,460
Deferred gains	7,111,806	10,490,454	1,353,240	2,096,100	8,465,046	12,586,554
<b>Total deferred inflows of resources</b>	<b>7,227,167</b>	<b>10,648,914</b>	<b>1,353,240</b>	<b>2,096,100</b>	<b>8,580,407</b>	<b>12,745,014</b>
Net position:						
Invested in capital assets, net of related debt	47,392,890	41,437,151	38,592,644	34,028,168	85,985,534	75,465,319
Restricted and Nonexpendable	6,965,379	7,012,929			6,965,379	7,012,929
Unrestricted	10,145,479	1,111,834	16,799,355	16,233,573	26,944,834	17,345,407
<b>Total net position</b>	<b>64,503,748</b>	<b>49,561,914</b>	<b>55,391,999</b>	<b>50,261,741</b>	<b>119,895,747</b>	<b>99,823,655</b>

### Summary of Net Position

Approximately 11% of the governmental activities net position represents resources that are subject to external restrictions on how they may be used. Grants, donations, perpetual care funds, and cash set aside for capital projects comprise the restricted assets of the City. Grants and donations are normally designated for a specific purpose. The perpetual care funds are restricted in accordance with the *Code of the City of Waynesboro*, §26-6, Perpetual Care Trust Fund Reserve. The funds held for debt service are in accordance with City Council and School Board resolutions.

Overall, the City's net position increased by \$20,072,092 compared to 2023. This increase is the net effect of a \$5,130,258 increase in the net position of the business-type activities, and a \$14,941,834 increase in the net position of the governmental activities.

The table on the following page provides comparison information from 2023 to 2024 related to revenues and expenses of governmental and business-type activities. Revenues are broken down into program and general types. Program revenues consist of charges for services, operating grants and contributions, and capital contributions. General revenues include such sources as taxes on property, retail sales, business licenses, communications, meals, lodging, etc.

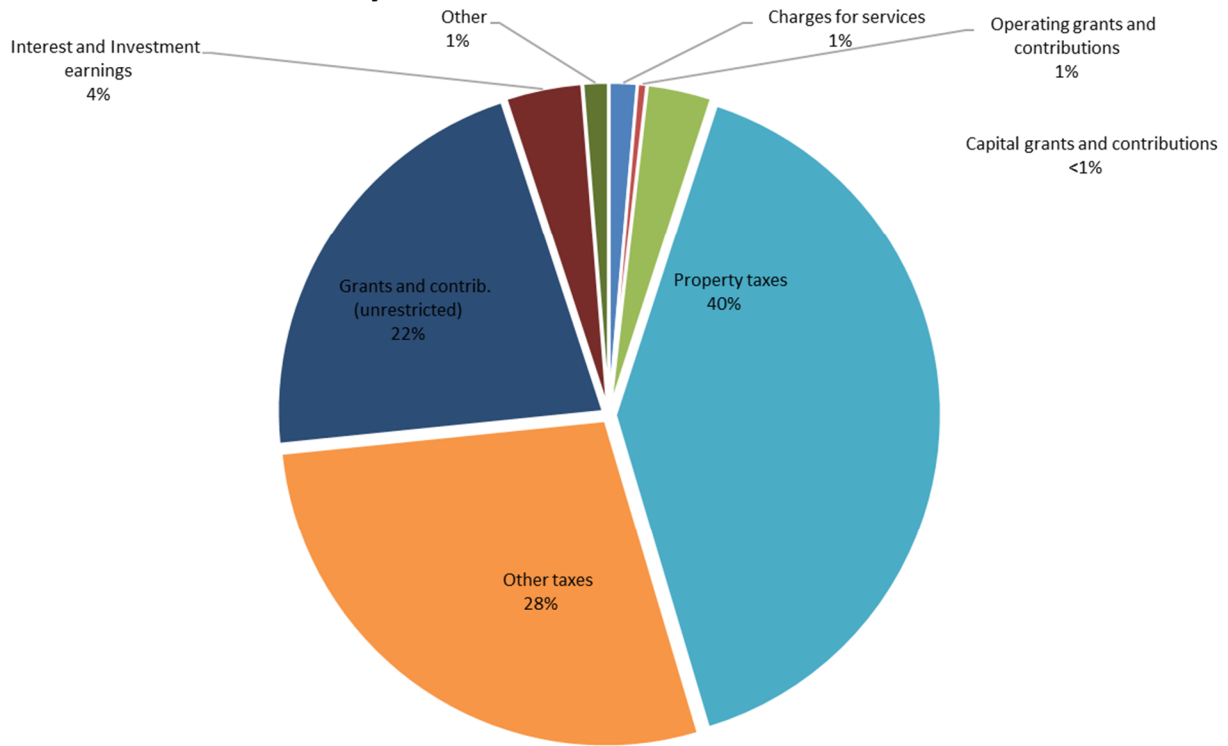
When compared to 2023, total revenues from Governmental Activities increased by \$6,859,829, primarily comprised of increases for capital grants and contributions (\$1.2M), property taxes (\$2.8M), other taxes (\$1.1M), and interest and investment earnings (\$1.1M). When compared to 2023, total expenditures of Governmental Activities increased by \$4,742,590; with significant increases to public works (\$1.7M), public safety (\$0.9M) and education (\$1.2M). Overall, the change in the Governmental net position was an increase of \$13,267,783 before transfers, and \$14,941,834 after transfers of \$1,674,051 are taken into consideration.



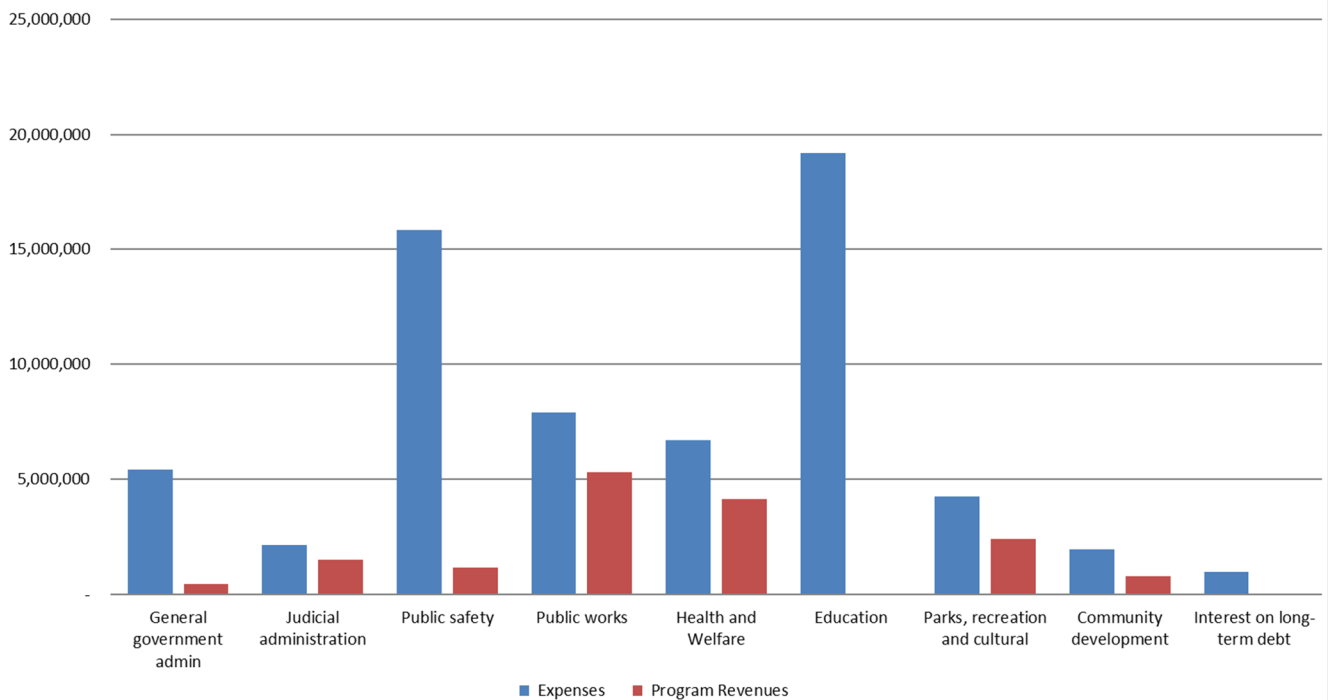
In comparison to 2023, Business-type revenues derived from charges for services increased in 2024 by 8.4%, while total revenues increased by 7.8%. Combined expenses across the business-type funds increased by a total of 1.1%.

City of Waynesboro, Virginia						
Changes in Net Position						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
<b>Revenues by source:</b>						
Program Revenues						
Charges for services	1,068,480	909,314	17,400,068	16,049,033	18,468,548	16,958,347
Operating grants and contributions	352,263	314,624	661,937	243,963	1,014,200	558,587
Capital grants and contributions	2,476,340	1,273,903	776,261	1,551,950	3,252,601	2,825,853
General Revenues						
Property taxes	31,312,103	28,500,072	-	-	31,312,103	28,500,072
Other taxes	21,729,484	20,656,196	-	-	21,729,484	20,656,196
Grants and contrib. (unrestricted)	16,717,159	16,357,264	-	-	16,717,159	16,357,264
Interest and Investment earnings	2,938,856	1,865,230	929,685	503,229	3,868,541	2,368,459
Other	981,407	839,659	30,699	14,191	1,012,106	853,850
Total Revenues	77,576,092	70,716,262	19,798,650	18,362,366	97,374,742	89,078,628
<b>Expenses by activity:</b>						
Governmental activity						
General government admin	5,423,317	5,673,323	-	-	5,423,317	5,673,323
Judicial administration	2,142,498	1,841,772	-	-	2,142,498	1,841,772
Public safety	15,827,116	14,950,241	-	-	15,827,116	14,950,241
Public works	7,900,457	6,154,800	-	-	7,900,457	6,154,800
Health and Welfare	6,673,706	6,584,601	-	-	6,673,706	6,584,601
Education	19,199,151	17,980,830	-	-	19,199,151	17,980,830
Parks, recreation and cultural	4,235,207	3,656,253	-	-	4,235,207	3,656,253
Community development	1,945,599	1,667,417	-	-	1,945,599	1,667,417
Interest on long-term debt	961,258	1,056,482	-	-	961,258	1,056,482
Business-type activities						
Water	-	-	4,049,117	4,047,466	4,049,117	4,047,466
Sewer	-	-	5,615,002	5,534,323	5,615,002	5,534,323
Landfill operations	-	-	1,165,402	1,133,025	1,165,402	1,133,025
Refuse	-	-	1,137,522	1,109,335	1,137,522	1,109,335
Stormwater	-	-	1,027,298	1,025,810	1,027,298	1,025,810
Total Expenses	64,308,309	59,565,719	12,994,341	12,849,959	77,302,650	72,415,678
Change in net position before transfers	13,267,783	11,150,543	6,804,309	5,512,407	20,072,092	16,662,950
Transfers	1,674,051	1,849,051	(1,674,051)	(1,849,051)	-	-
Increase (decrease) in net position	14,941,834	12,999,594	5,130,258	3,663,356	20,072,092	16,662,950
Net position - beginning	49,561,914	36,562,319	50,261,741	46,598,385	99,823,655	72,361,601
Net position - ending	64,503,748	49,561,914	55,391,999	50,261,741	119,895,747	99,023,655

## Revenues by Source - Governmental Activities

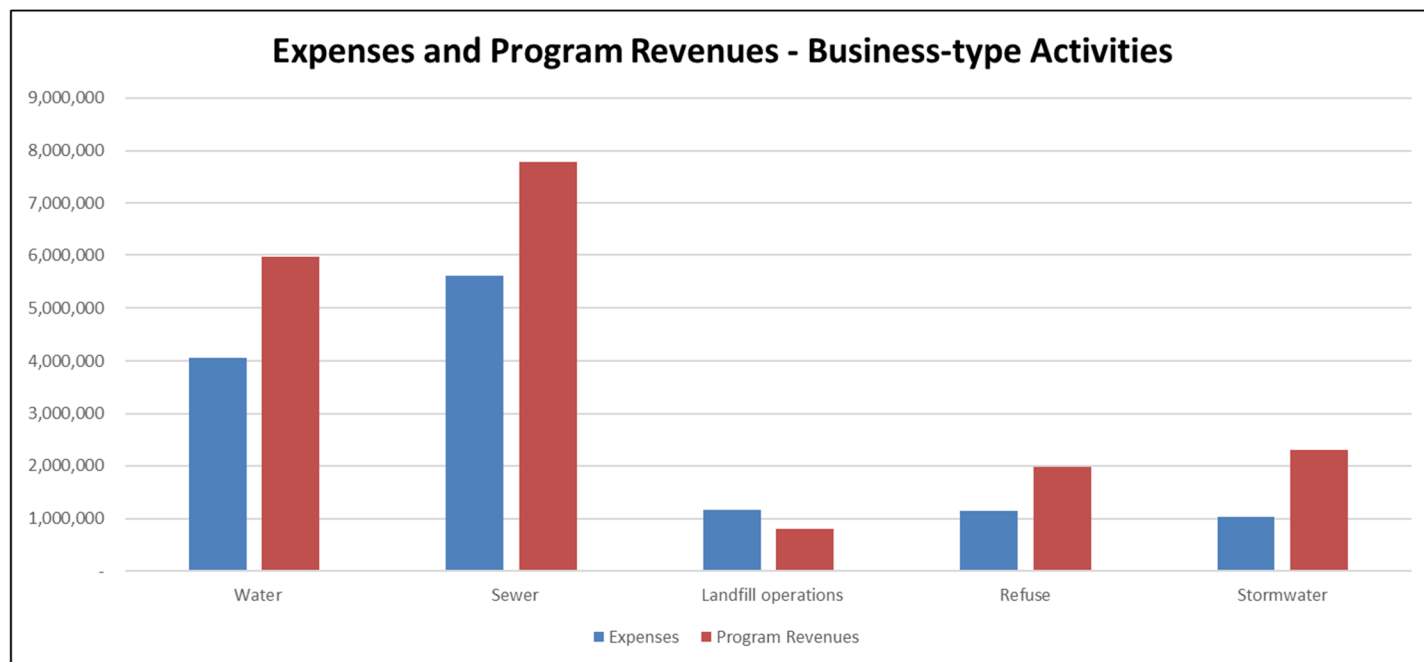


## Expenses and Program Revenues - Governmental Activities



The pie chart on the previous page provides a visual breakdown of revenues by source for governmental activities indicating each source's percentage of total revenue. The bar chart depicts program revenues available during 2024 compared to the expenses incurred for governmental activities during 2024. The difference between program revenue and expenses or merely the lack of program revenues for some expenses is compensated for by non-programmatic/non-categorical General Fund revenues.

As depicted in the bar graph below, revenues exceeded associated expenditures for all business-type activities in 2024 excluding Landfill operations.



### Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**General Fund.** The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,898,721, while total fund balance was \$33,249,050. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to total fund expenditures. Unassigned fund balance represents approximately 3% of total fund expenditures, while total fund balance represents approximately 59% of the total fund expenditures.

The fund balance of the City's General Fund increased by \$1,209,652 during 2024. Positive variances in general property tax revenue, other local tax revenue, revenue from use of money and property, state revenues, and public works expenditures being less than budget contributed to the increase.

**Bond Fund.** The Bond Fund is the fund in which bonds are tracked for the City. At the end of 2024, fund balance was \$3,160, a decrease of \$324,150 from the prior year. This fund is intended to spend bond proceeds, so large swings in fund balance are common during issuance and spend down periods.

**Capital Projects Fund.** Is used to track major capital projects for the city. There was fund balance of \$15,767,024 in this fund as of June 30, 2024, all of which is committed. This is an increase of \$3,640,188, which is mostly caused by projects being planned and saved for now that will begin in future years.

**Other non-major funds.** As of June 30, 2024, the fund balance for the other governmental funds was \$1,646,663. This fund balance amount represents 16% of the total of all other non-major fund expenditures. The net change in fund balance was an increase of \$67,970.

**Proprietary funds.** At the end of 2024, the total net position of the enterprise funds was \$55,391,999. This figure represents an increase in net position of \$5,130,258 compared to 2023. The total net assets of the internal services fund at the end of 2024 were \$6,683,157 which represents an increase from 2023 of \$476,063.

### **Budgetary Highlights**

The City's annual budget, which is prepared on an operating basis, includes revenues and annual appropriations for the proprietary funds as well as the accounts that comprise the general fund. The following points summarize the budgeting changes from the original to the final budget. Exhibit 10 of the main body of this report delineates the changes from original budget to final and a detailed comparison of final budget versus actual revenues and expenses.

- General Fund final budgeted revenues were \$698,390 greater than originally budgeted revenues. The increase is comprised primarily of additional appropriations for state and federal revenue.
- General Fund final budgeted expenses were \$5,671,630 greater than originally budgeted expenses. The primary factor for the increase is adjustments made at the time prior year encumbrances were rolled to the new fiscal year totaling \$3,864,413 and appropriations for the use of fund balances.
- General Fund's actual revenues were \$8,279,036 greater than final budgeted revenues, representing a variance of approximately 13.7%. The primary drivers of this positive variance were actual receipts exceeding the budgeted amounts in the following categories: general property taxes (\$2 million), local sales and use tax (\$2.5M), revenue from the use of money and property (\$2.3M) and state revenue (\$1.2M).
- General Fund's actual expenditures were \$3,792,591 less than final budgeted expenditures, representing a variance of 6.3%. This variance is due to several factors, including general vacancy savings in salaries and fringe benefits as well as a significant positive variance in public works (\$2.3M) and items that have been encumbered (\$2.1M) but the items did not meet the criteria for accrual.

## Capital Asset and Debt Administration

**Capital Assets.** The City's investment in capital assets includes land, buildings, improvements other than buildings, equipment, and construction work in progress. The City had a total investment in capital assets of \$107,828,376 for its governmental and business-type activities as of June 30, 2024.

Total capital assets attributed to governmental activities increased by \$5,812,187 while total capital assets attributed to the business-type activities decreased by \$965,208. The decreases were due to depreciation exceeding acquisitions in both cases. (See note 7 for detailed information regarding the City's capital assets)

Major capital asset events during fiscal year 2024 included the following:

- The Sunset Park, 4<sup>th</sup> Street Sidewalk, and Fire House bunkroom renovation projects were completed during fiscal year 2024.
- Work continued on the South River Greenway Phase III, South River Preserve, and Loth Springs Natural Area projects.
- Preliminary work for the West End Fire Station continued.
- Two buildings were purchased to be used for administrative purposes.
- New vehicles and equipment were purchased for multiple departments including vehicles for police, utilities, and parks and recreation.
- Various other capital needs were filled including an elevator upgrade at the library.

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2022
Land	9,979,234	9,850,934	438,268	438,268	10,417,502	10,289,202
Buildings	10,383,790	7,968,557	35,583,034	36,523,820	45,966,824	44,492,377
Improvements other than buildings	6,994,287	4,350,671	18,752,894	19,286,213	25,747,181	23,636,884
Machinery and equipment	4,244,203	3,801,657	2,406,168	1,995,622	6,650,371	5,797,279
Infrastructure	13,714,980	13,966,181	-	-	13,714,980	13,966,181
Leases	154,246	190,137	-	-	154,246	190,137
Construction in Progress	4,712,521	4,242,937	464,751	366,400	5,177,272	4,609,337
<b>Total Capital Assets</b>	<b>50,183,261</b>	<b>44,371,074</b>	<b>57,645,115</b>	<b>58,610,323</b>	<b>107,828,376</b>	<b>102,981,397</b>

**Long-term debt.** As of June 30, 2024, the City of Waynesboro holds a bond ratings from Moody's Investor Service of Aa2 and Standard & Poor's of AA. Ratings are only issued when bonds are in the process of being sold. Moody's issues ratings from Aaa to C to designate the relative investment qualities of bonds, with numerical (1-3) modifiers that indicate the obligation ranking within a rating category; Standard & Poor's issues ratings from AAA to D.

The Code of Virginia and the City's Charter limit the amount of general obligation debt that may be issued to ten percent of the total assessed value of taxable real property. Based on this limitation, the City's outstanding GO debt cannot exceed \$282,524,204.

<b>City of Waynesboro Outstanding Debt</b>						
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2022</b>
GO bonds	28,586,479	30,697,095	11,935,791	13,107,654	40,522,270	43,804,749
VA Revolving Loans	-	-	11,310,952	12,980,079	11,310,952	12,980,079
<b>Total O/S Debt</b>	<b>28,586,479</b>	<b>30,697,095</b>	<b>23,246,743</b>	<b>26,087,733</b>	<b>51,833,222</b>	<b>56,784,828</b>

The table above provides comparative information related to the City's long-term outstanding debt. As of June 30, 2024, the City had long-term debt outstanding of \$51,833,222; \$23,246,743 was for business-type activities and \$28,586,479 for governmental activities. The amount of debt principal payments due within one year for governmental activities is \$9,927,594, and \$2,644,848 for business-type activities. These debt payments were budgeted as expenditures in the 2024 annual appropriation ordinance. Of the total outstanding debt listed in the governmental activities' column, \$2,526,490 is related to general government capital projects. The remaining debt outstanding is related to School Board-component unit projects. (See Note 9 for relevant disclosures regarding the City's outstanding debt.)

#### **Economic Factors and Next Year's Budget and Rates**

- The fiscal year 2025 general fund budget was adopted at \$65,715,464, an increase of \$4,183,710 when compared to the 2024 budget.
- The real property tax rate remained at \$0.77 on every \$100.00 of assessed value.
- The personal property tax rate for all machinery and tools and business personal property remained at a rate of \$3.25 per \$100 of value, while the motor vehicle rate remained at \$3.25 per \$100 of value.
- The City funded a projected increase in health insurance premiums of about 10%.
- The water rate for consumption was increased by 2%; the refuse rate increased by \$2.00 to \$22.00/month while the sewer rate increased by 5.5%.
- According to the Virginia Employment Commission, the unemployment rate for the City of Waynesboro as of June 2024 was 3.0%, compared to 2.9% as of June of 2023. This compares favorably with the national rate of 4.3% for the same period, and is nearly equal to the Commonwealth's rate of 3.0%.

#### **Requests for Information**

This financial report is designed to provide a general overview of the City of Waynesboro's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Assistant City Manager, 503 W. Main Street, Room 206, Waynesboro, VA 22980.

Copies of this report may be downloaded from the City's website at [www.waynesboro.va.us](http://www.waynesboro.va.us).

## ***BASIC FINANCIAL STATEMENTS***

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***GOVERNMENT-WIDE FINANCIAL STATEMENTS***

**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

Exhibit 1

	Primary Government			Component Unit
	Governmental	Business-type	Total	School Board
	Activities	Activities		
<b>ASSETS</b>				
Cash and cash equivalents	\$ 63,122,056	\$ 16,170,246	\$ 79,292,302	\$ 8,651,093
Investments	348,592	-	348,592	-
Receivable (net of allowance for uncollectibles):				
Taxes, including penalties	2,639,418	-	2,639,418	-
Accounts	1,222,950	3,777,916	5,000,866	49,945
Notes	644,420	-	644,420	-
Interest	303,629	-	303,629	-
Leases	115,361	-	115,361	76,736
Due from other governments	4,028,884	362,895	4,391,779	1,515,332
Inventories	33,572	704,577	738,149	-
Permanently restricted:				
Cash and cash equivalents	670,396	-	670,396	-
Investment in landfill joint venture	-	3,170,009	3,170,009	-
Net pension asset	-	-	-	215,822
Capital assets not being depreciated:				
Land	9,979,234	438,268	10,417,502	811,907
Construction in progress	4,712,521	464,751	5,177,272	997,458
Capital assets, net of accumulated depreciation and amortization:				
Buildings and systems	10,383,790	35,583,034	45,966,824	63,946,615
Improvements other than buildings	6,994,287	18,752,894	25,747,181	274,435
Machinery and equipment	4,244,203	2,406,168	6,650,371	3,231,170
Infrastructure	13,714,980	-	13,714,980	-
Lease assets	154,246	-	154,246	1,714,027
SBITA assets	-	-	-	61,535
Total assets	<u>123,312,539</u>	<u>81,830,758</u>	<u>205,143,297</u>	<u>81,546,075</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	41,694	409,029	450,723	-
Deferred outflow on OPEB obligation	793,113	154,087	947,200	1,754,263
Deferred outflow on pension obligation	5,499,002	1,056,092	6,555,094	9,315,883
Total deferred outflows of resources	<u>6,333,809</u>	<u>1,619,208</u>	<u>7,953,017</u>	<u>11,070,146</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	5,548,882	1,436,144	6,985,026	5,033,349
Accrued interest payable	448,278	247,584	695,862	-
Unearned revenue	7,260,751	-	7,260,751	905,355
Noncurrent liabilities:				
Due within one year	10,029,634	2,674,971	12,704,605	289,575
Due in more than one year	34,627,888	22,346,028	56,973,916	34,154,214
Total liabilities	<u>57,915,433</u>	<u>26,704,727</u>	<u>84,620,160</u>	<u>40,382,493</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Leases	115,361	-	115,361	76,736
Deferred inflow on OPEB obligation	2,222,301	415,590	2,637,891	630,862
Deferred inflow on pension obligation	4,889,505	937,650	5,827,155	2,846,107
Total deferred inflows of resources	<u>7,227,167</u>	<u>1,353,240</u>	<u>8,580,407</u>	<u>3,553,705</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

Exhibit 1 (continued)

	Primary Government			Component Unit
	Governmental	Business-type		School
	Activities	Activities	Total	Board
<b>NET POSITION</b>				
Net investment in capital assets	47,392,890	38,592,644	85,985,534	69,276,731
Restricted for:				
Judicial administration	321,873	-	321,873	-
Public safety	253,174	-	253,174	-
Public works	5,489,817	-	5,489,817	-
Health and Welfare	150,471	-	150,471	-
Parks, recreation, and cultural	76,488	-	76,488	-
Education	3,160	-	3,160	-
Pension	-	-	-	215,822
Perpetual care:				
Nonexpendable	670,396	-	670,396	-
Unrestricted	10,145,479	16,799,355	26,944,834	(20,812,530)
Total net position	<u>\$ 64,503,748</u>	<u>\$ 55,391,999</u>	<u>\$ 119,895,747</u>	<u>\$ 48,680,023</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF ACTIVITIES**  
Year Ended June 30, 2024

Exhibit 2

					Net (Expenses) Revenue and Changes in Net Position			
		Program Revenues			Primary Government			Component Unit
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	School Board
<b>Primary government:</b>								
Governmental activities:								
General government administration	\$ 5,423,317	\$ 72,470	\$ 366,000	\$ -	\$ (4,984,847)		\$ (4,984,847)	
Judicial administration	2,142,498	219,498	1,271,525	-	(651,475)		(651,475)	
Public safety	15,827,116	117,533	1,023,791	-	(14,685,792)		(14,685,792)	
Public works	7,900,457	23,144	5,138,851	134,189	(2,604,273)		(2,604,273)	
Health and welfare	6,673,706	120,925	4,014,631	-	(2,538,150)		(2,538,150)	
Education	19,199,151	-	-	-	(19,199,151)		(19,199,151)	
Parks, recreation, and cultural	4,235,207	96,655	224,900	2,088,791	(1,824,861)		(1,824,861)	
Community development	1,945,599	418,255	112,500	253,360	(1,161,484)		(1,161,484)	
Interest on long-term debt	961,258	-	-	-	(961,258)		(961,258)	
Total governmental activities	64,308,309	1,068,480	12,152,198	2,476,340	(48,611,291)		(48,611,291)	
Business-type activities:								
Water	4,049,117	5,335,194	289,528	346,679	-	\$ 1,922,284	1,922,284	
Sewer	5,615,002	7,501,457	-	285,240	-	2,171,695	2,171,695	
Landfill operations	1,165,402	808,773	-	-	-	(356,629)	(356,629)	
Refuse	1,137,522	1,965,310	9,514	-	-	837,302	837,302	
Stormwater	1,027,298	1,789,334	362,895	144,342	-	1,269,273	1,269,273	
Total business-type activities	12,994,341	17,400,068	661,937	776,261	-	5,843,925	5,843,925	
Total primary government	\$ 77,302,650	\$ 18,468,548	\$ 12,814,135	\$ 3,252,601	(48,611,291)	5,843,925	(42,767,366)	
<b>Component units:</b>								
School board	53,103,510	1,043,960	35,078,515	-				\$ (16,981,035)
Total component unit	\$ 53,103,510	\$ 1,043,960	\$ 35,078,515	\$ -				(16,981,035)
General revenues:								
Taxes:								
General property					31,312,103	-	31,312,103	-
Sales					7,449,958	-	7,449,958	-
Utility					1,040,683	-	1,040,683	-
Business license					3,282,619	-	3,282,619	-
Hotel and meals					8,187,014	-	8,187,014	-
Tobacco					400,596	-	400,596	-
Other					1,368,614	-	1,368,614	-
Miscellaneous					819,911	17,316	837,227	1,708,156
Payment and contribution from City of Waynesboro					-	-	-	19,163,805
Grants and contributions not restricted to specific programs					4,917,224	-	4,917,224	-
Unrestricted investment earnings					2,938,856	929,685	3,868,541	189,959
Gain on disposal of capital assets					161,496	13,383	174,879	-
Transfers					1,674,051	(1,674,051)	-	-
Total general revenues and transfers					63,553,125	(713,667)	62,839,458	21,061,920
Change in net position					14,941,834	5,130,258	20,072,092	4,080,885
Net position - beginning					49,561,914	50,261,741	99,823,655	44,599,138
Net position - ending					\$ 64,503,748	\$ 55,391,999	\$ 119,895,747	\$ 48,680,023

***FUND FINANCIAL STATEMENTS***

**CITY OF WAYNESBORO, VIRGINIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2024**

Exhibit 3

	General Fund	Bond Fund	Capital Projects Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 40,158,686	\$ -	\$ 15,351,696	\$ 1,024,427	\$ 56,534,809
Investments	1,721	346,871	-	-	348,592
Receivables (Net of allowances for uncollectibles):					
Taxes, including penalties	2,639,418	-	-	-	2,639,418
Accounts	814,989	-	-	91,092	906,081
Leases	115,361	-	-	-	115,361
Due from other funds	453,494	-	-	-	453,494
Interest Receivable	298,252	-	-	-	298,252
Due from other governments	2,567,193	-	798,165	663,526	4,028,884
Inventory	33,572	-	-	-	33,572
Restricted assets:					
Cash and cash equivalents	-	-	-	670,396	670,396
<b>Total assets</b>	<b>47,082,686</b>	<b>346,871</b>	<b>16,149,861</b>	<b>2,449,441</b>	<b>66,028,859</b>
<b>LIABILITIES</b>					
Accounts payable	1,935,547	-	369,067	671,132	2,975,746
Accrued payroll	1,062,212	-	-	21,863	1,084,075
Retainage payable	-	-	13,770	-	13,770
Unearned revenue	7,260,751	-	-	-	7,260,751
Due to other funds	-	343,711	-	109,783	453,494
Amounts held for others	71,196	-	-	-	71,196
Escrow and deposits payable	180,649	-	-	-	180,649
<b>Total liabilities</b>	<b>10,510,355</b>	<b>343,711</b>	<b>382,837</b>	<b>802,778</b>	<b>12,039,681</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	3,207,920	-	-	-	3,207,920
Leases	115,361	-	-	-	115,361
<b>Total deferred inflows of resources</b>	<b>3,323,281</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,323,281</b>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventory	33,572	-	-	-	33,572
Permanent fund principal	-	-	-	670,396	670,396
Restricted for:					
Judicial administration	321,873	-	-	-	321,873
Public safety	253,174	-	-	-	253,174
Public works	5,489,817	-	-	-	5,489,817
Health and welfare	218,446	-	-	-	218,446
Parks, recreation, and cultural	76,488	-	-	-	76,488
Education	-	3,160	-	-	3,160
Committed to:					
Council contingency	10,514,474	-	-	-	10,514,474
General government administration	78,623	-	-	-	78,623
Public works	650,000	-	-	-	650,000
Health and welfare	177,110	-	-	-	177,110
Capital projects	-	-	15,767,024	-	15,767,024
Revenue stabilization	500,000	-	-	-	500,000
Public Safety	11,195	-	-	-	11,195

continued

**CITY OF WAYNESBORO, VIRGINIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2024**

Exhibit 3 (continued)

	General Fund	Bond Fund	Capital Projects Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
<b>FUND BALANCES (Continued)</b>					
Assigned to:					
General government administration	601,258	-	-	-	601,258
Judicial administration	92,729	-	-	-	92,729
Public safety	966,083	-	-	-	966,083
Public works	950,528	-	-	-	950,528
Health and welfare	1,805	-	-	-	1,805
Parks, recreation, and cultural	127,257	-	-	-	127,257
Youth and family services	-	-	-	502,872	502,872
CAPSAW	-	-	-	169,150	169,150
Economic Development Authority	-	-	-	265,253	265,253
Community development	308,839	-	-	-	308,839
Debt service	-	-	-	38,992	38,992
Education	1,000,000	-	-	-	1,000,000
Reserves	2,668,505	-	-	-	2,668,505
Capital projects	6,308,553	-	-	-	6,308,553
Unassigned:					
General	1,898,721	-	-	-	1,898,721
 Total fund balances	<u>33,249,050</u>	<u>3,160</u>	<u>15,767,024</u>	<u>1,646,663</u>	<u>50,665,897</u>
 Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 47,082,686</u>	<u>\$ 346,871</u>	<u>\$ 16,149,861</u>	<u>\$ 2,449,441</u>	<u>\$ 66,028,859</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**June 30, 2024**

	Exhibit 4
Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$ 50,665,897
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	49,180,774
Receivables, including interest receivable, are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	649,797
Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	9,541,729
Internal service funds are used by management to charge the costs of supplies and equipment usage to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	6,683,157
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(45,105,800)
Deferred inflows of resources related to pension and OPEB are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(7,111,806)</u>
Net position of governmental activities	<u>\$ 64,503,748</u>



**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 5

	General Fund	Bond Fund	Capital Projects Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
General property taxes	\$ 30,781,078	\$ -	\$ -	\$ -	\$ 30,781,078
Other local taxes	21,729,484	-	-	-	21,729,484
Permits, privilege fees, and regulatory licenses	319,073	-	-	-	319,073
Fines and forfeitures	217,608	-	-	-	217,608
Revenue from use of money and property	2,833,272	19,561	-	86,023	2,938,856
Charges for services	282,301	-	-	-	282,301
Miscellaneous	846,983	-	-	129,348	976,331
Recovered costs	148,236	-	4,825	448,700	601,761
Intergovernmental:					
Commonwealth	11,373,991	-	135,906	3,296,848	14,806,745
Federal	116,434	-	3,258,901	1,011,419	4,386,754
<b>Total revenues</b>	<b>68,648,460</b>	<b>19,561</b>	<b>3,399,632</b>	<b>4,972,338</b>	<b>77,039,991</b>
<b>EXPENDITURES</b>					
Current:					
General government administration	5,979,324	-	8,513	-	5,987,837
Judicial administration	2,330,549	-	-	-	2,330,549
Public safety	15,932,513	-	713,621	745,527	17,391,661
Public works	7,526,870	-	329,802	-	7,856,672
Health and welfare	736,820	-	-	6,234,258	6,971,078
Education	18,855,440	343,711	-	-	19,199,151
Parks, recreation, and cultural	3,769,962	-	3,220,756	-	6,990,718
Community development	1,447,058	-	2,719,647	334,446	4,501,151
Debt service:					
Principal retirement	-	-	-	2,172,042	2,172,042
Interest and fiscal charges	-	-	-	1,107,428	1,107,428
<b>Total expenditures</b>	<b>56,578,536</b>	<b>343,711</b>	<b>6,992,339</b>	<b>10,593,701</b>	<b>74,508,287</b>
Excess (deficiency) of revenues over (under) expenditures	12,069,924	(324,150)	(3,592,707)	(5,621,363)	2,531,704
<b>OTHER FINANCING SOURCES (USES)</b>					
Insurance recoveries	161,496	-	-	-	161,496
Leases	51,409	-	-	-	51,409
Transfers in	2,034,946	-	7,232,895	5,700,228	14,968,069
Transfers out	(13,108,123)	-	-	(10,895)	(13,119,018)
<b>Total other financing sources and uses</b>	<b>(10,860,272)</b>	<b>-</b>	<b>7,232,895</b>	<b>5,689,333</b>	<b>2,061,956</b>
Net change in fund balances	1,209,652	(324,150)	3,640,188	67,970	4,593,660
Fund balance - beginning	32,039,398	327,310	12,126,836	1,578,693	46,072,237
Fund balance - ending	\$ 33,249,050	\$ 3,160	\$ 15,767,024	\$ 1,646,663	\$ 50,665,897

**CITY OF WAYNESBORO, 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**

	Exhibit 6
Net change in fund balances - total governmental funds (Exhibit 5)	\$ 4,593,660
Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:	
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 amount by which capital outlay (\$8,659,044) is exceeded by depreciation and amortization (\$2,649,528) in the current period.	6,009,516
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	374,605
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal 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.	2,204,079
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.	1,283,911
Internal service funds are used by management to charge the costs of supplies and equipment usage to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	<u>476,063</u>
Change in net position of governmental activities	<u>\$ 14,941,834</u>

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**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2024**

Exhibit 7

	Business-type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 5,025,217	\$ 8,988,358	\$ 2,156,671	\$ 16,170,246	\$ 6,587,247
Accounts receivable (net of allowance for uncollectibles)	964,186	1,419,583	1,394,147	3,777,916	316,869
Due from other governments	-	-	362,895	362,895	-
Inventory	652,275	52,302	-	704,577	-
Total current assets	6,641,678	10,460,243	3,913,713	21,015,634	6,904,116
Noncurrent assets:					
Equity interest in joint venture	-	-	3,170,009	3,170,009	-
Capital assets:					
Land	342,088	44,180	52,000	438,268	-
Buildings	9,108,701	43,354,786	113,453	52,576,940	-
Improvements other than buildings	21,245,658	38,545,852	5,120,966	64,912,476	-
Machinery and equipment	1,695,146	3,591,657	2,635,256	7,922,059	6,965,182
Construction in progress	325,327	84,385	55,039	464,751	-
Less: accumulated depreciation	(19,321,019)	(45,365,800)	(3,982,560)	(68,669,379)	(5,962,695)
Total capital assets (net of accumulated depreciation)	13,395,901	40,255,060	3,994,154	57,645,115	1,002,487
Total noncurrent assets	13,395,901	40,255,060	7,164,163	60,815,124	1,002,487
Total assets	20,037,579	50,715,303	11,077,876	81,830,758	7,906,603
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred charge on refunding	337,697	36,159	35,173	409,029	-
Deferred outflow on OPEB obligation	53,648	46,106	54,333	154,087	-
Deferred outflow or resources VRS	371,965	319,675	364,452	1,056,092	-
Total deferred outflows of resources	763,310	401,940	453,958	1,619,208	-
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	375,805	62,875	579,263	1,017,943	1,223,446
Accrued payroll	47,954	44,520	67,966	160,440	-
Accrued interest payable	88,263	144,877	14,444	247,584	-
Deposits payable	254,708	-	3,053	257,761	-
Compensated absences	6,873	4,306	18,944	30,123	-
General obligation bonds - current	500,237	528,012	272,288	1,300,537	-
Revenue bonds payable - current	-	1,344,311	-	1,344,311	-
Total current liabilities	1,273,840	2,128,901	955,958	4,358,699	1,223,446
Noncurrent liabilities:					
Compensated absences	56,523	35,416	60,335	152,274	-
Net OPEB obligation	249,711	214,608	259,763	724,082	-
Net pension liability	590,142	507,181	514,496	1,611,819	-
General obligation bonds payable (net of unamortized premium and deferred amount on refunding)	8,209,200	1,843,230	1,132,679	11,185,109	-
Revenue bonds payable	-	8,672,744	-	8,672,744	-
Total noncurrent liabilities	9,105,576	11,273,179	1,967,273	22,346,028	-
Total liabilities	10,379,416	13,402,080	2,923,231	26,704,727	1,223,446
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflow on OPEB obligation	150,320	129,190	136,080	415,590	-
Deferred inflow of resources VRS	330,737	284,243	322,670	937,650	-
Total deferred inflows of resources	481,057	413,433	458,750	1,353,240	-

continued

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

**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2024**

Exhibit 7 (continued)

	Business-type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>NET POSITION</b>					
Net investment in capital assets	4,720,531	27,902,922	5,969,191	38,592,644	1,002,487
Unrestricted	<u>5,219,885</u>	<u>9,398,808</u>	<u>2,180,662</u>	<u>16,799,355</u>	<u>5,680,670</u>
Total net position	<u>\$ 9,940,416</u>	<u>\$ 37,301,730</u>	<u>\$ 8,149,853</u>	<u>\$ 55,391,999</u>	<u>\$ 6,683,157</u>

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

**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 8

	Business-type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>OPERATING REVENUES</b>					
Charges for services	\$ 5,335,194	\$ 7,501,457	\$ 4,563,417	\$ 17,400,068	\$ 9,097,757
Miscellaneous	13,906	774	2,636	17,316	1,670,591
Total operating revenues	<u>5,349,100</u>	<u>7,502,231</u>	<u>4,566,053</u>	<u>17,417,384</u>	<u>10,768,348</u>
<b>OPERATING EXPENSES</b>					
Personnel services	1,465,663	1,300,012	1,226,198	3,991,873	-
Claims paid	-	-	-	-	8,810,968
Stop-loss fees	-	-	-	-	1,400,980
Contractual services	364,916	324,137	883,661	1,572,714	-
Other supplies and expenses	934,362	1,087,703	277,128	2,299,193	3,093
Depreciation	937,102	2,419,074	382,425	3,738,601	197,329
Total operating expenses	<u>3,702,043</u>	<u>5,130,926</u>	<u>2,769,412</u>	<u>11,602,381</u>	<u>10,412,370</u>
Operating income	<u>1,647,057</u>	<u>2,371,305</u>	<u>1,796,641</u>	<u>5,815,003</u>	<u>355,978</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Intergovernmental:					
Commonwealth	-	-	372,409	372,409	-
Federal	289,528	-	-	289,528	-
Interest income	320,930	464,903	143,852	929,685	295,085
Gain on disposal of assets	12,624	759	-	13,383	-
Loss on equity interest	-	-	(505,280)	(505,280)	-
Interest and fiscal charges	(347,074)	(484,076)	(55,530)	(886,680)	-
Total non-operating revenues (expenses)	<u>276,008</u>	<u>(18,414)</u>	<u>(44,549)</u>	<u>213,045</u>	<u>295,085</u>
Income before contributions and transfers	<u>1,923,065</u>	<u>2,352,891</u>	<u>1,752,092</u>	<u>6,028,048</u>	<u>651,063</u>
Capital contributions	346,679	285,240	144,342	776,261	-
Transfers in	96,660	-	1,098,000	1,194,660	-
Transfers out	(696,348)	(683,650)	(1,488,713)	(2,868,711)	(175,000)
Change in net position	1,670,056	1,954,481	1,505,721	5,130,258	476,063
Total net position - beginning	<u>8,270,360</u>	<u>35,347,249</u>	<u>6,644,132</u>	<u>50,261,741</u>	<u>6,207,094</u>
Total net position - ending	<u>\$ 9,940,416</u>	<u>\$ 37,301,730</u>	<u>\$ 8,149,853</u>	<u>\$ 55,391,999</u>	<u>\$ 6,683,157</u>

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

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**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 9

	Business-type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers and users	\$ 5,111,787	\$ 7,269,352	\$ 4,005,219	\$ 16,386,358	\$ 10,934,704
Cash paid for inventory	(22,130)	(3,330)	-	(25,460)	-
Cash paid to suppliers	(1,267,424)	(1,407,460)	(1,300,924)	(3,975,808)	-
Cash paid to employees	(1,612,261)	(1,344,470)	(1,392,216)	(4,348,947)	-
Cash paid for claims and admin	-	-	-	-	(9,583,083)
Other receipts (payments)	13,906	774	2,578	17,258	(3,093)
Net cash provided by operating activities	<u>2,223,878</u>	<u>4,514,866</u>	<u>1,314,657</u>	<u>8,053,401</u>	<u>1,348,528</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Subsidy from state grant	-	-	362,895	362,895	-
Subsidy from federal grant	289,528	-	9,514	299,042	-
Transfer from other funds	96,660	-	1,098,000	1,194,660	-
Transfer to other funds	(696,348)	(683,650)	(1,488,713)	(2,868,711)	(175,000)
Net cash used in noncapital financing activities	<u>(310,160)</u>	<u>(683,650)</u>	<u>(18,304)</u>	<u>(1,012,114)</u>	<u>(175,000)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Proceeds from sale of capital assets	12,624	759	-	13,383	-
Acquisition and construction of capital assets	(503,208)	(253,857)	(575,280)	(1,332,345)	-
Principal paid on capital debt	(416,364)	(2,176,998)	(247,628)	(2,840,990)	-
Interest paid on capital debt	(371,826)	(123,278)	(63,814)	(558,918)	-
Net cash used in capital and related financing activities	<u>(1,278,774)</u>	<u>(2,553,374)</u>	<u>(886,722)</u>	<u>(4,718,870)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received	320,930	464,903	143,852	929,685	295,085
Cash paid to joint venture	-	-	(1,278,399)	(1,278,399)	-
Net cash provided by (used in) by investing activities	<u>320,930</u>	<u>464,903</u>	<u>(1,134,547)</u>	<u>(348,714)</u>	<u>295,085</u>
Net increase (decrease) in cash and cash equivalents	955,874	1,742,745	(724,916)	1,973,703	1,468,613
Cash and cash equivalents - beginning of year	<u>4,069,343</u>	<u>7,245,613</u>	<u>2,881,587</u>	<u>14,196,543</u>	<u>5,118,634</u>
Cash and cash equivalents - end of year	<u>\$ 5,025,217</u>	<u>\$ 8,988,358</u>	<u>\$ 2,156,671</u>	<u>\$ 16,170,246</u>	<u>\$ 6,587,247</u>
Cash and cash equivalents at end of year is composed of the following:					
Cash and cash equivalents	<u>\$ 5,025,217</u>	<u>\$ 8,988,358</u>	<u>\$ 2,156,671</u>	<u>\$ 16,170,246</u>	<u>\$ 6,587,247</u>

continued

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



**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 9 (continued)

	Business-type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>Reconciliation of operating income to net cash provided by operating activities:</b>					
Operating income	\$ 1,647,057	\$ 2,371,305	\$ 1,796,641	\$ 5,815,003	\$ 355,978
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	937,102	2,419,074	382,425	3,738,601	197,329
(Increase) decrease in accounts receivable	(240,957)	(232,105)	(558,525)	(1,031,587)	166,356
(Increase) decrease in inventory	(22,130)	(3,330)	-	(25,460)	-
(Increase) decrease in deferred outflow on OPEB obligation	22,144	13,734	19,614	55,492	-
(Increase) decrease in deferred loss on VRS pension	142,966	86,875	123,632	353,473	-
Increase (decrease) in accounts payable	31,854	4,380	(140,136)	(103,902)	628,865
Increase (decrease) in accrued payroll	4,787	9,847	(37,391)	(22,757)	-
Increase (decrease) in net OPEB obligation	(16,865)	4,140	(12,141)	(24,866)	-
Increase (decrease) in net pension liability	(17,714)	27,265	9,466	19,017	-
Increase (decrease) in deferred inflow on OPEB	(58,592)	(155,997)	(190,786)	(405,375)	-
(Increase) decrease in deferred gain on VRS pension	(226,866)	(35,752)	(74,867)	(337,485)	-
Increase (decrease) in deposits payable	17,550	-	270	17,820	-
Increase (decrease) in compensated absences	3,542	5,430	(3,545)	5,427	-
Total Adjustments	<u>576,821</u>	<u>2,143,561</u>	<u>(481,984)</u>	<u>2,238,398</u>	<u>992,550</u>
Net cash provided by operating activities	<u>\$ 2,223,878</u>	<u>\$ 4,514,866</u>	<u>\$ 1,314,657</u>	<u>\$ 8,053,401</u>	<u>\$ 1,348,528</u>
<b>Noncash investing, capital, and financing activities:</b>					
Capital contributions of water, sewer, and stormwater from developers	<u>\$ 346,679</u>	<u>\$ 285,240</u>	<u>\$ 144,342</u>	<u>\$ 776,261</u>	<u>\$ -</u>
Capital assets in accounts payable	<u>\$ 292,687</u>	<u>\$ -</u>	<u>\$ 372,099</u>	<u>\$ 664,786</u>	<u>\$ -</u>

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

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Waynesboro, Virginia ("City") conform to generally accepted accounting principles (GAAP) applicable to governmental units promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant policies.

**A. Reporting Entity**

The City was incorporated in 1948 and organized under the Council-Manager form of government. The City is governed by an elected mayor and a five-member council. The accompanying financial statements present the government and its component units, entities for which the government is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

**Blended Component Unit:**

The Waynesboro Economic Development Authority (the "Authority") was established under the Industrial Development and Revenue Bond Act of the *Code of Virginia* and has the responsibility to promote industry and develop trade by inducing manufacturing, industrial, and other commercial enterprises to locate or remain in the City. The City appoints all seven members of the Authority's Board of Directors. Additionally, the Authority is authorized to issue revenue bonds upon application by qualified applicants for acquiring, constructing, equipping, and rehabilitating certain facilities as provided in Chapter 49 of the Industrial Development and Revenue Bond Act as set forth in the Code. Upon issuance, the proceeds of the bonds are loaned to the applicant, who then agrees to repay the bonds as set forth in the Loan Agreement executed, in connection, with the issuance of the bonds. Section 15.2-4909 of the Code specifically provides that the bonds shall not be deemed to constitute debt or a pledge of the faith and credit of the Commonwealth, or any political subdivision thereof, including the locality issuing the bonds. Such bonds are payable solely from the revenues and money pledged for such purpose by the applicant, and are secured by a deed of trust, line of credit, and/or other pledge of the applicant's assets.

Separate financial statements of this component unit are not available.

**Discretely Presented Component Unit:**

The component unit column in the financial statements includes the financial data of the City's discretely presented component unit. This is reported in a separate column to emphasize that it is legally separate from the City.

The City of Waynesboro School Board was created as a separate legal entity by the City to oversee the operations and management of its publicly funded primary and secondary schools. The members of the School Board are elected by the voters. Because the School Board does not have taxing power, it is fiscally dependent on the City to provide significant funding to operate and maintain the public schools. In addition, the City must approve the School Board budget and approve any debt issuances.

Separate financial statements of this component unit are not available.

**Undivided Interests and Joint Ventures:**

The City, along with the City of Staunton and the County of Augusta, is a participant in the Augusta Regional Landfill (the "Landfill"). The Landfill, which has both an undivided interest component and joint venture component, was formed to develop regional refuse disposal, including the development of facilities and systems for recycling, waste reduction, and disposal alternatives with the goal of acquiring, financing, constructing, and operating/maintaining regional solid waste disposal areas, systems, and facilities. Assets, liabilities, net position, revenues and expenses of the undivided interest component are reported by the City in its ACSA Joint Landfill Fund. Likewise, the City's investment in the joint venture component of the Landfill, which is an explicit, measurable, equity interest, is reported as an asset in the ACSA Joint Landfill Fund and totaled \$3,170,009 as of June 30, 2024. Complete financial statements of the Augusta Regional Landfill can be obtained from the entity's administrative offices by contacting the Augusta County Service Authority, P.O. Box 859, Verona, VA 24482-0859.

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**A. Reporting Entity (continued)**

**Undivided Interests and Joint Ventures: (continued)**

The City, in conjunction with the City of Staunton, City of Harrisonburg, County of Augusta, and the County of Rockingham, is a participant in the Middle River Regional Jail Authority, but has no equity interest in the venture. Capital and operating costs are allocated annually based on the percentage of prisoners from each member jurisdiction over the previous three calendar years. In accordance with the service agreement, the Authority has divided its charges to member jurisdictions into an operating and debt service component. The City paid the Jail Authority \$1,989,087 for fiscal year 2024.

The City, in conjunction with the City of Staunton and the County of Augusta, is a participant in a Regional Animal Shelter with equity interest in the Regional Animal Shelter Land Trust. Capital and operating costs are allocated annually based on percentage of ownership for each locality. The City transferred funds to the Regional Animal Shelter in the amount of \$144,551 for fiscal year 2024.

The City, in conjunction with the City of Staunton and the County of Augusta, is a participant in a Regional Radio Tower. Capital and operating costs are allocated annually based on a memorandum of understanding adopted by each locality. The City incurred costs in the amount of \$157,790 for fiscal year 2024.

**Excluded Organizations:**

The financial activities of the Waynesboro Redevelopment Housing Authority are excluded from the City's annual financial report because the City is not financially accountable for the organization.

**B. Government-wide and Fund 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 non-fiduciary activities of the primary government and its component units. 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. Likewise, the *primary government* is reported separately from a legally separate *component unit* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements, with the exception of agency fund financial statements, which have no measurement focus. 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.

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as 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 45 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 expenditures, as well as expenditures related to compensated absences and claims/judgments, are recorded only when payment is due.

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 45 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 City, are recognized as revenues and receivables upon collection by the state or utility, which is generally in the month preceding receipt by the City.

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 earned or at the time of the specific expenditure. Revenues from general-purpose grants are recognized in the period to which the grant applies. All other revenue items are considered to be measurable and available only when cash is received by the government.

*Governmental Funds* account for the expendable financial resources, other than those accounted for in Proprietary and Fiduciary Funds. The governmental funds use the modified accrual basis of accounting where the measurement focus is upon determination of financial position and changes in financial position, rather than on net income determination as would apply to a commercial enterprise. The City reports the following governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is considered a major fund for financial reporting purposes.

*Special revenue funds* account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds consist of the Virginia Public Assistance, Comprehensive Services Act, Youth and Family Services, Community Action Partnership of Staunton, Augusta, Waynesboro, and a blended component unit, Economic Development Authority.

*The Debt service funds* account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. Debt service funds consist of the Debt Revenue Fund and the Bond Fund. The Bond Fund is considered a major fund and the Debt Revenue Fund is considered aggregate non-major.

*Capital project funds* account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds. Capital project fund is considered a major fund and consists of the Capital Improvements Fund.

*Permanent funds* account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs. Permanent funds consist of the Cemetery Care Fund.

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

*Proprietary Funds* account for operations that are financed in a manner similar to private business enterprises. The proprietary funds utilize the accrual basis of accounting where the measurement focus is upon determination of net income. Proprietary funds consist of Enterprise and Internal Service Funds. The government reports the following proprietary funds:

*Enterprise funds* account for operations where the intent of the City is that the cost of provided services to the general public be financed and recovered through user charges. Enterprise funds consist of the Water, Sewer, Refuse, Stormwater, and the ACSA Joint Landfill Funds. The Water and Sewer Funds are considered major funds for financial reporting purposes.

*Internal service funds* account for the financing of goods or services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. Internal service funds consist of the Equipment and Stores Fund and the Self-Funded Health Insurance 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 payments-in-lieu of taxes and other charges between the government's water, sewer, and refuse functions 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.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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 Water, Sewer, Refuse, ACSA Joint Landfill, and internal service funds are charges to customers for sales and services. The Water and Sewer Funds also recognize 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 and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

All revenue and expenses not meeting the operating definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity**

**1. Deposits and Investments**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Investments for the government, as well as for its component unit, are reported at amortized cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

2. *Interfund Activity*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

3. *Inventories*

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories in the internal service fund consist of expendable supplies held for consumption and are accounted for under the purchase method and consist primarily of inventory for the proprietary funds.

4. *Property Taxes*

Property is assessed at its value on January 1. Property Taxes attach as an enforceable lien on property as of January 1. Real property taxes are payable in two installments on July 31 and December 5 and personal property taxes are payable in one installment on December 5. The City bills and collects its own property taxes.

5. *Allowance for Uncollectible Accounts*

The City calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$2,023,474 at June 30, 2024, and consisted of the following:

General Fund – taxes	\$ 1,548,272
Water Fund – utility billings	125,513
Sewer Fund – utility billings	154,008
Refuse Fund – utility billings	52,005
Stormwater Fund – utility billings	<u>143,676</u>
Total	<u>\$ 2,023,474</u>

6. *Use of Estimates*

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

7. *Restricted Assets*

Cash investments of \$670,396 in the Cemetery Care Fund, a permanent fund, are nonspendable and thus restricted. Only earnings may be used by the City to fund the cemetery maintenance costs.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity** (continued)

**8. Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Infrastructure acquired prior to the City's implementation of GASB Statement 34 is included in the City's capital asset totals.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the current year. Property, plant, and equipment of the primary government, as well as the component unit, are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	50
Improvements other than buildings	20
Machinery and equipment	5-20
Infrastructure	20-50

Lease and subscription assets are amortized over the shorter of the lease term or useful life of the underlying asset. In contracts where a purchase option is reasonably certain of being exercised the asset is amortized over the useful life, unless the underlying asset is non-depreciable, in which the leased asset is not amortized.

**9. Deferred Outflows/Inflows of Resources**

In addition to assets, the statements that present financial position report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The government has several items that qualify for reporting in this category. The first is the deferred charge on refunding, which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunded debt. The second consists of contributions subsequent to the measurement date for pensions and OPEB; these amounts will be applied to the net pension and net OPEB liability in the next fiscal year. Lastly are various components of outflows for pensions and OPEB, which may include the net difference between projected and actual earnings on pension or OPEB plan investments, changes in proportion and differences between employer contributions and the proportionate share of employer contributions, changes in assumptions, and the net difference between expected and actual experience in the pension and OPEB plans. These items will be recognized in pension or OPEB expense either 1) over a closed five-year period or 2) amortized over the average expected remaining service lives of all employees.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

**9. *Deferred Outflows/Inflows of Resources (continued)***

In addition to liabilities, the statements that present financial position report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has several items that qualify for reporting in this category. The governmental funds report unavailable revenue (note 8) – taxes and accounts receivable from property taxes and other receivables not collected within 45 days of year-end and collection in the current fiscal year of property taxes levied to fund future years. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The third item Lease-related amounts are recognized at the inception of leases in which the City is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease. The fourth and fifth items reported as deferred inflows are various components of inflows for pensions and OPEB, which may include the net difference between projected and actual earnings on pension or OPEB plan investments, changes in proportion and differences between employer contributions and the proportionate share of employer contributions, changes in assumptions, and the net difference between expected and actual experience in the pension and OPEB plans. These items will be recognized in pension or OPEB expense either 1) over a closed five-year period or 2) amortized over the average expected remaining service lives of all employees.

**10. *Compensated Absences***

In accordance with Governmental Accounting Standards Board Statement 16, "*Accounting for Compensated Absences*," the City has accrued the liability arising from outstanding compensated absences.

City employees, under the Sick Leave Policy, earn sick leave at the rate of 8 hours per month. No benefits or pay is received for unused sick leave upon termination. City employees, under the Annual Leave Policy, earn varying amounts of annual leave dependent upon years of service. Accumulated annual leave up to 288 hours is paid upon termination. City employees, under the Paid Time Off Policy, earn varying amounts of paid time off dependent upon years of service. Accumulated paid time off up to the maximum permitted carry-over amount, based upon years of service, is paid upon termination. Law enforcement, fire protection, and emergency response personnel may accrue up to 480 hours of compensatory time within a fiscal year. All other employees eligible for compensatory time may accrue up to 240 hours of compensatory time within in a fiscal year. Upon termination of service from the City an employee will be paid for any accrued compensatory time at the employee's base rate of pay in effect when earned.

School Board 12-month personnel earn varying amounts of annual leave dependent upon years of service. Accumulated annual leave up to 30 days will be paid upon termination at the employee's daily rate of pay. School Board personnel with at least 5 years of service may be paid for up to 120 days of unused sick time at a rate of \$20 per day.

**11. *Long-term Obligations***

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other 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 premium or discount. Bond issuance costs are reported as debt service expenditures. Loans issued at 0% are discounted at the applicable long-term annual financing rate based on date of issue.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

11. *Long-term Obligations (continued)*

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 plus premiums issued is reported as other financing sources. 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.

12. *Fund Equity*

Financial policies - The City has a formal fund balance policy noting the City does not intend to use General Fund equity (unassigned fund balance) to finance current operations. The City will maintain a fund balance for cash liquidity purposes that will provide sufficient cash flow to eliminate the need for short-term tax anticipation borrowing. This balance will be maintained in committed fund balance in the General Fund and will be no less 16% of the next year's General Fund adopted budget. This calculation for fiscal year 2024 totaled \$10,514,474. When an expenditure is incurred where multiple unrestricted categories could be used, the City follows the subsequent order of use: committed amounts are used first, followed by assigned amounts, then unassigned amounts.

Nonspendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes permanent fund principal, inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted fund balance – Restricted funds are either externally imposed (such as debt covenants, grantors, contributors, or other governments) or are imposed by law (constitutionally or enabling legislation). The source of the constraint comes from outside the government and cannot be changed by City Council.

Committed fund balance – The City's committed funds require formal action of the City Council either by resolution or ordinance that identifies the specific circumstances under which resources may be expended.

Assigned fund balance – Amounts that are constrained by the City's expressed intent to use resources for specific purposes but do not meet the criteria to be classified as restricted or committed are classified as assigned. Intent can be stipulated by the governing body, another body (such as the Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance of the classification for all governmental funds with positive balances.

Unassigned fund balance – Unassigned funds consist of amounts not assigned, committed, or restricted, and are funds that are considered available for use by the City.

13. *Net Position*

Net position is assets plus deferred outflows of resources, less liabilities, and deferred inflows of resources. Net investment in capital assets represent capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction, or improvement of those assets.

14. *Component Unit – School Board Capital Asset and Debt Presentation*

By law, the School Board does not have taxing authority, therefore, it can't incur debt through general obligation bonds to fund the acquisition, construction, or improvement of its capital assets. That responsibility lies with the City who issue debt on behalf of the School Board. However, the *Code of Virginia* requires the School Board to hold title to the capital assets due to their maintaining the assets.

In the Statement of Net Position, this scenario presents a dilemma for the City. Debt issued on behalf of the School Board is reported as a liability of the primary government, thereby reducing the net position of the City. The corresponding capital assets are reported as assets of the Component Unit – School Board, thereby increasing its net position.

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (continued)**

14. *Component Unit – School Board Capital Asset and Debt Presentation (continued)*

The Virginia General Assembly amended the *Code of Virginia* to allow a tenancy in common with the School Board whenever the locality incurs a financial obligation, which is payable over more than one fiscal year for any new property. The tenancy in common terminates when the associated debt has been paid in full. For financial reporting purposes, the legislation permits the locality to report the portion of the school property related to any outstanding financial obligation, thus eliminating a potential deficit from financing capital assets with debt. As of June 30, 2024, the City does not record the School Board's capital assets; they are reported as capital assets of the Component Unit – School Board.

15. *Pensions*

The Virginia Retirement System (VRS) Political Subdivision and School Division Non-professional Retirement Plan is a multi-employer, agent plan. The VRS Teacher Employee Retirement Plan is a multiple employer, cost-sharing plan. 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 Political Subdivision and School Division's Retirement Plan and the Teacher Employee Retirement Plan, as well as the additions to/deductions from both Plan's net fiduciary position have been determined on the same basis as they were reported by the 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.

16. *Health Insurance Credit Program*

The Political Subdivision Health Insurance Credit Program is a multiple-employer, agent defined benefit plan. The VRS Teacher Employee Health Insurance Credit Program is a multiple-employer, cost-sharing plan. Both plans provide a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers and for retired teachers. The Health Insurance Credit Programs were established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. For purposes of measuring the net Health Insurance Credit Programs OPEB liability, deferred outflows of resources, and deferred inflows of resources related to the Programs OPEB, and OPEB expense, information about the fiduciary net position of the Programs; including and the additions to/deductions from the Program's net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

17. *Group-Life Insurance*

The VRS Group Life Insurance Program is a multiple-employer, cost-sharing plan. It provides coverage to state employees, teachers, and employees of participating political subdivisions. The Group Life Insurance Program was established pursuant to §51.1-500 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 Group Life Insurance Program is a defined benefit plan that provides a basic group life insurance benefit for employees of participating employers. For purposes of measuring the net Group Life Insurance Program OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Group Life Insurance Program OPEB, and Group Life Insurance Program OPEB expense, information about the fiduciary net position of the VRS Group Life Insurance program OPEB and the additions to/deductions from the VRS Group Life Insurance Program OPEB's net fiduciary 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.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “Internal service funds are used by management to charge the costs of supplies and equipment usage to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.” The total included is \$6,683,157.

Another element of that reconciliation explains, “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of these \$45,105,800 and \$34,227,967 differences for the primary government and discretely presented component unit-school board, respectively, are as follows:

	Primary Government	<u>Component Unit School Board</u>
Bonds payable	\$ 28,586,479	\$ -
Less: Discount on bonds payable	(61,426)	-
Plus: Issuance premium	748,136	-
Leases	158,847	1,719,102
SBITA	-	41,314
Landfill closure liability	1,887,981	-
Accrued interest payable	448,278	-
Net OPEB obligation	3,691,646	7,742,040
Net pension liability	8,724,451	23,727,135
Compensated absences	<u>921,408</u>	<u>998,376</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 45,105,800</u>	<u>\$ 34,227,967</u>

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)**

**B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation states, “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.” The details of these \$2,204,079 and \$634,565 differences in the primary government and discretely presented component unit-school board, respectively, are as follows:

	Primary Government	Component Unit School Board
Principal and lease repayments:	\$ 2,255,488	\$ 634,565
Lease and SBITA issuance:	(51,409)	-
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net net position of governmental activities	<u>\$ 2,204,079</u>	<u>\$ 634,565</u>

Another element of that reconciliation states, “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.” The details of these \$1,283,911 and \$1,690,088 differences for the primary government and discretely presented component unit-school board, respectively, are as follows:

	Primary Government	Component Unit School Board
Compensated absences	\$ 15,728	\$ (140,564)
Accrued interest	39,890	2,960
Landfill post-closure care liability	(15,450)	-
(Increase)/decrease in net OPEB obligation	(43,320)	(548,910)
(Increase)/decrease in net pension liability	(405,398)	(3,432,855)
Increase/(Decrease) in deferred outflows	(1,792,467)	3,349,941
(Increase)/Decrease in deferred inflows	3,378,648	2,459,516
Amortization of issuance premium	124,726	-
Amortization of deferred charge on refunding	(18,446)	-
Net adjustment to increase/decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,283,911</u>	<u>\$ 1,690,088</u>

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with GAAP for governmental funds except the Economic Development fund, and the permanent fund, which are not budgeted. All annual appropriations lapse at fiscal year-end. The following procedures are used by the City in establishing the budgetary data reflected in the financial statements:

1. Prior to March 30, the City Manager submits to City Council a proposed budget for the fiscal year commencing the following July 1.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of a budget resolution.
4. The budget resolution places legal restrictions on expenditures at the function level (i.e. General Government Admin., Public Safety, etc.) The appropriations for each function can be revised only by the City Council.
5. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Budget data presented in the accompanying financial statements includes the original budget and the revised budget as of June 30, 2024.
7. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

**B. Excess of Expenditures over Appropriations**

For the year ended June 30, 2024, the Comprehensive Service Act Fund had expenditures that exceeded appropriations.

**C. Deficit Fund Balance**

At June 30, 2024, no funds had a deficit fund balance or net position.

**4. 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 the choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**4. DEPOSITS AND INVESTMENTS (continued)**

Investments: Statutes authorize local governments and other public bodies to invest in obligations of the United States of America 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 and certain corporate notes, banker's acceptances, repurchase agreements, and the State Treasurer's Local Government Investment Pool (LGIP). The City has no investment policies that would further limit their investment choices.

*Credit Risk* – The City's investments are subject to credit risk, concentration of credit risk, and interest rate risk as described below. The City's investments are not subject to custodial risk or foreign currency risk.

The City's rated debt investments as of June 30, 2024, were rated by Standard & Poor's and the ratings are presented below using the Standard & Poor's rating scale.

<u>Investment Type</u>	<u>Amortized Cost</u>	<u>Fair Quality Ratings</u>	
		<u>AAAm</u>	<u>Unrated</u>
<u>Primary Government</u>			
Local Government Investment Pool	\$ 1,721	\$ 1,721	\$ -
VA State Non-Arbitrage Program (SNAP)	346,871	346,871	-
Total Fair Value	<u>\$ 348,592</u>	<u>\$ 348,592</u>	<u>\$ -</u>

*Concentration of Credit Risk* – The City places no limits on the amount that may be invested in any one issuer.

*Interest Rate Risk* – As of June 30, 2024, the City had investments with the following maturities:

<u>Investment Type</u>	<u>Amortized Cost</u>	<u>Investment Maturities (in years)</u>		
		<u>Less than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>
<u>Primary Government</u>				
Local Government Investment Pool	\$ 1,721	\$ 1,721	\$ -	\$ -
VA State Non-Arbitrage Program (SNAP)	346,871	346,871	-	-
Total Fair Value	<u>\$ 348,592</u>	<u>\$ 348,592</u>	<u>\$ -</u>	<u>\$ -</u>

The City does not have formal investment policies that limit investment maturities as a means of managing its exposure to fair value losses arriving from increasing interest rates.

Amortized Costs:

The City categorizes its amortized cost measurements within the amortized cost hierarchy established by GAAP. The City has recurring amortized cost measurements as of June 30, 2024, for its Local Government Investment Pool, as Level 1 totaling \$1,721. The City's Local Government Investment Pool classified in Level 1 of the fair value hierarchy is valued using prices quoted in active markets for those securities at amortized costs.

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**5. DUE FROM OTHER GOVERNMENTS**

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

	Primary Government	Component Unit School Board
Commonwealth of Virginia:		
School Funds	\$ -	\$ 168,651
State sales taxes	-	718,770
Local sales taxes	1,262,635	-
Opioid Settlement Funds	949,361	-
Virginia Department of Transportation	314,000	-
Communications tax	133,087	-
Public assistance grants	64,065	-
Stormwater Local Assistance Fund	362,895	-
Comprehensive Services Act funds	458,675	-
Other State funds	386,181	10,000
Total Due from the Commonwealth	<u>3,930,899</u>	<u>897,421</u>
Federal Government:		
Public assistance grants	90,390	-
Department of Transportation	9,632	-
Victim Witness	14,495	-
Other federal funds	346,363	617,911
Total Due from the Federal Government	<u>460,880</u>	<u>617,911</u>
Total Due from Other Governments	<u>\$ 4,391,779</u>	<u>\$ 1,515,332</u>

**6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Interfund balances at June 30, 2024, consisted of the following:

Primary Government:

    Due to General Fund from:

Bond fund	\$ 343,711
Non-major governmental funds	<u>109,783</u>

Total due to General Fund from other funds for cash advances	<u>\$ 453,494</u>
--	-------------------

Interfund balances are due to the fact that the general fund aided in funding the operations in various other funds.

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (continued)**

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

Primary Government:

Transfers to General Fund from:	
Non-major governmental funds	\$ 10,895
Internal Service Fund	175,000
Water Fund for operations	696,348
Sewer Fund for operations	603,990
Non-major enterprise funds for operations	548,713
Total transfers to General Fund	<u>\$ 2,034,946</u>

Transfers to Capital Projects Fund from:	
Non-major enterprise funds for capital	\$ 175,000
General Fund for capital	7,057,895
Total transfers to General Fund	<u>\$ 7,232,895</u>

Transfers to non-major governmental funds from:	
General Fund for welfare assistance	\$ 2,306,965
General Fund for Economic Development Authority	115,279
General Fund for debt service	3,277,984
Total transfers to non-major governmental funds	<u>\$ 5,700,228</u>

Transfers to Water Fund from:	
Sewer Fund for operations	\$ 79,660
Stormwater Fund for operations	17,000
Total transfers to Water Fund	<u>\$ 96,660</u>

Transfers to ACSA Landfill from:	
Refuse Fund for capital	\$ 748,000
General Fund for capital	350,000
	<u>\$ 1,098,000</u>

Component Unit School Board:

Transfers to School Textbook Fund from:	
School Operating Fund	<u>\$ 370,607</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 budgetary authorizations.

(Notes Continued on Next Page)



**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**7. CAPITAL ASSETS**

PRIMARY GOVERNMENT

A summary of the changes in the City's capital assets for *governmental activities* is as follows:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 9,850,934	\$ 128,300	\$ -	\$ 9,979,234
Construction in progress	<u>4,242,937</u>	<u>4,279,161</u>	<u>(3,809,577)</u>	<u>4,712,521</u>
Total capital assets not being depreciated	<u>14,093,871</u>	<u>4,407,461</u>	<u>(3,809,577)</u>	<u>14,691,755</u>
Capital assets, being depreciated				
Buildings	17,050,464	2,783,046	-	19,833,510
Improvements other than buildings	8,557,709	3,159,268	-	11,716,977
Equipment	17,306,813	1,272,228	(25,215)	18,553,826
Infrastructure	<u>58,539,404</u>	<u>795,209</u>	<u>-</u>	<u>59,334,613</u>
Total capital assets being depreciated	<u>101,454,390</u>	<u>8,009,751</u>	<u>(25,215)</u>	<u>109,438,926</u>
Less: accumulated depreciation for:				
Buildings	(9,081,907)	(367,813)	-	(9,449,720)
Improvements other than buildings	(4,207,038)	(515,652)	-	(4,722,690)
Equipment	(13,505,156)	(829,682)	25,215	(14,309,623)
Infrastructure	<u>(44,573,223)</u>	<u>(1,046,410)</u>	<u>-</u>	<u>(45,619,633)</u>
Total accumulated depreciation	<u>(71,367,324)</u>	<u>(2,759,557)</u>	<u>25,215</u>	<u>(74,101,666)</u>
Total capital assets being depreciated, net	<u>30,087,066</u>	<u>5,250,194</u>	<u>-</u>	<u>35,337,260</u>
Lease assets:				
Equipment	42,554	-	-	42,554
Buildings	190,398	51,409	(30,350)	211,457
Less: accumulated amortization	<u>(42,815)</u>	<u>(87,300)</u>	<u>30,350</u>	<u>(99,765)</u>
Total lease assets being amortized, net	<u>190,137</u>	<u>(35,891)</u>	<u>-</u>	<u>154,246</u>
Governmental activities capital assets, net	<u>\$ 44,371,074</u>	<u>\$ 9,621,764</u>	<u>\$ (3,809,577)</u>	<u>\$ 50,183,261</u>

Depreciation and amortization expense were charged to functions/programs of the City's governmental activities as follows:

Governmental activities:	
General government administration	\$ 203,977
Judicial administration	74,664
Public safety	601,918
Public works	1,371,163
Health and welfare	817
Parks, recreation, and cultural	514,972
Community development	<u>79,347</u>
Total depreciation expense – governmental activities	<u>\$ 2,846,857</u>

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**7. CAPITAL ASSETS** (continued)

PRIMARY GOVERNMENT (continued)

A summary of the changes in the City's capital assets for *business-type activities* is as follows:

Capital assets, not being depreciated:				
Land	\$ 438,268	\$ -	\$ -	\$ 438,268
Construction in progress	<u>366,400</u>	<u>1,047,780</u>	<u>(949,429)</u>	<u>464,751</u>
Total capital assets not being depreciated	<u>804,668</u>	<u>1,047,780</u>	<u>(949,429)</u>	<u>903,019</u>
Capital assets, being depreciated:				
Buildings	52,487,597	89,343	-	52,576,940
Improvements other than buildings	63,186,786	1,725,690	-	64,912,476
Equipment	<u>7,062,050</u>	<u>860,009</u>	<u>-</u>	<u>7,922,059</u>
Total capital assets being depreciated	<u>122,736,433</u>	<u>2,675,042</u>	<u>-</u>	<u>125,411,475</u>
Less: accumulated depreciation for:				
Buildings	(15,963,778)	(1,030,128)	-	(16,993,906)
Improvements other than buildings	(43,900,573)	(2,259,009)	-	(46,159,582)
Equipment	<u>(5,066,427)</u>	<u>(449,464)</u>	<u>-</u>	<u>(5,515,891)</u>
Total accumulated depreciation	<u>(64,930,778)</u>	<u>(3,738,601)</u>	<u>-</u>	<u>(68,669,379)</u>
Total capital assets being depreciated, net	<u>57,805,655</u>	<u>(1,063,559)</u>	<u>-</u>	<u>56,742,096</u>
Business-type activities capital assets, net	<u>\$ 58,610,323</u>	<u>\$ (15,779)</u>	<u>\$ (949,429)</u>	<u>\$ 57,645,115</u>

Depreciation expense was charged to functions/programs of the City's business-type activities as follows:

Business-type activities:	
Water	\$ 937,102
Sewer	2,419,074
Refuse	85,381
Stormwater	<u>297,044</u>
Total depreciation expense – business-type activities	<u>\$ 3,738,601</u>

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**7. CAPITAL ASSETS (continued)**

COMPONENT UNIT - SCHOOL BOARD

A summary of the changes in the Discretely Presented Component Unit School Board's capital assets is as follows:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 811,907	\$ -	\$ -	\$ 811,907
Construction in progress	5,409,075	5,113,210	(9,524,827)	997,458
Total capital assets not being depreciated	<u>6,220,982</u>	<u>5,113,210</u>	<u>(9,524,827)</u>	<u>1,809,365</u>
Capital assets, being depreciated:				
Buildings	80,201,638	9,906,902	-	90,108,540
Improvements other than buildings	4,335,100	-	-	4,335,100
Equipment	5,455,332	1,414,844	(37,452)	6,832,724
Total capital assets being depreciated	<u>89,992,070</u>	<u>11,321,746</u>	<u>(37,452)</u>	<u>101,276,364</u>
Less: accumulated depreciation for:				
Buildings	(24,083,129)	(2,078,796)	-	(26,161,925)
Improvements other than buildings	(3,965,854)	(94,811)	-	(4,060,665)
Equipment	(3,225,428)	(413,578)	37,452	(3,601,554)
Total accumulated depreciation	<u>(31,274,411)</u>	<u>(2,587,185)</u>	<u>37,452</u>	<u>(33,824,144)</u>
Total capital assets being depreciated, net	<u>58,717,659</u>	<u>8,734,561</u>	<u>-</u>	<u>67,452,220</u>
Lease assets:				
Equipment	2,494,505	-	-	2,494,505
Less: accumulated amortization	(555,880)	(224,598)	-	(780,478)
Total lease assets being amortized, net	<u>1,938,625</u>	<u>(224,598)</u>	<u>-</u>	<u>1,714,027</u>
SBITA:				
Subscriptions	218,476	-	-	218,476
Less: accumulated amortization	(33,096)	(123,845)	-	(156,941)
Total SBITA assets being amortized, net	<u>185,380</u>	<u>(123,845)</u>	<u>-</u>	<u>61,535</u>
School Board capital assets, net	<u>\$ 67,062,646</u>	<u>\$ 13,499,328</u>	<u>\$ (9,524,827)</u>	<u>\$ 71,037,147</u>

Depreciation and amortization expense were charged to functions/programs of the Component Unit School Board's governmental activities as follows:

Governmental activities:	
Education	<u>\$ 2,935,628</u>

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**8. UNAVAILABLE REVENUE**

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities in the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of fiscal year 2024, the various components of unavailable revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>
Deferred Property Tax Revenue, representing uncollected tax billings at June 30, 2024 (General Fund)	\$ 2,258,560
Deferred Opioid Abatement Fund Revenue	<u>949,360</u>
Total unavailable revenue for governmental funds	<u>\$ 3,207,920</u>

**9. LONG-TERM DEBT**

PRIMARY GOVERNMENT

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

Year Ending June 30	Governmental Activities					
	General Obligation Bonds		Virginia Revolving Loans		Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 9,706,975	\$ 889,129	\$ 46,064	\$ -	\$ 70,190	\$ 8,801
2026	1,783,059	676,913	45,468	-	44,310	1,699
2027	1,646,920	591,449	44,861	-	44,347	637
2028	1,612,071	514,077	44,240	-	-	-
2029	1,270,447	444,460	43,607	-	-	-
2030-2034	5,528,322	1,621,792	208,074	-	-	-
2035-2039	6,490,000	591,384	116,371	-	-	-
	<u>\$ 28,037,794</u>	<u>\$ 5,329,204</u>	<u>\$ 548,685</u>	<u>\$ -</u>	<u>\$ 158,847</u>	<u>\$ 11,137</u>

Year Ending June 30	Business-Type Activities					
	General Obligation Bonds		Virginia Revolving Loans		Sewer Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 823,701	\$ 434,727	\$ 391,913	\$ 33,432	\$ 1,674,743	\$ 36,821
2026	854,448	395,688	403,756	21,586	1,685,367	29,278
2027	893,831	354,650	415,965	9,382	1,686,001	21,469
2028	933,051	319,753	-	-	1,696,645	14,894
2029	868,890	285,711	-	-	1,702,298	7,925
2030-2034	3,365,236	1,028,685	-	-	2,865,898	9,614
2035-2039	2,985,000	291,865	-	-	-	-
	<u>\$ 10,724,157</u>	<u>\$ 3,111,079</u>	<u>\$ 1,211,634</u>	<u>\$ 64,400</u>	<u>\$ 11,310,952</u>	<u>\$ 120,001</u>

Compensated absences, net OPEB obligation, net pension liability, and liability for landfill closure are not included in the schedule reflecting annual requirements to amortize long-term obligations since it cannot be estimated when they will be paid.

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**9. LONG-TERM DEBT (continued)**

PRIMARY GOVERNMENT (continued)

Changes in Long-Term Debt

The following is a summary of the long-term debt transactions of the City and Blended Component Unit, Economic Development Authority for the year ended June 30, 2024:

Governmental Activities	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024	Due within one year
General Obligation Bonds	\$ 30,172,354	\$ -	\$ 2,134,560	\$ 28,037,794	\$ 9,706,975
Unamortized Bond Premium	872,862	-	124,726	748,136	112,947
VRA Loan - Taxable G.O. Bond	595,332	-	46,647	548,685	46,064
Unamortized Bond Discount	(70,591)	-	(9,165)	(61,426)	(8,582)
Liability for Landfill Closure	1,872,531	15,450	-	1,887,981	-
Net OPEB Obligation	3,648,326	43,320	-	3,691,646	-
Net Pension Liability	8,319,053	405,398	-	8,724,451	-
Leases	190,884	51,409	83,446	158,847	70,190
Compensated Absences	937,136	-	15,728	921,408	102,040
Total Governmental Activities	46,537,887	515,577	2,395,942	44,657,522	10,029,634
Business-type Activities					
General Obligation Bonds	11,515,604	-	791,447	10,724,157	823,701
Unamortized Bond Premium	685,938	-	103,415	582,523	92,755
VRA Loan - Taxable G.O. Bond	1,592,050	-	380,416	1,211,634	391,913
VRA Loan - Sewer Revenue Bond	12,980,079	-	1,669,127	11,310,952	1,674,743
Unamortized Bond Discount	(1,709,377)	-	(382,812)	(1,326,565)	(338,264)
Net OPEB Obligation	748,948	5,770	30,636	724,082	-
Net Pension Liability	1,592,802	51,053	32,036	1,611,819	-
Compensated Absences	176,970	10,234	4,807	182,397	30,123
Total Business-type Activities	27,583,014	67,057	2,629,072	25,020,999	2,674,971
Primary Government Totals	\$ 74,120,901	\$ 582,634	\$ 5,025,014	\$ 69,678,521	\$ 12,704,605

Details of Long-Term Indebtedness

Governmental    Business-type

General Obligation Bonds:

\$6,364,713 General Obligation School Bonds – Series 2007A (Kate Collins Middle School), issued November 8, 2007 maturing annually through July 15, 2027, bearing interest at a 5.10% fixed interest rate payable semiannually. The bonds are shown net of unamortized premium of \$14,872.

\$ 1,456,054      \$ -

\$3,519,000 General Obligation Public Improvement Bonds - Series 2011 (General) issued October 31, 2011, maturing with monthly installments of \$25,955 through October 28, 2026, bearing an interest rate of 3.96%.

694,012      -

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**9. LONG-TERM DEBT (continued)**

PRIMARY GOVERNMENT (continued)

Details of Long-Term Indebtedness (continued)

General Obligation Bonds: (continued)

	<u>Govern- mental</u>	<u>Business- type</u>
\$11,570,000 General Obligation Public Improvement Bonds - Series 2014A (Schools – Kate Collins Middle School) issued September 11, 2014, maturing annually through August 1, 2024, bearing an interest rate of 3.20%.	8,000,000	-
\$16,045,000 General Obligation Public Improvement Bonds - Series 2015 (General, Water, Sewer) issued April 13, 2015, maturing with annual installments through October 1, 2037, bearing interest from 2.625% to 5.125%. The bonds are shown net of unamortized premium of \$57,131 for governmental activities and unamortized premium of \$549,853 for business-type activities.	1,340,914	10,271,070
\$19,860,000 General Obligation School Bonds – Series 2018A (WHS Renovation), issued May 1, 2018, maturing annually through July 15, 2038, bearing interest from 3.05% to 5.05% payable semiannually. The bonds are shown net of unamortized premiums of \$676,133 for governmental activities.	17,076,133	-
\$1,563,000 General Obligation Refunding Bonds – Series 2022 (General, Sewer, Stormwater) issued May 5, 2022, maturing annually Through February 1, 2031, bearing interest of 2.35% payable Semiannually.	<u>218,817</u>	<u>1,002,941</u>
Total General Obligation Bonds	<u>28,785,930</u>	<u>11,274,011</u>

Virginia Revolving Loans:

\$6,245,039 General Obligation Public Improvement Bonds – Series 2006A (Sewer) issued March 17, 2006, maturing annually through January 1, 2027, bearing interest at a 3.0% fixed interest rate payable semiannually.	-	1,211,634
\$14,594,900 Sewer Revenue Bond – Series 2008 issued February 28, 2008, maturing semi-annually through January 1, 2031. Unamortized discount of \$754,045 is based on imputed interest rate of 4.41%.	-	4,354,170
\$14,624,858 Sewer Revenue Bond – Series 2009 issued June 10, 2009, maturing semi-annually through December 1, 2030. Unamortized discount of \$541,665 is based on imputed interest rate of 3.55%.	-	4,211,413
\$845,260 Sewer Revenue Bond – Series 2014 issued June 23, 2014, maturing semi-annually through December 1, 2030. Unamortized discount of \$30,856 is based on imputed interest rate of 3.12%.	-	259,556

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**9. LONG-TERM DEBT (continued)**

PRIMARY GOVERNMENT (continued)

Details of Long-Term Indebtedness (continued)

Virginia Revolving Loans: (continued)

\$1,295,000 Sewer Revenue Bond – Series 2015 issued April 28, 2015, maturing with annual installments beginning in 2019 through October 1, 2028, bearing interest from 3.125% through 5.125%. The bond is shown net of unamortized premium of \$32,670.

-            747,670

\$808,932 Sewer Revenue Bond – Series 2015 issued June 18, 2015, maturing semi-annually through February 1, 2036.

-            444,247

\$749,630 General Obligation Public Improvement Bonds – Series 2015B issued June 8, 2015, maturing semi-annually through March 1, 2037. Unamortized discount of \$61,426 is based on imputed interest rate of 2.05%.

487,259            -

Total Virginia Revolving Loans

487,259            11,228,690

Liability for Municipal Solid Waste Landfill Closure

1,887,981            -

Net OPEB Obligation

3,691,646            724,082

Net Pension Liability

8,724,451            1,611,819

Leases

158,847            -

Compensated Absences

921,408            182,397

Total Primary Government Long-Term Debt

\$ 44,657,522    \$ 25,020,999

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**9. LONG-TERM DEBT (continued)**

COMPONENT UNIT SCHOOL BOARD

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

Year Ending June 30	Leases		SBITA	
	Principal	Interest	Principal	Interest
2025	\$ 121,659	\$ 88,415	\$ 27,352	\$ 992
2026	63,701	84,544	13,962	318
2027	67,221	81,024	-	-
2028	70,935	77,310	-	-
2029	74,854	73,391	-	-
2030-2034	441,071	300,153	-	-
2035-2039	577,150	164,074	-	-
2040-2044	302,511	18,686	-	-
	<u>\$ 1,719,102</u>	<u>\$ 887,597</u>	<u>\$ 41,314</u>	<u>\$ 1,310</u>

Compensated absences, and net OPEB obligation are not included in the schedule reflecting annual requirements to amortize long-term obligations since it cannot be estimated when they will be paid.

Changes in Long-Term Debt

The following is a summary of long-term debt transactions for the Component Unit School Board for the year ended June 30, 2024:

Governmental Activities	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024	Due within one year
Financed purchase	\$ 329,666	\$ -	\$ 329,666	\$ -	\$ -
Net OPEB Obligation	7,193,130	548,910	-	7,742,040	-
Net Pension Liability	20,294,280	3,432,855	-	23,727,135	-
Leases	1,943,698	-	224,596	1,719,102	121,659
SBITA	121,617	-	80,303	41,314	27,352
Compensated Absences	857,812	140,564	-	998,376	140,564
Total Governmental Activities	<u>\$ 30,740,203</u>	<u>\$ 4,122,329</u>	<u>\$ 634,565</u>	<u>\$ 34,227,967</u>	<u>\$ 289,575</u>

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# CITY OF WAYNESBORO, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2024

### 10. Leases and Subscription-Based Information Technology Arrangements (SBITAs)

**Lessee:** The City is a lessee for noncancellable leases of copiers, a postage machine, and two buildings for administrative space. The School Board is the lessee for noncancelable leases of copiers, postage machines, and solar panels. The City and School Board recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$10,000 or more. The School Board recognizes a lease liability with an initial individual value of \$5,000 or more.

At the commencement of a lease, the City and School Board initially measure the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City and School Board determine (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City and School Board use the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City and School Board generally use its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City and School Board is reasonably certain to exercise.

The City and School Board monitor changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**Lessor:** The City is a lessor for noncancelable leases of access to cell towers for periods expiring December 2025 through August 2028. As of June 30, 2024, the value of the lease receivable and the deferred inflows of resources related to these leases was \$115,361. Monthly lease payments range from \$1,695 to \$2,185, with interest rates of 2.50%. The School Board is lessor for noncancelable leases for cell towers for periods expiring in June 2025 through February 2029. As of June 30, 2024, the value of the lease receivable and the deferred inflows of resources related to these leases was \$76,736. Monthly lease payments range from \$1,160 to \$1,500, with interest rates of 2.35%. At the commencement of a lease, the City and School Board initially measure the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates and judgments include how the City and School Board determine (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City and School Board uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The City and School Board monitor changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

The lease receivables are due as follows:

Year Ending	City		Schools	
	Principal	Interest	Principal	Interest
2025	\$ 44,189	\$ 2,380	\$ 28,943	\$ 1,477
2026	29,913	1,358	12,936	984
2027	19,536	809	13,243	677
2028	20,030	315	13,557	363
2029	1,693	4	8,057	63
	<u>\$ 115,361</u>	<u>\$ 4,866</u>	<u>\$ 76,736</u>	<u>\$ 3,564</u>

(Notes Continued on Next Page)

# CITY OF WAYNESBORO, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2024

### 10. Leases and Subscription-Based Information Technology Arrangements (SBITAs) (continued)

The School Board has entered into SBITAs for various student-related software programs, which will expire in 2025 and 2026. SBITAs are recognized as fixed assets and debts and the aggregate amounts and future payment obligations in the footnotes seven and nine.

### 11. CONTINGENT LIABILITIES

Federal programs in which the City participates were audited in accordance with provisions of the Title 2 US Code of Federal Regulations Part 200, *Audits of States, Local Governments, and Non-Profit Organizations*. Pursuant to the provisions of this document, all major programs were tested for compliance with applicable grant requirements. While no material matters of noncompliance were disclosed by audit, the Federal government may subject grant programs to additional compliance tests that may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

### 12. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

#### Construction Commitments and Other Significant Commitments

In connection with the general obligation bonds issued in 2019, the City started major renovations to the Waynesboro High School project.

	Governmental
Estimated project costs financed	\$ 19,860,000
Bond Premium (net of fees)	1,143,511
Interest Received	689,575
Costs incurred through 6-30-24	(21,689,926)
Estimated remaining costs	<u>\$ 3,160</u>

The City has encumbered funds in the General Fund in the following categories, included in fund balance at June 30, 2024:

Function	Assigned	Restricted	Total
General government administration	\$ 101,258	\$ -	\$ 101,258
Judicial administration	92,729	-	92,729
Public Safety	576,083	-	576,083
Public Works	777,528	377,817	1,155,345
Health and Welfare	1,805	-	1,805
Parks, recreation, and cultural	127,527	-	127,527
Community development	8,839	-	8,839
	<u>\$ 1,685,769</u>	<u>\$ 377,817</u>	<u>\$ 2,063,586</u>

Encumbrances in other funds at June 30, 2024, are as follows:

Fund	Amount
Nonmajor Governmental Funds	\$ 36,410
Capital Improvements Fund	4,364,412
Water Fund	3,798,126
Sewer Fund	2,634,875
Stormwater Fund	269,653
	<u>\$ 11,103,476</u>

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**12. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS (continued)**

Blended Component Unit Commitments - Economic Development Authority

During fiscal year 2011, the EDA entered into a performance agreement with a local business in connection with Governor's Opportunity Fund grants. If the business does not meet the terms of the performance agreement, they must repay the funds received related to the Governor's Opportunity Fund grant; failure by the business to repay this amount could result in either the City or the EDA being responsible for repaying these funds. At this time, the EDA and the City have no reason to believe the performance agreement terms will not be met.

**13. DEFINED BENEFIT PENSION PLAN**

**General Information about the Pension Plan**

***Plan Description***

All full-time, salaried permanent employees of the Political Subdivision are automatically covered by a VRS Retirement Plan upon employment. This Plan is administered by the VRS 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 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.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and, Hybrid. Each of these benefit structures have different eligibility criteria. The specific information for each Plan and the eligibility for covered groups within each Plan are available at:

- <https://www.varetire.org/members/benefits/defined-benefit/plan1.asp>,
- <https://www.varetire.org/members/benefits/defined-benefit/plan2.asp>,
- <https://www.varetirement.org/hybrid.html>.

***Employees Covered by Benefit Terms - City***

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

	<u>Number</u>
Active members	284
Inactive, Non-Vested	125
Inactive members:	
Retirees and Beneficiaries	368
Inactive, Vested	89
Inactive, Active Elsewhere in VRS	<u>168</u>
Total inactive members	625
Total covered employees	<u><u>1,034</u></u>

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT PENSION PLAN** (continued)

***Employees Covered by Benefit Terms – School Board – Non-professional employees***

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

	<u>Number</u>
Active members	41
Inactive, Non-Vested	26
Inactive members:	
Retirees and Beneficiaries	46
Inactive, Vested	9
Inactive, Active Elsewhere in VRS	<u>14</u>
Total inactive members	69
Total covered employees	<u><u>136</u></u>

***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 the City and School Board by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The City's contractually required contribution rate for the year ended June 30, 2024, was 15.87% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The School Board's non-professional employee pension plan contractually required contribution rate for the year ended June 30, 2024, was 2.65% of covered employee compensation for its non-professional employees. 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 employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the City were \$2,054,792 and \$1,866,036 for the years ended June 30, 2024 and June 30, 2023, respectively. Contribution to the pension plan from the School Board's non-professional employees were \$22,782 and \$21,354 for the years ended June 30, 2024 and June 30, 2023, respectively.

Each school division's contractually required contribution rate for the year ended June 30, 2024, was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined 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. Contribution to the pension plan from the school division were \$3,901,842 and \$3,739,396 for the years ended June 30, 2024 and June 30, 2023, respectively.

In June 2023, the Commonwealth made a special contribution of approximately \$147.5 million to the VRS Teacher Employee Plan. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT PENSION PLAN** (continued)

***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 position. The City and School Board'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 rolled forward to the measurement date of June 30, 2023.

***Actuarial Assumptions – General Employees – City and School Board***

The total pension liability for General Employees in the City's and School Board'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	2.5%
Salary increases, including inflation	3.5% - 5.35% (3.5% - 5.95% School Board Professional)
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

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:

***Largest 10 – Non-Hazardous Duty:***

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 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 year age and service 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) – Non-Hazardous Duty:***

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 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 year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT PENSION PLAN** (continued)

***Actuarial Assumptions – Public Safety Employees***

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the City'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	2.5%
Salary increases, including inflation	3.5% - 4.75%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

***Actuarial Assumptions – General Employees City & School Board***

**Mortality rates:**

Largest 10 – Hazardous Duty: 70% 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 Contingent Annuitant 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

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 Contingent Annuitant 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

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:

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT PENSION PLAN** (continued)

***Largest 10 – Hazardous Duty:***

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 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	Decrease rates
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 PUB2010 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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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT 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:

<b>Asset Class (Strategy)</b>	<b>Long-Term Target Asset Allocation</b>	<b>Arithmetic Long-Term Expected Rate of Return</b>	<b>Weighted Average Long-Term Expected Rate of Return*</b>
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%
<b>Total</b>	<b>100.00%</b>		<b>5.75%</b>
	Inflation		2.50%
	Expected arithmetic nominal return *		<b>8.25%</b>

\*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%.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT 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; political subdivisions were also provided with an opportunity to use an alternate 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 continue 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 – City***

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability/(Asset) (a) - (b)</b>
<b>Balance as of June 30, 2022</b>	<b>\$ 89,842,277</b>	<b>\$ 79,935,174</b>	<b>\$ 9,907,103</b>
<b>Change for the year:</b>			
Service cost	1,540,252		1,540,252
Interest	5,987,664		5,987,664
Change in Benefit Terms	0		0
Change in Assumptions	0		0
Difference Between Expected and Actual Experience	487,938		487,938
Contributions - Employer		1,865,935	(1,865,935)
Contributions - Employee		726,377	(726,377)
Net Investment Income		5,072,606	(5,072,606)
Benefit Payments, Including Refunds of Employee Contributions	(5,352,787)	(5,352,787)	0
Pension Plan Administrative Expense		(51,725)	51,725
Other changes	0	2,034	(2,034)
<b>Net Change</b>	<b>2,663,067</b>	<b>2,262,440</b>	<b>400,627</b>
<b>Balance as of June 30, 2023</b>	<b>\$ 92,505,344</b>	<b>\$ 82,197,614</b>	<b>\$ 10,307,730</b>

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT PENSION PLAN** (continued)

***Changes in Net Pension Liability (Asset) – School Board Non-professional***

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability/(Asset) (a) – (b)</b>
Balance as of June 30, 2022	\$ 4,373,580	\$ 4,733,287	\$ (359,707)
Change for the year:			
Service cost	102,742		102,742
Interest	294,121		294,121
Change in Benefit Terms	0		0
Change in Assumptions	0		0
Difference Between Expected and Actual Experience	126,982		126,982
Contributions - Employer		21,349	(21,349)
Contributions - Employee		60,157	(60,157)
Net investment income		301,405	(301,405)
Benefit Payments, Including Refunds of Employee Contributions	(237,951)	(237,951)	0
Pension Plan Administrative Expense		(3,072)	3,072
Other changes	0	121	(121)
Net Change	285,894	142,009	143,885
Balance as of June 30, 2023	\$ 4,659,474	\$ 4,875,296	\$ (215,822)

***Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate***

The following presents the net pension liability (asset of the City and School Board (non-professional) using the discount rate of 6.75%, as well as what the net pension liability (asset) would be if it was calculated using a discount rate that is one-percentage-point lower (5.75%) or one-percentage-point higher (7.75%) than the current rate:

	<b>(5.75%)</b>	<b>Rate (6.75%)</b>	<b>(7.75%)</b>
City's Net Pension Liability	\$22,118,995	\$10,307,730	\$790,199
School Board–Non-Professional Net Pension Liability (Asset)	\$309,553	\$(215,822)	\$(655,023)

***Sensitivity of the School Board's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following table presents the collective net pension liability of the participating employers in the VRS Teacher Retirement Plan using the discount rate of 6.75%, as well as what collective net pension liability of the participating employers in the VRS Teacher Retirement Plan net pension liability would be if it was calculated using a discount rate that is one-percentage-point lower (5.75%) or one-percentage-point higher (7.75%) than the current rate:

	<b>(5.75%)</b>	<b>Rate (6.75%)</b>	<b>(7.75%)</b>
School Board – Professional Net Pension Liability	\$42,442,324	\$23,942,957	\$8,734,957

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT PENSION PLAN (continued)**

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions - City***

For the year ended June 30, 2024, the City recognized pension expense of \$1,039,740. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 281,184	\$ 274,400
Changes in assumptions	-	-
Net difference between projected and actual earnings on Plan investments	4,160,963	5,502,433
Employer contributions subsequent to the measurement date	<u>2,054,792</u>	<u>-</u>
Total	<u>\$ 6,496,939</u>	<u>\$ 5,776,833</u>

\$2,054,792 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the 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 as follows:

**Year ended June 30**

2025	\$ (1,011,918)
2026	(1,522,595)
2027	1,154,191
2028	45,636
2029	-
Thereafter	-

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions – School Board – Non-professional***

For the year ended June 30, 2024, the School Board's non-professional pension plan recognized pension expense of \$33,144. At June 30, 2024, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 64,120	\$ 570
Changes of assumptions	-	-
Net difference between projected and actual earnings on plan investments	-	78,543
Employer contributions subsequent to Measurement Date	<u>22,782</u>	<u>-</u>
Total	<u>\$ 86,902</u>	<u>\$ 79,113</u>

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT PENSION PLAN (continued)**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – School Board – Professional (continued)***

\$22,782 reported as deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the 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 as follows:

**Year ended June 30**

2025	\$ 6,825
2026	(92,686)
2027	68,324
2028	2,544
2029	-
Thereafter	-

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – School Board - Professional***

At June 30, 2024, Waynesboro Public Schools reported a liability of \$23,942,957 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2023, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of June 30, 2022, and rolled forward to the measurement date of June 30, 2023. The Waynesboro Public Schools proportion of the Net Pension Liability was based on the Waynesboro Public Schools actuarially determined employer contributions to the pension plan for the year ended June 30, 2023, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2023, the school division's proportion was 0.23689% as compared to 0.21694% at June 30, 2022.

For the year ended June 30, 2024, the school division recognized pension expense of \$2,690,882. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions.

At June 30, 2024, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,056,720	\$ 934,357
Change of assumptions	1,085,418	-
Net difference between projected and actual earnings on Plan investments	-	1,556,775
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,185,001	275,862
Employer contributions subsequent to the measurement date	<u>3,901,842</u>	<u>-</u>
Total	<u>\$ 9,228,981</u>	<u>\$ 2,766,994</u>

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**13. DEFINED BENEFIT PENSION PLAN** (continued)

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – School Board – Professional (continued)***

\$3,901,842 reported as deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the 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 as follows:

**Year ended June 30**

2025	\$(3,291)
2026	(735,574)
2027	2,500,848
2028	798,162
2029	-

***Net Pension Liability***

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2023, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	<b>Teacher Employee Retirement Plan</b>
Total pension liability	\$ 57,574,609
Plan fiduciary net position	<u>47,467,405</u>
Employers' net pension liability	<u>\$ 10,107,204</u>
Plan fiduciary net position as a percentage of the total pension liability	82.45%

***Pension Plan Data***

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2023 Annual Report. A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at [varetire.org/pdf/publications/2023-annual-report.pdf](http://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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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**14. OTHER POST-EMPLOYMENT BENEFITS – LOCAL PLANS**

The City and School Board provide OPEB for retirees through a single-employer defined benefit plan. The City has established a joint trust fund with the School Board to fund the cost of OPEB. The joint trust fund was established by the City and School Board with the Virginia Pooled OPEB Trust Fund (Trust), sponsored by the Virginia Municipal League and the Virginia Association of Counties. The Trust is established as an investment vehicle for participating employers to accumulate assets to fund OPEB. Plans are segregated and restricted in a trust, in which (a) contributions to the Plan are irrevocable, (b) assets are dedicated to providing benefits to retirees and their beneficiaries, and (c) assets are legally protected from creditors of the employer or Plan Administrator, for the payment of benefits in accordance with terms of the Plan.

**Plan Description**

Medical insurance benefits are available to eligible City retirees, their spouses and dependents. Retirees are eligible to participate in the City's health insurance plan if they: a) meet VRS requirements for service retirement or disability retirement and will immediately be receiving a retirement annuity from VRS, b) currently participate in the City's health insurance program, and c) are under age 65 and not eligible for Medicare.

**Plan Membership-City**

Inactive members or their beneficiaries currently receiving benefits	24
Active members	<u>280</u>
Total covered employees	<u>304</u>

Medical insurance benefits are available to eligible School Board retirees, their spouses and dependents. Retirees are eligible to participate in the Board's health insurance plan if they: a) are eligible for VRS retirement with at least 10 years VRS experience, the last 5 years of which are with the Staunton City School Board, b) have participated in the Board's health insurance program for all of the 5 years immediately preceding retirement, and c) are under age 65.

**Plan Membership-School Board**

Inactive members or their beneficiaries currently receiving benefits	29
Active members	<u>249</u>
Total covered employees	<u>278</u>

**Funding Policy**

Current year health insurance claims are paid out of current Health Insurance Fund.

**City**

The contribution requirements of the City healthcare Plan members and City are established and may be amended by the City Council. During fiscal year 2024, the City paid an average of 35% for the various types of health insurance coverage. The retiree is required to pay the remaining amount.

**School Board**

The contribution requirements of the School Board healthcare Plan members and School Board may be amended by the School Board. During fiscal year 2024, the School Board paid an average of 44% for the various types of health insurance coverage. The retiree is required to pay the remaining amount.

**Net OPEB Liability**

The City and School Board's total net OPEB liability of \$3,577,000 and \$3,529,000, respectively, was measured as of July 1, 2023, and was determined by an actuarial valuation performed as of July 1, 2022.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**14. OTHER POST-EMPLOYMENT BENEFITS – LOCAL PLANS** (continued)

*Actuarial Assumptions and Other Inputs*

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

Salary increases, including inflation	2.5%
Healthcare cost trend rates	6.50% for fiscal year end 2024, decreasing .25% per year to an ultimate rate of 4.50%
Mortality rates	RP-2014 Mortality table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2021

***Discount Rate***

The discount rate used to measure the total OPEB liability for both the city and schools was 3.86%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the equal to the actuarial determined contribution rates. Based on those assumption the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**14. OTHER POST-EMPLOYMENT BENEFITS – LOCAL PLANS** (continued)

*Changes in Net OPEB Liability – City*

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/ (Asset) (a) – (b)
<b>Balances at July 1, 2023</b>	\$ 3,555,000	\$ 0	\$ 3,555,000
<b>Changes for the year:</b>			
Service cost	188,000		188,000
Interest	131,000		131,000
Differences between expected and actual experience	115,000		115,000
Contributions – employer		382,000	(382,000)
Contributions – employee		0	0
Net investment income		0	0
Benefit payments	(382,000)	(382,000)	0
Changes of benefit terms	0	0	0
Administrative expense		0	0
Assumption changes	(30,000)	0	(30,000)
<b>Net changes</b>	\$ 22,000	\$ 0	\$ 22,000
<b>Balances at June 30, 2024*</b>	\$ 3,577,000	\$ 0	\$ 3,577,000

\*Measurement date is July 1, 2023

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**14. OTHER POST-EMPLOYMENT BENEFITS – LOCAL PLANS (continued)**

***Changes in Net OPEB Liability – School Board***

	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability/ (Asset) (a) – (b)</b>
<b>Balances at July 1, 2023</b>	\$ 3,206,000	\$ 0	\$ 3,206,000
<b>Changes for the year:</b>			
Service cost	315,000		315,000
Interest	123,000		123,000
Differences between expected and actual experience	216,000		216,000
Contributions – employer		394,000	(394,000)
Contributions – employee		0	0
Net investment income		0	0
Benefit payments	(394,000)	(394,000)	0
Changes of benefit terms	0	0	0
Administrative expense		0	0
Assumption changes	63,000	0	63,000
<b>Net changes</b>	<b>\$ 323,000</b>	<b>\$ 0</b>	<b>\$ 323,000</b>
<b>Balances at June 30, 2024*</b>	<b>\$ 3,529,000</b>	<b>\$ 0</b>	<b>\$ 3,529,000</b>

**\*Measurement date is July 1, 2023**

***Sensitivity of the City's and School Board's Other Post-employment Benefits Net OPEB Liability to Changes in the Discount Rate***

The following presents the City's and School Board's Other Post-employment Benefits Program net OPEB liability using the discount rate of 3.86%, as well as what the City's and School Board's net OPEB liability would be if it was calculated using a discount rate that is one-percentage-point lower (2.86%) or one-percentage-point higher (4.86%) than the current rate:

	<b>1.00% Decrease (2.86%)</b>	<b>Current Discount Rate (3.86%)</b>	<b>1.00% Increase (4.86%)</b>
<b>City's Net OPEB Liability</b>	<b>\$3,933,000</b>	<b>\$3,577,000</b>	<b>\$3,262,000</b>
<b>School Board's OPEB Liability</b>	<b>\$3,677,000</b>	<b>\$3,529,000</b>	<b>\$3,385,000</b>

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**14. OTHER POST-EMPLOYMENT BENEFITS – LOCAL PLANS** (continued)

***Sensitivity of the City's and School Board's Other Post-employment Benefits Net OPEB Liability to Changes in the healthcare cost trends***

The following presents the net OPEB liability using the healthcare cost trends rate of 6.50% for both the City and Schools, as well as what the net OPEB liability would be if it was calculated using healthcare cost trend rates that are one-percentage-point lower or one percentage point higher than the current rate:

	1.00% Decrease	Current Rate	1.00% Increase
<b>City's Net OPEB Liability</b>	<b>\$3,169,000</b>	<b>\$3,577,000</b>	<b>\$4,062,000</b>
<b>School Board's OPEB Liability</b>	<b>\$3,259,000</b>	<b>\$3,529,000</b>	<b>\$3,826,000</b>

***Other Post-employment Benefits Program OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-employment Benefits Program OPEB***

For the year ended June 30, 2024, the City and School Board recognized OPEB expense (benefit) of \$(263,000) and \$261,000, respectively. At June 30, 2024, the City and School Board reported deferred outflows of resources and deferred inflows of resources related to the City's and School Board's Other Post-employment Benefits Program from the following sources:

<b>City's</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 120,000	\$ 1,799,000
Change in assumptions	329,999	667,000
Net difference between projected and actual earnings on OPEB plan investments	-	-
Employer contributions after Measurement Date but prior to fiscal year-end	<u>292,000</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 741,999</u></b>	<b><u>\$ 2,466,000</u></b>

<b>School Board's</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 187,000	\$ 162,000
Change in assumptions	61,000	6,000
Net difference between projected and actual earnings on OPEB plan investments	-	-
Employer contributions after Measurement Date but prior to fiscal year-end	<u>394,000</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 642,000</u></b>	<b><u>\$ 178,000</u></b>

The \$292,000 and \$394,000 reported as deferred outflows of resources related to the OPEB resulting from the City's and School Board's contributions subsequent to the measurement date will be recognized as a reduction of the Net 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 OPEB will be recognized in the OPEB expense in future reporting periods as follows:

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**14. OTHER POST-EMPLOYMENT BENEFITS – LOCAL PLANS** (continued)

**General Information about the City's and School Board's Other Post-employment Benefits Program** (continued)

***City's***

**Year ended June 30**

2025	\$(588,000)
2026	(519,000)
2027	(455,000)
2028	(348,000)
2029	(113,000)
2030	6,999
Thereafter	-

***School Board's***

**Year ended June 30**

2025	\$(2,000)
2026	(29,000)
2027	54,000
2028	47,000
Thereafter	-

**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS**

In addition to their participation in the pension plans offered through the VRS, the City of Waynesboro ("Political Subdivision") and the City of Waynesboro School Board (the "School Division") also participate in various cost-sharing and agent multiemployer other postemployment benefit plans described as follows.

**Plan Descriptions**

**Group Life Insurance Program**

All full-time teachers and employees of political subdivisions and public school divisions are automatically covered by the VRS Group Life Insurance (GLI) Program upon employment.

In addition to the Basic Group Life Insurance Benefit, members are also eligible to elect additional coverage for themselves, as well as the spouse or dependent children through the Optional Group Life Insurance Program. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI Program OPEB.

Specific information for the GLI is available at <https://www.varetire.org/members/benefits/life-insurance/basic-group-life-insurance.asp>.

**Teacher Employee Health Insurance Credit Program**

All full time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee Health Insurance Credit (HIC) Program. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

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**CITY OF WAYNESBORO, VIRGINIA**  
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**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS (continued)**

**Plan Descriptions (continued)**

Teacher Employee Health Insurance Credit Program (continued)

Specific information about the Teacher HIC is available at  
<https://www.varetire.org/retirees/insurance/healthinscredit/index.asp>

The GLI and Teacher HIC are administered by the VRS along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Both of these plans are considered multiple-employer, cost-sharing plans.

General Employee Health Insurance Credit Program – School Division

The General Employee Health Insurance Credit Program (HIC) is available for all full time, salaried employees of local government entities other than Teachers. The General Employee HIC provides all the same benefits as the Teacher HIC, except that this Plan is considered a multiemployer agent plan. The School division non-professional employees are covered in this Plan, but the political subdivision employees are not.

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	<b>Number</b>
Active members	40
Inactive members:	
Retirees	4
Disabled	-
Inactive, vested	1
Inactive, active elsewhere in VRS	15
	<hr/>
Total inactive members	20
	<hr/>
Total covered employees	60
	<hr/> <hr/>

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS (continued)**

**Contributions**

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2021. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

Group Life Insurance Program-City

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2024, Contribution	\$91,861
June 30, 2023, Contribution	\$97,008

Group Life Insurance Program-School Division

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2024, Contribution	\$142,284
June 30, 2023, Contribution	\$135,152

In June 2023, the Commonwealth made a special contribution of approximately \$10.1 million to the Group Life plan. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session.

Teacher Health Insurance Credit Program

Governed by:	<i>Code of Virginia</i> 51.1-1401 and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	1.21% of covered employee compensation.
June 30, 2024, Contribution	\$302,449
June 30, 2023, Contribution	\$271,962

In June 2023, the Commonwealth made a special contribution of approximately \$4.0 million to the VRS Teacher Health Insurance Credit Program. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session, and is classified as a non-employer contribution.

General Employee Health Insurance Credit Program – School Division

Governed by:	<i>Code of Virginia</i> 51.1-1400 and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly.
Total rate:	1.21% of covered employee compensation.
June 30, 2024, Contribution	\$9,918
June 30, 2023, Contribution	\$8,962

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS (continued)**

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

The net OPEB liabilities were measured as of June 30, 2023, and the total OPEB was determined by an actuarial valuation performed as of June 30, 2022, and rolled forward to the measurement date of June 30, 2023. The covered employer's proportion of the net OPEB liabilities was based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2023, relative to the total of the actuarially determined employer contributions for all participating employers.

Group Life Insurance Program-City

June 30, 2024, proportionate share of liability	\$784,591
June 30, 2023, proportion	.06542%
June 30, 2022, proportion	.06559%
June 30, 2024, expense	\$19,783

Group Life Insurance Program-School Division Professional employees

June 30, 2024, proportionate share of liability	\$1,212,506
June 30, 2023, proportion	.10110%
June 30, 2022, proportion	.09338%
June 30, 2024, expense	\$61,239

Group Life Insurance Program-School Division Non-professional employees

June 30, 2024, proportionate share of liability	\$71,239
June 30, 2023, proportion	.00594%
June 30, 2022, proportion	.00494%
June 30, 2024, expense	\$6,942

Teacher Health Insurance Credit Program

June 30, 2024, proportionate share of liability	\$2,893,349
June 30, 2023, proportion	.23884%
June 30, 2022, proportion	.21794%
June 30, 2024, expense	\$246,044

Since there was a change in proportionate share between measurement dates, a portion of the OPEB expense above was related to deferred amount from changes in proportion.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS** (continued)

General Employee Health Insurance Credit Program

Changes in net OPEB liability of the General Employee Health Insurance Credit Program were as follows:

	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a) – (b)</b>
Balances at June 30, 2022	\$ 91,911	\$ 10,820	\$ 81,091
Changes for the year:			
Service cost	860	-	860
Interest	6,151	-	6,151
Benefit changes	-	-	-
Differences between expected and actual experience	(42,294)	-	(42,294)
Assumption changes	-	-	-
Contributions – employer	-	8,962	(8,962)
Net investment income (loss)	-	926	(926)
Benefit payments	(3,302)	(3,302)	-
Administrative expenses	-	(27)	27
Other changes	-	1	(1)
Net changes	(38,585)	6,560	(45,145)
Balances at June 30, 2023	\$ 53,326	\$ 17,380	\$ 35,946

The School Division recognized OPEB benefit of \$(1,773) related to the General Employee Health Insurance Credit Program.

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**CITY OF WAYNESBORO, VIRGINIA**  
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**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS** (continued)

**OPEB Liabilities, OPEB Expense, and Deferred Inflows and Outflows of Resources Related to OPEB**  
**(continued)**

General Employee Health Insurance Credit Program – School Division (continued)

At June 30, 2024, the City and School Division reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

Group Life Insurance Program- City

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 78,362	\$ 23,816
Change in assumptions	16,771	54,360
Net difference between projected and actual earnings on OPEB plan investments	-	31,527
Changes in proportion	8,051	49,891
Employer contributions subsequent to the measurement date	91,861	-
Total	<u>\$ 195,045</u>	<u>\$ 159,594</u>

Group Life Insurance Program-Teachers

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 121,100	\$ 36,806
Change in assumptions	25,918	84,007
Net difference between projected and actual earnings on OPEB plan investments	-	48,725
Changes in proportion	115,444	28,064
Employer contributions subsequent to the measurement date	133,978	-
Total	<u>\$ 396,440</u>	<u>\$ 197,602</u>

(Notes Continued on Next Page)



**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS (continued)**

**OPEB Liabilities, OPEB Expense, and Deferred Inflows and Outflows of Resources Related to OPEB (continued)**

Group Life Insurance Program-Non-Professional

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 7,115	\$ 2,162
Change in assumptions	1,523	4,936
Net difference between projected and actual earnings on OPEB plan investments	-	2,863
Changes in proportion	15,649	13
Employer contributions subsequent to the measurement date	8,306	-
Total	<u>\$ 32,593</u>	<u>\$ 9,974</u>

Teacher Health Insurance Credit Program

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 127,351
Change in assumptions	67,352	2,916
Net difference between projected and actual earnings on OPEB plan investments	1,452	-
Changes in proportion	292,862	78,546
Employer contributions subsequent to the measurement date	302,449	-
Total	<u>\$ 664,115</u>	<u>\$ 208,813</u>

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS (continued)**

General Employee Health Insurance Credit Program – School Division

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 36,473
Change in assumptions	9,044	-
Net difference between projected and actual earnings on OPEB plan investments	153	-
Changes in proportion	-	-
Employer contributions subsequent to the measurement date	9,918	-
Total	<u>\$ 19,115</u>	<u>\$ 36,473</u>

The deferred outflows of resources related to OPEB resulting from the political subdivision and school division's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Group Life Insurance Program-City

<b>Year Ending June 30,</b>	<b>Increase (Reduction) to OPEB Expense</b>
2025	\$ (16,314)
2026	(41,232)
2027	1,563
2028	(7,822)
2029	7,395
Thereafter	-

Group Life Insurance Program-School Division Teachers

<b>Year Ending June 30,</b>	<b>Increase (Reduction) to OPEB Expense</b>
2025	\$ 1,607
2026	(33,640)
2027	44,468
2028	24,377
2029	28,048
Thereafter	-

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS (continued)**

Group Life Insurance Program-School Division Non-Professional

Year Ending June 30,	Effect on OPEB Expense
2025	\$ 3,026
2026	569
2027	4,590
2028	3,344
2029	2,784
Thereafter	-

Teacher Health Insurance Credit Program

Year Ending June 30,	Effect on OPEB Expense
2025	\$ 8,844
2026	13,319
2027	32,522
2028	35,103
2029	34,705
Thereafter	28,360

School General Employee Health Insurance Credit Program

Year Ending June 30,	Effect on OPEB Expense
2025	\$ (7,890)
2026	(7,892)
2027	(8,256)
2028	(3,238)
2029	-
Thereafter	-

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS** (continued)

**Actuarial Assumptions and Other Inputs**

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2022, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023:

Inflation	2.5%
Salary increases, including inflation:	
• Locality – general employees	3.5 – 5.35%
• Locality – hazardous duty employees	3.5 – 4.75%
• Teachers	3.5 – 5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail at Note 13.

**Net OPEB Liabilities**

The net OPEB liabilities represent each program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2023, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	<b>Group Life Insurance Program</b>	<b>Teacher Employee HIC OPEB Plan</b>
Total OPEB liability	\$ 3,907,052	\$ 1,475,471
Plan fiduciary net position	\$ 2,707,738	\$ 264,054
Employers' net OPEB liability	\$ 1,199,314	\$ 1,211,417
Plan fiduciary net position as a percentage of total OPEB liability	69.30%	17.90%

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS (continued)**

**Long-Term Expected Rate of Return**

Group Life Insurance and Health Insurance Credit Programs

The long-term expected rate of return on VRS 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 OPEB 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:

<b>Asset Class (Strategy)</b>	<b>Long-Term Target Asset Allocation</b>	<b>Arithmetic Long-Term Expected Rate of Return</b>	<b>Weighted Average Long-Term Expected Rate of Return*</b>
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%
<b>Total</b>	<b>100.00%</b>		<b>5.75%</b>
		Inflation	2.50%
		* Expected arithmetic nominal return	<b>8.25%</b>

\* The above allocation provides a one-year 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 Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. OTHER POST-EMPLOYMENT BENEFITS – VIRGINIA RETIREMENT SYSTEM PLANS (continued)**

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that 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. Through the fiscal year ending June 30, 2023, the rate contributed by the entity for the OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 113% of the actuarially determined contribution rate for GLI and 100% of the actuarially determined contribution rate for all other OPEB plans. From July 1, 2023 on, employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

	<b>1.00% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1.00% Increase (7.75%)</b>
GLI Net OPEB liability-political subdivision	\$ 1,163,009	\$ 784,591	\$ 478,637
GLI Net OPEB liability-School division professional	\$ 1,797,313	\$ 1,212,506	\$ 739,686
GLI Net OPEB liability-School division non-professional	\$ 105,599	\$ 71,239	\$ 43,459
Teacher HIC Net OPEB liability	\$ 3,272,701	\$ 2,893,349	\$ 2,571,882
General Employee HIC Net OPEB liability – School Division	\$ 41,683	\$ 35,946	\$ 31,074

**OPEB Plan Fiduciary Net Position**

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2022 Annual Comprehensive Financial Report (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at [varetire.org/pdf/publications/2023-annual-report.pdf](http://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.

**Payables to the OPEB Plan**

At June 30, 2024, the following amounts were payable to the Virginia Retirement System for the legally required contributions related to June 2024 payroll.

Group Life Insurance-political subdivision	\$ 19,629
Group Life Insurance-school division	1,183
Group Life Insurance-school divisions-professional	6,340
Teacher Employee Health Insurance Credit	5,725
General Employee Health Insurance Credit	565

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**16. SUMMARY OF PENSION AND OTHER POST-EMPLOYMENT BENEFITS**

A summary of pension and other postemployment benefit (OPEB) related financial statement elements is as follows:

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total Primary Government</b>	<b>Component Unit (School Board)</b>
Deferred outflows of resources – Pension				
VRS-Political Subdivision	\$ 5,499,002	\$ 997,937	\$ 6,496,939	\$ -
Augusta Regional Landfill	-	58,155	58,155	-
VRS-School Non-professional	-	-	-	86,902
VRS-School Professional	-	-	-	9,228,981
Total deferred outflow of resources - Pensions	<u>\$ 5,499,002</u>	<u>\$ 1,056,092</u>	<u>\$ 6,555,094</u>	<u>\$ 9,315,883</u>
Deferred outflows of resources - OPEB				
OPEB Local Health plan	\$ 628,028	\$ 113,971	\$ 741,999	\$ 642,000
Net OPEB outflow from Augusta Regional Landfill	-	10,156	10,156	-
VRS Group Life plan	165,085	29,960	195,045	429,033
VRS HIC Plan - Professional	-	-	-	664,115
VRS HIC Plan - Non-professional	-	-	-	19,115
Total deferred outflow of resources - OPEB	<u>\$ 793,113</u>	<u>\$ 154,087</u>	<u>\$ 947,200</u>	<u>\$ 1,754,263</u>
Net pension liability (asset)				
VRS-Political Subdivision	\$ 8,724,451	\$ 1,583,279	\$ 10,307,730	\$ -
Net Pension Liability Augusta Regional Landfill	-	28,540	28,540	-
VRS-School Non-professional	-	-	-	(215,822)
VRS-School Professional	-	-	-	23,942,957
Total net pension liability	<u>\$ 8,724,451</u>	<u>\$ 1,611,819</u>	<u>\$ 10,336,270</u>	<u>\$ 23,727,135</u>
Net OPEB Liability				
OPEB Local Health plan	\$ 3,027,569	\$ 549,431	\$ 3,577,000	\$ 3,529,000
Net OPEB Liability from Augusta Regional	-	54,137	54,137	-
VRS Group Life plan	664,077	120,514	784,591	1,283,745
VRS HIC Plan- Professional	-	-	-	2,893,349
VRS HIC Plan - Non-professional	-	-	-	35,946
Total net OPEB Liability	<u>\$ 3,691,646</u>	<u>\$ 724,082</u>	<u>\$ 4,415,728</u>	<u>\$ 7,742,040</u>
Deferred inflows of resources –Pension				
RS-Political Subdivision	\$ 4,889,505	\$ 887,328	\$ 5,776,833	\$ -
Net deferred inflow from August Regional Landfill	-	50,322	50,322	-
VRS-School Non-professional	-	-	-	79,113
VRS-School Professional	-	-	-	2,766,994
Total deferred inflow of Resources - Pensions	<u>\$ 4,889,505</u>	<u>\$ 937,650</u>	<u>\$ 5,827,155</u>	<u>\$ 2,846,107</u>
Deferred inflows of resources - OPEB				
Augusta Regional Landfill	\$ -	\$ 12,297	\$ 12,297	\$ -
OPEB Local Health plan	2,087,219	378,781	2,466,000	178,000
VRS Group Life plan	135,082	24,512	159,594	207,576
VRS HIC Plan - Professional	-	-	-	208,813
VRS HIC Plan - Non-Professional	-	-	-	36,473
Total deferred inflow of resources - OPEB	<u>\$ 2,222,301</u>	<u>\$ 415,590</u>	<u>\$ 2,637,891</u>	<u>\$ 630,862</u>

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**17. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. The City carries commercial insurance for all risks of loss including property, theft, auto liability, general liability, and construction insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage for each of the past three years. There was no reduction in insurance coverage during fiscal year 2024. All claims are paid in full at the time of damage. In addition, the City provides various surety bond coverage as required under regulations and at industry-recommended desired levels.

The City is a participating member in the Virginia Municipal League Insurance Programs (VMLIP) and the Component Unit School Board is a participating member in the School Systems of Virginia Self Insurance Program. The agreement for the formation of VMGSIA and the School Systems of Virginia Self Insurance Program provides that the risk pools will be self-sustaining through member premiums and will reinsure through commercial companies for excess claims. In addition, both of these entities provide workers' compensation coverage in compliance with the Virginia Workers' Compensation code.

During 2015, the City established a self-funded health insurance fund to account for health insurance claims for employees and retirees. The fund is reported as an internal service fund and revenues are from payroll deductions and retiree contributions. Claims are paid as they become due and the fund has generated a surplus of \$5,415,672 to pay out future health insurance claims. The City has an individual stop-loss limit of \$125,000.

**18. LANDFILL CLOSURE AND POSTCLOSURE COSTS**

The Cities of Waynesboro and Staunton and the County of Augusta share the costs of landfill operations on a site operated by the Augusta Regional Landfill. State and federal laws and regulations require the regional landfill to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City recognizes a portion of these closure and post-closure care costs as a component of its equity interest in the landfill joint venture. See note one for further information on the arrangement with this organization.

In fiscal year 2008, the City began post-closure care on the old City landfill site. The \$1,887,981 reported as landfill closure and post-closure care liability at June 30, 2024, represents the cumulative amount reported to date based on the estimated costs of post-closure care for the old City landfill. This amount is based on what it would cost to perform all closure and post-closure care from 2008 through 2024 based upon a DEQ-approved inflation rate. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The applicable laws and regulations require the City to select and meet one of several approved financial assurance mechanisms to demonstrate financial responsibility for closure and post-closure care costs described above. The City has selected the Financial Ratio Test method for this purpose, and has made the requisite filings with the Virginia Department of Environmental Quality.

**19. NOTES RECEIVABLE**

The Blended Component Unit, Economic Development Authority, reports a note receivable related to revolving notes entered into with numerous local businesses. These notes were the result of USDA Rural Development grant funds received by the EDA to encourage small business growth in the City. The EDA matched the grant funds received from the USDA at 10% of each note. The revolving notes will be paid back to the EDA over three years with an annual interest rate of 3%. At June 30, 2024, the outstanding balance of the notes was \$22,473.

During fiscal year 2015, the City entered into a buy-in agreement with other localities related to the Middle River Regional Jail Authority. The City reports a note receivable related to this buy-in agreement. The note will be paid back to the City over ten years with an annual interest rate of 2.17%. At June 30, 2024, the outstanding balance of the note was \$621,947.

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**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2024**

**20. TAX ABATEMENTS/REBATES**

The City enters into property tax abatements/rebate agreements with local businesses under the Code of Virginia Section 15.2-953. Under the Code, localities may grant property tax abatements/rebates to spur economic development within the City to benefit the city and its citizens. For the fiscal year ended June 30, 2024, the City abated/rebated the following taxes to Waynesboro Marketplace totaling \$62,524. This agreement was entered into on January 1, 2023, and expires on December 31, 2029.

**21. SUBSEQUENT EVENTS**

Subsequent events were evaluated through November 20, 2024, which is the date the financial statements were available to be issued.

On July 25, 2024 the City closed a sale of general obligation bonds in the amount of \$6,870,000. The bonds were sold at a true interest cost of 3.046% and were sold to the Series 2014A general obligation bonds.

**22. NEW ACCOUNTING STANDARDS**

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This statement updates the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement defines and requires governments to disclose the risks related to concentrations of inflows or outflows of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement 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, as well as addresses certain application issues. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

Management has not determined the effects these new GASB Statements may have on prospective financial statements.

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***REQUIRED SUPPLEMENTARY INFORMATION***

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**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2024**

Exhibit 10

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
General property taxes	\$ 28,700,120	\$ 28,719,745	\$ 30,781,078	\$ 2,061,333
Other local taxes	19,209,996	19,252,895	21,729,484	2,476,589
Permits, privilege fees, and regulatory licenses	285,111	285,111	319,073	33,962
Fines and forfeitures	100,110	100,110	217,608	117,498
Revenue from use of money and property	472,432	472,432	2,833,272	2,360,840
Charges for services	187,475	187,922	282,301	94,379
Miscellaneous	691,532	706,556	846,983	140,427
Recovered costs	63,751	68,009	148,236	80,227
Intergovernmental:				
Commonwealth	9,882,181	10,123,818	11,373,991	1,250,173
Federal	78,326	452,826	116,434	(336,392)
Total revenues	<u>59,671,034</u>	<u>60,369,424</u>	<u>68,648,460</u>	<u>8,279,036</u>
<b>EXPENDITURES</b>				
Current:				
General government administration	6,628,278	6,845,840	5,979,324	866,516
Judicial administration	2,240,184	2,398,493	2,330,549	67,944
Public safety	14,889,693	16,435,189	15,932,513	502,676
Public works	6,448,202	9,824,813	7,526,870	2,297,943
Health and welfare	585,051	601,320	736,820	(135,500)
Education	18,867,940	18,867,940	18,855,440	12,500
Parks, recreation, and cultural	3,638,664	3,926,835	3,769,962	156,873
Community development	1,401,485	1,470,697	1,447,058	23,639
Total expenditures	<u>54,699,497</u>	<u>60,371,127</u>	<u>56,578,536</u>	<u>3,792,591</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,971,537</u>	<u>(1,703)</u>	<u>12,069,924</u>	<u>12,071,627</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	-	4,000	161,496	157,496
Leases	-	-	51,409	51,409
Transfers in	1,860,720	13,286,572	2,034,946	(11,251,626)
Transfers out	(6,832,257)	(13,288,869)	(13,108,123)	180,746
Total other financing sources and uses	<u>(4,971,537)</u>	<u>1,703</u>	<u>(10,860,272)</u>	<u>(10,861,975)</u>
Net change in fund balances	-	-	1,209,652	1,209,652
Fund balance - beginning	<u>32,039,398</u>	<u>32,039,398</u>	<u>32,039,398</u>	-
Fund balance - ending	<u>\$ 32,039,398</u>	<u>\$ 32,039,398</u>	<u>\$ 33,249,050</u>	<u>\$ 1,209,652</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**Year Ended June 30, 2024**

**PRIMARY GOVERNMENT**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	Exhibit 11
<b>Total pension liability</b>											
Service cost	\$ 1,540,252	\$ 1,479,762	\$ 1,461,246	\$ 1,464,316	\$ 1,292,003	\$ 1,322,862	\$ 1,395,692	\$ 1,418,197	\$ 1,364,584	\$ 1,410,687	
Interest	5,987,664	5,932,938	5,472,445	5,271,535	5,168,415	5,042,241	4,893,349	4,735,848	4,846,873	4,674,679	
Changes in assumptions	-	-	2,914,466	-	2,221,521	-	(83,704)	-	-	-	
Differences between expected and actual experience	487,938	(1,394,396)	681,752	1,078,839	(11,925)	(429,534)	(93,408)	133,586	(3,886,254)	-	
Benefit payments, including refunds of employee contributions	(5,352,787)	(5,183,286)	(5,191,823)	(4,484,666)	(4,330,724)	(3,935,457)	(4,034,334)	(4,040,910)	(3,781,641)	(3,469,259)	
Net change in total pension liability	2,663,067	835,018	5,338,086	3,330,024	4,339,290	2,000,112	2,077,595	2,246,721	(1,456,438)	2,616,107	
Total pension liability - beginning	89,842,277	89,007,259	83,669,173	80,339,149	75,999,859	73,999,747	71,922,152	69,675,431	71,131,869	68,515,762	
Total pension liability ending (a)	\$ 92,505,344	\$ 89,842,277	\$ 89,007,259	\$ 83,669,173	\$ 80,339,149	\$ 75,999,859	\$ 73,999,747	\$ 71,922,152	\$ 69,675,431	\$ 71,131,869	
<b>Plan fiduciary net position</b>											
Contributions - employer	\$ 1,865,935	\$ 1,528,058	\$ 1,540,700	\$ 1,343,918	\$ 1,273,875	\$ 1,337,978	\$ 1,340,789	\$ 1,802,969	\$ 1,747,952	\$ 1,694,304	
Contributions - employee	726,377	677,343	678,542	709,714	649,479	650,993	663,517	683,362	635,125	637,148	
Net investment income (loss)	5,072,606	(42,107)	18,230,268	1,307,645	4,382,921	4,720,235	7,119,980	1,009,564	2,660,724	8,097,319	
Benefit payments, including refunds of employee contributions	(5,352,787)	(5,183,286)	(5,191,823)	(4,484,666)	(4,330,724)	(3,935,457)	(4,034,334)	(4,040,910)	(3,781,641)	(3,469,259)	
Administrative expense	(51,725)	(52,222)	(47,033)	(45,826)	(44,903)	(41,590)	(42,294)	(37,703)	(37,243)	(44,224)	
Other	2,034	1,878	1,703	(1,529)	(2,753)	(4,161)	(6,285)	(435)	(557)	427	
Net change in plan fiduciary net position	2,262,440	(3,070,336)	15,212,357	(1,170,744)	1,927,895	2,727,998	5,041,373	(583,153)	1,224,360	6,915,715	
Plan fiduciary net position - beginning	79,935,174	83,005,510	67,793,153	68,963,897	67,036,002	64,308,004	59,266,631	59,849,784	58,625,424	51,709,709	
Plan fiduciary net position - ending (b)	82,197,614	79,935,174	83,005,510	67,793,153	68,963,897	67,036,002	64,308,004	59,266,631	59,849,784	58,625,424	
City of Waynesboro's net pension liability - ending (a) - (b)	\$ 10,307,730	\$ 9,907,103	\$ 6,001,749	\$ 15,876,020	\$ 11,375,252	\$ 8,963,857	\$ 9,691,743	\$ 12,655,521	\$ 9,825,647	\$ 12,506,445	
Add Net Pension Liability from Augusta Regional Landfill	28,540	4,752	(16,972)	69,009	29,060	18,109	24,811	56,324	34,011	27,750	
Total Net Pension Liability Ending	\$ 10,336,270	\$ 9,911,855	\$ 5,984,777	\$ 15,945,029	\$ 11,404,312	\$ 8,981,966	\$ 9,716,554	\$ 12,711,845	\$ 9,859,658	\$ 12,534,195	
Plan fiduciary net position as a percentage of the total pension liability	88.86%	88.97%	93.26%	81.03%	85.84%	88.21%	86.90%	82.40%	85.90%	82.42%	
Covered payroll	\$ 15,413,995	\$ 14,274,063	\$ 14,438,074	\$ 14,540,807	\$ 13,567,153	\$ 13,153,451	\$ 13,071,409	\$ 13,085,870	\$ 12,629,097	\$ 12,405,040	
City of Waynesboro's net pension liability as a percentage of covered-employee payroll	66.87%	69.41%	41.57%	109.18%	83.84%	68.15%	74.14%	96.71%	77.80%	100.82%	

**SCHOOL BOARD COMPONENT UNIT (NON-PROFESSIONAL)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	
<b>Total pension liability</b>											
Service cost	\$ 102,742	\$ 81,784	\$ 74,616	\$ 79,976	\$ 86,193	\$ 80,698	\$ 76,422	\$ 101,863	\$ 106,501	\$ 103,795	
Interest	294,121	284,292	261,869	247,194	241,587	227,102	246,759	237,820	243,416	234,497	
Changes in assumptions	-	-	170,958	-	95,394	-	(6,561)	-	-	-	
Differences between expected and actual experience	126,982	(5,128)	(34,033)	109,117	(8,669)	79,724	(412,930)	(20,577)	(205,893)	-	
Benefit payments, including refunds of employee contributions	(237,951)	(234,645)	(211,338)	(226,418)	(180,834)	(180,344)	(188,674)	(194,135)	(253,809)	(167,926)	
Net change in total pension liability	285,894	126,303	262,072	209,869	233,671	207,180	(284,984)	124,971	(109,785)	170,366	
Total pension liability - beginning	4,373,580	4,247,277	3,985,205	3,775,336	3,541,665	3,334,485	3,619,469	3,494,498	3,604,283	3,433,917	
Total pension liability ending (a)	\$ 4,659,474	\$ 4,373,580	\$ 4,247,277	\$ 3,985,205	\$ 3,775,336	\$ 3,541,665	\$ 3,334,485	\$ 3,619,469	\$ 3,494,498	\$ 3,604,283	
<b>Plan fiduciary net position</b>											
Contributions - employer	\$ 21,349	\$ 23,122	\$ 20,949	\$ 14,683	\$ 15,532	\$ 39,487	\$ 39,331	\$ 63,505	\$ 80,835	\$ 108,104	
Contributions - employee	60,157	47,050	41,411	41,727	40,348	37,880	37,355	35,593	45,591	48,472	
Net investment income (loss)	301,405	(3,516)	1,074,932	76,970	259,258	277,009	417,790	59,822	155,645	476,157	
Benefit payments, including refunds of employee contributions	(237,951)	(234,645)	(211,338)	(226,418)	(180,834)	(180,344)	(188,674)	(194,135)	(253,809)	(167,926)	
Administrative expense	(3,072)	(3,104)	(2,747)	(2,715)	(2,640)	(2,430)	(2,475)	(2,219)	(2,229)	(2,557)	
Other	121	111	101	(90)	(163)	(245)	(369)	(26)	(32)	25	
Net change in plan fiduciary net position	142,009	(170,982)	923,308	(95,843)	131,501	171,357	302,958	(37,460)	26,001	462,275	
Plan fiduciary net position - beginning	4,733,287	4,904,269	3,980,961	4,076,804	3,945,303	3,773,946	3,470,988	3,508,448	3,482,447	3,020,172	
Plan fiduciary net position - ending (b)	4,875,296	4,733,287	4,904,269	3,980,961	4,076,804	3,945,303	3,773,946	3,470,988	3,508,448	3,482,447	
City of Waynesboro's net pension liability (asset) - ending (a) - (b)	\$ (215,822)	\$ (359,707)	\$ (656,992)	\$ 4,244	\$ (301,468)	\$ (403,638)	\$ (439,461)	\$ 148,481	\$ (13,950)	\$ 121,836	
Plan fiduciary net position as a percentage of the total pension liability	104.63%	108.22%	115.47%	99.89%	107.99%	111.40%	113.18%	95.90%	100.40%	96.62%	
Covered payroll	\$ 1,455,321	\$ 1,127,094	\$ 914,084	\$ 919,921	\$ 863,024	\$ 800,684	\$ 783,810	\$ 1,128,679	\$ 1,439,930	\$ 1,020,815	
City of Waynesboro's net pension liability (asset) as a percentage of covered-employee payroll	-14.83%	-31.91%	-71.87%	0.46%	-34.93%	-50.41%	-56.07%	13.16%	-0.97%	11.94%	

This schedule is intended to show information for 10 years; additional years will be included as they become available.

**CITY OF WAYNESBORO, VIRGINIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
**Year Ended June 30, 2024**

**CITY**

Exhibit 12

<b>Date</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Employee Payroll</b>	<b>Contributions as a % of Covered Employee Payroll</b>
2024	\$ 2,054,792	\$ 2,054,792	\$ -	\$ 17,187,443	11.96%
2023	1,866,036	1,866,036	-	15,413,995	12.11%
2022	1,528,499	1,528,499	-	14,274,063	10.71%
2021	1,540,699	1,540,699	-	14,438,074	10.67%
2020	1,343,906	1,343,906	-	14,540,807	9.24%
2019	1,274,194	1,274,194	-	13,567,153	9.39%
2018	1,338,443	1,338,443	-	13,153,451	10.18%
2017	1,340,706	1,340,706	-	13,071,409	10.26%
2016	1,805,158	1,805,158	-	13,085,870	13.79%
2015	1,747,904	1,747,904	-	12,629,097	13.84%

**SCHOOL BOARD COMPONENT UNIT (NON-PROFESSIONAL)**

<b>Date</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Employee Payroll</b>	<b>Contributions as a % of Covered Employee Payroll</b>
2024	\$ 22,782	\$ 22,782	\$ -	\$ 1,551,895	1.47%
2023	21,354	21,354	-	1,455,321	1.47%
2022	23,218	23,218	-	1,127,094	2.06%
2021	20,949	20,949	-	914,084	2.29%
2020	14,683	14,683	-	919,321	1.60%
2019	15,563	15,563	-	863,024	1.80%
2018	39,487	39,487	-	800,684	4.93%
2017	39,131	39,131	-	783,810	4.99%
2016	42,664	42,664	-	1,128,679	3.78%
2015	126,426	126,426	-	1,439,930	8.78%

**SCHOOL BOARD COMPONENT UNIT (TEACHERS)**

<b>Date</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Employee Payroll</b>	<b>Contributions as a % of Covered Employee Payroll</b>
2024	\$ 3,901,842	\$ 3,901,842	\$ -	\$ 25,000,128	15.61%
2023	3,739,396	3,739,396	-	23,855,158	15.68%
2022	3,211,350	3,211,350	-	20,355,654	15.78%
2021	2,989,862	2,989,862	-	18,446,160	16.21%
2020	2,769,156	2,769,156	-	18,440,722	15.02%
2019	2,762,944	2,762,944	-	18,220,562	15.16%
2018	2,878,665	2,878,665	-	18,071,133	15.93%
2017	2,598,021	2,598,021	-	18,019,016	14.42%
2016	2,151,749	2,151,749	-	22,649,987	9.50%
2015	3,267,648	3,267,648	-	22,535,503	14.50%

CITY OF WAYNESBORO, VIRGINIA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY  
VRS TEACHER RETIREMENT PLAN\*  
Year Ended June 30, 2024

	2023	2022	2021	2020	2019	2018	2017	2016	2015	Exhibit 13 2014
Employer's Proportion of the Net Pension Liability	0.2369%	0.2169%	0.2113%	0.2089%	0.2157%	0.2226%	0.2284%	0.2282%	0.2261%	0.2384%
Employer's Proportionate Share of Net Pension Liability	\$ 23,942,957	\$ 20,653,987	\$ 16,405,328	\$ 30,406,257	\$ 28,380,766	\$ 26,175,000	\$ 28,083,000	\$ 31,974,000	\$ 28,462,000	\$ 28,809,000
Employer's Covered Payroll	\$ 23,855,158	\$ 20,355,654	\$ 18,446,160	\$ 18,440,722	\$ 18,220,562	\$ 18,071,133	\$ 18,019,016	\$ 22,649,987	\$ 22,535,503	\$ 19,722,871
Employer's Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	100.37%	101.47%	88.94%	164.89%	155.76%	144.84%	155.85%	141.17%	126.30%	146.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.45%	82.61%	85.46%	71.47%	73.51%	74.81%	72.92%	68.28%	70.68%	70.88%

\* The amounts presented have a measurement date of the previous fiscal year-end.



**CITY OF WAYNESBORO, VIRGINIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET OPEB LIABILITY AND RELATED RATIOS**  
**Year Ended June 30, 2024**

<b>Primary Government - Local Plan</b>							Exhibit 14
	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB liability</b>							
Service cost	\$ 188,000	\$ 305,000	\$ 262,000	\$ 254,000	\$ 96,000	\$ 130,000	\$ 127,000
Interest	131,000	114,000	131,000	194,000	105,000	130,000	128,000
Changes of benefit terms	-	-	-	55,000	2,710,000	-	-
Changes in assumptions	(30,000)	(831,000)	270,000	311,000	81,000	(427,000)	-
Differences between expected and actual experience	115,000	(1,605,000)	5,000	(1,569,000)	245,000	(431,000)	-
Benefit payments, including refunds of employee contributions	(382,000)	(137,000)	(99,000)	(100,000)	(96,000)	(157,000)	(208,000)
Net change in total OPEB liability	22,000	(2,154,000)	569,000	(855,000)	3,141,000	(755,000)	47,000
Total OPEB liability - beginning	3,555,000	5,709,000	5,140,000	5,995,000	2,854,000	3,609,000	3,562,000
Total OPEB liability ending (a)	\$ 3,577,000	\$ 3,555,000	\$ 5,709,000	\$ 5,140,000	\$ 5,995,000	\$ 2,854,000	\$ 3,609,000
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 382,000	\$ 137,000	\$ 99,000	\$ 100,000	\$ 96,000	\$ 157,000	\$ 208,000
Benefit payments, including refunds of employee contributions	(382,000)	(137,000)	(99,000)	(100,000)	(96,000)	(157,000)	(208,000)
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	-	-	-	-	-	-	-
City of Waynesboro's net OPEB liability - ending (a) - (b)	\$ 3,577,000	\$ 3,555,000	\$ 5,709,000	\$ 5,140,000	\$ 5,995,000	\$ 2,854,000	\$ 3,609,000
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 14,157,000	\$ 13,092,000	\$ 13,092,000	\$ 13,022,000	\$ 13,022,000	\$ 12,635,000	\$ 12,635,000
City of Waynesboro's net OPEB liability as a percentage of covered-employee payroll	25.27%	27.15%	43.61%	39.47%	46.04%	22.59%	28.56%
<b>SCHOOL BOARD COMPONENT UNIT - Local Plan</b>							
	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB liability</b>							
Service cost	\$ 315,000	\$ 372,000	\$ 335,000	\$ 344,000	\$ 294,000	\$ 386,000	\$ 377,000
Interest	123,000	71,000	83,000	137,000	135,000	248,000	231,000
Changes of benefit terms	-	-	-	-	-	-	-
Changes in assumptions	63,000	(32,000)	71,000	81,000	75,000	(2,815,000)	-
Differences between expected and actual experience	216,000	(320,000)	97,000	(1,367,000)	226,000	(903,000)	-
Benefit payments, including refunds of employee contributions	(394,000)	(411,000)	(219,000)	(129,000)	(157,000)	23,000	(283,000)
Net change in total OPEB liability	323,000	(320,000)	367,000	(934,000)	573,000	(3,061,000)	325,000
Total OPEB liability - beginning	3,206,000	3,526,000	3,159,000	4,093,000	3,520,000	6,581,000	6,256,000
Total OPEB liability ending (a)	\$ 3,529,000	\$ 3,206,000	\$ 3,526,000	\$ 3,159,000	\$ 4,093,000	\$ 3,520,000	\$ 6,581,000
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 394,000	\$ 411,000	\$ 219,000	\$ 129,000	\$ 157,000	\$ (23,000)	\$ 283,000
Benefit payments, including refunds of employee contributions	(394,000)	(411,000)	(219,000)	(129,000)	(157,000)	23,000	(283,000)
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	-	-	-	-	-	-	-
City of Waynesboro's net OPEB liability - ending (a) - (b)	\$ 3,529,000	\$ 3,206,000	\$ 3,526,000	\$ 3,159,000	\$ 4,093,000	\$ 3,520,000	\$ 6,581,000
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 13,504,000	\$ 11,284,000	\$ 11,284,000	\$ 11,123,000	\$ 11,123,000	\$ 16,659,000	\$ 16,659,000
City of Waynesboro's net OPEB liability as a percentage of covered-employee payroll	26.13%	28.41%	31.25%	28.40%	36.80%	21.13%	39.50%

This schedule is intended to show information for 10 years; additional years will be included as they become available.

**CITY OF WAYNESBORO, VIRGINIA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POST EMPLOYMENT BENEFITS PLAN  
Year Ended June 30, 2024**

**Primary Government - Local Plan**

Exhibit 15

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2024	\$ 292,000	\$ 292,000	\$ -	\$ 14,157,000	2.06%
2023	434,000	434,000	-	14,157,000	3.07%
2022	216,000	216,000	-	13,092,000	1.65%
2021	134,441	134,441	-	13,092,000	1.03%
2020	127,997	127,997	-	13,022,000	0.98%
2019	120,413	120,413	-	13,022,000	0.92%
2018	123,410	123,410	-	12,635,000	0.98%
2017	208,000	208,000	-	12,635,000	1.65%
2016	232,000	232,000	-	12,387,000	1.87%
2015	209,000	238,000	(29,000)	12,387,000	1.92%

**School Board Component Unit - Local Plan**

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2024	\$ 394,000	\$ 394,000	\$ -	\$ 13,504,000	2.92%
2023	411,000	411,000	-	13,504,000	3.04%
2022	219,900	219,900	-	11,284,000	1.95%
2021	100,872	100,872	-	11,284,000	0.89%
2020	111,681	111,681	-	11,123,000	1.00%
2019	93,373	93,373	-	11,123,000	0.84%
2018	215,331	215,331	-	16,659,000	1.29%
2017	283,000	283,000	-	16,659,000	1.70%
2016	260,000	260,000	-	17,785,000	1.46%
2015	232,000	232,000	-	17,785,000	1.30%

**School Board Component Unit - VRS Health Insurance Credit Non-Professional Plan<sup>\*</sup>**

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2024	\$ 9,918	\$ 9,918	\$ -	\$ 1,551,895	0.64%
2023	8,962	8,962	-	1,455,321	0.62%
2022	6,642	6,642	-	1,127,094	0.59%
2021	5,767	5,767	-	914,084	0.63%

<sup>\*</sup>Participation in this Plan began during the FY21 ACFR reporting period.

CITY OF WAYNESBORO, VIRGINIA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET OPEB LIABILITY AND RELATED RATIOS  
SCHOOL BOARD COMPONENT UNIT  
Year Ended June 30, 2024

Exhibit 16

**VRS Health Insurance Credit - School Non-professional\***

	2023	2022	2021	2020
<b>Total OPEB Liability</b>				
Service cost	\$ 860	\$ 953	\$ 1,238	\$ -
Interest	6,151	5,477	4,886	-
Changes in benefit terms	-	-	-	72,376
Difference between expected and actual experience	(42,294)	(6,031)	-	-
Changes in assumptions	-	12,458	2,822	-
Benefit payments, including refunds of employee contributions	(3,302)	(2,268)	-	-
	<u>(38,585)</u>	<u>10,589</u>	<u>8,946</u>	<u>72,376</u>
Net change in total pension liability	(38,585)	10,589	8,946	72,376
<b>Total OPEB liability - beginning</b>	91,911	81,322	72,376	-
<b>Adjustment to beginning balance</b>	-	-	-	-
<b>Total OPEB liability - ending</b>	<u>53,326</u>	<u>91,911</u>	<u>81,322</u>	<u>72,376</u>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	8,962	6,642	5,767	-
Net investment income (loss)	926	(94)	821	-
Benefit payments, including refunds of employee contributions	(3,302)	(2,268)	-	-
Administrative expenses	(27)	(22)	(26)	-
	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Plan fiduciary net position	6,560	4,258	6,562	-
<b>Plan fiduciary net position - beginning</b>	10,820	6,562	-	-
<b>Adjustment to beginning balance</b>	-	-	-	-
<b>Plan fiduciary net position - ending</b>	<u>17,380</u>	<u>10,820</u>	<u>6,562</u>	<u>-</u>
<b>Total Net OPEB liability - ending</b>	<u>\$ 35,946</u>	<u>\$ 81,091</u>	<u>\$ 74,760</u>	<u>\$ 72,376</u>
Plan fiduciary net position as a percentage of total OPEB liability	<u>32.59%</u>	<u>11.77%</u>	<u>8.07%</u>	<u>0.00%</u>
Covered employee payroll	<u>\$ 1,455,321</u>	<u>\$ 1,127,094</u>	<u>\$ 914,084</u>	<u>\$ 919,321</u>
Net OPEB liability as a percentage of covered employee payroll	<u>2.47%</u>	<u>7.19%</u>	<u>8.18%</u>	<u>7.87%</u>

This schedule is intended to show information for 10 years; additional years will be included as they become available.

\*Participation in this plan began during the FY21 ACFR reporting period.

**CITY OF WAYNESBORO, VIRGINIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB LIABILITY**  
**Year Ended June 30, 2024**

**EXHIBIT 17**

<b>Plan Year</b>	<b>Employer's Proportion of the Net OPEB Liability</b>	<b>Employer's Proportionate Share of the Net OPEB Liability</b>	<b>Employer's Covered Payroll</b>	<b>Employer's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>
<b>Primary Government</b>					
<b>Virginia Retirement System - Group Life Insurance - General Employees</b>					
2023	0.06542%	\$ 784,591	\$ 15,413,995	5.09%	69.30%
2022	0.06559%	789,768	14,274,063	5.53%	67.21%
2021	0.06952%	809,401	14,438,074	5.61%	67.45%
2020	0.07069%	1,179,700	14,540,807	8.11%	52.64%
2019	0.06921%	1,126,231	13,567,153	8.30%	52.00%
2018	0.06937%	1,054,000	13,153,451	8.01%	51.22%
2017	0.07109%	1,070,000	13,071,409	8.19%	48.86%
<b>School Board Component Unit</b>					
<b>Virginia Retirement System - Health Insurance Credit - Teachers</b>					
2023	0.23884%	\$ 2,893,349	\$ 23,855,158	12.13%	17.90%
2022	0.21794%	2,722,172	20,355,654	13.37%	15.08%
2021	0.21288%	2,732,462	22,539,449	12.12%	13.35%
2020	0.21031%	2,743,528	20,974,075	13.08%	9.95%
2019	0.21668%	2,836,552	19,190,062	14.78%	8.97%
2018	0.22298%	2,831,000	19,151,598	14.78%	7.04%
2017	0.22810%	2,894,000	18,019,016	16.06%	7.04%
<b>Virginia Retirement System - Group Life Insurance - Schools</b>					
2023	0.01070%	\$ 1,283,745	\$ 25,310,479	5.07%	69.30%
2022	0.00983%	1,183,867	21,482,748	5.51%	67.21%
2021	0.00958%	1,115,138	23,666,543	4.71%	67.45%
2020	0.00941%	1,571,069	21,904,170	7.17%	52.64%
2019	0.00974%	1,584,143	20,109,983	7.88%	52.00%
2018	0.00995%	1,512,000	20,070,330	7.53%	51.22%
2017	0.01022%	1,536,000	18,802,826	8.17%	48.86%

This schedule is intended to show information for 10 years; additional years will be included as they become available.

The covered payroll amounts above are for the measurement period, which is the twelve months prior to the entity's fiscal year.

**CITY OF WAYNESBORO, VIRGINIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS - VRS PLANS**  
**June 30, 2024**

**EXHIBIT 18**

<b>Entity Fiscal Year Ended June 30</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
<b>Primary Government</b>					
<b>Virginia Retirement System - Group Life Insurance - General Employees</b>					
2024	\$ 91,861	\$ 91,861	\$ -	\$ 17,187,443	0.53%
2023	97,008	97,008	-	15,413,995	0.63%
2022	190,877	190,877	-	14,274,063	1.34%
2021	77,509	77,509	-	14,438,074	0.54%
2020	75,655	75,655	-	14,540,807	0.52%
2019	70,548	70,548	-	13,567,153	0.52%
2018	68,592	68,592	-	13,153,451	0.52%
2017	68,185	68,185	-	13,071,409	0.52%
2016	62,824	62,824	-	13,085,870	0.48%
<b>School Board Component Unit</b>					
<b>Virginia Retirement System - Health Insurance Credit - Teachers</b>					
2024	\$ 302,449	\$ 302,449	\$ -	\$ 25,000,128	1.21%
2023	271,962	271,962	-	23,855,158	1.14%
2022	245,781	245,781	-	20,355,654	1.21%
2021	227,807	227,807	-	22,539,449	1.01%
2020	221,248	221,248	-	20,974,075	1.05%
2019	218,095	218,095	-	19,190,062	1.14%
2018	221,807	221,807	-	19,151,598	1.16%
2017	199,823	199,823	-	18,019,016	1.11%
2016	184,401	184,401	-	22,649,987	0.81%
<b>Virginia Retirement System - Group Life Insurance - Schools</b>					
2024	\$ 142,284	\$ 142,284	\$ -	\$ 26,552,023	0.54%
2023	135,152	135,152	-	25,310,479	0.53%
2022	114,632	114,632	-	21,482,748	0.53%
2021	106,781	106,781	-	23,666,543	0.45%
2020	100,722	100,722	-	21,904,170	0.46%
2019	99,235	99,235	-	20,109,983	0.49%
2018	98,408	98,408	-	20,070,330	0.49%
2017	97,917	97,917	-	18,802,826	0.52%
2016	87,350	87,350	-	23,778,666	0.37%

This schedule is intended to show information for 10 years; additional years will be included as they become available.

The covered payroll amounts above are for the entity's fiscal year - i.e. the covered payroll on which required contributions were based for the same year.

**CITY OF WAYNESBORO, VIRGINIA**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2024**

**1. CHANGES OF BENEFIT TERMS**

Pension

There have been no actuarially material changes to the Virginia Retirement System (System) benefit provisions since the prior actuarial valuation.

Other Postemployment Benefits (OPEB)

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

**2. CHANGES 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:

**Largest 10 – Non-Hazardous Duty:**

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better-fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better-fit experience at each year age and service through 9 years of service.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

**Largest 10 – Hazardous Duty/Public Safety Employees:**

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better-fit experience and changed final retirement age from 65 to 70.
- Decreased withdrawal rates.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

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

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better-fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better-fit experience at each age and service through 9 years of service.
- No change to disability rates.
- No changes to salary scale.
- No change to line of duty rates.
- No change to discount rate.

(Notes Continued on Next Page)

**CITY OF WAYNESBORO, VIRGINIA**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**June 30, 2024**

**2. CHANGES ASSUMPTIONS (Continued)**

All Others (Non 10 Largest) – Hazardous Duty/Public Safety Employees:

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better-fit experience and changed final retirement age from 65 to 70.
- Decreased withdrawal 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.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

Teacher cost-sharing pool

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better-fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better-fit experience at each year age and service through 9 years of service.
- No change to disability rates.
- No changes to salary scale.
- No change to discount rate.

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***OTHER SUPPLEMENTARY INFORMATION***

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***COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES***

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

Virginia Public Assistance Fund – to account for the provision of health and welfare services. Financing is provided by state and federal funds, which may be used only for this purpose.

Comprehensive Services Act Fund – to account for the provisions of special services to youth and families required by the Comprehensive Services Act. Financing is provided by state funds, which may be used only for this purpose.

Youth and Family Services Fund – to account for the provision of youth programs and services to local youth and families. Financing is provided by state and federal funds, related local matching funds, and other revenues.

Community Action Partnership of Staunton, Augusta, and Waynesboro – to account for funds received and disbursed for the operations of the Community Action Partnership of Staunton, Augusta, and Waynesboro.

Economic Development Authority Fund – to account for funds received and disbursed related to promoting the economic well-being of the community.

### **DEBT SERVICE FUNDS**

Debt Revenue Fund – to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related charges.

### **PERMANENT FUNDS**

Cemetery Care Fund – to account for principal trust amounts received for the perpetual care of cemetery plots.

**CITY OF WAYNESBORO, VIRGINIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2024**

Exhibit 19

	Special Revenue						Debt Service	Permanent	Total
	Virginia Public Assistance Fund	Comprehensive Services Act Fund	Youth and Family Services Fund	Community Action Partnership of Staunton, Augusta & Waynesboro Fund	Economic Development Authority Fund	Total	Debt Revenue Fund	Cemetery Care Fund	Nonmajor Governmental Funds
<b>ASSETS</b>									
Cash and cash equivalents	\$ -	\$ 87,407	\$ 498,498	\$ 181,944	\$ 217,586	\$ 985,435	\$ 38,992	\$ -	\$ 1,024,427
Accounts receivable	-	-	42,196	-	48,896	91,092	-	-	91,092
Due from other governments	109,783	458,675	2,250	92,818	-	663,526	-	-	663,526
Restricted assets:									
Cash and cash equivalents	-	-	-	-	-	-	-	670,396	670,396
<b>Total assets</b>	<b>\$ 109,783</b>	<b>\$ 546,082</b>	<b>\$ 542,944</b>	<b>\$ 274,762</b>	<b>\$ 266,482</b>	<b>\$ 1,740,053</b>	<b>\$ 38,992</b>	<b>\$ 670,396</b>	<b>\$ 2,449,441</b>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable	\$ -	\$ 546,082	\$ 21,461	\$ 102,360	\$ 1,229	\$ 671,132	\$ -	\$ -	\$ 671,132
Accrued payroll	-	-	18,611	3,252	-	21,863	-	-	21,863
Due to other funds	109,783	-	-	-	-	109,783	-	-	109,783
<b>Total liabilities</b>	<b>109,783</b>	<b>546,082</b>	<b>40,072</b>	<b>105,612</b>	<b>1,229</b>	<b>802,778</b>	<b>-</b>	<b>-</b>	<b>802,778</b>
Fund Balances:									
Nonspendable:									
Permanent fund principal	-	-	-	-	-	-	-	670,396	670,396
Assigned to:									
Youth and family services	-	-	502,872	-	-	502,872	-	-	502,872
CAPSAW	-	-	-	169,150	-	169,150	-	-	169,150
Economic Development Authority	-	-	-	-	265,253	265,253	-	-	265,253
Debt service	-	-	-	-	-	-	38,992	-	38,992
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>502,872</b>	<b>169,150</b>	<b>265,253</b>	<b>937,275</b>	<b>38,992</b>	<b>670,396</b>	<b>1,646,663</b>
<b>Total liabilities and fund balances</b>	<b>\$ 109,783</b>	<b>\$ 546,082</b>	<b>\$ 542,944</b>	<b>\$ 274,762</b>	<b>\$ 266,482</b>	<b>\$ 1,740,053</b>	<b>\$ 38,992</b>	<b>\$ 670,396</b>	<b>\$ 2,449,441</b>

**CITY OF WAYNESBORO, VIRGINIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 20

	Special Revenue						Debt Service Debt Revenue Fund	Permanent Cemetery Care Fund	Total Nonmajor Governmental Funds
	Virginia Public Assistance Fund	Comprehensive Services Act Fund	Youth and Family Services Fund	Community Action Partnership of Staunton, Augusta & Waynesboro Fund	Economic Development Authority Fund	Total			
<b>REVENUES</b>									
Revenue from use of money and property	\$ -	\$ -	\$ 29,196	\$ 4,121	\$ 16,427	\$ 49,744	\$ -	\$ 36,279	\$ 86,023
Miscellaneous	-	-	17,924	11,907	93,157	122,988	-	6,360	129,348
Recovered costs	-	-	352,263	96,437	-	448,700	-	-	448,700
Intergovernmental:									
Commonwealth	797,985	2,031,693	143,075	211,595	112,500	3,296,848	-	-	3,296,848
Federal	617,527	99,296	38,060	256,536	-	1,011,419	-	-	1,011,419
<b>Total revenues</b>	<b>1,415,512</b>	<b>2,130,989</b>	<b>580,518</b>	<b>580,596</b>	<b>222,084</b>	<b>4,929,699</b>	<b>-</b>	<b>42,639</b>	<b>4,972,338</b>
<b>EXPENDITURES</b>									
Current:									
Public safety	-	-	745,527	-	-	745,527	-	-	745,527
Health and welfare	2,051,743	3,567,098	37,758	577,659	-	6,234,258	-	-	6,234,258
Community development	-	-	-	-	334,446	334,446	-	-	334,446
Debt service:									
Principal retirement	-	-	-	-	-	-	2,172,042	-	2,172,042
Interest and fiscal charges	-	-	-	-	-	-	1,107,428	-	1,107,428
<b>Total expenditures</b>	<b>2,051,743</b>	<b>3,567,098</b>	<b>783,285</b>	<b>577,659</b>	<b>334,446</b>	<b>7,314,231</b>	<b>3,279,470</b>	<b>-</b>	<b>10,593,701</b>
Excess (deficiency) of revenues over (under) expenditures	(636,231)	(1,436,109)	(202,767)	2,937	(112,362)	(2,384,532)	(3,279,470)	42,639	(5,621,363)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	636,231	1,436,109	194,857	39,768	115,279	2,422,244	3,277,984	-	5,700,228
Transfers out	-	-	(6,895)	-	-	(6,895)	-	(4,000)	(10,895)
<b>Total other financing sources</b>	<b>636,231</b>	<b>1,436,109</b>	<b>187,962</b>	<b>39,768</b>	<b>115,279</b>	<b>2,415,349</b>	<b>3,277,984</b>	<b>(4,000)</b>	<b>5,689,333</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>(14,805)</b>	<b>42,705</b>	<b>2,917</b>	<b>30,817</b>	<b>(1,486)</b>	<b>38,639</b>	<b>67,970</b>
<b>Fund balance - beginning</b>	<b>-</b>	<b>-</b>	<b>517,677</b>	<b>126,445</b>	<b>262,336</b>	<b>906,458</b>	<b>40,478</b>	<b>631,757</b>	<b>1,578,693</b>
<b>Fund balance - ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 502,872</b>	<b>\$ 169,150</b>	<b>\$ 265,253</b>	<b>\$ 937,275</b>	<b>\$ 38,992</b>	<b>\$ 670,396</b>	<b>\$ 1,646,663</b>

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 21

	Virginia Public Assistance Fund			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Revenue from use of money and property	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Recovered costs	-	-	-	-
Intergovernmental:				
Commonwealth	825,079	825,079	797,985	(27,094)
Federal	<u>775,778</u>	<u>775,778</u>	<u>617,527</u>	<u>(158,251)</u>
Total revenues	<u>1,600,857</u>	<u>1,600,857</u>	<u>1,415,512</u>	<u>(185,345)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	-	-	-	-
Health and welfare	<u>2,463,106</u>	<u>2,463,106</u>	<u>2,051,743</u>	<u>411,363</u>
Total expenditures	<u>2,463,106</u>	<u>2,463,106</u>	<u>2,051,743</u>	<u>411,363</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(862,249)</u>	<u>(862,249)</u>	<u>(636,231)</u>	<u>226,018</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	862,249	862,249	636,231	(226,018)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>862,249</u>	<u>862,249</u>	<u>636,231</u>	<u>(226,018)</u>
Net change in fund balances	-	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	Community Action Partnership of Staunton, Augusta, and Waynesboro Fund			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES</b>				
Revenue from use of money and property	\$ 19	\$ 19	\$ 4,121	\$ 4,102
Miscellaneous	-	19,950	11,907	(8,043)
Recovered costs	96,437	96,437	96,437	-
Intergovernmental:				
Commonwealth	192,400	192,400	211,595	19,195
Federal	<u>306,553</u>	<u>306,553</u>	<u>256,536</u>	<u>(50,017)</u>
Total revenues	<u>595,409</u>	<u>615,359</u>	<u>580,596</u>	<u>(34,763)</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	<u>635,177</u>	<u>655,127</u>	<u>577,659</u>	<u>77,468</u>
Total expenditures	<u>635,177</u>	<u>655,127</u>	<u>577,659</u>	<u>77,468</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(39,768)</u>	<u>(39,768)</u>	<u>2,937</u>	<u>42,705</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>39,768</u>	<u>39,768</u>	<u>39,768</u>	<u>-</u>
Net change in fund balances	-	-	42,705	42,705
Fund balance - beginning	<u>60,594</u>	<u>60,594</u>	<u>126,445</u>	<u>65,851</u>
Fund balance - ending	<u>\$ 60,594</u>	<u>\$ 60,594</u>	<u>\$ 169,150</u>	<u>\$ 108,556</u>



## Exhibit 21 (continued)

Comprehensive Services Act Fund				Youth and Family Services Fund			
Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ 7,200	\$ 7,200	\$ 29,196	\$ 21,996
-	-	-	-	1,675	30,675	17,924	(12,751)
-	-	-	-	348,910	348,910	352,263	3,353
1,922,500	1,922,500	2,031,693	109,193	148,385	148,385	143,075	(5,310)
-	-	99,296	99,296	-	91,583	38,060	(53,523)
1,922,500	1,922,500	2,130,989	208,489	506,170	626,753	580,518	(46,235)
-	-	-	-	691,004	854,009	745,527	108,482
3,300,000	3,300,000	3,567,098	(267,098)	49,700	49,700	37,758	11,942
3,300,000	3,300,000	3,567,098	(267,098)	740,704	903,709	783,285	120,424
(1,377,500)	(1,377,500)	(1,436,109)	(58,609)	(234,534)	(276,956)	(202,767)	74,189
1,377,500	1,377,500	1,436,109	58,609	199,762	199,762	194,857	(4,905)
-	-	-	-	(6,895)	(6,895)	(6,895)	-
1,377,500	1,377,500	1,436,109	58,609	192,867	192,867	187,962	(4,905)
-	-	-	-	(41,667)	(84,089)	(14,805)	69,284
-	-	-	-	517,677	517,677	517,677	-
\$ -	\$ -	\$ -	\$ -	\$ 476,010	\$ 433,588	\$ 502,872	\$ 69,284

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR DEBT SERVICE FUND**  
**For the Year Ended June 30, 2024**

Exhibit 22

	Debt Revenue Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>EXPENDITURES</b>				
Debt Service:				
Principal retirement	\$ 2,172,064	\$ 2,172,064	\$ 2,172,042	\$ 22
Interest and fiscal charges	<u>1,105,920</u>	<u>1,105,920</u>	<u>1,107,428</u>	<u>(1,508)</u>
Total expenditures	<u>3,277,984</u>	<u>3,277,984</u>	<u>3,279,470</u>	<u>(1,486)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,277,984)</u>	<u>(3,277,984)</u>	<u>(3,279,470)</u>	<u>(1,486)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>3,277,984</u>	<u>3,277,984</u>	<u>3,277,984</u>	<u>-</u>
Total other financing sources (uses)	<u>3,277,984</u>	<u>3,277,984</u>	<u>3,277,984</u>	<u>-</u>
Net change in fund balances	-	-	(1,486)	(1,486)
Fund balance - beginning	<u>295,503</u>	<u>295,503</u>	<u>40,478</u>	<u>(255,025)</u>
Fund balance - ending	<u>\$ 295,503</u>	<u>\$ 295,503</u>	<u>\$ 38,992</u>	<u>\$ (256,511)</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**CAPITAL PROJECTS FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 23

	Capital Improvements Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Recovered Costs	\$ 9,000	\$ 126,162	\$ 4,825	\$ (121,337)
Intergovernmental:				
Commonwealth	1,513,543	2,624,380	135,906	(2,488,474)
Federal	6,748,850	16,630,859	3,258,901	(13,371,958)
Total revenues	<u>8,271,393</u>	<u>19,381,401</u>	<u>3,399,632</u>	<u>(15,981,769)</u>
<b>EXPENDITURES</b>				
Projects:				
General government administration	568,000	1,922,565	8,513	1,914,052
Public Safety	3,092,649	16,232,113	713,621	15,518,492
Public Works	4,522,412	10,094,622	329,802	9,764,820
Parks, recreation, and cultural	4,750,187	13,829,078	3,220,756	10,608,322
Community development	3,268,953	7,236,389	2,719,647	4,516,742
Total expenditures	<u>16,202,201</u>	<u>49,314,767</u>	<u>6,992,339</u>	<u>42,322,428</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,930,808)</u>	<u>(29,933,366)</u>	<u>(3,592,707)</u>	<u>26,340,659</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	4,146,263	32,510,416	7,232,895	(25,277,521)
Transfers out	<u>(536,058)</u>	<u>(2,577,050)</u>	<u>-</u>	<u>2,577,050</u>
Total other financing sources (uses)	<u>3,610,205</u>	<u>29,933,366</u>	<u>7,232,895</u>	<u>(22,700,471)</u>
Net change in fund balances	(4,320,603)	-	3,640,188	3,640,188
Fund balance - beginning	<u>12,126,836</u>	<u>12,126,836</u>	<u>12,126,836</u>	<u>-</u>
Fund balance - ending	<u>\$ 7,806,233</u>	<u>\$ 12,126,836</u>	<u>\$ 15,767,024</u>	<u>\$ 3,640,188</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**PERMANENT FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 24

	Cemetery Care Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Revenue from use of money and property	\$ 4,000	\$ 4,000	\$ 36,279	\$ 32,279
Miscellaneous	-	-	6,360	6,360
Total revenues	<u>4,000</u>	<u>4,000</u>	<u>42,639</u>	<u>38,639</u>
<b>EXPENDITURES</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,000</u>	<u>4,000</u>	<u>42,639</u>	<u>38,639</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(4,000)</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,000)</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>
Net change in fund balances	-	-	38,639	38,639
Fund balance - beginning	<u>609,447</u>	<u>609,447</u>	<u>631,757</u>	<u>22,310</u>
Fund balance - ending	<u>\$ 609,447</u>	<u>\$ 609,447</u>	<u>\$ 670,396</u>	<u>\$ 60,949</u>

## **NONMAJOR ENTERPRISE FUNDS**

Refuse Fund – to account for the provision of garbage collection services to city residents. Financing is provided by garbage collection charges received from customers.

Augusta County Service Authority (ACSA) Joint Landfill Fund – to account for the City's interest in the Augusta Regional Landfill. Financing is provided by the City's share of landfill charges collected from customers.

Stormwater Fund – to account for the provision of stormwater services to city residents. Financing is provided by stormwater charges received from customers.

**CITY OF WAYNESBORO, VIRGINIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**June 30, 2024**

Exhibit 25

	Refuse Fund	ACSA Joint Landfill Fund	Stormwater Fund	Total Nonmajor Enterprise Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 1,579,637	\$ 218,345	\$ 358,689	\$ 2,156,671
Accounts receivable (net of allowance for uncollectibles)	379,178	121,625	893,344	1,394,147
Due from other governments	-	-	362,895	362,895
Total current assets	<u>1,958,815</u>	<u>339,970</u>	<u>1,614,928</u>	<u>3,913,713</u>
Noncurrent assets:				
Equity interest in joint venture	-	3,170,009	-	3,170,009
Capital assets:				
Land	-	-	52,000	52,000
Buildings	113,453	-	-	113,453
Improvements other than buildings	-	-	5,120,966	5,120,966
Machinery and equipment	1,837,397	-	797,859	2,635,256
Construction in progress	-	-	55,039	55,039
Less: accumulated depreciation	<u>(1,473,409)</u>	<u>-</u>	<u>(2,509,151)</u>	<u>(3,982,560)</u>
Total capital assets (net of accumulated depreciation)	<u>477,441</u>	<u>-</u>	<u>3,516,713</u>	<u>3,994,154</u>
Total noncurrent assets	<u>477,441</u>	<u>3,170,009</u>	<u>3,516,713</u>	<u>7,164,163</u>
Total assets	<u>2,436,256</u>	<u>3,509,979</u>	<u>5,131,641</u>	<u>11,077,876</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	-	-	35,173	35,173
Deferred outflow on OPEB obligation	28,407	10,156	15,770	54,333
Deferred loss on VRS pension	<u>196,960</u>	<u>58,155</u>	<u>109,337</u>	<u>364,452</u>
Total deferred outflows of resources	<u>225,367</u>	<u>68,311</u>	<u>160,280</u>	<u>453,958</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	253,314	135,409	190,540	579,263
Accrued payroll	22,315	32,310	13,341	67,966
Accrued interest payable	-	-	14,444	14,444
Deposits payable	3,053	-	-	3,053
Compensated absences	3,252	13,171	2,521	18,944
General obligation bonds - current	<u>-</u>	<u>-</u>	<u>272,288</u>	<u>272,288</u>
Total current liabilities	<u>281,934</u>	<u>180,890</u>	<u>493,134</u>	<u>955,958</u>
Noncurrent liabilities:				
Compensated absences	26,743	12,862	20,730	60,335
Net OPEB obligation	132,225	54,137	73,401	259,763
Net pension liability	312,487	28,540	173,469	514,496
General obligation bonds payable (net of unamortized deferred amount on refunding)	<u>-</u>	<u>-</u>	<u>1,132,679</u>	<u>1,132,679</u>
Total noncurrent liabilities	<u>471,455</u>	<u>95,539</u>	<u>1,400,279</u>	<u>1,967,273</u>
Total liabilities	<u>753,389</u>	<u>276,429</u>	<u>1,893,413</u>	<u>2,923,231</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflow on OPEB obligation	79,597	12,297	44,186	136,080
Deferred gain on VRS pension	<u>175,129</u>	<u>50,322</u>	<u>97,219</u>	<u>322,670</u>
Total deferred inflows of resources	<u>254,726</u>	<u>62,619</u>	<u>141,405</u>	<u>458,750</u>
<b>NET POSITION</b>				
Net investment in capital assets	235,277	3,752,103	1,981,811	5,969,191
Unrestricted	<u>1,418,231</u>	<u>(512,861)</u>	<u>1,275,292</u>	<u>2,180,662</u>
Total net position	<u>\$ 1,653,508</u>	<u>\$ 3,239,242</u>	<u>\$ 3,257,103</u>	<u>\$ 8,149,853</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 26

	Refuse Fund	ACSA Joint Landfill Fund	Stormwater Fund	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,965,310	\$ 808,773	\$ 1,789,334	\$ 4,563,417
Miscellaneous	<u>2,578</u>	<u>-</u>	<u>58</u>	<u>2,636</u>
Total operating revenues	<u>1,967,888</u>	<u>808,773</u>	<u>1,789,392</u>	<u>4,566,053</u>
<b>OPERATING EXPENSES</b>				
Personnel services	801,522	-	424,676	1,226,198
Contractual services	62,304	660,122	161,235	883,661
Other supplies and expenses	188,315	-	88,813	277,128
Depreciation	<u>85,381</u>	<u>-</u>	<u>297,044</u>	<u>382,425</u>
Total operating expenses	<u>1,137,522</u>	<u>660,122</u>	<u>971,768</u>	<u>2,769,412</u>
Operating income	<u>830,366</u>	<u>148,651</u>	<u>817,624</u>	<u>1,796,641</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Intergovernmental:				
Commonwealth	9,514	-	362,895	372,409
Interest income	92,703	7,101	44,048	143,852
Interest and fiscal charges	-	-	(55,530)	(55,530)
Loss on equity interest	<u>-</u>	<u>(505,280)</u>	<u>-</u>	<u>(505,280)</u>
Total non-operating revenues (expenses)	<u>102,217</u>	<u>(498,179)</u>	<u>351,413</u>	<u>(44,549)</u>
Income (loss) before contributions and transfers	<u>932,583</u>	<u>(349,528)</u>	<u>1,169,037</u>	<u>1,752,092</u>
Capital contributions	-	-	144,342	144,342
Transfers in	-	1,098,000	-	1,098,000
Transfers out	<u>(995,968)</u>	<u>-</u>	<u>(492,745)</u>	<u>(1,488,713)</u>
Change in net position	(63,385)	748,472	820,634	1,505,721
Total net position - beginning	<u>1,716,893</u>	<u>2,490,770</u>	<u>2,436,469</u>	<u>6,644,132</u>
Total net position - ending	<u>\$ 1,653,508</u>	<u>\$ 3,239,242</u>	<u>\$ 3,257,103</u>	<u>\$ 8,149,853</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the Year Ended June 30, 2024**

	Exhibit 27			
	Refuse Fund	ACSA Joint Landfill Fund	Stormwater Fund	Total Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers and users	\$ 1,885,715	\$ 759,195	\$ 1,360,309	\$ 4,005,219
Cash paid to suppliers	(243,322)	(601,693)	(455,909)	(1,300,924)
Cash paid to employees	(873,516)	(33,932)	(484,768)	(1,392,216)
Other receipts	2,578	-	-	2,578
Net cash provided by operating activities	<u>771,455</u>	<u>123,570</u>	<u>419,632</u>	<u>1,314,657</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Subsidy from state grant	-	-	362,895	362,895
Subsidy from federal grant	9,514	-	-	9,514
Transfer from other funds	-	1,098,000	-	1,098,000
Transfer to other funds	(995,968)	-	(492,745)	(1,488,713)
Net cash provided (used) by noncapital financing activities	<u>(986,454)</u>	<u>1,098,000</u>	<u>(129,850)</u>	<u>(18,304)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets	-	-	(575,280)	(575,280)
Principal paid on capital debt	-	-	(247,628)	(247,628)
Interest paid on capital debt	-	-	(63,814)	(63,814)
Net cash used in capital and related financing activities	<u>-</u>	<u>-</u>	<u>(886,722)</u>	<u>(886,722)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	92,703	7,101	44,048	143,852
Cash paid to joint venture	-	(1,278,399)	-	(1,278,399)
Net cash provided (used) by investing activities	<u>92,703</u>	<u>(1,271,298)</u>	<u>44,048</u>	<u>(1,134,547)</u>
Net decrease in cash and cash equivalents	(122,296)	(49,728)	(552,892)	(724,916)
Cash and cash equivalents - beginning of year	<u>1,701,933</u>	<u>268,073</u>	<u>911,581</u>	<u>2,881,587</u>
Cash and cash equivalents - end of year	<u>\$ 1,579,637</u>	<u>\$ 218,345</u>	<u>\$ 358,689</u>	<u>\$ 2,156,671</u>
Cash and cash equivalents at end of year is composed of the following:				
Cash and cash equivalents	<u>\$ 1,579,637</u>	<u>\$ 218,345</u>	<u>\$ 358,689</u>	<u>\$ 2,156,671</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income	\$ 830,366	\$ 148,651	\$ 817,624	\$ 1,796,641
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	85,381	-	297,044	382,425
(Increase) decrease in accounts receivable	(79,864)	(49,578)	(429,083)	(558,525)
(Increase) decrease in deferred outflow on OPEB	11,092	1,412	7,110	19,614
(Increase) decrease in deferred loss on VRS pension	71,394	6,131	46,107	123,632
Increase (decrease) in accounts payable	7,296	58,429	(205,861)	(140,136)
Increase (decrease) in accrued payroll	976	(36,948)	(1,419)	(37,391)
Increase (decrease) in net OPEB obligation	(6,700)	1,630	(7,071)	(12,141)
Increase (decrease) in net pension liability	(4,295)	23,788	(10,027)	9,466
Increase (decrease) in deferred inflow on OPEB	(115,463)	(4,217)	(71,106)	(190,786)
Increase (decrease) in deferred gain on VRS pension	(29,277)	(26,711)	(18,879)	(74,867)
Increase (decrease) in deposits payable	270	-	-	270
Increase (decrease) in compensated absences	279	983	(4,807)	(3,545)
Total Adjustments	<u>(58,911)</u>	<u>(25,081)</u>	<u>(397,992)</u>	<u>(481,984)</u>
Net cash provided by operating activities	<u>\$ 771,455</u>	<u>\$ 123,570</u>	<u>\$ 419,632</u>	<u>\$ 1,314,657</u>
<b>Non-cash investing, capital, and financing activities:</b>				
Capital Contributions of stormwater assets from developers	\$ -	\$ -	\$ 144,342	\$ 144,342
Capital assets in accounts payable	<u>\$ 242,164</u>	<u>\$ -</u>	<u>\$ 129,935</u>	<u>\$ 372,099</u>



## **DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD**

### **MAJOR GOVERNMENTAL FUNDS**

#### **SPECIAL REVENUE FUNDS**

School Operating Fund – to account for the operations and maintenance of the seven city-owned schools. Financing is provided by state and federal funds, and by appropriations from the City's general revenues. State and federal education funds received may be used only for this purpose.

School Nutrition Fund – to account for the operation and maintenance of the cafeterias of the seven City-owned schools. Financing is provided primarily from charges for services and federal and state lunch subsidies. Such funds are limited by federal and state law to expenditures for cafeteria operations and maintenance.

School Textbook Fund – to account for the purchase and sale of school textbooks. Financing is provided primarily by the transfer of funds from the School Fund and funds so received are limited by the School Board to expenditure only for school textbooks.

School Activity Fund – to account for all funds received by the schools in the school district from extracurricular school activities, such as entertainment, athletic contests, club dues, etc.

#### **Custodial Funds**

#### **Custodial Funds**

Valley Academy Fund – to account for the operations, in a custodial capacity, of the regional alternative education program for the city of Waynesboro and the County of Augusta. Receipts consist of state education funds and tuition payments from the participating localities and are restricted to use only for this regional program.

**CITY OF WAYNESBORO, VIRGINIA**  
**BALANCE SHEET**  
**DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD**  
**GOVERNMENTAL FUNDS**  
**June 30, 2024**

Exhibit 28

	School Operating Fund	School Nutrition Fund	School Textbook Fund	School Activity Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 6,976,952	\$ 359,758	\$ 823,436	\$ 490,947	\$ 8,651,093
Accounts receivable	-	49,945	-	-	49,945
Due from other governments	1,515,332	-	-	-	1,515,332
Leases receivable	76,736	-	-	-	76,736
Total assets	<u>\$ 8,569,020</u>	<u>\$ 409,703</u>	<u>\$ 823,436</u>	<u>\$ 490,947</u>	<u>\$ 10,293,106</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,746,523	\$ 12,140	\$ 69,637	\$ -	\$ 1,828,300
Accrued payroll	3,079,529	99,312	-	-	3,178,841
Unearned Revenue	905,355	-	-	-	905,355
Compensated absences	26,208	-	-	-	26,208
Total liabilities	<u>5,757,615</u>	<u>111,452</u>	<u>69,637</u>	<u>-</u>	<u>5,938,704</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Leases	<u>76,736</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,736</u>
Total deferred inflows of resources	<u>76,736</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,736</u>
<b>FUND BALANCES</b>					
Committed to:					
Education	2,734,669	-	-	-	2,734,669
Assigned to:					
Education	<u>-</u>	<u>298,251</u>	<u>753,799</u>	<u>490,947</u>	<u>1,542,997</u>
Total fund balances	<u>2,734,669</u>	<u>298,251</u>	<u>753,799</u>	<u>490,947</u>	<u>4,277,666</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,569,020</u>	<u>\$ 409,703</u>	<u>\$ 823,436</u>	<u>\$ 490,947</u>	

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	71,037,147
Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	11,070,146
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(34,227,967)
Deferred inflows of resources related to the net pension liability are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(3,476,969)</u>
Net position of governmental activities	<u>\$ 48,680,023</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 29

	School Operating Fund	School Nutrition Fund	School Textbook Fund	School Activity Fund	Total Governmental Funds
<b>REVENUES</b>					
Revenue from use of money and property	\$ 189,959	\$ -	\$ -	\$ -	\$ 189,959
Charges for services	51,164	86,978	-	570,927	709,069
Miscellaneous	1,703,065	5,091	-	-	1,708,156
Recovered costs	334,891	-	-	-	334,891
Intergovernmental:					
Local	18,820,094	-	-	-	18,820,094
Commonwealth	28,554,098	76,080	-	-	28,630,178
Federal	4,053,860	2,394,477	-	-	6,448,337
Total revenues	<u>53,707,131</u>	<u>2,562,626</u>	<u>-</u>	<u>570,927</u>	<u>56,840,684</u>
<b>EXPENDITURES</b>					
Current:					
Education	54,739,564	2,916,529	211,946	547,346	58,415,385
Debt Service:					
Principal retirement	634,565	-	-	-	634,565
Interest and fiscal charges	9,003	-	-	-	9,003
Total expenditures	<u>55,383,132</u>	<u>2,916,529</u>	<u>211,946</u>	<u>547,346</u>	<u>59,058,953</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,676,001)</u>	<u>(353,903)</u>	<u>(211,946)</u>	<u>23,581</u>	<u>(2,218,269)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	370,607	-	370,607
Transfers out	<u>(370,607)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(370,607)</u>
Total other financing sources and uses	<u>(370,607)</u>	<u>-</u>	<u>370,607</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,046,608)	(353,903)	158,661	23,581	(2,218,269)
Fund balance Beginning	<u>4,781,277</u>	<u>652,154</u>	<u>595,138</u>	<u>467,366</u>	
Fund balance - ending	<u>\$ 2,734,669</u>	<u>\$ 298,251</u>	<u>\$ 753,799</u>	<u>\$ 490,947</u>	

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Governmental funds reported 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 amount by which depreciation and amortization (\$2,935,628) were less than capital outlays (\$6,910,129) 3,974,501

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 issuance costs, 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. 634,565

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. 1,690,088

Change in net position of governmental activities \$ 4,080,885

CITY OF WAYNESBORO, VIRGINIA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD  
 CUSTODIAL FUNDS  
 June 30, 2024

Exhibit 30

	Valley Academy	Total Custodial Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 173,735	\$ 173,735
Total assets	<u>173,735</u>	<u>173,735</u>
<b>LIABILITIES</b>		
Accounts payable	3,553	3,553
Payroll Payable	<u>34,138</u>	<u>34,138</u>
Total liabilities	<u>37,691</u>	<u>37,691</u>
<b>NET POSITION</b>		
Restricted for:		
Individuals, organizations, and other governments	<u>\$ 136,044</u>	<u>\$ 136,044</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD**  
**CUSTODIAL FUND**  
**For the Year Ended June 30, 2024**

Exhibit 31

	Valley Academy	Total Custodial Funds
<b>ADDITIONS</b>		
Charges for services	\$ 541,278	\$ 541,278
Miscellaneous	800	800
Intergovernmental Commonwealth	<u>211,159</u>	<u>211,159</u>
Total additions	<u>753,237</u>	<u>753,237</u>
<b>DEDUCTIONS</b>		
Education	<u>750,777</u>	<u>750,777</u>
Total deductions	<u>750,777</u>	<u>750,777</u>
Change in net position	<u>2,460</u>	<u>2,460</u>
Net position - beginning	<u>133,584</u>	<u>133,584</u>
Net position - ending	<u>\$ 136,044</u>	<u>\$ 136,044</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD**  
**MAJOR SPECIAL REVENUE FUNDS**  
**For the Year Ended June 30, 2024**

Exhibit 32

	School Operating Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts			
	Original	Final	Actual	
<b>REVENUES</b>				
Revenue from use of money and property	\$ 52,700	\$ 6,269,114	\$ 189,959	\$ (6,079,155)
Charges for services	73,500	73,500	51,164	(22,336)
Miscellaneous	131,668	131,668	1,703,065	1,571,397
Recovered costs	400,787	400,787	334,891	(65,896)
Intergovernmental:				
Local	18,820,094	18,820,094	18,820,094	-
Commonwealth	26,144,769	28,377,584	28,554,098	176,514
Federal	3,919,511	4,032,947	4,053,860	20,913
Total revenues	<u>49,543,029</u>	<u>58,105,694</u>	<u>53,707,131</u>	<u>(4,398,563)</u>
<b>EXPENDITURES</b>				
Current:				
Education	48,804,504	57,367,169	54,739,564	2,627,605
Debt service:				
Principal retirement	329,667	329,667	634,565	(304,898)
Interest and fiscal charges	8,885	8,885	9,003	(118)
Total expenditures	<u>49,143,056</u>	<u>57,705,721</u>	<u>55,383,132</u>	<u>2,322,589</u>
Excess (deficiency) of revenues over (under) expenditures	<u>399,973</u>	<u>399,973</u>	<u>(1,676,001)</u>	<u>(2,075,974)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(399,973)</u>	<u>(399,973)</u>	<u>(370,607)</u>	<u>29,366</u>
Total other financing sources and uses	<u>(399,973)</u>	<u>(399,973)</u>	<u>(370,607)</u>	<u>29,366</u>
Net change in fund balances	-	-	(2,046,608)	(2,046,608)
Fund balance - beginning	<u>4,781,277</u>	<u>4,781,277</u>	<u>4,781,277</u>	<u>-</u>
Fund balance - ending	\$ 4,781,277	\$ 4,781,277	\$ 2,734,669	\$ (2,046,608)

## Exhibit 32 (continued)

School Nutrition Fund				School Textbook Fund			
Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62,000	712,000	86,978	(625,022)	-	-	-	-
22,080	22,080	5,091	(16,989)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
78,993	78,993	76,080	(2,913)	-	-	-	-
2,540,299	2,540,299	2,394,477	(145,822)	-	-	-	-
<u>2,703,372</u>	<u>3,353,372</u>	<u>2,562,626</u>	<u>(790,746)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,703,372	3,353,372	2,916,529	436,843	373,973	373,973	211,946	162,027
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,703,372</u>	<u>3,353,372</u>	<u>2,916,529</u>	<u>436,843</u>	<u>373,973</u>	<u>373,973</u>	<u>211,946</u>	<u>162,027</u>
-	-	(353,903)	(353,903)	(373,973)	(373,973)	(211,946)	162,027
-	-	-	-	373,973	373,973	370,607	(3,366)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,973</u>	<u>373,973</u>	<u>370,607</u>	<u>(3,366)</u>
-	-	(353,903)	(353,903)	-	-	158,661	158,661
<u>652,154</u>	<u>652,154</u>	<u>652,154</u>	<u>-</u>	<u>595,138</u>	<u>595,138</u>	<u>595,138</u>	<u>-</u>
\$ 652,154	\$ 652,154	\$ 298,251	\$ (353,903)	\$ 595,138	\$ 595,138	\$ 753,799	\$ 158,661

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***CAPITAL ASSETS – USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS***

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**CITY OF WAYNESBORO, VIRGINIA**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY\***  
**June 30, 2024**

Exhibit 33

Function and Activity	Land	Construction in Progress	Buildings	Improvements Other than Buildings	Machinery and Equipment	Leases	SBITA	Infrastructure	Total
<b>PRIMARY GOVERNMENT:</b>									
General government administration	\$ 5,051,493	\$ -	\$ 1,849,882	\$ 50,600	\$ 3,548,111	\$ 202,602	\$ -	\$ -	\$ 10,702,688
Judicial administration	-	-	3,396,648	55,638	246,361	-	-	-	3,698,647
Public safety	1,075,136	579,465	4,494,506	441,208	6,189,315	51,409	-	-	12,831,039
Public works	341,189	571,527	2,231,231	1,500,318	1,001,118	-	-	58,333,612	63,978,995
Health and welfare	-	-	451,060	208,400	-	-	-	-	659,460
Parks, recreation, and cultural	4,299	2,915,557	4,922,554	7,245,861	515,426	-	-	181,343	15,785,040
Community development	3,507,117	645,972	2,487,629	2,214,952	88,313	-	-	819,658	9,763,641
Total Primary Government	\$ 9,979,234	\$ 4,712,521	\$ 19,833,510	\$ 11,716,977	\$ 11,588,644	\$ 254,011	\$ -	\$ 59,334,613	\$ 117,419,510
<b>COMPONENT UNIT SCHOOL BOARD:</b>									
Schools:									
Education	\$ 811,907	\$ 997,458	\$ 90,108,540	\$ 4,335,100	\$ 6,832,724	\$ 2,494,505	\$ 218,476	\$ -	\$ 105,798,710

\* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included in governmental activities in the statement of net position.

**CITY OF WAYNESBORO, VIRGINIA**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY\***  
**For the Year Ended June 30, 2024**

					Exhibit 34
Function and Activity	Governmental Funds Capital Assets			Governmental Funds Capital Assets	
	June 30, 2023	Additions	Deductions	June 30, 2024	
<b>PRIMARY GOVERNMENT:</b>					
General government administration	\$ 10,284,542	\$ 418,146	\$ -	\$ 10,702,688	
Judicial administration	3,609,297	89,350	-	3,698,647	
Public safety	11,583,787	1,247,252	-	12,831,039	
Public works	62,781,293	1,197,702	-	63,978,995	
Health and welfare	659,460	-	-	659,460	
Parks, recreation, and cultural	12,499,926	3,285,114	-	15,785,040	
Community development	7,381,476	2,382,165	-	9,763,641	
Total Primary Government	<u>\$ 108,799,781</u>	<u>\$ 8,619,729</u>	<u>\$ -</u>	<u>\$ 117,419,510</u>	
<b>COMPONENT UNIT SCHOOL BOARD:</b>					
Schools:					
Education	<u>\$ 98,926,033</u>	<u>\$ 6,872,677</u>	<u>\$ -</u>	<u>\$ 105,798,710</u>	

\* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included in governmental activities in the statement of net position.

## ***SUPPLEMENTAL DATA***

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Schedule 1 Variance with Final Budget - Positive (Negative)
Primary Government:				
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 20,285,172	\$ 20,304,797	\$ 20,840,116	\$ 535,319
Real and personal public service				
corporation property taxes	1,003,417	1,003,417	928,993	(74,424)
Personal property taxes	5,636,783	5,636,783	7,100,193	1,463,410
Mobile home taxes	5,448	5,448	4,990	(458)
Machinery and tools taxes	1,117,200	1,117,200	1,130,720	13,520
Rolling stock	73,200	73,200	66,000	(7,200)
Penalties	437,327	437,327	490,758	53,431
Interest	141,573	141,573	219,308	77,735
Total General Property Taxes	<u>28,700,120</u>	<u>28,719,745</u>	<u>30,781,078</u>	<u>2,061,333</u>
Other local taxes:				
Local sales and use tax	6,890,032	6,932,931	7,449,958	517,027
Consumers' utility taxes	1,056,486	1,056,486	1,040,683	(15,803)
Business license taxes	2,524,759	2,524,759	3,282,619	757,860
Motor vehicle licenses	420,050	420,050	439,377	19,327
Bank stock taxes	379,246	379,246	492,154	112,908
Taxes on recordation and wills	345,791	345,791	403,262	57,471
Lodging taxes	840,000	840,000	935,266	95,266
Restaurant food taxes	6,236,664	6,236,664	7,251,748	1,015,084
Tobacco taxes	486,739	486,739	400,596	(86,143)
Short-term rental taxes	1,229	1,229	3,255	2,026
Payments in lieu of tax	29,000	29,000	30,566	1,566
Total Other Local Taxes	<u>19,209,996</u>	<u>19,252,895</u>	<u>21,729,484</u>	<u>2,476,589</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	10,027	10,027	6,102	(3,925)
Permits and other licenses	<u>275,084</u>	<u>275,084</u>	<u>312,971</u>	<u>37,887</u>
Total Permits, Privilege Fees, and Regulatory Licenses	<u>285,111</u>	<u>285,111</u>	<u>319,073</u>	<u>33,962</u>
Fines and forfeitures:				
Parking fines	2,888	2,888	6,385	3,497
Fines and forfeitures	<u>97,222</u>	<u>97,222</u>	<u>211,223</u>	<u>114,001</u>
Total Fines and Forfeitures	<u>100,110</u>	<u>100,110</u>	<u>217,608</u>	<u>117,498</u>
Revenue from use of money and property:				
Revenue from use of money	420,511	420,511	2,774,055	2,353,544
Revenue from use of property	<u>51,921</u>	<u>51,921</u>	<u>59,217</u>	<u>7,296</u>
Total Revenue from Use of Money and Property	<u>472,432</u>	<u>472,432</u>	<u>2,833,272</u>	<u>2,360,840</u>
Charges for services:				
Commonwealth's attorney fees	2,579	2,579	3,188	609
Charges for court appointed attorney	5,736	5,736	5,087	(649)
Charges for maintenance of buildings and grounds	-	-	9,262	9,262
Charges for passport fees	7,410	7,410	19,985	12,575
Charges for planning services	50,100	50,100	97,510	47,410
Charges for recreation	107,325	107,325	88,030	(19,295)
Charges for library	6,862	7,309	8,625	1,316
Charges for miscellaneous services	<u>7,463</u>	<u>7,463</u>	<u>50,614</u>	<u>43,151</u>
Total Charges for Services	<u>187,475</u>	<u>187,922</u>	<u>282,301</u>	<u>94,379</u>
Miscellaneous revenue:				
Gifts and donations	9,605	14,721	69,571	54,850
Other revenue	<u>681,927</u>	<u>691,835</u>	<u>777,412</u>	<u>85,577</u>
Total Miscellaneous Revenue	<u>691,532</u>	<u>706,556</u>	<u>846,983</u>	<u>140,427</u>
Recovered Costs	<u>63,751</u>	<u>68,009</u>	<u>148,236</u>	<u>80,227</u>
Total Revenue from Local Sources	<u>49,710,527</u>	<u>49,792,780</u>	<u>57,158,035</u>	<u>7,365,255</u>

continued

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

				Schedule 1 (continued)
				Variance with Final Budget - Positive (Negative)
Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	
Primary Government: (continued)				
General Fund: (continued)				
Revenue from the Commonwealth:				
Non-categorical aid:				
Mobile home titling taxes	\$ 2,187	\$ 2,187	\$ 5,162	\$ 2,975
Grantor tax	81,574	81,574	107,080	25,506
Sales tax on rental passenger vehicles	73,330	73,330	105,075	31,745
Personal property tax reimbursement	1,721,457	1,721,457	1,721,457	-
Assistance to localities with police departments	889,356	889,356	966,190	76,834
Rolling stock tax	14,915	14,915	12,046	(2,869)
Communications tax	986,049	986,049	846,091	(139,958)
Recordation tax	17,620	17,620	-	(17,620)
Other	-	-	195,654	195,654
Total Non-categorical Aid	<u>3,786,488</u>	<u>3,786,488</u>	<u>3,958,755</u>	<u>172,267</u>
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	471,895	471,895	588,623	116,728
Sheriff	297,701	297,701	368,765	71,064
Commissioner of the revenue	107,964	107,964	143,798	35,834
Treasurer	108,720	108,720	126,502	17,782
Clerk of circuit court	268,374	268,374	282,761	14,387
Registrar/Electoral board	68,907	68,907	95,701	26,794
Total Shared Expenses	<u>1,323,561</u>	<u>1,323,561</u>	<u>1,606,150</u>	<u>282,589</u>
Other categorical aid:				
Street and highway maintenance	4,356,339	4,356,339	5,137,885	781,546
Library	191,607	224,838	224,900	62
Virginia Arts	5,000	5,000	-	(5,000)
Fire Board funds	82,538	82,538	99,937	17,399
Drug seizure	-	-	3,254	3,254
Victim/witness	20,981	20,981	28,771	7,790
E-911 wireless	108,167	108,167	115,543	7,376
EMS grants	7,500	205,906	134,764	(71,142)
Forestry grants	-	-	967	967
Other state funds	-	10,000	63,065	53,065
Total Other Categorical Aid	<u>4,772,132</u>	<u>5,013,769</u>	<u>5,809,086</u>	<u>795,317</u>
Total Categorical Aid	<u>6,095,693</u>	<u>6,337,330</u>	<u>7,415,236</u>	<u>1,077,906</u>
Total Revenue from the Commonwealth	<u>9,882,181</u>	<u>10,123,818</u>	<u>11,373,991</u>	<u>1,250,173</u>
Revenue from the Federal Government:				
Categorical aid:				
DMV grants	-	-	15,942	15,942
Department of justice grants	-	332,000	-	(332,000)
Victim/witness	78,326	78,326	60,492	(17,834)
CARES/ARPA funding	-	42,500	40,000	(2,500)
Total Categorical Aid	<u>78,326</u>	<u>452,826</u>	<u>116,434</u>	<u>(336,392)</u>
Total Revenue from the Federal Government	<u>78,326</u>	<u>452,826</u>	<u>116,434</u>	<u>(336,392)</u>
Total General Fund	<u>\$ 59,671,034</u>	<u>\$ 60,369,424</u>	<u>\$ 68,648,460</u>	<u>\$ 8,279,036</u>

continued

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

				Schedule 1 (continued)
				Variance with Final Budget - Positive (Negative)
Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	
Primary Government: (continued)				
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Revenue from the Commonwealth:				
Other categorical aid:				
Welfare	\$ 825,079	\$ 825,079	\$ 797,985	\$ (27,094)
Virginia Public Assistance Fund: (continued)				
Revenue from the Federal Government:				
Categorical aid:				
Welfare	775,778	775,778	617,527	(158,251)
Total Virginia Public Assistance Fund	1,600,857	1,600,857	1,415,512	(185,345)
Comprehensive Services Act Fund:				
Revenue from the Commonwealth:				
Categorical aid:				
CSA funds	1,922,500	1,922,500	2,031,693	109,193
Revenue from the Federal Government:				
Categorical aid:				
CSA funds	-	-	99,296	99,296
Total Comprehensive Services Act Fund	\$ 1,922,500	\$ 1,922,500	\$ 2,130,989	\$ 208,489
Youth and Family Services Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	7,200	7,200	29,196	21,996
Miscellaneous revenue:				
Gifts and donations	600	600	200	(400)
Other revenue	1,075	30,075	17,724	(12,351)
Total Miscellaneous Revenue	1,675	30,675	17,924	(12,751)
Recovered Costs	348,910	348,910	352,263	3,353
Total Revenue from Local Sources	357,785	386,785	399,383	12,598
Revenue from the Commonwealth:				
Categorical aid:				
Juvenile crime control	117,385	117,385	117,781	396
Other state funds	31,000	31,000	25,294	(5,706)
Total Revenue from the Commonwealth	148,385	148,385	143,075	(5,310)
Revenue from the Federal Government:				
Categorical aid:				
Other federal funds	-	91,583	38,060	(53,523)
Total Revenue from the Federal Government	-	91,583	38,060	(53,523)
Total Youth and Family Services Fund	\$ 506,170	\$ 626,753	\$ 580,518	\$ (46,235)
Community Action Partnership of Staunton, Augusta, and Waynesboro Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	19	19	4,121	4,102
Miscellaneous revenue:				
Other revenue	-	19,950	11,907	(8,043)
Total Miscellaneous Revenue	-	19,950	11,907	(8,043)
Recovered Costs	96,437	96,437	96,437	-
Total Revenue from Local Sources	96,456	116,406	112,465	(3,941)
Revenue from the Commonwealth:				
Categorical aid:				
TANF grant	192,400	192,400	192,398	(2)
Other state funds	-	-	19,197	19,197
Total Revenue from the Commonwealth	192,400	192,400	211,595	19,195

continued



**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

				Schedule 1 (continued)
				Variance with Final Budget - Positive (Negative)
Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Community Action Partnership of Staunton, Augusta, and Waynesboro Fund: (continued)				
Revenue from the Federal Government:				
Categorical aid:				
CSBG grant	\$ 306,553	\$ 306,553	\$ 256,536	\$ (50,017)
Total Revenue from the Federal Government	<u>306,553</u>	<u>306,553</u>	<u>256,536</u>	<u>(50,017)</u>
Total Community Action Partnership of Staunton, Augusta, and Waynesboro Fund	<u>\$ 595,409</u>	<u>\$ 615,359</u>	<u>\$ 580,596</u>	<u>\$ (34,763)</u>
Total Special Revenue Funds	<u>\$ 4,624,936</u>	<u>\$ 4,765,469</u>	<u>\$ 4,707,615</u>	<u>\$ (57,854)</u>
Capital Projects Funds:				
Capital Improvements Fund:				
Revenue from local sources:				
Recovered Costs	<u>9,000</u>	<u>126,162</u>	<u>4,825</u>	<u>(121,337)</u>
Total Revenue from Local Sources	<u>9,000</u>	<u>126,162</u>	<u>4,825</u>	<u>(121,337)</u>
Revenue from the Commonwealth:				
Categorical Aid:				
VDOT grants	1,112,393	2,012,380	4,691	(2,007,689)
VA DEQ grants	<u>401,150</u>	<u>612,000</u>	<u>131,215</u>	<u>(480,785)</u>
Total Revenue from the Commonwealth	<u>1,513,543</u>	<u>2,624,380</u>	<u>135,906</u>	<u>(2,488,474)</u>
Revenue from the Federal and State Government:				
Categorical aid:				
VDOT grants	3,058,000	4,458,362	129,498	(4,328,864)
Other grants	3,515,850	11,441,075	2,876,043	(8,565,032)
CDBG grant	<u>175,000</u>	<u>731,422</u>	<u>253,360</u>	<u>(478,062)</u>
Total Revenue from the Federal Government	<u>6,748,850</u>	<u>16,630,859</u>	<u>3,258,901</u>	<u>(13,371,958)</u>
Total Capital Improvements Fund	<u>\$ 8,271,393</u>	<u>\$ 19,381,401</u>	<u>\$ 3,399,632</u>	<u>\$ (15,981,769)</u>
Total Capital Projects Funds	<u>\$ 8,271,393</u>	<u>\$ 19,381,401</u>	<u>\$ 3,399,632</u>	<u>\$ (15,981,769)</u>

continued

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

				Schedule 1 (continued)
				Variance with Final Budget - Positive (Negative)
Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	
Primary Government: (continued)				
Permanent Funds:				
Cemetery Care Fund:				
Revenue from local sources:				
Revenue from use of money	\$ 4,000	\$ 4,000	\$ 36,279	\$ 32,279
Miscellaneous revenue:				
Other revenue	-	-	6,360	6,360
Total Revenue from Local Sources	4,000	4,000	42,639	38,639
Total Perpetual Care Fund	\$ 4,000	\$ 4,000	\$ 42,639	\$ 38,639
Total Permanent Funds	\$ 4,000	\$ 4,000	\$ 42,639	\$ 38,639
Grand Total - Revenues - Primary Government	\$ 72,571,363	\$ 84,520,294	\$ 76,798,346	\$ (7,721,948)
Component Unit - School Board:				
Special Revenue Funds:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money	40,700	6,257,114	169,200	(6,087,914)
Revenue from use of property	12,000	12,000	20,759	8,759
Total Revenue from Use of Money and Property	52,700	6,269,114	189,959	(6,079,155)
Charges for services:				
Charges for education	73,500	73,500	51,164	(22,336)
Total Charges for Services	73,500	73,500	51,164	(22,336)
Miscellaneous revenue:				
Gifts and donations	650	650	2,700	2,050
Other revenue	131,018	131,018	1,700,365	1,569,347
Total Miscellaneous Revenue	131,668	131,668	1,703,065	1,571,397
Recovered Costs	400,787	400,787	334,891	(65,896)
Total Revenue from Local Sources	658,655	6,875,069	2,279,079	(4,595,990)
Revenue from Local Government:				
Contribution from City of Waynesboro	18,820,094	18,820,094	18,820,094	-
Revenue from the Commonwealth:				
Categorical Aid:				
Adult education	47,452	47,452	47,452	-
At risk	1,986,236	1,986,236	2,341,648	355,412
Basic school aid	9,472,033	9,472,033	9,425,956	(46,077)
Early intervention	181,704	181,704	132,148	(49,556)
English as a second language	289,285	289,285	264,297	(24,988)
Foster children	103,542	103,542	91,354	(12,188)
GED funding	16,405	16,405	16,346	(59)
Gifted and talented children	98,119	98,119	96,721	(1,398)
Group life	41,032	41,032	40,447	(585)
Operating costs	806,989	806,989	813,808	6,819
Primary class size	456,624	456,624	457,591	967
Race to GED expansion	97,776	97,776	87,776	(10,000)
Remedial education	596,381	596,381	584,199	(12,182)
Share of state sales tax	4,450,864	4,450,864	4,268,595	(182,269)
Social security	590,500	590,500	580,324	(10,176)
Special education	1,540,756	1,540,756	1,624,926	84,170
Standards of learning	52,664	52,664	52,648	(16)
State Construction Funds	-	-	1,662,252	1,662,252
Teacher retirement	1,377,238	1,377,238	1,352,330	(24,908)
Technology initiative	232,000	232,000	254,500	22,500

continued

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

				Schedule 1 (continued)
				Variance with Final Budget - Positive (Negative)
Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	
Component Unit - School Board: (continued)				
Special Revenue Funds: (continued)				
School Operating Fund: (continued)				
Revenue from the Commonwealth: (continued)				
Textbook payments	\$ 236,164	\$ 236,164	\$ 232,798	\$ (3,366)
Vocational education	168,106	179,798	169,037	(10,761)
Other state funds	<u>3,302,899</u>	<u>5,524,022</u>	<u>3,956,945</u>	<u>(1,567,077)</u>
Total Revenue from the Commonwealth	<u>26,144,769</u>	<u>28,377,584</u>	<u>28,554,098</u>	<u>176,514</u>
Revenue from the Federal Government:				
Categorical Aid:				
Adult literacy	667,077	667,077	768,124	101,047
CARES Funding	1,034,961	1,045,401	1,056,127	10,726
Title I	1,031,787	1,102,427	988,228	(114,199)
Title II - Teacher Quality	150,000	150,000	234,368	84,368
Title III	24,941	33,590	33,724	134
Title IV	82,800	82,800	223,943	141,143
Title VIB	736,600	736,600	536,998	(199,602)
Title VIB - Preschool grant	16,863	26,363	26,343	(20)
Title IXA - Homeless	89,482	96,189	101,281	5,092
Inclusive Practice Partnership	-	7,500	7,492	(8)
Vocational education	85,000	85,000	72,252	(12,748)
Other federal grants	<u>-</u>	<u>-</u>	<u>4,980</u>	<u>4,980</u>
Total Revenue from the Federal Government	<u>3,919,511</u>	<u>4,032,947</u>	<u>4,053,860</u>	<u>20,913</u>
Total School Operating Fund	<u>\$ 49,543,029</u>	<u>\$ 58,105,694</u>	<u>\$ 53,707,131</u>	<u>\$ (4,398,563)</u>
School Nutrition Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	<u>62,000</u>	<u>712,000</u>	<u>86,978</u>	<u>(625,022)</u>
Miscellaneous Revenue	<u>22,080</u>	<u>22,080</u>	<u>5,091</u>	<u>(16,989)</u>
Total Revenue from Local Sources	<u>84,080</u>	<u>734,080</u>	<u>92,069</u>	<u>(642,011)</u>
Revenue from the Commonwealth:				
School food programs	<u>78,993</u>	<u>78,993</u>	<u>76,080</u>	<u>(2,913)</u>
Revenue from the Federal Government:				
School food programs	<u>2,540,299</u>	<u>2,540,299</u>	<u>2,394,477</u>	<u>(145,822)</u>
Total School Nutrition Fund	<u>\$ 2,703,372</u>	<u>\$ 3,353,372</u>	<u>\$ 2,562,626</u>	<u>\$ (790,746)</u>
School Textbook Fund:				
Revenue from local sources:				
Miscellaneous revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total School Textbook Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School Activity Fund:				
Revenue from local sources:				
Charges for services	<u>-</u>	<u>-</u>	<u>570,927</u>	<u>570,927</u>
Total School Activity Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 570,927</u>	<u>\$ 570,927</u>
Total Special Revenue Funds	<u>\$ 52,246,401</u>	<u>\$ 61,459,066</u>	<u>\$ 56,840,684</u>	<u>\$ (4,618,382)</u>
Grand Total - Revenues - Component Unit School Board	<u>\$ 52,246,401</u>	<u>\$ 61,459,066</u>	<u>\$ 56,840,684</u>	<u>\$ (4,618,382)</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

	Schedule 2			
	Original	Final		Variance with
Fund, Function, Activity, and Elements:	Budget	Budget	Actual	Final Budget -
				Positive
				(Negative)
Primary Government:				
General Fund:				
General Government Administration:				
Legislative:				
City Council	\$ 84,639	\$ 84,639	\$ 82,159	\$ 2,480
Clerk of Council	77,590	77,590	80,595	(3,005)
Total Legislative	162,229	162,229	162,754	(525)
General and Financial Administration:				
Manager	618,290	589,345	542,477	46,868
City Attorney	190,450	190,450	161,282	29,168
Human Resources	973,334	851,632	444,461	407,171
Commissioner of Revenue	403,185	437,910	371,354	66,556
Assessor	368,422	376,522	373,603	2,919
Treasurer	423,804	458,804	405,938	52,866
Finance	1,071,515	1,118,493	1,088,246	30,247
Information Technology	1,593,912	1,778,189	1,653,827	124,362
Risk Management	486,208	486,208	419,729	66,479
Central Office	38,650	39,486	33,897	5,589
Total General and Financial Administration	6,167,770	6,327,039	5,494,814	832,225
Board of Elections:				
Electoral Board and Officials	298,279	356,572	321,756	34,816
Total General Government Administration	6,628,278	6,845,840	5,979,324	866,516
Judicial Administration:				
Courts:				
Circuit Court	121,905	121,650	120,675	975
General District Court	26,925	26,925	13,161	13,764
Court Services	900	900	1,646	(746)
Juvenile and Domestic Relations	11,400	11,545	6,882	4,663
Clerk of the Circuit Court	550,653	551,027	401,799	149,228
Sheriff	624,489	775,489	833,010	(57,521)
Victim/Witness Assistance	119,182	125,581	90,308	35,273
Total Courts	1,455,454	1,613,117	1,467,481	145,636
Commonwealth Attorney:				
Commonwealth Attorney	784,730	785,376	863,068	(77,692)
Total Commonwealth Attorney	784,730	785,376	863,068	(77,692)
Total Judicial Administration	2,240,184	2,398,493	2,330,549	67,944
Public Safety:				
Law Enforcement and Traffic Control:				
Police Department	6,835,505	7,635,583	7,333,548	302,035
Animal Services Center	182,835	182,835	178,237	4,598
Total Law Enforcement and Traffic Control	7,018,340	7,818,418	7,511,785	306,633
Fire and Rescue Services:				
Fire Department	3,731,524	4,099,905	4,146,287	(46,382)
First Aid Crew	150,000	408,406	404,503	3,903
Total Fire and Rescue Services	3,881,524	4,508,311	4,550,790	(42,479)
Correction and Detention:				
Middle River Regional Jail	1,719,500	1,719,500	1,719,501	(1)
Juvenile Detention Home	178,464	178,464	172,052	6,412
Total Correction and Detention	1,897,964	1,897,964	1,891,553	6,411
Inspections:				
Inspector's Office	724,989	724,989	591,040	133,949

continued

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

				Schedule 2 (continued)
	Original	Final		Variance with
Fund, Function, Activity, and Elements:	Budget	Budget	Actual	Final Budget -
				Positive
				(Negative)
Primary Government: (continued)				
General Fund: (continued)				
Public Safety: (continued)				
Other Protection:				
Emergency Operations Center	\$ 1,366,876	\$ 1,485,507	\$ 1,387,345	\$ 98,162
Total Other Protection	<u>1,366,876</u>	<u>1,485,507</u>	<u>1,387,345</u>	<u>98,162</u>
Total Public Safety	<u>14,889,693</u>	<u>16,435,189</u>	<u>15,932,513</u>	<u>502,676</u>
Public Works:				
Maintenance of Highways, Streets, Bridges, and Sidewalks:				
General Engineering/Administration	1,581,147	1,663,967	1,572,050	91,917
Public Works Operations Administration	416,755	406,410	414,738	(8,328)
Highways, Streets, Bridges, and Sidewalks	3,071,026	6,296,647	4,583,805	1,712,842
Traffic Engineering	<u>1,081,926</u>	<u>976,565</u>	<u>528,549</u>	<u>448,016</u>
Total Maintenance of Highways, Streets, Bridges, and Sidewalks	<u>6,150,854</u>	<u>9,343,589</u>	<u>7,099,142</u>	<u>2,244,447</u>
Sanitation and Waste Removal:				
Landfill closure	<u>190,116</u>	<u>368,926</u>	<u>326,129</u>	<u>42,797</u>
Total Sanitation and Waste Removal	<u>190,116</u>	<u>368,926</u>	<u>326,129</u>	<u>42,797</u>
Maintenance of General Buildings and Grounds:				
General Properties:				
Maintenance of buildings and grounds	<u>107,232</u>	<u>112,298</u>	<u>101,599</u>	<u>10,699</u>
Total Public Works	<u>6,448,202</u>	<u>9,824,813</u>	<u>7,526,870</u>	<u>2,297,943</u>
Health and Welfare:				
Health:				
Supplement of Local Health Department	202,708	218,977	192,470	26,507
Contribution to VCSB	<u>201,093</u>	<u>201,093</u>	<u>201,093</u>	<u>-</u>
Other Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Health	<u>403,801</u>	<u>420,070</u>	<u>393,563</u>	<u>26,507</u>
Welfare:				
Area Agency on Aging	31,250	31,250	31,250	-
Property Tax Relief-Elderly Handicapped	130,000	130,000	223,672	(93,672)
Other Contributions	<u>20,000</u>	<u>20,000</u>	<u>88,335</u>	<u>(68,335)</u>
Total Welfare	<u>181,250</u>	<u>181,250</u>	<u>343,257</u>	<u>(162,007)</u>
Total Health and Welfare	<u>585,051</u>	<u>601,320</u>	<u>736,820</u>	<u>(135,500)</u>
Education:				
Contributions to Community College	47,846	47,846	35,346	12,500
Contribution to City School Board	<u>18,820,094</u>	<u>18,820,094</u>	<u>18,820,094</u>	<u>-</u>
Total Education	<u>18,867,940</u>	<u>18,867,940</u>	<u>18,855,440</u>	<u>12,500</u>
Parks, Recreation, and Cultural:				
Parks and Recreation:				
Administration	515,293	511,267	517,507	(6,240)
Municipal Parks	846,489	1,020,041	992,549	27,492
Municipal Pools	95,635	99,639	140,804	(41,165)
Recreation Programs	247,600	252,936	189,027	63,909
Custodial	698,213	731,340	734,595	(3,255)
Cemeteries	<u>185,725</u>	<u>231,833</u>	<u>149,195</u>	<u>82,638</u>
Total Parks and Recreation	<u>2,588,955</u>	<u>2,847,056</u>	<u>2,723,677</u>	<u>123,379</u>
Library:				
Library Administration	<u>1,033,459</u>	<u>1,063,529</u>	<u>1,032,626</u>	<u>30,903</u>

continued

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

				Schedule 2 (continued)
Fund, Function, Activity, and Elements:	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Primary Government: (continued)				
General Fund: (continued)				
Parks, Recreation, and Cultural: (continued)				
Cultural Enrichment:				
Contributions	\$ 16,250	\$ 16,250	\$ 13,659	\$ 2,591
Total Parks, Recreation, and Cultural	<u>3,638,664</u>	<u>3,926,835</u>	<u>3,769,962</u>	<u>156,873</u>
Community Development:				
Planning and Community Development:				
City Planner	562,468	574,959	553,291	21,668
Economic Development	576,977	617,556	618,182	(626)
Tourism Department	19,090	28,082	38,079	(9,997)
Community Development	180,883	188,033	175,439	12,594
Shenandoah Valley Airport	62,067	62,067	62,067	-
Total Planning and Community Development	<u>1,401,485</u>	<u>1,470,697</u>	<u>1,447,058</u>	<u>23,639</u>
Total General Fund	<u>\$ 54,699,497</u>	<u>\$ 60,371,127</u>	<u>\$ 56,578,536</u>	<u>\$ 3,792,591</u>
Special Revenue Funds:				
Virginia Public Assistance Fund:				
Health and Welfare:				
Welfare/Social Services:				
Public Assistance	\$ 2,463,106	\$ 2,463,106	\$ 2,051,743	\$ 411,363
Comprehensive Services Act Fund:				
Health and Welfare:				
Welfare/Social Services:				
Comprehensive Services	\$ 3,300,000	\$ 3,300,000	\$ 3,567,098	\$ (267,098)
Youth and Family Services Fund:				
Public Safety:				
Correction and Detention:				
Youth Services	499,953	664,388	610,801	53,587
VJCCA Programs	191,051	189,621	134,726	54,895
Total Public Safety	<u>691,004</u>	<u>854,009</u>	<u>745,527</u>	<u>108,482</u>
Health and Welfare:				
Welfare/Social Services:				
Teen Pregnancy Prevention	49,700	49,700	37,758	11,942
Total Youth and Family Services Fund	<u>\$ 740,704</u>	<u>\$ 903,709</u>	<u>\$ 783,285</u>	<u>\$ 120,424</u>
Community Action Partnership of Staunton, Augusta, and Waynesboro Fund:				
Health and Welfare:				
Welfare/Social Services:				
CAPSAW operations	635,177	655,127	577,659	77,468
Total Community Action Partnership of Staunton, Augusta, and Waynesboro Fund	<u>\$ 635,177</u>	<u>\$ 655,127</u>	<u>\$ 577,659</u>	<u>\$ 77,468</u>

Continued

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD**  
**For the Year Ended June 30, 2024**

				Schedule 2 (continued)
Fund, Function, Activity, and Elements:	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Primary Government: (continued)				
Special Revenue Funds: (continued)				
Total Special Revenue Funds	\$ 7,138,987	\$ 7,321,942	\$ 6,979,785	\$ 342,157
Debt Service Funds:				
Debt Revenue Fund:				
Debt Service:				
Principal Retirement	2,172,064	2,172,064	2,172,042	22
Interest and Fiscal Charges	1,105,920	1,105,920	1,107,428	(1,508)
Total Debt Service	3,277,984	3,277,984	3,279,470	(1,486)
Total Debt Service Fund	\$ 3,277,984	\$ 3,277,984	\$ 3,279,470	\$ (1,486)
Total Debt Service Funds	\$ 3,277,984	\$ 3,277,984	\$ 3,279,470	\$ (1,486)
Capital Projects Funds:				
Projects:				
General government administration	568,000	1,922,565	8,513	1,914,052
Public Safety	3,092,649	16,232,113	713,621	15,518,492
Public Works	4,522,412	10,094,622	329,802	9,764,820
Parks, recreation, and cultural	4,750,187	13,829,078	3,220,756	10,608,322
Community development	3,268,953	7,236,389	2,719,647	4,516,742
Total Projects	16,202,201	49,314,767	6,992,339	42,322,428
Total Capital Improvements Fund	\$ 16,202,201	\$ 49,314,767	\$ 6,992,339	\$ 42,322,428
Total Capital Improvements Funds	\$ 16,202,201	\$ 49,314,767	\$ 6,992,339	\$ 42,322,428
Grand Total - Expenditures - Primary Government	\$ 81,318,669	\$ 120,285,820	\$ 73,830,130	\$ 46,455,690
Component Unit - School Board:				
Special Revenue Funds:				
School Operating Fund:				
Education:				
Administration and Instruction of Schools:				
Classroom Instruction	37,509,722	39,107,558	37,590,749	1,516,809
Administration, Attendance, and Health	3,312,672	3,346,726	3,321,706	25,020
Total Administration and Instruction of Schools	40,822,394	42,454,284	40,912,455	1,541,829
Operating Costs:				
Pupil Transportation	1,560,546	2,257,792	2,212,030	45,762
Operation and Maintenance of School Plant	4,782,752	10,876,135	10,132,010	744,125
Technology	1,638,812	1,778,958	1,483,069	295,889
Total Operating Costs	7,982,110	14,912,885	13,827,109	1,085,776
Total Education	48,804,504	57,367,169	54,739,564	2,627,605
Debt Service:				
Principal Retirement	329,667	329,667	634,565	(304,898)
Interest and Fiscal Charges	8,885	8,885	9,003	(118)
Total Debt Service	338,552	338,552	643,568	(305,016)
Total School Operating Fund	\$ 49,143,056	\$ 57,705,721	\$ 55,383,132	\$ 2,322,589

continued

CITY OF WAYNESBORO, VIRGINIA  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT SCHOOL BOARD  
For the Year Ended June 30, 2024

				Schedule 2 (continued)
				Variance with Final Budget - Positive (Negative)
Fund, Function, Activity, and Elements:	Original Budget	Final Budget	Actual	
Component Unit - School Board: (continued)				
Special Revenue Funds: (continued)				
School Nutrition Fund:				
Education:				
Food Service	\$ 2,703,372	\$ 3,353,372	\$ 2,916,529	\$ 436,843
School Textbook Fund:				
Education:				
Instructional Costs	373,973	373,973	211,946	162,027
School Activity Fund:				
Education:				
Instructional Costs	-	-	547,346	(547,346)
Total Special Revenue Funds	\$ 52,220,401	\$ 61,433,066	\$ 59,058,953	\$ 2,374,113
Grand Total - Expenditures - Component Unit - School Board	\$ 52,220,401	\$ 61,433,066	\$ 59,058,953	\$ 2,374,113



## ***STATISTICAL SECTION***

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## STATISTICAL SECTION

This part of the City of Waynesboro's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<b>Contents</b>	<b><u>Tables</u></b>	<b><u>Pages</u></b>
<i>Financial Trends</i> These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1 - 4	115-120
<i>Revenue Capacity</i> These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	5 - 8	121-124
<i>Debt Capacity</i> These schedules contain trend information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	9 - 13	125-129
<i>Demographic and Economic Information</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	14 - 15	130-131
<i>Operating Information</i> These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and activities it performs.	16 - 18	132-134

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**CITY OF WAYNESBORO, VIRGINIA**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

Table 1

	2015 (1)	2016	2017	2018 (2)	2019	2020	2021	2022	2023	2024
<b>Governmental activities</b>										
Net investment in capital assets	\$ 30,091,461	\$ 31,418,630	\$ 33,791,619	\$ 33,980,786	\$ 34,787,121	\$ 39,102,605	\$ 38,890,208	\$ 37,514,787	\$ 41,437,151	\$ 47,392,890
Restricted	2,124,875	1,793,293	1,967,706	22,068,987	13,460,899	5,329,520	5,508,020	4,715,357	7,012,929	6,965,379
Unrestricted	(11,390,137)	(6,053,354)	(5,112,956)	(25,378,115)	(20,982,977)	(18,915,199)	(13,953,178)	(5,667,824)	1,111,834	10,145,479
Total governmental activities net position	<u>\$ 20,826,199</u>	<u>\$ 27,158,569</u>	<u>\$ 30,646,369</u>	<u>\$ 30,671,658</u>	<u>\$ 27,265,043</u>	<u>\$ 25,516,926</u>	<u>\$ 30,445,050</u>	<u>\$ 36,562,320</u>	<u>\$ 49,561,914</u>	<u>\$ 64,503,748</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 32,895,991	\$ 32,896,027	\$ 31,859,390	\$ 32,772,413	\$ 32,528,272	\$ 33,116,043	\$ 32,605,658	\$ 32,877,670	\$ 34,028,168	\$ 38,592,644
Restricted	-	-	-	-	977	2,421	2,421	872	-	-
Unrestricted	7,933,035	8,340,522	9,238,420	8,917,530	9,693,985	9,775,330	10,998,429	13,719,843	16,233,573	16,799,355
Total business-type activities net position	<u>\$ 40,829,026</u>	<u>\$ 41,236,549</u>	<u>\$ 41,097,810</u>	<u>\$ 41,689,943</u>	<u>\$ 42,223,234</u>	<u>\$ 42,893,794</u>	<u>\$ 43,606,508</u>	<u>\$ 46,598,385</u>	<u>\$ 50,261,741</u>	<u>\$ 55,391,999</u>
<b>Primary government</b>										
Net investment in capital assets	\$ 62,987,452	\$ 64,314,657	\$ 65,651,009	\$ 66,753,199	\$ 67,315,393	\$ 72,218,648	\$ 71,495,866	\$ 70,392,457	\$ 75,465,319	\$ 85,985,534
Restricted	2,124,875	1,793,293	1,967,706	22,068,987	13,461,876	5,331,941	5,510,441	4,716,229	7,012,929	6,965,379
Unrestricted	(3,457,102)	2,287,168	4,125,464	(16,460,585)	(11,288,992)	(9,139,869)	(2,954,749)	8,052,019	17,345,407	26,944,834
Total primary government net position	<u>\$ 61,655,225</u>	<u>\$ 68,395,118</u>	<u>\$ 71,744,179</u>	<u>\$ 72,361,601</u>	<u>\$ 69,488,277</u>	<u>\$ 68,410,720</u>	<u>\$ 74,051,558</u>	<u>\$ 83,160,705</u>	<u>\$ 99,823,655</u>	<u>\$ 119,895,747</u>
<b>School Board Component Unit</b>										
Net investment in capital assets	\$ 36,571,516	\$ 36,148,835	\$ 35,391,084	\$ 34,360,416	\$ 41,927,453	\$ 52,489,416	\$ 55,191,154	\$ 59,297,408	\$ 64,667,665	\$ 69,276,731
Restricted	-	-	-	-	-	-	-	-	-	215,822
Unrestricted	(33,145,847)	(32,811,413)	(32,273,726)	(33,486,905)	(30,491,309)	(27,898,617)	(24,503,738)	(24,582,458)	(20,428,234)	(20,812,530)
Total governmental activities net position	<u>\$ 3,425,669</u>	<u>\$ 3,337,422</u>	<u>\$ 3,117,358</u>	<u>\$ 873,511</u>	<u>\$ 11,436,144</u>	<u>\$ 24,590,799</u>	<u>\$ 30,687,416</u>	<u>\$ 34,714,950</u>	<u>\$ 44,239,431</u>	<u>\$ 48,680,023</u>

Notes:

- (1) The City implemented net pension liability reporting in fiscal year 2015 as required by GASB 68.
- (2) The City implemented net OPEB liability reporting in fiscal year 2018 as required by GASB 75.

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**CITY OF WAYNESBORO, VIRGINIA**  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

Table 2

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental activities:										
General government	\$ 7,015,817	\$ 9,900,958	\$ 10,482,872	\$ 11,283,368	\$ 12,887,236	\$ 13,670,378	\$ 14,792,879	\$ 6,061,317	\$ 5,673,323	\$ 5,423,317
Judicial administration	1,478,788	1,393,274	1,501,243	1,536,332	1,608,858	1,966,048	2,037,824	1,880,301	1,841,772	2,142,498
Public safety	10,962,688	10,574,111	11,404,402	11,847,803	12,394,461	13,374,317	14,483,020	14,442,688	14,950,241	15,827,116
Public works	5,690,103	6,813,144	7,233,241	6,299,523	4,940,088	8,518,205	6,297,453	8,840,925	6,154,800	7,900,457
Health and welfare	5,375,620	5,325,427	5,455,336	5,890,677	7,047,841	6,792,298	6,798,799	6,714,783	6,584,601	6,673,706
Education	13,845,320	13,275,982	15,501,962	15,800,624	23,861,807	23,718,238	18,123,621	16,902,753	17,980,830	19,199,151
Parks, recreation, and culture	2,904,112	2,935,329	2,808,386	3,235,722	3,569,855	2,564,162	2,621,804	2,714,327	3,656,253	4,235,207
Community development	1,352,385	644,256	1,292,122	1,289,798	1,147,717	968,380	1,767,095	966,154	1,667,417	1,945,599
Interest on long-term debt	1,633,675	1,100,085	981,433	971,326	1,722,502	1,292,826	1,257,944	1,114,256	1,056,482	961,258
Total governmental activities expenses	50,258,508	51,962,566	56,660,997	58,155,173	69,180,365	72,864,852	68,180,439	59,637,504	59,565,719	64,308,309
Business-type activities:										
Water	3,101,533	2,946,249	3,792,452	3,631,173	3,866,372	3,883,766	3,656,690	2,844,395	4,047,466	4,049,117
Sewer	5,418,648	5,452,764	5,498,658	5,160,072	5,481,883	5,736,809	5,429,946	5,213,442	5,534,323	5,615,002
Landfill Operations	626,565	610,135	751,715	988,762	687,386	932,424	764,102	903,007	1,133,025	1,165,402
Refuse	1,085,308	909,655	1,039,989	801,878	866,285	1,132,911	1,076,380	961,129	1,109,335	1,137,522
Stormwater	-	917,556	637,709	678,925	826,700	1,283,252	1,154,476	953,548	1,025,810	1,027,298
Total business-type activities expenses	10,232,054	10,836,359	11,720,523	11,260,810	11,728,626	12,969,162	12,081,594	10,875,521	12,849,959	12,994,341
Total primary government expenses	\$ 60,490,562	\$ 62,798,925	\$ 68,381,520	\$ 69,415,983	\$ 80,908,991	\$ 85,834,014	\$ 80,262,033	\$ 70,513,025	\$ 72,415,678	\$ 77,302,650
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	22,921	12,239	13,226	27,881	8,022,179	9,366,492	9,421,024	14,810	50,838	72,470
Judicial administration	281,363	207,183	160,160	135,752	204,318	175,303	183,343	154,589	140,336	219,498
Public safety	305,586	377,559	363,657	361,045	445,647	420,720	503,425	562,359	137,505	117,533
Public works	53,749	14,083	18,651	25,283	25,093	19,221	9,256	9,639	16,149	23,144
Health and welfare	87,250	87,250	110,564	110,564	127,171	123,860	139,137	142,349	157,878	120,925
Parks, recreation, and culture	251,192	251,196	264,999	259,539	238,347	107,643	32,029	54,279	90,254	96,655
Community development	184,136	228,503	209,253	229,552	306,940	296,299	474,837	356,441	316,354	418,255
Operating grants and contributions	12,307,578	15,122,085	16,417,961	16,555,954	10,174,092	13,265,337	9,960,889	10,278,782	11,694,271	12,152,198
Capital grants and contributions	667,397	942,253	1,247,986	193,603	281,901	1,510,347	615,298	671,773	1,273,903	2,476,340
Total governmental activities revenues	14,161,172	17,242,351	18,806,457	17,899,173	19,825,688	25,285,222	21,339,238	12,245,021	13,877,488	15,697,018
Business-type activities:										
Charges for services:										
Water	3,602,682	3,573,258	3,802,813	4,035,430	3,875,205	4,244,688	4,245,642	4,484,297	4,734,292	5,335,194
Sewer	5,368,271	5,312,609	5,654,003	5,871,019	5,879,570	6,351,505	6,314,316	6,800,877	7,030,790	7,501,457
Landfill operations	690,095	731,978	706,647	728,729	773,356	677,513	689,173	757,391	898,472	808,773
Refuse	1,194,867	1,161,423	1,175,056	1,189,772	1,150,517	1,182,167	1,275,130	1,476,298	1,661,477	1,965,310
Stormwater	-	1,200,963	1,247,386	1,200,480	1,231,549	1,397,594	1,425,752	1,684,328	1,724,002	1,789,334
Operating grants and contributions	6,357	8,558	6,192	6,993	9,207	3,947	31,885	178,971	243,963	661,937
Capital grants and contributions	64,170	22,000	102,535	463,965	526,806	1,229,300	302,600	317,161	1,551,950	776,261
Total business-type activities revenues	10,926,442	12,010,789	12,694,632	13,496,388	13,446,210	15,086,714	14,284,498	15,699,323	17,844,946	18,838,266
Total primary government revenues	\$ 25,087,614	\$ 29,253,140	\$ 31,501,089	\$ 31,395,561	\$ 33,271,898	\$ 40,371,936	\$ 35,623,736	\$ 27,944,344	\$ 31,722,434	\$ 34,535,284
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (36,097,336)	\$ (34,720,215)	\$ (37,854,540)	\$ (40,256,000)	\$ (49,354,677)	\$ (47,579,630)	\$ (46,841,201)	\$ (47,392,483)	\$ (45,688,231)	\$ (48,611,291)
Business-type activities	694,388	1,174,430	974,109	2,235,578	1,717,584	2,117,552	2,202,904	4,823,802	4,994,987	5,843,925
Total primary government net expense	\$ (35,402,948)	\$ (33,545,785)	\$ (36,880,431)	\$ (38,020,422)	\$ (47,637,093)	\$ (45,462,078)	\$ (44,638,297)	\$ (42,568,681)	\$ (40,693,244)	\$ (42,767,366)

Table 2 (continued)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Taxes:										
Property taxes	19,228,131	19,577,555	20,084,623	20,882,667	22,384,195	24,780,249	24,763,521	27,708,213	28,500,072	31,312,103
Sales taxes	5,548,840	5,493,561	5,396,441	5,610,549	5,391,887	5,604,128	6,358,170	6,890,032	7,130,221	7,449,958
Utility taxes	1,041,682	1,032,821	1,030,149	1,044,069	1,037,799	1,045,083	1,049,065	1,050,236	1,055,263	1,040,683
Business license taxes	2,068,303	2,206,222	2,130,404	2,232,450	2,081,665	2,283,334	2,435,582	2,833,854	2,967,927	3,282,619
Hotel and meals taxes	4,751,154	4,970,141	5,109,283	5,192,580	5,917,199	5,529,653	6,129,388	7,097,271	7,870,521	8,187,014
Communication sales taxes	-	-	-	-	-	-	-	-	-	-
Tobacco taxes	378,828	370,607	357,547	336,686	491,704	507,789	520,920	431,509	423,143	400,596
Other local taxes	908,019	905,552	966,863	949,732	1,114,924	1,114,833	1,200,302	1,212,523	1,209,121	1,368,614
Unrestricted grants and contributions	4,796,487	5,043,586	4,190,347	4,147,046	3,809,924	2,405,649	6,776,517	4,329,976	4,977,617	4,917,224
Payment from Component Unit School Board	200,000	-	-	-	-	-	-	-	-	-
Investment earnings	142,359	165,902	293,209	286,750	1,182,404	581,897	411,273	465,089	1,865,230	2,938,856
Miscellaneous	297,710	410,838	552,364	452,287	395,752	502,161	345,553	334,742	763,883	819,911
Gain(loss) on sale of capital assets	15,280	9,814	33,913	19,583	23,877	25,790	111,716	181,736	75,776	161,496
Special items	6,359,697	-	-	-	-	-	-	-	-	-
Transfers	678,000	865,986	1,197,197	1,377,912	1,436,507	1,450,947	1,667,318	1,803,059	1,849,051	1,674,051
Total governmental activities	<u>46,414,490</u>	<u>41,052,585</u>	<u>41,342,340</u>	<u>42,532,311</u>	<u>45,267,837</u>	<u>45,831,513</u>	<u>51,769,325</u>	<u>54,338,240</u>	<u>58,687,825</u>	<u>63,553,125</u>
<b>Business-type activities:</b>										
Investment earnings	38,771	46,249	49,018	73,112	130,733	121,763	68,732	97,255	503,229	929,685
Miscellaneous	185,139	52,611	21,862	47,382	16,742	18,484	42,696	14,670	11,355	17,316
Gain(loss) on sale of capital assets	10,342	219	13,469	2,609	12,332	(136,292)	65,900	6,780	2,836	13,383
Transfers	(678,000)	(865,986)	(1,197,197)	(1,377,912)	(1,436,507)	(1,450,947)	(1,667,318)	(1,803,059)	(1,849,051)	(1,674,051)
Total business-type activities	<u>(443,748)</u>	<u>(766,907)</u>	<u>(1,112,848)</u>	<u>(1,254,809)</u>	<u>(1,276,700)</u>	<u>(1,446,992)</u>	<u>(1,489,990)</u>	<u>(1,684,354)</u>	<u>(1,331,631)</u>	<u>(713,667)</u>
Total primary government	<u>\$ 45,970,742</u>	<u>\$ 40,285,678</u>	<u>\$ 40,229,492</u>	<u>\$ 41,277,502</u>	<u>\$ 43,991,137</u>	<u>\$ 44,384,521</u>	<u>\$ 50,279,335</u>	<u>\$ 52,653,886</u>	<u>\$ 57,356,194</u>	<u>\$ 62,839,458</u>
<b>Change in Net Position</b>										
Governmental activities	10,317,154	6,332,370	3,487,800	2,276,311	(4,086,840)	(1,748,117)	4,928,124	6,945,757	12,999,594	14,941,834
Business-type activities	250,640	407,523	(138,739)	980,769	440,884	670,560	712,914	3,139,448	3,663,356	5,130,258
Total primary government	<u>\$ 10,567,794</u>	<u>\$ 6,739,893</u>	<u>\$ 3,349,061</u>	<u>\$ 3,257,080</u>	<u>\$ (3,645,956)</u>	<u>\$ (1,077,557)</u>	<u>\$ 5,641,038</u>	<u>\$ 10,085,205</u>	<u>\$ 16,662,950</u>	<u>\$ 20,072,092</u>
<b>Expenses</b>										
<b>School Board Component Unit:</b>										
Education	<u>\$ 35,624,368</u>	<u>\$ 34,877,857</u>	<u>\$ 38,262,381</u>	<u>\$ 37,936,112</u>	<u>\$ 36,562,008</u>	<u>\$ 35,211,575</u>	<u>\$ 40,758,394</u>	<u>\$ 43,746,361</u>	<u>\$ 48,346,683</u>	<u>\$ 53,103,510</u>
Total School Board component unit expenses	<u>35,624,368</u>	<u>34,877,857</u>	<u>38,262,381</u>	<u>37,936,112</u>	<u>36,562,008</u>	<u>35,211,575</u>	<u>40,758,394</u>	<u>43,746,361</u>	<u>48,346,683</u>	<u>53,103,510</u>
<b>Program Revenues</b>										
<b>School Board Component Unit:</b>										
Charges for services:										
Education	577,445	870,221	743,310	691,627	668,260	775,552	681,733	998,918	993,557	1,043,960
Operating grants and contributions	20,289,940	20,462,618	21,239,894	21,317,552	21,836,971	23,276,690	27,685,138	33,926,091	38,215,546	35,078,515
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total School Board component unit revenues	<u>20,867,385</u>	<u>21,332,839</u>	<u>21,983,204</u>	<u>22,009,179</u>	<u>22,505,231</u>	<u>24,052,242</u>	<u>28,366,871</u>	<u>34,925,009</u>	<u>39,209,103</u>	<u>36,122,475</u>
<b>Net Expense</b>										
School Board Component Unit	<u>(14,756,983)</u>	<u>(13,545,018)</u>	<u>(16,279,177)</u>	<u>(15,926,933)</u>	<u>(14,056,777)</u>	<u>(11,159,333)</u>	<u>(12,391,523)</u>	<u>(8,821,352)</u>	<u>(9,137,580)</u>	<u>(16,981,035)</u>
<b>General Revenues and Other Changes in Net Position</b>										
<b>School Board Component Unit:</b>										
Payment from City of Waynesboro	13,812,917	13,239,886	15,465,866	15,765,278	23,133,914	23,682,892	18,222,217	16,867,407	17,925,629	19,163,805
Investment earnings	35,232	37,293	32,233	18,857	35,102	44,458	37,789	63,370	260,874	189,959
Miscellaneous	183,843	179,592	561,014	758,951	738,485	586,638	228,134	219,923	178,273	1,708,156
Total School Board Component Unit	<u>14,031,992</u>	<u>13,456,771</u>	<u>16,059,113</u>	<u>16,543,086</u>	<u>23,907,501</u>	<u>24,313,988</u>	<u>18,488,140</u>	<u>17,150,700</u>	<u>18,364,776</u>	<u>21,061,920</u>
<b>Change in Net Position</b>										
School Board Component Unit	<u>\$ (724,991)</u>	<u>\$ (88,247)</u>	<u>\$ (220,064)</u>	<u>\$ 616,153</u>	<u>\$ 9,850,724</u>	<u>\$ 13,154,655</u>	<u>\$ 6,096,617</u>	<u>\$ 8,329,348</u>	<u>\$ 9,227,196</u>	<u>\$ 4,080,885</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

Table 3

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,036	\$ 35,099	\$ 33,572
Restricted	1,358,725	938,389	920,956	21,010,377	1,382,290	1,489,399	3,940,141	3,772,848	6,053,862	6,359,798
Committed	3,900,782	4,155,703	3,621,574	3,790,186	9,474,173	9,491,903	9,976,510	10,429,778	11,220,586	11,931,402
Assigned	502,899	167,899	302,517	460,601	2,436,027	6,404,178	9,418,037	13,001,302	11,344,857	13,025,557
Unassigned	<u>9,761,313</u>	<u>11,058,122</u>	<u>9,323,445</u>	<u>10,019,656</u>	<u>2,463,499</u>	<u>1,478,341</u>	<u>1,375,629</u>	<u>1,406,440</u>	<u>3,384,994</u>	<u>1,898,721</u>
Total general fund	<u>\$ 15,523,719</u>	<u>\$ 16,320,113</u>	<u>\$ 14,168,492</u>	<u>\$ 35,280,820</u>	<u>\$ 15,755,989</u>	<u>\$ 18,863,821</u>	<u>\$ 24,710,317</u>	<u>\$ 28,654,404</u>	<u>\$ 32,039,398</u>	<u>\$ 33,249,050</u>
All Other Governmental Funds										
Nonspendable	582,549	586,029	589,149	591,189	594,429	599,469	604,029	609,447	631,757	670,396
Restricted	391,432	358,415	530,099	540,489	11,484,108	3,240,652	963,850	333,062	327,310	3,160
Committed	386,498	903,444	2,711,980	1,905,932	5,321,907	4,253,383	5,824,259	9,059,761	12,126,836	15,767,024
Assigned	1,894,804	2,574,832	3,193,323	3,036,931	2,230,222	3,230,282	4,228,587	791,601	946,936	976,267
Unassigned	<u>-</u>	<u>-</u>	<u>(909,269)</u>	<u>(271,640)</u>	<u>(36,912)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 3,255,283</u>	<u>\$ 4,422,720</u>	<u>\$ 6,115,282</u>	<u>\$ 5,802,901</u>	<u>\$ 19,593,754</u>	<u>\$ 11,323,786</u>	<u>\$ 11,620,725</u>	<u>\$ 10,793,871</u>	<u>\$ 14,032,839</u>	<u>\$ 17,416,847</u>



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**CITY OF WAYNESBORO, VIRGINIA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

Table 4

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
General property taxes	\$ 19,356,344	\$ 19,534,896	\$ 20,010,239	\$ 20,604,501	\$ 21,991,399	\$ 24,243,256	\$ 25,123,117	\$ 27,160,430	\$ 28,466,369	\$ 30,781,078
Sales taxes	5,548,840	5,493,561	5,396,441	5,610,549	5,391,887	5,604,128	6,358,170	6,890,032	7,130,221	7,449,958
Other local taxes	9,147,986	9,469,518	9,610,071	9,755,517	10,643,291	10,480,692	11,335,257	12,625,393	13,525,975	14,279,526
Permits, privilege fees, and regulatory licenses	180,351	216,732	192,623	182,714	242,244	262,225	285,084	295,264	287,540	319,073
Fines and forfeitures	258,418	186,866	143,191	123,413	161,902	117,943	119,946	128,749	132,826	217,608
Revenues from use of money and property	196,296	223,189	337,182	332,303	1,100,168	581,897	411,273	465,089	1,865,230	2,938,856
Charges for services	343,875	320,243	331,122	350,079	378,648	221,997	168,128	235,490	190,167	282,301
Miscellaneous	5,157,768	8,186,878	8,431,437	8,391,745	8,945,085	10,333,482	10,305,366	922,933	878,529	976,331
Recovered costs	668,130	741,411	748,658	779,980	879,426	922,094	1,100,141	940,129	613,405	601,761
Intergovernmental	13,314,831	13,655,806	14,050,959	13,144,405	13,973,739	16,899,507	17,063,163	14,975,365	17,631,167	19,193,499
<b>Total revenues</b>	<b>54,172,839</b>	<b>58,029,100</b>	<b>59,251,923</b>	<b>59,275,206</b>	<b>63,707,789</b>	<b>69,667,221</b>	<b>72,269,645</b>	<b>64,638,874</b>	<b>70,721,429</b>	<b>77,039,991</b>
<b>Expenditures</b>										
General government administration	7,080,032	10,885,148	11,422,599	11,899,595	13,140,973	12,962,563	13,893,454	5,516,423	5,448,889	5,987,837
Judicial administration	1,453,153	1,493,599	1,474,245	1,553,616	1,601,912	1,641,324	1,842,714	1,914,512	1,895,165	2,330,549
Public safety	10,693,388	11,056,875	11,339,732	12,143,873	12,805,943	13,024,804	13,823,431	14,610,173	16,574,990	17,391,661
Public works	6,585,131	6,503,352	7,594,812	5,653,176	5,056,165	10,018,699	5,567,222	7,375,164	6,218,073	7,856,672
Health and welfare	5,395,565	5,410,066	5,467,008	5,917,467	7,041,555	6,878,187	6,763,730	5,967,237	6,622,909	6,971,078
Education (1)	13,845,320	13,275,982	15,501,962	15,800,624	23,408,159	23,718,238	18,123,621	16,902,753	17,980,830	19,199,151
Parks, recreation, and culture	2,826,740	3,079,450	3,268,620	3,238,316	3,520,134	3,028,820	2,767,280	3,268,636	6,444,802	6,990,718
Community development	1,315,093	1,319,981	1,324,067	1,351,835	1,401,015	978,745	1,586,912	1,234,891	1,741,588	4,501,151
Capital projects	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal retirement	4,964,903	2,708,363	2,732,970	2,040,548	1,894,029	2,359,557	2,179,831	2,258,006	2,088,400	2,172,042
Interest and fiscal charges	2,360,894	1,136,227	1,056,435	966,779	1,462,448	1,495,334	1,396,049	1,307,395	1,197,648	1,107,428
Bond issuance costs	100,430	15,600	-	38,926	-	-	-	-	-	-
Redemption of debt	15,965,000	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>72,585,649</b>	<b>56,884,643</b>	<b>61,182,450</b>	<b>60,604,755</b>	<b>71,332,333</b>	<b>76,106,271</b>	<b>67,944,244</b>	<b>60,355,190</b>	<b>66,213,294</b>	<b>74,508,287</b>
Excess (Deficiency) of revenues over (under) expenditures	(18,412,810)	1,144,457	(1,930,527)	(1,329,549)	(7,624,544)	(6,439,050)	4,325,401	4,283,684	4,508,135	2,531,704

Table 4 (continued)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Other Financing Sources (Uses)</b>										
Insurance recoveries	56,302	36,644	95,628	34,688	110,120	25,790	111,716	181,736	75,776	161,496
Refunding bonds issued	16,389,513	-	-	19,860,000	-	-	-	-	-	-
Debt issued	2,225,219	216,083	533,547	-	-	-	-	-	-	-
Premium on debt	742,144	-	-	1,182,437	-	-	-	-	-	-
Capital lease	-	-	-	-	-	-	-	279,933	-	51,409
Refunded bonds redeemed	-	-	-	-	-	-	-	(271,574)	-	-
Transfers in	4,211,415	5,417,342	6,607,459	5,543,753	9,944,498	9,792,340	10,635,170	10,939,358	13,279,995	14,968,069
Transfers out	<u>(4,531,532)</u>	<u>(4,850,695)</u>	<u>(5,765,166)</u>	<u>(4,491,382)</u>	<u>(8,834,704)</u>	<u>(8,541,288)</u>	<u>(8,928,852)</u>	<u>(9,013,298)</u>	<u>(11,239,944)</u>	<u>(13,119,018)</u>
Total other financing sources (uses)	<u>19,093,061</u>	<u>819,374</u>	<u>1,471,468</u>	<u>22,129,496</u>	<u>1,219,914</u>	<u>1,276,842</u>	<u>1,818,034</u>	<u>2,116,155</u>	<u>2,115,827</u>	<u>2,061,956</u>
Net change in fund balances	<u>\$ 680,251</u>	<u>\$ 1,963,831</u>	<u>\$ (459,059)</u>	<u>\$ 20,799,947</u>	<u>\$ (6,404,630)</u>	<u>\$ (5,162,208)</u>	<u>\$ 6,143,435</u>	<u>\$ 6,399,839</u>	<u>\$ 6,623,962</u>	<u>\$ 4,593,660</u>
Debt service as a percentage of noncapital expenditures	33.2%	7.0%	6.5%	5.1%	4.9%	5.5%	5.4%	6.1%	5.1%	4.5%

## Notes:

- (1) Education expenditures include the City's contribution to the School Board Component Unit.

**CITY OF WAYNESBORO, VIRGINIA**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Last Ten Fiscal Years**

Table 5

Fiscal Year	Real Property (1)(3)				Personal Property (2)								Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential	Commercial	Public Service	Tax Rate per \$100	Motor Vehicles and Tangibles	Tax Rate per \$100	Public Service	Tax Rate per \$100	Machinery & Tools	Tax Rate per \$100	Rolling Stock	Tax Rate per \$100				
2015	\$ 1,237,499,214	\$ 440,617,500	\$ 100,000,407	\$ 0.80	\$ 107,481,558	\$ 5.00	\$ 221,268	\$ 5.00	\$ 36,083,097	\$ 3.00	\$ 884,170	\$ 3.00	\$ 1,922,787,214	\$ 1.08	\$ 1,994,917,925	96.38%
2016	1,272,771,849	424,794,500	101,047,914	0.80	109,676,225	5.00	189,109	5.00	37,017,769	3.00	757,350	3.00	1,946,254,716	1.08	2,020,597,423	96.32%
2017	1,282,429,807	429,112,500	110,025,904	0.80	114,423,092	5.00	159,022	5.00	36,363,961	3.00	1,169,610	3.00	1,973,683,896	1.08	2,052,101,439	96.18%
2018	1,314,087,898	426,535,900	100,858,392	0.87	108,163,276	5.00	124,434	5.00	35,593,125	3.00	1,233,240	3.00	1,986,596,265	1.13	2,069,122,926	96.01%
2019	1,320,572,984	428,064,200	106,200,822	0.90	108,330,215	5.00	81,934	5.00	35,023,485	3.00	1,498,237	3.00	1,999,771,877	1.16	2,081,924,545	96.05%
2020	1,455,821,205	419,642,400	113,236,192	0.90	200,994,294	3.25	62,525	3.25	34,168,240	3.25	3,322,944	3.25	2,227,247,800	1.18	2,227,247,800	100.00%
2021	1,477,129,700	419,437,800	111,069,339	0.90	202,142,917	3.25	51,042	3.25	34,311,318	3.25	2,154,997	3.25	2,246,297,113	1.15	2,246,297,113	100.00%
2022	1,688,251,529	438,718,500	112,777,602	0.90	218,366,270	3.25	46,842	3.25	34,483,285	3.25	2,702,676	3.25	2,495,346,704	1.14	2,495,346,704	100.00%
2023	1,679,087,189	486,656,200	113,405,748	0.90	284,342,146	3.25	46,739	3.25	34,418,641	3.25	2,497,378	3.25	2,600,454,041	1.14	2,600,454,041	100.00%
2024	2,261,250,828	443,544,500	120,446,716	0.77	285,796,046	3.25	47,770	3.25	34,801,611	3.25	2,025,769	3.25	3,147,913,240	1.03	3,147,913,240	100.00%

Notes:

- (1) Property assessed at 100% of actual value. Tax rates are assessed per \$100 of assessed value.
- (2) Motor vehicles assessed at 50% of actual value through 2019 and 100% thereafter. Tax rates are assessed per \$100 of assessed value.
- (3) Assessed values include properties eligible for tax relief for the elderly.

Source:

City of Waynesboro, Assessor's Office

**CITY OF WAYNESBORO, VIRGINIA  
DIRECT PROPERTY TAX RATES (1)  
Last Ten Fiscal Years  
(rate per \$100 of assessed value)**

Table 6

Fiscal Year	City Direct Rates (2)			Total Direct Rate
	Real Estate	Motor Vehicles and Tangibles	Machinery & Tools	
2015	0.74	0.28	0.06	1.08
2016	0.74	0.28	0.06	1.08
2017	0.74	0.29	0.06	1.09
2018	0.81	0.27	0.05	1.13
2019	0.83	0.27	0.05	1.15
2020	0.83	0.29	0.05	1.17
2021	0.80	0.29	0.05	1.14
2022	0.81	0.28	0.04	1.13
2023	0.79	0.36	0.04	1.19
2024	0.69	0.30	0.04	1.03

Notes:

- (1) The City is autonomous from any other political subdivision of the Commonwealth of Virginia, and there are no overlapping taxing powers with other political subdivisions.
- (2) Direct rates are derived by calculating a weighted average that multiplies each rate by the proportion of the revenue base to which it applies.

Source:

City of Waynesboro, Assessor's Office

**CITY OF WAYNESBORO, VIRGINIA  
PRINCIPAL PROPERTY TAXPAYERS  
Current Year and Nine Years Ago**

Table 7

<u>Taxpayer</u>	December 31, 2023			December 31, 2014		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Chicopee, Inc.	\$ 33,139,951	1	1.23%	\$ 14,714,600	10	0.78%
Waynesboro Town Center	27,946,800	2	1.04%	26,272,838	3	1.39%
Walmart	23,870,872	3	0.89%	18,243,969	5	0.96%
Windigrove LLC	18,581,500	4	0.69%	14,580,257	6	0.77%
DuPont Community Credit Union	16,359,112	5	0.61%	10,871,471	7	0.57%
Invista/DuPont	15,211,931	6	0.56%	22,306,931	4	1.18%
Windigrove III LLC	15,127,000	7	0.56%			
Lowe's Home Center	14,378,790	8	0.53%			
Target	13,046,662	9	0.48%			
Comcast	4,322,389	10	0.16%	12,240,090	8	0.65%
Poly-Bond, Inc.	-	-	-	23,661,026	1	1.25%
Ntelos/CFW Communications	-	-	-	23,281,882	2	1.23%
Lumos	-	-	-	2,369,651	9	0.13%
<b>Total</b>	<b>\$ 181,985,007</b>		<b>6.75%</b>	<b>\$ 168,542,715</b>		<b>8.91%</b>

Source:

City of Waynesboro, Commissioner of the Revenue

**CITY OF WAYNESBORO, VIRGINIA  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Fiscal Years**

Table 8

Fiscal Year	Taxes Levied for the Fiscal Year		Total Adjusted Levy	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years	Total Collections to Date	
	Fiscal Year (Original Levy)	Adjustments		Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2015	\$ 20,602,887	\$ (27,715)	\$ 20,575,172	\$ 20,291,309	98.49%	\$ 289,040	\$ 20,567,894	99.96%
2016	20,926,459	(482)	20,925,977	20,634,703	98.61%	344,559	20,884,342	99.80%
2017	21,305,548	1,152	21,306,700	20,990,103	98.52%	308,081	21,232,893	99.65%
2018	22,424,812	(36,710)	22,388,102	21,982,776	98.03%	368,510	22,267,223	99.45%
2019	23,263,009	(7,289)	23,255,720	22,763,818	97.85%	524,667	22,980,819	98.99%
2020	25,862,973	3,384	25,866,357	24,994,172	96.64%	732,240	25,726,412	99.46%
2021	25,952,197	1,815	25,954,012	25,336,973	97.63%	458,611	25,795,584	99.39%
2022	28,568,151	18,778	28,586,929	27,715,005	97.01%	553,705	28,268,710	98.89%
2023	31,381,999	(32,567)	31,349,432	28,778,891	91.71%	511,482	29,290,373	93.43%
2024	31,978,630	-	31,978,630	30,783,252	96.26%	-	30,783,252	96.26%

Source:  
City of Waynesboro, Treasurer

Notes:  
(1) Includes the Commonwealth's personal property tax reimbursement.

**CITY OF WAYNESBORO, VIRGINIA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years**

Table 9

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	State Literary Loans	Lease Liabilities	General Obligation Bonds	Sewer Revenue Bonds	Virginia Revolving Loan			
2015	\$ 29,552,306	\$ 1,250,000	\$ 3,108	\$ 13,835,487	\$ 19,170,953	\$ 4,259,916	\$ 68,071,770	8.46%	3,186
2016	27,313,134	1,000,000	-	13,422,539	18,753,439	3,960,137	64,449,249	7.50%	2,999
2017	25,363,711	750,000	-	13,007,540	18,020,115	3,651,297	60,792,663	6.97%	2,778
2018	43,433,163	500,000	-	12,575,263	16,801,232	3,170,447	76,480,105	8.07%	3,425
2019	41,789,133	250,000	-	12,133,286	15,947,996	3,005,331	73,125,746	7.06%	3,232
2020	37,214,972	-	-	13,942,419	14,845,666	2,667,632	68,670,689	6.65%	3,034
2021	35,035,140	-	-	13,244,822	13,699,708	2,319,726	64,299,396	5.94%	2,841
2022	32,785,496	-	104,523	12,271,985	12,508,587	1,961,305	59,631,896	5.53%	2,644
2023	30,696,893	-	190,884	11,515,605	11,270,702	1,592,050	55,266,134	4.65%	2,423
2024	28,525,053	-	158,847	10,724,157	9,984,387	1,211,634	50,604,078	4.27%	2,183

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Notes:

- (1) See the Schedule of Demographic and Economic Statistics on Table 14 for personal income and population data.



**CITY OF WAYNESBORO, VIRGINIA**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**Last Ten Fiscal Years**

Table 10

Fiscal Year	General Bonded Debt				Less: Amounts Available in Debt Revenue Fund	Net General Bonded Debt Outstanding	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	State Literary Loans	Notes Payable (3)	Total				
2015	\$ 29,552,306	\$ 1,500,000	\$ 2,423,847	\$ 33,476,153	\$ 4,402	\$ 33,471,751	1.68%	1,567
2016	27,313,134	1,250,000	-	28,563,134	4,405	28,558,729	1.41%	1,329
2017	25,363,711	750,000	-	26,113,711	4,405	26,109,306	1.27%	1,193
2018	43,433,163	750,000	-	44,183,163	4,405	44,178,758	2.14%	1,979
2019	41,789,133	500,000	-	42,289,133	204,405	42,084,728	2.02%	1,860
2020	37,214,972	250,000	-	37,464,972	35,208	37,429,764	1.68%	1,654
2021	35,035,140	-	-	35,035,140	295,503	34,739,637	1.55%	1,535
2022	32,785,496	-	-	32,785,496	40,914	32,744,582	1.31%	1,452
2023	30,696,893	-	-	30,696,893	40,478	30,656,415	1.18%	1,344
2024	28,525,053	-	-	28,525,053	38,992	28,486,061	1.10%	1,229

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Notes:

- (1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Table 5 for property value data.
- (2) Population data can be found in the Schedule of Demographic and Economic Statistics on Table 14.
- (3) Beginning in 2013, the Economic Development Authority was presented as a blended component unit.

**CITY OF WAYNESBORO, VIRGINIA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (1)**  
**As of June 30, 2024**

Table 11

Jurisdiction	Debt Outstanding	Percentage Applicable to City of Waynesboro	Amount Applicable to City of Waynesboro
City of Waynesboro	\$ 28,683,900	100%	\$ 28,683,900

Notes:

- (1) The City is autonomous from any other political subdivision of the Commonwealth of Virginia, and there is no overlapping debt or taxing powers.

**CITY OF WAYNESBORO, VIRGINIA  
LEGAL DEBT MARGIN INFORMATION  
Last Ten Fiscal Years**

Table 12

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 177,811,712	\$ 179,861,426	\$ 182,156,821	\$ 184,148,219	\$ 185,483,801	\$ 198,869,980	\$ 200,763,684	\$ 223,974,763	\$ 227,914,914	\$ 282,524,204
Total net debt applicable to limit	<u>48,893,307</u>	<u>45,691,405</u>	<u>42,768,143</u>	<u>59,674,468</u>	<u>56,973,345</u>	<u>53,789,815</u>	<u>50,304,185</u>	<u>46,977,872</u>	<u>43,764,070</u>	<u>40,421,852</u>
Legal debt margin	<u>\$ 128,918,405</u>	<u>\$ 134,170,021</u>	<u>\$ 139,388,678</u>	<u>\$ 124,473,751</u>	<u>\$ 128,510,456</u>	<u>\$ 145,080,165</u>	<u>\$ 150,459,499</u>	<u>\$ 176,996,891</u>	<u>\$ 184,150,844</u>	<u>\$ 242,102,352</u>
Total net debt applicable to the limit as a percentage of debt limit	27.50%	25.40%	23.48%	32.41%	30.72%	27.05%	25.06%	20.97%	19.20%	14.31%

**Legal Debt Margin Calculation for Fiscal Year 2024**

Assessed Value of Real Property	\$ 2,825,242,044
Debt Limit - 10%	282,524,204
Debt Applicable to Limit:	
General obligation debt	40,460,844
Less: Amount set aside for repayment of general obligation debt	<u>(38,992)</u>
Total net debt applicable to limit	<u>40,421,852</u>
Legal Debt Margin	<u>\$ 242,102,352</u>

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed real property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**CITY OF WAYNESBORO, VIRGINIA  
PLEDGED-REVENUE COVERAGE  
Last Ten Fiscal Years**

Table 13

Fiscal Year	Sewer Revenue Bonds						
	Sewer Charges and Other (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service		Coverage	
				Principal	Interest		
2015	\$ 5,394,218	\$ 2,264,042	\$ 3,130,176	\$ 2,170,626	\$ 787,477	1.06	
2016	5,352,566	2,373,561	2,979,005	910,735	753,579	1.79	
2017	5,683,109	2,403,328	3,279,781	963,476	729,373	1.94	
2018	5,913,933	2,122,853	3,791,080	1,227,046	852,538	1.82	
2019	5,945,807	2,480,393	3,465,414	1,276,312	496,350	1.95	
2020	6,409,988	2,725,007	3,684,981	1,646,755	612,375	1.63	
2021	6,349,980	2,421,958	3,928,022	1,652,335	569,018	1.77	
2022	6,851,362	2,343,605	4,507,757	1,657,923	523,167	2.07	
2023	7,261,884	2,601,620	4,660,264	1,663,521	447,092	2.21	
2024	7,967,134	2,711,852	5,255,282	1,669,127	425,833	2.51	

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Notes:

- (1) Sewer charges and other includes investment earnings.
- (2) Operating expenses do not include interest or depreciation.

**CITY OF WAYNESBORO, VIRGINIA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
Last Ten Fiscal Years**

Table 14

Fiscal Year	Population <sup>(1)</sup>	Personal Income (amounts expressed in thousands)	Per capita income <sup>(2)</sup>	Median age	Educational attainment <sup>(3)</sup>		School enrollment <sup>(4)</sup>	Unemployment rate <sup>(5)</sup>
					High School Graduate or higher	Bachelor's Degree or higher		
2015	21,366	\$ 804,730	\$ 37,664	38.8	83.6%	19.1%	3,048	5.3%
2016	21,491	859,645	40,000	38.8	84.6%	19.0%	3,033	4.0%
2017	21,887	872,320	39,856	*	84.9%	18.4%	3,013	4.2%
2018	22,327	947,429	42,434	*	86.3%	22.6%	2,967	3.6%
2019	22,628	1,035,718	45,772	*	85.8%	22.3%	2,868	3.0%
2020	22,630	1,033,234	45,658	*	86.6%	25.0%	2,817	8.7%
2021	22,630	1,081,578	47,794	*	86.1%	27.1%	2,914	4.5%
2022	22,550	1,077,755	47,794	*	87.1%	28.9%	3,022	3.1%
2023	22,808	1,185,218	51,965	*	87.7%	27.9%	3,043	2.9%
2024	23,182	1,226,560	52,910	*	88.2%	27.2%	3,060	3.0%

\* Median age info not available

Sources:

- (1) Population estimate @ July 1, 2023, per U.S. Census Bureau
- (2) Bureau of Economic Analysis (2021 data is most recent available)
- (3) U.S. Census Bureau - Data presented is percentage of persons 25 years or older attaining the described educational status 2018-2022
- (4) Virginia Department of Education
- (5) Virginia Employment Commission - data for the month of June 2024

**CITY OF WAYNESBORO, VIRGINIA  
PRINCIPAL EMPLOYERS  
Current Year and Nine Years Ago**

Table 15

<u>Employer</u>	<u>2024 <sup>(1)</sup></u>			<u>2015 <sup>(1)</sup></u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Waynesboro School Board	500-999	1	5.25%	500-999	1	5.28%
Walmart	250-499	2	2.62%	250-499	5	2.64%
City of Waynesboro	250-499	3	2.62%	250-499	4	2.64%
A&AT LLC (Invista/Dupont)	100-249	4	1.05%	250-499	3	2.64%
DuPont Community Credit Union	100-249	5	1.05%			
Lumos	100-249	6	1.05%	250-499	6	2.64%
Virginia Panel Corporation	100-249	7	1.05%			
Mathers Construction Co.	100-249	8	1.05%			
Chicopee Incorporated	100-249	9	1.05%	100-249	8	1.06%
Lowes' Home Centers, Inc.	100-249	10	1.05%			
Ntelos/CFW Communication				250-499	2	2.64%
Adecco				100-249	7	1.06%
Augusta Lumber				100-249	10	1.06%
Kroger				100-249	9	1.06%
Total	<u>1700-3,740</u>		<u>17.84%</u>	<u>2150-4,490</u>		<u>22.72%</u>

Source: Virginia Employment Commission

Percentage calculations and totals are based on the minimum number of employees in the respective range.

Notes:

(1) Data is for January, February, and March of 2023 and 2014, respectively.

**CITY OF WAYNESBORO, VIRGINIA**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**Last Ten Fiscal Years**

Table 16

	2015	2016	2017	2018 *	2019 *	2020*	2021*	2022*	2023*	2024*
<b><u>Function/Program</u></b>										
General government administration	31.6	32.7	33.8	44	45	46	46	45	49	49
Judicial administration	8.9	9.7	9.5	20	22	25	26	26	27	28
Public safety:										
Police	65.7	65.9	67.8	68	72	72	77	76	76	76
Fire	38.1	38.5	37.4	34	34	34	35	36	35	36
Correction and detention	12.0	12.0	12.3	28	24	24	25	25	24	23
Building inspections	5.6	5.8	5.9	8	7	8	8	8	9	9
Emergency management	23.1	24.8	26.2	21	21	24	27	25	25	25
Animal control	8.3	9.3	10.8	9	8	8	14	n/a <sup>#</sup>	n/a <sup>#</sup>	n/a <sup>#</sup>
Public works:										
General engineering/administrative	40.9	21.0	24.7	43	46.87	45.37	49	48	51	52
Building and grounds	8.7	7.0	6.0	4	4	4	6	5	6	5
Equipment rental	7.2	7.2	6.4	7	7	7	7	7	7	7
Waterworks	27.8	27.9	29.5	22.5	23.5	26.5	17	32	26	25
Sewage/collection	35.5	36.0	31.9	27.5	26.5	27.5	27	27	26	27
Sanitation	31.4	28.7	29.0	15	15.5	15.5	17	18	17	18
Stormwater	N/A	8.2	7.2	8	10.63	10.13	11	8	8	9
Parks, recreation, and cultural:										
Parks	7.3	23.1	24.8	51	51	51	25	25	27	28
Library	14.5	14.5	14.5	22	22	22	22	22	22	22
Community development	6.2	5.9	5.9	7	7	7	9	8	10	10
CAPSAW	-	-	-	-	-	-	-	-	1	1
Schools	480.0	484.0	490.0	488.0	504.1	499.0	503.0	510.2	538.0	553.5
<b>Total</b>	<b>852.8</b>	<b>862.2</b>	<b>873.6</b>	<b>927.0</b>	<b>951.1</b>	<b>956.0</b>	<b>951.0</b>	<b>951.2</b>	<b>984.0</b>	<b>1,003.5</b>

Source: City and School Finance Departments

Notes:

\* FY18 through FY24 numbers for the City are the number of approved positions (Full-Time, Part-Time, and Seasonal), not the FTE, which inflates the total. The current software system is not set up to track FTE.

# Supervision of the animal control facility was transferred to a different locality beginning in FY22

**CITY OF WAYNESBORO, VIRGINIA**  
**OPERATING INDICATORS BY FUNCTION**  
**Last Ten Fiscal Years**

Table 17

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Building &amp; Zoning</b>										
Building permits issued (total)	874	957	955	778	1,122	1,184	1206	1,136	1,420	1,316
Building inspections conducted (total)	2,522	2,431	2,523	2,037	3,206	4,001	4,111	4,170	5,233	6,388
New residential construction	40	41	31	27	82	97	130	120	154	142
New commercial construction	8	5	5	6	7	3	3	12	15	5
Zoning permits issued	112	110	130	95	79	183	198	209	225	193
Zoning inspections conducted <sup>(1)</sup>	-	-	-	-	-	117	126	210	158	202
Property Maint/Code Enforcement Cases <sup>(2)</sup>	320	334	259	261	291	449	373	285	283	283
Property Maint/Code Enforcement Inspections <sup>(2)</sup>	654	676	523	569	555	731	903	521	496	469
Site Development Projects <sup>(1)</sup>	-	-	-	-	-	14	13	20	13	21
<b>Planning</b>										
Conditional use permits	4	2	1	4	3	5	4	1	3	4
Rezoning requests	2	2	1	2	2	1	9	6	3	3
Major subdivision reviews	0	1	4	4	2	1	5	7	4	8
Minor subdivision reviews	11	10	12	14	13	14	11	7	5	8
Vacate streets/alleys	1	1	0	1	1	2	2	0	1	1
<b>Public Safety</b>										
Arrests	1,651	2,364	1,938	2,463	2,232	2,060	2,265	1,980	2,068	2,312
Parking violations	750	296	487	520	357	265	214	286	238	394
Traffic citations	2,269	1,368	986	1,222	1,246	923	496	542	802	1,082
<b>Library <sup>(5)</sup></b>										
Total collection	147,030	146,927	127,906	123,921	103,597	92,138	85,024	72,000	91,790	92,900
Total circulation	307,630	309,672	311,735	310,711	287,213	151,307	114,727	158,003	182,641	190,134
Visitors/patrons	172,459	162,191	158,200	151,694	135,327	97,861	17,644	55,661	73,393	85,374
<b>Public Works</b>										
Meters placed for new construction	58	46	29	46	59	102	113	137	187	177
Meters replaced	1,684	613	1,280	207	826	1,427	589	516	511	715
<b>Education</b>										
Number of teachers, Elementary (K-5)	161	160	164	162	151	151	158	183	181	186
Number of teachers, Secondary (6-12)	79	80	78	78	90	84	86	91	90	92
Number of teachers, District-Wide (K-12)	10	10	10	10	11	8	10	10	15	16.8
Number of students, District-Wide (K-12)	3,048	3,033	3,013	2,967	2,868	2,817	2,914	2,826	2,863	2,837

Source: Various Departments in the City

Notes:

- (1) The Building & Zoning Office began utilizing new software during FY2020 and have added two additional statistical categories.
- (2) Beginning in FY2020, the department began tracking Code Enforcement Cases/Inspections. In previous years it was only Property Maintenance Cases/Inspections. The latter category encompasses both property maintenance and zoning enforcement cases, which were previously not recorded here.
- (3) The Library Director calculated figures for FY2020 based on the state's counting process. Previous years' counting method is unknown.



**CITY OF WAYNESBORO, VIRGINIA**  
**CAPITAL ASSETS STATISTICS BY FUNCTION**  
**Last Ten Fiscal Years**

Table 18

<b>Function</b>	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Public Safety</b>										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	10	10	10	10	10	10	15	19	23	24
Fire Stations	1	1	1	1	1	1	1	1	1	2
<b>Public Works</b>										
Streets (miles)	119.15#	125.69	125.69	125.69	126.36	126.36	127.73	127.73	127.73	127.73
Water lines (miles)	149.02#	149.02	149.11@	149.89	153.57	152.61	159.66	161.45	163.43	164.19
Fire hydrants	729#	736	745	763	768	844	862	872	884	895
Waste water treatment plants	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	130.72#	130.72	130.8@	129.01	129.65	129.65	131.63	133.07	134.38	134.8
<b>Parks, Recreation, &amp; Cultural</b>										
Parks	5	5	6	6	6	6	6	6	6	7
Acreage	365	365	367	367	367	367	367	367	367	477

Source: Various Departments in the City

**Notes:**

(\*) Updated data not available for FY14

(#) Changes for FY15 do not necessarily represent additions made during FY15 as data for FY14 was unavailable and the data source used for FY15 was different than the source used in prior years

(@) Updated data in FY18; numbers reported in prior year were incorrect.

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## ***COMPLIANCE SECTION***

**INDEPENDENT AUDITOR'S 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 the City Council  
City of Waynesboro, Virginia  
Waynesboro, Virginia

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Waynesboro, Virginia (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 20, 2024. Our report includes a reference to other auditors who audit the financial statements of the Augusta Regional Landfill, as described in our report of the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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.

## Report on Internal Control over Financial Reporting (Continued)

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 have not been identified.**

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings and Questioned Costs as Items 2024-001 and 2024-002.**

## City's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## 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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Brown, Edwards & Company, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia  
November 20 2024



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE**

To the Honorable Members of the City Council  
City of Waynesboro, Virginia  
Waynesboro, Virginia

**Report on Compliance for Each Major Federal Program**

*Opinion on Compliance for Each Major Federal Program*

We have audited the City of Waynesboro, Virginia's (the "City") 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 the City's major federal programs for the year ended June 30, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Waynesboro, 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Waynesboro, Virginia and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related 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 documentation of the City of Waynesboro, Virginia's compliance with the compliance requirements referred to above.

## **Report on Compliance for Each Major Federal Program (Continued)**

### *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 the City of Waynesboro, Virginia's federal programs.

### *Auditor's 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 the City'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 the City's compliance 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 risk 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 the City of Waynesboro, 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 City of Waynesboro, 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 City of Waynesboro, 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 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 Auditor's 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 have not been identified.**

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.

*Brown, Edwards & Company, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia  
November 20, 2024



**CITY OF WAYNESBORO, VIRGINIA**

**SUMMARY OF COMPLIANCE MATTERS**

**June 30, 2024**

As more fully described in the Independent Auditor’s 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*, we performed tests of the City’s compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

**STATE COMPLIANCE MATTERS**

*Code of Virginia*

Budget and Appropriation Laws

Cash and Investment Laws

Conflicts of Interest Act

Local Retirement Systems

Debt Provisions

Procurement Laws

Governor’s Opportunity Funds

Comprehensive Services Act

Uniform Disposition of Unclaimed Property Act

Sheriff Internal Controls

*State Agency Requirements*

Education

Social Services

Urban Highway Maintenance

Stormwater Management Program

Fire Programs Aid to Localities

Opioid Abatement Program

**FEDERAL COMPLIANCE MATTERS**

*Compliance Supplement for Single Audits of State and Local Governments*

Provisions and conditions of agreements related to federal program selected for testing.

**CITY OF WAYNESBORO, VIRGINIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**June 30, 2024**

**A. SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an **unmodified opinion** on the financial statements.
2. **No significant deficiencies and no material weaknesses** relating to the audit of the financial statements were reported in the Independent Auditor's 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*.
3. **No instances of noncompliance** material to the financial statements were disclosed.
4. **No significant deficiencies and no material weaknesses** relating to the audit of the major federal award programs were reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs expresses an **unmodified opinion**.
6. The audit disclosed **no audit findings relating to the major programs**.
7. The programs tested as major were:

Name of Program	Assistance Listing Number
COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	21.027
Natural Resource Damage Assessment and Restoration	15.658
COVID-19 – Elementary and Secondary School Emergency Relief	84.425D
COVID-19 – American Rescue Plan – Elementary and Secondary School Emergency Relief	84.425U
Adult Education – Basic Grants to States	84.002

8. The threshold for distinguishing Type A and B programs was **\$750,000**.
9. The City was determined to be a **low-risk auditee**.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

None noted.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT**

None noted.

**CITY OF WAYNESBORO, VIRGINIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**June 30, 2024**

**D. FINDINGS – COMMONWEALTH OF VIRGINIA**

**2024-001: Conflict of Interest Disclosure Statements**

***Condition:***

During our review of Conflict of Interest Disclosure Statements, we noted that 3 individuals did not submit their forms to the City. Consequently, the City is unaware of any potential related parties or conflicts related to these individuals.

***Recommendation:***

We recommend obtaining the Conflict of Interest Disclosure Statements from all required parties prior to the state's deadline of February 1.

***Views of Responsible Officials:***

The City of Waynesboro will update their process to obtain the Conflict of Interest Disclosure Statements.

**2024-002: School Activity Fund Unclaimed Property – Outstanding Checks**

***Condition:***

During our review of bank reconciliations for the school activity funds, we noted checks over one year old.

***Recommendation:***

Unclaimed property reports as of June 30 are due to the state as of November 1. We recommend that the School Board update their policies and procedures for unclaimed property for the school activity funds. This would include having the bookkeepers follow up with payees and, after one year, submit the funds to the Virginia Treasury's Unclaimed Property Fund for disposition.

***Views of Responsible Officials:***

The City of Waynesboro School Board will continue to communicate and monitor any unclaimed property related to the school activity funds.

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended June 30, 2024**

<b>Federal Grantor/Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Pass-through Entity Identifying Number</b>	<b>Cluster Amounts</b>	<b>Federal Expenditures</b>
Department of Agriculture:				
Pass Through Payments:				
Department of Education:				
Child Nutrition Cluster - National School Breakfast Program	10.553	202424N119941, 202323N119941	673,979	
Child Nutrition Cluster - National School Lunch Program	10.555	202424N119941, 202323N119941	1,598,705	
Child Nutrition Cluster - National School Lunch Program	10.555	N/A	117,530	
Child Nutrition Cluster - Summer Food Service Program for Children	10.559	202323N119941	22,111	
Child Nutrition Cluster - Fresh Fruit and Vegetable Program	10.582	202323L163041	<u>86,142</u>	
Total Child Nutrition Cluster				\$ 2,498,467
Child and Adult Care Food Program	10.558	202424N119941, 202323N119941		13,541
Virginia Department of Social Services:				
SNAP Cluster - Supplemental Nutrition Assistance Program (State Administrative Match)	10.561	84404	<u>32</u>	
Total SNAP Cluster				<u>32</u>
Total Department of Agriculture				<u>2,512,040</u>
Department of Housing and Urban Development:				
Direct Payments:				
CDBG Grants Cluster - Community Development Block Grants - Entitlement Grants	14.218	N/A	<u>253,360</u>	
Total CDBG Entitlement Grants Cluster				<u>253,360</u>
Total Department of Housing and Urban Development				<u>253,360</u>
Department of the Interior:				
Direct Payments:				
Natural Resource Damage Assessment and Restoration	15.658	N/A		<u>1,806,563</u>
Total Department of the Interior				<u>1,806,563</u>
Department of Justice:				
Pass Through Payments:				
Department of Criminal Justice Services:				
Juvenile Justice and Delinquency Prevention	16.540	N/A		38,060
Crime Victim Assistance	16.575	24-O1142VW20		<u>60,492</u>
Total Department of Justice				<u>98,552</u>
Department of Transportation:				
Pass Through Payments:				
Virginia Department of Transportation:				
Highway Planning and Construction	20.205	113684; 117325; 111425; 118077; 115136		<u>129,498</u>
Total Department of Transportation				<u>129,498</u>
Department of the Treasury:				
Direct Payments:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	N/A		1,207,995
Pass Through Payments:				
COVID-19 - Virginia Tourism Corporation	21.027	SLFRP 1026		<u>40,000</u>
Total Department of Treasury				<u>1,247,995</u>

(Continued)

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended June 30, 2024**

<b>Federal Grantor/Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Pass-through Entity Identifying Number</b>	<b>Cluster Amounts</b>	<b>Federal Expenditures</b>
Environmental Protection Agency:				
Direct Payments:				
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	N/A		81,045
Pass Through Payments:				
Virginia Department of Environmental Quality Geographic Programs - Chesapeake Bay Program Implementation, Regulatory/Accountability and Monitoring Grants	66.964	FMNSWBXJHR3		69,969
<b>Total Environmental Protection Agency</b>				<b>151,014</b>
Department of Education:				
Pass Through Payments:				
Virginia Department of Education:				
Adult Education - Basic Grants to States	84.002	V002A230047, V002A240047 S010A230046, S010A220046, S010A240046		768,124
Title I Grants to Local Educational Agencies	84.010	H027A240107, H027A230107, H027A22107		988,228
Special Education Cluster - Grants to States	84.027		516,787	
COVID-19 - Special Education Cluster - Grants to States	84.027x	H027X210107, H173X210112 H173A24001, H173A230112, H173A220112	36,001	
Special Education Cluster - Preschool Grants	84.173		18,044	
Total Special Education Cluster				570,832
Career and Technical Education - Basic Grants to States	84.048	V048A230046, V048A220046, V048A240046		72,252
Education for Homeless Children and Youth	84.196	S196A230048		52,537
Rural Education	84.358	S424A230048, S424A240048, S42A220048		223,943
English Language Acquisition State Grants	84.365	S365A230046, T365A240046, S365A220046		33,724
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	S367A220044, S367A230044, S367A210044		234,368
COVID-19 - Elementary and Secondary School Emergency Relief Fund - Mentor Teacher	84.425	N/A		4,979
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	S425U210008		840,942
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425U	S425U210008, S425U210008		215,184
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425W	S425W210048		48,744
<b>Total Department of Education</b>				<b>4,053,857</b>
Department of Health and Human Services				
Direct Payments:				
Social Services Block Grant	93.667	N/A		99,296
Pass Through Payments:				
Virginia Department of Social Services:				
Refugee and Entrant Assistance—State-Administered Programs	93.566	81901		9,150
Temporary Assistance for Needy Families	93.558	87201 & 87202		3,207
Temporary Assistance for Needy Families	93.558	87204 & 87211		5,159
Temporary Assistance for Needy Families	93.558	87207		14,070
Temporary Assistance for Needy Families	93.558	87212		354
Temporary Assistance for Needy Families	93.558	80801		(726)
Community Services Block Grant	93.569	N/A		256,536
Foster Care-Title IV-E	93.658	81108		41,389
Foster Care-Title IV-E	93.658	81110		49,253
Foster Care-Title IV-E	93.658	81112		17,799
Foster Care-Title IV-E	93.658	81113		16,039
Foster Care-Title IV-E	93.658	81401, 81403, 81404 & 81113		10,856
Adoption Assistance - Title IV-E	93.659	81201		269,657
Adoption Assistance - Title IV-E	93.659	81202		569
Adoption Assistance - Title IV-E	93.659	81203		171,824
Social Services Block Grant	93.667	83304		5,882

(Continued)

**CITY OF WAYNESBORO, VIRGINIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2024

<b>Federal Grantor/Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Pass-through Entity Identifying Number</b>	<b>Cluster Amounts</b>	<b>Federal Expenditures</b>
Department of Health and Human Services				
Pass Through Payments:				
Virginia Department of Social Services:				
Social Services Block Grant	93.667	89501		798
Elder Abuse Prevention Interventions Program	93.747	89805		2,216
				<u>973,328</u>
Total Department of Health and Human Services				
Department of Homeland Security				
Pass Through Payments:				
Virginia Department of Emergency Management:				
Emergency Management Performance Grant	97.042	N/A		15,942
				<u>15,942</u>
Total Department of Homeland Security				
				<u>15,942</u>
Total Expenditures of Federal Awards				<u>\$ 11,242,149</u>

**CITY OF WAYNESBORO, VIRGINIA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL**  
**AWARDS**  
**Year Ended June 30, 2024**

**1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the City of Waynesboro, Virginia and component unit, Waynesboro City School Board 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 City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**3. LOANS OUTSTANDING**

During prior years, the City received federal funding from the Virginia Water Facilities Revolving Fund, authorized under the Capitalization Grants for Clean Water State Revolving Funds program (ALN 66.458). At June 30, 2024, the outstanding loan balance under this program was \$1,900,691.

**4. INDIRECT COST RATE**

The City has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**5. FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed.