



Town of Wakefield, Virginia

Financial Report

June 30, 2024

Town Council

Oscar E. Parker, III, President

Dennis P. Mason

Brian K. Wills

Michael W. Kessinger

Darlean Whiting

Frances J. Chambers

Town Officials

Brian M. Laine, Mayor

Bonita Meyers, Clerk of Council

Robyn L. Croft, Treasurer

Town of Wakefield, Virginia

Contents

Independent Auditor's Report	1
Management's Discussion and Analysis	4

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position	8
Statement of Activities	9

Governmental Fund Financial Statements

Balance Sheet - Governmental Funds	10
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	11
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	12
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities	13

Proprietary Fund Financial Statements

Statement of Net Position - Proprietary Funds	14
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	15
Statement of Cash Flows - Proprietary Funds	16

Notes to Basic Financial Statements	18
---	----

Required Supplementary Information

General Fund - Schedule of Revenues - Budget and Actual (Cash Basis)	33
General Fund - Schedule of Expenditures - Budget and Actual (Cash Basis)	35
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios	37
Schedule of Employer Contributions	38
Notes to Required Supplementary Information	39

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 <i>Government Auditing Standards</i>	40
Schedule of Findings and Responses.....	42
Summary Schedule of Prior Audit Findings	44

Statistical Section (Unaudited)

Net Position by Component - Last Ten Fiscal Years	45
Changes in Net Position - Last Ten Fiscal Years	46
Fund Balances - Governmental Funds - Last Ten Fiscal Years.....	48
Changes in Fund Balances - Governmental Funds - Last Ten Fiscal Years.....	49
Assessed Value of Taxable Property - Last Ten Fiscal Years.....	50
Property Tax Rates (Per \$100 of Assessed Values) - Last Ten Fiscal Years	51
Principal Taxpayers - Current Year and Nine Years Ago.....	52
Property Tax Levies and Collections - Last Ten Fiscal Years.....	53
Full-time Equivalent City Government Employees by Function/Program.....	54
Operating Indicators by Function/Program.....	54
Capital Asset Statistics by Function/Program.....	54

Independent Auditor's Report

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

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Town of Wakefield, 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.

Change in Accounting Principle

As described in Note 1, 4, 7 and 12 to the financial statements, in 2024, the Town of Wakefield, Virginia adopted new accounting guidance, GASB Statement No. 96, Subscription-Based Technology Arrangements. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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; this includes 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 Town of Wakefield, Virginia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 Town of Wakefield, 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 the Town of Wakefield, 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, the budgetary comparison information, 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 them to be essential parts 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the listing of Town Council members and officials and the statistical section 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 October 11, 2024, on our consideration of Town of Wakefield, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Wakefield, Virginia's internal control over financial reporting and compliance.

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

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
October 11, 2024

Town of Wakefield, Virginia

Management's Discussion and Analysis

June 30, 2024

The Town of Wakefield, Virginia (Town) offers readers of the financial statements this narrative overview and analysis of the financial activities of the Town of Wakefield, Virginia for the fiscal year ended June 30, 2024. Please read it in conjunction with the Town's financial statements following this section.

Overview of Financial Statements

Our discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. As of the year ended June 30, 2024, the Town's financial statements present two types of statements, each with a different snapshot of the Town's finances. The focus is on both the Town as a whole (government-wide) and the fund financial statements. The government-wide financial statements provide both short-term and long-term information about the Town's overall financial status. The fund financials focus on the individual part of the Town government, reporting the Town's operations in more detail than the government-wide statements, which present a longer-term view. Presentation of both perspectives provides the user with a broader overview, enhances the basis for comparisons, and better reflects the Town's accountability.

Government-Wide Financial Statements

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

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

In the Statement of Net position and the Statement of Activities, the Town's activities are classified as follows:

Governmental Activities

Most of the Town's basic services are reported here, including general government, judicial administration, public safety, public works, health and welfare, and parks and recreation and cultural departments. Property taxes, other local taxes, and federal and state grants finance most of these activities.

Business-Type Activities

The Town's water, waste disposal and electrical services are reported here as the Town charges a fee to customers designed to cover all the cost of services it provides. Additionally, the Town's Airport Commission is reported here as the Town charges hangar rent to cover the cost of the Airport's operations.

Town of Wakefield, Virginia

Management's Discussion and Analysis

June 30, 2024

Component Unit

The Town includes a blended component unit in this report, the Airport Commission of the Town of Wakefield. Although legally separate, the component unit is included because the Town of Wakefield is financially accountable for it and governs its operations.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statement presentation more familiar. However, the focus is now on the Town's most significant funds rather than fund types. The fund financial statements begin on page 10 and provide detailed information about the most significant funds, not the Town as a whole. The Town has two types of funds:

Governmental Funds

Most of the Town's basic services are accounted for in the governmental funds. Fund-based statements for these funds focus on how resources flow into and out of those funds and the balances at year-end that are available for future spending. These funds are reported on the modified accrual basis of accounting, which measures cash and other liquid assets that can readily be converted to cash. The governmental funds financial statements provide a detailed short-term overview that helps the reader determine the financial resources that can be spent in the near future to finance the Town's programs. The differences between governmental activities as reported in the government-wide and funds financial statements are reconciled on pages 11 and 13.

Proprietary Funds

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

The Town's proprietary fund financial statements provide more detail and additional information, such as cash flows. The Town's proprietary funds are the Public Utilities and Airport Commission Funds.

Financial Highlights and Analysis

The staff includes six full-time employees and one part-time worker. Seasonal employees are hired if needed for maintenance work or grass cutting. The Town owns its own electrical and water systems which serve approximately 650 residents. The Town owns a municipal airport and ballpark and owns the building that houses the Wakefield Volunteer Fire Department.

Town of Wakefield, Virginia

Management's Discussion and Analysis

June 30, 2024

Town of Wakefield, Virginia's Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues:						
Program revenues:						
Charges for services	\$ -	\$ -	\$ 1,792,516	\$ 1,767,363	\$ 1,792,516	\$ 1,767,363
Capital grants and contributions	-	-	159,980	464,324	159,980	464,324
Operating grants and contributions	-	-	-	2,738	-	2,738
Total program revenues	-	-	1,952,496	2,234,425	1,952,496	2,234,425
General revenues:						
General property taxes	137,251	111,598	-	-	137,251	111,598
Other local taxes	489,293	450,017	-	-	489,293	450,017
Other general revenues	263,816	61,318	-	-	263,816	61,318
Recovered costs	-	37,701	-	-	-	37,701
Miscellaneous	8,771	12,762	86,292	57,553	95,063	70,315
Intergovernmental:						
Commonwealth of Virginia	70,669	71,668	-	-	70,669	71,668
Total general revenues	969,800	745,064	86,292	57,553	1,056,092	802,617
Total revenues	969,800	745,064	2,038,788	2,291,978	3,008,588	3,037,042
Expenses:						
General government administration	369,257	304,599	-	-	369,257	304,599
Public safety	220,009	141,391	-	-	220,009	141,391
Public works	128,275	115,603	-	-	128,275	115,603
Parks, recreation, and cultural	50,239	53,936	-	-	50,239	53,936
Airport	-	-	184,131	142,690	184,131	142,690
Public utilities	-	-	1,722,535	1,707,881	1,722,535	1,707,881
Total expenses	767,780	615,529	1,906,666	1,850,571	2,674,446	2,466,100
Change in net position before transfers	202,020	129,535	132,122	441,407	334,142	570,942
Transfers	16,030	72,667	(16,030)	(72,667)	-	-
Change in net position	218,050	202,202	116,092	368,740	334,142	570,942
Net position, beginning of year	2,302,509	2,100,307	3,152,020	2,783,280	5,454,529	4,883,587
Net position, end of year	<u>\$ 2,520,559</u>	<u>\$ 2,302,509</u>	<u>\$ 3,268,112</u>	<u>\$ 3,152,020</u>	<u>\$ 5,788,671</u>	<u>\$ 5,454,529</u>

Total revenues decreased from fiscal year 2023 to 2024 by \$28,454 primarily due to a decrease in capital grants and contributions related to the grant funds received in the prior year for the airport project.

Total expenses increased by \$208,346. This is primarily because of an increase in general governmental administration expenses as a result of increased pension expense, an increase in public safety expenses as a result of higher amounts paid to Sussex County under the police services agreement, and an increase in airport expenses as a result of higher depreciation expense from the light rehabilitation project placed into service at the end of fiscal year 2023.

Town of Wakefield, Virginia

Management's Discussion and Analysis

June 30, 2024

Town of Wakefield, Virginia's Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 2,300,778	\$ 1,980,952	\$ 1,276,087	\$ 1,155,778	\$ 3,576,865	\$ 3,136,730
Capital assets	195,472	228,946	2,924,827	2,969,767	3,120,299	3,198,713
Total assets	<u>\$ 2,496,250</u>	<u>\$ 2,209,898</u>	<u>\$ 4,200,194</u>	<u>\$ 4,125,545</u>	<u>\$ 6,697,164</u>	<u>\$ 6,335,443</u>
Deferred outflows						
of resources	\$ 65,271	\$ 136,815	\$ 38,297	\$ 71,082	\$ 103,568	\$ 207,897
Current liabilities	\$ 30,145	\$ 29,439	\$ 963,323	\$ 1,024,415	\$ 993,468	\$ 1,053,854
Noncurrent liabilities	5,085	1,680	4,412	13,393	9,497	15,073
Total liabilities	<u>\$ 35,230</u>	<u>\$ 31,119</u>	<u>\$ 967,735</u>	<u>\$ 1,037,808</u>	<u>\$ 1,002,965</u>	<u>\$ 1,068,927</u>
Deferred inflows						
of resources	\$ 5,732	\$ 13,085	\$ 3,364	\$ 6,799	\$ 9,096	\$ 19,884
Net investment in						
capital assets	\$ 193,143	\$ 228,946	\$ 2,924,827	\$ 2,938,583	\$ 3,117,970	\$ 3,167,529
Restricted	1,762	1,786	-	-	1,762	1,786
Unrestricted	2,325,654	2,071,777	343,285	213,437	2,668,939	2,285,214
Net position	<u>\$ 2,520,559</u>	<u>\$ 2,302,509</u>	<u>\$ 3,268,112</u>	<u>\$ 3,152,020</u>	<u>\$ 5,788,671</u>	<u>\$ 5,454,529</u>

Net position may serve over time as a useful indicator of the Town's financial position. At the close of the most recent fiscal year, the Town's assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$5,788,671 compared to the previous year in which assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5,454,529.

Current and other assets increased primarily due to an increase in cash as a result of an increase in tax rates. There was a significant decrease in deferred outflows of resources driven by an actuarially determined decrease in pension deferrals.

Current liabilities decreased due to the spending down of the Coronavirus State and Local Fiscal Recovery Fund's Non-Entitlement Unit distribution. Noncurrent liabilities decreased due to the regularly scheduled payments made on long-term debt. The decrease in deferred inflows of resources is due to an actuarially determined decrease in pension deferrals.

A large portion of the Town's net position represents an unrestricted net position of \$2,668,939, which may be used to meet the Town's ongoing obligations. In the previous year, unrestricted net position totaled \$2,285,214.

Economic Conditions

The Town operates under sound management. The Town continues to make every effort to keep the utility rates down for its customers.

Questions concerning this report or requests for additional information should be directed to the Mayor of the Town of Wakefield, Virginia.

Respectfully submitted,

Brian Laine

Mayor



Basic Financial Statements

Town of Wakefield, Virginia

Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents (Note 2)	\$ 2,143,456	\$ 901,745	\$ 3,045,201
Taxes receivable, net (Note 3)	48,900	-	48,900
Accounts receivable, net	-	261,683	261,683
Restricted cash (Note 2)	1,125	112,659	113,784
Note receivable: (Note 5)			
Due within one year	12,354	-	12,354
Due in more than one year	94,943	-	94,943
Capital assets, net of accumulated depreciation (Note 4)	195,472	2,924,827	3,120,299
Total assets	<u><u>\$ 2,496,250</u></u>	<u><u>\$ 4,200,914</u></u>	<u><u>\$ 6,697,164</u></u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals (Note 8)	<u><u>\$ 65,271</u></u>	<u><u>\$ 38,297</u></u>	<u><u>\$ 103,568</u></u>
LIABILITIES			
Accounts payable and other current liabilities	\$ 25,216	\$ 97,853	\$ 123,069
Accrued interest	75	-	75
Payable from restricted cash, deposits	1,125	112,659	113,784
Unearned revenue (Note 10)	-	750,623	750,623
Net pension liability (Note 8)	3,729	2,188	5,917
Noncurrent liabilities: (Note 7)			
Due within one year	3,893	4,412	8,305
Due in more than one year	1,192	-	1,192
Total liabilities	<u><u>\$ 35,230</u></u>	<u><u>\$ 967,735</u></u>	<u><u>\$ 1,002,965</u></u>
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals (Note 8)	<u><u>\$ 5,732</u></u>	<u><u>\$ 3,364</u></u>	<u><u>\$ 9,096</u></u>
NET POSITION			
Net investment in capital assets	\$ 193,143	\$ 2,924,827	\$ 3,117,970
Restricted for permanent fund	1,762	-	1,762
Unrestricted	2,325,654	343,285	2,668,939
Total net position	<u><u>\$ 2,520,559</u></u>	<u><u>\$ 3,268,112</u></u>	<u><u>\$ 5,788,671</u></u>

Town of Wakefield, Virginia

Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
PRIMARY GOVERNMENT							
Governmental activities:							
General government administration	\$ 369,257	\$ -	\$ -	\$ -	\$ (369,257)	\$ -	\$ (369,257)
Public safety	220,009	-	-	-	(220,009)	-	(220,009)
Public works	128,275	-	-	-	(128,275)	-	(128,275)
Parks, recreation and cultural	50,239	-	-	-	(50,239)	-	(50,239)
Total governmental activities	<u>767,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(767,780)</u>	<u>-</u>	<u>(767,780)</u>
Business-type activities:							
Public utilities	1,722,535	1,716,370	-	48,602	-	42,437	42,437
Airport Commission	184,131	76,146	-	111,378	-	3,393	3,393
Total business-type activities	<u>1,906,666</u>	<u>1,792,516</u>	<u>-</u>	<u>159,980</u>	<u>-</u>	<u>45,830</u>	<u>45,830</u>
Total primary government	<u>\$ 2,674,446</u>	<u>\$ 1,792,516</u>	<u>\$ -</u>	<u>\$ 159,980</u>	<u>(767,780)</u>	<u>45,830</u>	<u>(721,950)</u>
GENERAL REVENUES							
General property taxes					137,251	-	137,251
Meals taxes					298,368	-	298,368
Other local taxes					190,925	-	190,925
Revenues from use of money and property					79,384	36,431	115,815
Permits, privilege fees, and regulatory licenses					140	-	140
Fines and forfeitures					184,292	-	184,292
Miscellaneous					8,771	49,861	58,632
Intergovernmental - Commonwealth of Virginia					70,669	-	70,669
Transfers, net (Note 11)					16,030	(16,030)	-
Total general revenues and transfers					<u>985,830</u>	<u>70,262</u>	<u>1,056,092</u>
Change in net position					<u>218,050</u>	<u>116,092</u>	<u>334,142</u>
NET POSITION							
Beginning of year					2,302,509	3,152,020	5,454,529
End of year					<u>\$ 2,520,559</u>	<u>\$ 3,268,112</u>	<u>\$ 5,788,671</u>

The Notes to Financial Statements are an integral part of this statement.

Town of Wakefield, Virginia
Balance Sheet - Governmental Funds
June 30, 2024

	General Fund	Non-Major Permanent Fund	Total Governmental Funds
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents (Note 2)	\$ 2,100,907	\$ 42,549	\$ 2,143,456
Taxes receivable, net (Note 3)	48,900	-	48,900
Restricted cash (Note 2)	1,125	-	1,125
Total assets	<u><u>\$ 2,150,932</u></u>	<u><u>\$ 42,549</u></u>	<u><u>\$ 2,193,481</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other current liabilities	\$ 24,955	\$ 261	\$ 25,216
Payable from restricted cash, deposits	1,125	-	1,125
Total current liabilities	<u>26,080</u>	<u>261</u>	<u>26,341</u>
FUND BALANCES			
Restricted	-	1,762	1,762
Committed	-	40,526	40,526
Unassigned	2,124,852	-	2,124,852
Total fund balances	<u>2,124,852</u>	<u>42,288</u>	<u>2,167,140</u>
Total liabilities and fund balances	<u><u>\$ 2,150,932</u></u>	<u><u>\$ 42,549</u></u>	<u><u>\$ 2,193,481</u></u>

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

Total fund balances, governmental funds	\$ 2,167,140
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation.	<u>195,472</u>
Some receivables reported in the Statement of Net Position, such as notes receivable, do not provide current financial resources and therefore are not accrued as receivables in governmental funds.	<u>107,297</u>
Some assets and deferred outflows of resources reported in the statement of net position do not provide current financial resources and therefore are not accrued as assets or deferred in the governmental funds.	
Deferred pension outflows	<u>65,271</u>
Some liabilities and deferred inflows of resources reported in the statement of net position do not require the use of current financial resources and therefore are not accrued as liabilities or deferred in the governmental funds.	
Net pension liability	(3,729)
Compensated absences	(2,756)
Subscription liability	(2,329)
Accrued interest	(75)
Deferred pension inflows	<u>(5,732)</u>
	<u>(14,621)</u>
Net position of governmental activities	<u><u>\$ 2,520,559</u></u>

Town of Wakefield, Virginia

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Year Ended June 30, 2024

	General Fund	Non-Major Permanent Fund	Total Governmental Funds
OPERATING REVENUES			
General property taxes	\$ 137,251	\$ -	\$ 137,251
Other local taxes	489,293	-	489,293
Revenues from use of money and property	79,384	-	79,384
Permits, privilege fees, and regulatory licenses	140	-	140
Fines and forfeitures	184,292	-	184,292
Recovered costs	1,915	-	1,915
Miscellaneous	5,931	2,840	8,771
Intergovernmental - Commonwealth of Virginia	70,669	-	70,669
Total revenues	<u>968,875</u>	<u>2,840</u>	<u>971,715</u>
OPERATING EXPENDITURES			
Current:			
General government administration	293,288	-	293,288
Public safety	211,170	-	211,170
Public works	91,448	30,471	121,919
Parks, recreation and cultural	32,400	-	32,400
Capital projects	10,598	-	10,598
Total expenditures	<u>638,904</u>	<u>30,471</u>	<u>669,375</u>
Excess (deficiency) of revenues over (under) expenditures	<u>329,971</u>	<u>(27,631)</u>	<u>302,340</u>
OTHER FINANCING SOURCES (USES)			
Subscription financing	2,329	-	2,329
Operating transfers in (Note 11)	51,719	27,607	79,326
Operating transfers out (Note 11)	(63,296)	-	(63,296)
Note receivable repayments	12,112	-	12,112
Total other financing sources	<u>2,864</u>	<u>27,607</u>	<u>30,471</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	332,835	(24)	332,811
FUND BALANCE			
Beginning of year	1,792,017	42,312	1,834,329
End of year	<u><u>\$ 2,124,852</u></u>	<u><u>\$ 42,288</u></u>	<u><u>\$ 2,167,140</u></u>

Town of Wakefield, Virginia

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

Net change in fund balances, total governmental funds	\$ 332,811
Amounts reported for governmental activities in the statement of activities are different because:	
Repayments on notes receivable to other entities are reported as revenues in the governmental fund statement of revenues, expenditures, and changes in fund balances. However, these are not reported on the Statement of Activities and are instead reported as receivable reduction on the Statement of Net Position.	<u>(12,112)</u>
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation or amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization expense.	<u>(33,474)</u>
The issuance of long-term debt (e.g. subscription arrangement) 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.	
Subscription financing	<u>(2,329)</u>
Some expenses and expense recoveries 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:	
Change in compensated absences	(1,076)
Change in pension and pension-related deferred amounts	(65,695)
Change in accrued interest	(75)
	<u>(66,846)</u>
Change in net position of governmental activities	<u><u>\$ 218,050</u></u>

Town of Wakefield, Virginia

Statement of Net Position - Proprietary Funds

June 30, 2024

	Public Utilities	Airport Commission	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents (Note 2)	\$ 901,745	\$ -	\$ 901,745
Accounts receivable, net	245,613	16,070	261,683
Total current assets	<u>1,147,358</u>	<u>16,070</u>	<u>1,163,428</u>
NONCURRENT ASSETS			
Restricted cash (Note 2)	112,659	-	112,659
Capital assets, net of accumulated depreciation (Note 4)	1,138,988	1,785,839	2,924,827
Total noncurrent assets	<u>1,251,647</u>	<u>1,785,839</u>	<u>3,037,486</u>
Total assets	<u>\$ 2,399,005</u>	<u>\$ 1,801,909</u>	<u>\$ 4,200,914</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals (Note 8)	<u>\$ 38,297</u>	<u>\$ -</u>	<u>\$ 38,297</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other current liabilities	\$ 97,178	\$ 675	\$ 97,853
Unearned revenue (Note 10)	750,623	-	750,623
Net pension liability (Note 8)	2,188	-	2,188
Compensated absences (Note 7)	4,412	-	4,412
Total current liabilities	<u>854,401</u>	<u>675</u>	<u>855,076</u>
NONCURRENT LIABILITIES			
Payable from restricted cash, deposits	112,659	-	112,659
Total liabilities	<u>\$ 967,060</u>	<u>\$ 675</u>	<u>\$ 967,735</u>
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals (Note 8)	<u>\$ 3,364</u>	<u>-</u>	<u>\$ 3,364</u>
NET POSITION			
Net investment in capital assets	\$ 1,138,988	\$ 1,785,839	\$ 2,924,827
Unrestricted	327,890	15,395	343,285
Total net position	<u>\$ 1,466,878</u>	<u>\$ 1,801,234</u>	<u>\$ 3,268,112</u>

Town of Wakefield, Virginia

Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds Year Ended June 30, 2024

	Public Utilities	Airport Commission	Total
OPERATING REVENUES			
Charges for services	\$ 1,716,370	\$ 76,146	\$ 1,792,516
OPERATING EXPENSES, other than depreciation:			
Purchase of electricity	1,170,687	-	1,170,687
Other contractual services	135,293	-	135,293
Salaries	110,079	15,503	125,582
Maintenance and repairs	69,684	6,240	75,924
Benefits	72,099	5,879	77,978
Materials and supplies	20,510	560	21,070
Office expense	7,344	5,591	12,935
Fuel	260	26,093	26,353
Dues	2,780	-	2,780
Utilities	3,555	9,127	12,682
Professional services	8,775	-	8,775
Rent	225	-	225
Total operating expenses, other than depreciation	1,601,291	68,993	1,670,284
Operating income before depreciation	115,079	7,153	122,232
Depreciation	(80,846)	(115,098)	(195,944)
Operating income (loss)	34,233	(107,945)	(73,712)
NONOPERATING REVENUES (EXPENSES)			
Penalty charges	35,283	-	35,283
Connection fees	1,000	-	1,000
Miscellaneous revenues	11,162	-	11,162
Miscellaneous expenses	-	(40)	(40)
State consumption and regulatory tax, net	2,416	-	2,416
Capital grants	48,602	111,378	159,980
Grant expenses	(40,351)	-	(40,351)
Interest income	36,431	-	36,431
Interest expense	(47)	-	(47)
Total nonoperating revenues	94,496	111,338	205,834
Income before operating transfers	128,729	3,393	132,122
OPERATING TRANSFERS			
Transfers from other funds (Note 11)	-	55,809	55,809
Transfers to other funds (Note 11)	(51,719)	(20,120)	(71,839)
Change in net position	77,010	39,082	116,092
NET POSITION			
Beginning of year	1,389,868	1,762,152	3,152,020
End of year	<u>\$ 1,466,878</u>	<u>\$ 1,801,234</u>	<u>\$ 3,268,112</u>

Town of Wakefield, Virginia

Statement of Cash Flows - Proprietary Funds Year Ended June 30, 2024

	Public Utilities	Airport Commission	Total
OPERATING ACTIVITIES			
Received from customers and users	\$ 1,688,004	\$ 81,436	\$ 1,769,440
Payments to suppliers for goods and services	(1,559,527)	(59,900)	(1,619,427)
Payments to employees	(110,287)	(15,503)	(125,790)
Net cash provided by operating activities	<u>18,190</u>	<u>6,033</u>	<u>24,223</u>
NONCAPITAL FINANCING ACTIVITIES			
Transfers out to other funds	(51,719)	(20,120)	(71,839)
Transfers in from other funds	-	55,809	55,809
Connection fees	1,000	-	1,000
Penalty charges	35,283	-	35,283
Miscellaneous revenues	11,162	-	11,162
Miscellaneous expenses	-	(40)	(40)
State consumption and regulatory tax, net	2,416	-	2,416
Net cash provided (used)			
by noncapital financing activities	<u>(1,858)</u>	<u>35,649</u>	<u>33,791</u>
CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	34,588	(136,990)	(102,402)
Payments on long-term debt	(8,773)	-	(8,773)
Interest expense	(47)	-	(47)
Capital grants	-	95,308	95,308
Grant expenses	(40,351)	-	(40,351)
Net cash used by capital and related			
financing activities	<u>(14,583)</u>	<u>(41,682)</u>	<u>(56,265)</u>
INVESTING ACTIVITIES			
Interest income	36,431	-	36,431
Net increase in cash and cash equivalents	38,180	-	38,180
CASH AND CASH EQUIVALENTS			
Beginning of year	976,224	-	976,224
End of year	<u><u>\$ 1,014,404</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,014,404</u></u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION			
Cash and cash equivalents	\$ 901,745	\$ -	\$ 901,745
Restricted cash	112,659	-	112,659
	<u><u>\$ 1,014,404</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,014,404</u></u>

Town of Wakefield, Virginia
Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2024

	<u>Public Utilities</u>	<u>Airport Commission</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET			
CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 34,233	\$ (107,945)	\$ (73,712)
Adjusting to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	80,846	115,098	195,944
Pension expense, net of employer contributions	30,382	-	30,382
Change in current assets and liabilities:			
Accounts receivable	(30,998)	5,290	(25,708)
Accounts payable and accrued liabilities	(98,697)	(6,410)	(105,107)
Payable from restricted cash, deposits	2,632	-	2,632
Compensated absences	(208)	-	(208)
Net cash provided by operating activities	<u>\$ 18,190</u>	<u>\$ 6,033</u>	<u>\$ 24,223</u>
SUPPLEMENTAL DISCLOSURES			
Cash paid for interest	<u>\$ (47)</u>	<u>\$ -</u>	<u>\$ (47)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Grant revenue received in a prior year	\$ 8,251	\$ -	\$ 8,251
Grant revenue receivable in a future year	40,351	16,070	56,421
Capital grants	<u>\$ 48,602</u>	<u>\$ 16,070</u>	<u>\$ 64,672</u>

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Primary Government

The Town of Wakefield, Virginia (Town) is a political subdivision of the Commonwealth of Virginia (Commonwealth) governed by a six-member elected Town Council. The accompanying financial statements for the primary government and its component unit are prepared in accordance with the accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units, as prescribed by the Governmental Accounting Standards Board (GASB).

In accordance with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, the basic financial statements are comprised of both government-wide and fund financial statements.

Fund Balance

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* fund balances are classified as follows:

Nonspendable

Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted

Amounts that can be spent only for specific purposes because of the Town Charter, Town Code, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed

Amounts that can be used only for specific purposes determined by a formal action by the Town Council ordinance or resolution.

Assigned

Amounts that are designated by the Mayor for a specific purpose but are not spendable until a budget ordinance is passed by the Town Council.

Unassigned

All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 10). Restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure of the Town has been budgeted by the Town Council or the Assignment has been changed by the Mayor. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, the Assigned and Committed Fund Balances are used in that order.

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

General Fund

The General Fund has Unassigned Fund Balance of \$2,124,852 at June 30, 2024.

Other Major Fund

The Permanent Fund has Restricted Funds of \$1,762 at June 30, 2024, consisting of funds donated by residents for the purpose of Cemetery repairs and maintenance. The Permanent Fund also has Committed Funds of \$40,526, which was set aside by the Council, and includes earnings which are to be similarly used for Cemetery repairs and maintenance.

Blended Component Unit

For financial reporting purposes, in conformance with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statement No. 14 and No. 34*, the Town includes all funds, agencies, boards, commissions and authorities for which the Town is financially accountable.

Financial accountability was determined on the basis of budget adoption, outstanding debt secured by revenues or general obligations of the Town, obligation of the Town to finance any deficits that may occur, or receipt of significant subsidies from the Town.

Based on the foregoing criteria, the Airport Commission is included in the accompanying financial statements. There are no other component units whose financial activities would appropriately be included in the accompanying financial statements.

Government-Wide and Fund Financial Statements

There are two basic government-wide statements, the statement of net position and the statement of activities, which report information on all of the nonfiduciary activities of the Town and its component unit. These two statements report governmental activities, which are normally supported by taxes and intergovernmental revenues, separately from business-type activities, which rely primarily on fees and charges for services. Fiduciary activities are not reported in the government-wide statements because the resources are not available to support government programs. In addition to separately presenting business-type activities and governmental activities, the government-wide financial statements present a consolidated total column for the primary government. The government-wide financial statements are consolidated; therefore, the effect of interfund activity has been removed from these statements.

The statement of activities presents a comparison between direct expenses of a function and program revenues. Direct expenses are those that are specifically associated with a specific function or segment. Program revenues include a) fees, fines and charges paid by the recipients of goods or services offered by the function or segment and b) grants and contributions that are restricted to meet the operating or capital requirements of a particular function or segment. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The fund financial statements are provided to separately present governmental funds, proprietary funds and fiduciary funds (the latter being excluded from the government-wide financial statements). All individual governmental funds and the enterprise fund are reported separately in the fund financial statements.

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement focuses on attempts to match revenues and related costs. The accrual basis of accounting recognizes revenues as they are earned, and expenses are recognized when a liability is incurred.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The current financial resources measurement focus does not attempt to match revenues and related costs; instead, the focus is on increases and decreases in current financial resources. The modified accrual basis of accounting recognizes revenue when measurable and available. That is, revenues are recognized to the degree they are available to finance expenditures of the current fiscal period. Generally, revenues are considered available to be used to pay liabilities of the current period if they are collectible within the current period or within 45 days thereafter.

Accordingly, real and personal property taxes are recorded as revenues and receivables when billed and displayed at year end, net of an allowance for uncollectible amounts. Sales and utility taxes, which are collected by the Commonwealth or utilities and subsequently remitted to the Town, are recognized as revenues and receivables upon collection by the Commonwealth or utility, which is generally one month preceding receipt by the Town. Licenses, permits and fines are recorded as revenues when received by the Town. Intergovernmental revenues are recognized when received. Revenues from general purpose grants are recognized in the period to which the grant applies. Expenditures are recorded as the related fund liabilities are incurred.

With the fund financial statements, two reconciliations are provided to explain the difference between the fund financial statements and the government-wide financial statements caused by these differences in measurement focus and basis of accounting.

The Town reports the following governmental funds:

General Fund

The General Fund accounts for all revenues and expenditures applicable to the general operations of the Town which are not accounted for in other funds. Revenues are derived from general property taxes, other local taxes, licenses and permits and intergovernmental revenues. Primary expenditures are for public safety, public works, recreation and cultural, and the general administration of the Town.

Permanent Fund

The Permanent Fund accounts for assets held by a governmental unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. The Cemetery Fund, a nonexpendable permanent fund, accounts for monies derived from the sale of cemetery lots.

The Town reports the following proprietary funds:

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Proprietary Funds

Proprietary funds account for the financing of services to the general public where all or most of the operating expenses involved are recovered in the form of charges to users of such services. The Town's enterprise funds account for the activities of the Airport and the operations of water, waste disposal, and electrical services. Operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as grants, contributions, and investment earnings, result from non-exchange transactions or ancillary activities.

Budget and Budgetary Accounting

The Town's annual operating budgets for the General and Proprietary Funds are adopted by ordinances and resolutions passed by Town Council. The budgets are prepared on the basis of accounting utilized in each fund type. All appropriations lapse at year end to the extent that they have not been fully expended. Public hearings are conducted to obtain citizen comments. Prior to July 1, the General Fund budget is legally enacted through passage of an appropriations resolution. All General Fund budget data presented in the accompanying financial statements represents the revised budget as of June 30, 2024. The Proprietary Fund budget is not legally adopted but is used as a management tool to track the results of operations.

Budgetary Comparisons

The General Fund Schedules of Revenues and Expenditures - Budget and Actual presented in Required Supplementary Information (RSI) - compares budget and actual data for all governmental funds for which a budget is adopted. A review of the budgetary comparison presented herein will disclose how accurately the governing body was able to forecast the revenues and expenditures of the Town.

Cash and Cash Equivalents

The Town's cash and cash equivalents consist principally of demand deposits and certificates of deposit. The *Code of Virginia* (1950), as amended, considers all certificates of deposit to be cash. However, for the statement of cash flows, only demand deposits and certificates of deposit with an original maturity date at the time of purchase of three months or less are considered to be cash and cash equivalents.

Receivables

The Town recognizes receivables in its various funds based on the accounting basis required for that fund. Allowances are provided, as appropriate, for possible uncollectible accounts.

Compensated Absences

Employees of the Town are granted vacation pay in varying amounts as services are provided. Town employees may accumulate, subject to certain limitations, unused vacation, and upon separation of employment from the Town, may be compensated for certain amounts. The Town's cost of accumulated vacation pay expected to be paid in the future is accounted for as a noncurrent liability in the statement of net position.

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Interfund Transactions

Transactions that constitute reimbursement to a fund for expenditures/expenses initially made on behalf of another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are recorded as operating transfers.

Credit Risk

Financial instruments which potentially subject the Town to the concentration of credit risk consist principally of temporary cash investments. The Town places its temporary cash investments with high credit quality financial institutions. At June 30, 2024, the Town's cash funds were located in three financial institutions. Concentrations of credit risk with respect to trade receivables are limited due to the large number of customers comprising the Town's customer base.

Allowance for Uncollectible Accounts

The Town calculates its allowance for uncollectible accounts using historical collection data. At June 30, 2024 the allowance for uncollectible real estate and personal property taxes receivable was \$15,098 and the allowance for uncollectible water, waste disposal, and electrical service receivables was \$96,892.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and disclosure of contingent assets and liabilities for the reported periods. Actual results could differ from those estimates and assumptions.

Capital Assets

Capital assets include land and land improvements, equipment, and vehicles. Any asset or group of assets acquired by the Town that has a useful life in excess of one year and an acquisition cost or fair market value (when received) exceeding \$1,000 are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Such assets are recorded at historical, or estimated historical, cost if constructed or purchased. Donated capital assets are recorded at fair market value at the date of donation. Capital assets are depreciated over their estimated useful lives, ranging from 5 to 25 years, using the straight-line method as follows:

Land improvements	7 – 20 years
Equipment	5 – 25 years
Vehicles	5 – 15 years

When capital assets are disposed, the related costs and accumulated depreciation are removed from the respective accounts and any profit or loss on disposition is recognized in the current year's operations.

Maintenance and ordinary repairs are charged to expense as incurred. Expenditures which materially increase values, change capacities, or extend useful lives are capitalized.

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Certain capital items, including buildings, that would have been fully depreciated at the time the Town adopted GASB 34 are not being depreciated as described above (as they had no remaining book value at the time of adoption).

Pensions

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

Adoption of New Accounting Standard

Effective July 1, 2023, the Town adopted Government Accounting Standards Board (GASB) Statement No. 96, *Subscription-based Information Technology Arrangements* which technically was implementable on July 1, 2022, however, at that time, the Town had no agreements that needed to be accounted for under this GASB. The following discussion provides the Town's accounting policy regarding subscription arrangements.

A subscription arrangement has been recognized and measured using the facts and circumstances that existed at the beginning of the arrangement during the current year. The Town's subscription arrangement had no prepayments (payments made at or before the commencement of the arrangement) and contained no incentives, as such, the subscription liability has been recognized and measured at the same amount as the related right-of-use subscription asset as of the implementation date. As the arrangement began during the fiscal year, no restatement of the prior year net position was necessary. See additional information in Notes 4, 7, and 12.

Note 2 – Cash and Cash Equivalents

Deposits

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

At June 30, 2024, the carrying value of the Town's deposits with banks and savings institutions was \$3,158,885 and the bank balance was \$3,192,081. Cash and deposits consist of the following:

Total deposits	\$ 3,158,885
Total cash on hand	100
Total cash and deposits	<u>3,158,985</u>
Less: restricted cash	<u>113,784</u>
Total cash and cash equivalents, Statement of Net Position	<u><u>\$ 3,045,201</u></u>

The Town has no formal investment policy.

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Note 3 – Property Taxes Receivable

The Town levies real estate taxes on all real property and mobile homes on a calendar year basis at the rate enacted by the Town Council. The rate is applied to the assessed value of property as determined by the appraised value established by Sussex County. The taxes are billed by the Town on an annual basis and are due February 5, of the following year. The tax rate for real property and mobile homes for the fiscal year ended June 30, 2024, was \$0.120 per \$100 of assessed value. The rate for public service corporations was \$0.093 for the fiscal year ended June 30, 2024.

The Town levies personal property taxes on motor vehicles and tangible personal property used in a trade or business. Taxes are billed on an annual basis and are due February 5, of the following year. The tax rate for the fiscal year ended June 30, 2024, was \$0.86, for both personal property and machinery and tools, per \$100 of assessed value, as determined by Sussex County.

Assessed values used for the fiscal year were as follows:

Real estate	\$ 62,733,012
Personal property	\$ 9,840,330
Public service corporations	\$ 4,336,756

Note 4 – Capital Assets

Capital assets activity for the year was as follows:

	Beginning Balance July 1, 2023	Additions	Reductions	Ending Balance June 30, 2024
Governmental activities				
Capital assets not subject to depreciation and amortization:				
Land	\$ 71,483	\$ -	\$ -	\$ 71,483
Capital assets being depreciated and amortized:				
Land improvements	269,678	-	-	269,678
Equipment	262,425	7,019	-	269,444
Subscription asset	-	3,579	-	3,579
Vehicles	447,969	-	-	447,969
Total capital assets being depreciated and amortized	980,072	10,598	-	990,670
Accumulated depreciation and amortization:				
Land improvements	(177,780)	(17,734)	-	(195,514)
Equipment	(213,109)	(22,543)	-	(235,652)
Subscription asset	-	(795)	-	(795)
Vehicles	(431,720)	(3,000)	-	(434,720)
Total accumulated depreciation and amortization	(822,609)	(44,072)	-	(866,681)
Total capital assets being depreciated and amortized, net	157,463	(33,474)	-	123,989
Governmental activities capital assets, net	<u>\$ 228,946</u>	<u>\$ (33,474)</u>	<u>\$ -</u>	<u>\$ 195,472</u>

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

	Beginning Balance July 1, 2023	Additions	Reductions	Ending Balance June 30, 2024
Business-type activities - Public Utility Fund				
Capital assets not subject to depreciation:				
Land	\$ 35,500	\$ -	\$ -	\$ 35,500
Construction in progress	61,444	8,251	-	69,695
Total capital assets not subject to depreciation	96,944	8,251	-	105,195
Capital assets being depreciated:				
Land improvements	31,211	-	-	31,211
Vehicles	24,930	-	-	24,930
Equipment	1,083,878	5,763	-	1,089,641
Infrastructure	1,223,665	-	-	1,223,665
Total capital assets being depreciated	2,363,684	5,763	-	2,369,447
Accumulated depreciation:				
Land improvements	(5,604)	(1,196)	-	(6,800)
Vehicles	(22,626)	-	-	(22,626)
Equipment	522,070	(39,535)	-	(561,605)
Infrastructure	(704,508)	(40,115)	-	(744,623)
Total accumulated depreciation	(1,254,808)	(80,846)	-	(1,335,654)
Total capital assets being depreciated and amortized, net	1,108,876	(75,083)	-	1,033,793
Business-type activities capital assets, net	<u>\$ 1,205,820</u>	<u>\$ (66,832)</u>	<u>\$ -</u>	<u>\$ 1,138,988</u>
	Beginning Balance July 1, 2023	Additions	Reductions	Ending Balance June 30, 2024
Business-type activities - Airport Commission				
Capital assets being depreciated:				
Hangers and building improvements	\$ 2,506,954	\$ 17,855	\$ -	\$ 2,524,809
Runway improvements	352,462	119,135	-	471,597
Equipment	72,592	-	-	72,592
Total capital assets being depreciated	2,932,008	136,990	-	3,068,998
Accumulated depreciation:				
Hangers and building improvements	(778,561)	(105,678)	-	(884,239)
Runway improvements	(324,612)	(6,775)	-	(331,387)
Equipment	(64,888)	(2,645)	-	(67,533)
Total accumulated depreciation	(1,168,061)	(115,098)	-	(1,283,159)
Total capital assets being depreciated, net	1,763,947	21,892	-	1,785,839
Airport Commission capital assets, net	<u>\$ 1,763,947</u>	<u>\$ 21,892</u>	<u>\$ -</u>	<u>\$ 1,785,839</u>

In addition to the assets listed above, the Town owns several parcels of real estate, the original value of which is nominal and, as such, is not presented herein.

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Depreciation and amortization expense was charged to functions of the primary government as follows:

Government activities:	
Public works	\$ 8,271
General government administration	9,123
Parks, recreation and cultural	17,839
Public safety	8,839
	<u>\$ 44,072</u>
Business-type activities:	
Public utility	\$ 80,846
Airport Commission	115,098
	<u>\$ 195,944</u>

Construction in process consists of the following:

	Incurred through June 30, 2024	Committed at June 30, 2024
Water Main Design	<u>\$ 69,695</u>	<u>\$ 19,583</u>

Note 5 – Note Receivable

During FY2022, the Town loaned \$167,925 to the Wakefield Volunteer Fire Department for the purpose of purchasing a new brush truck. The note is payable in thirteen annual installments, including interest at 2.0%. There are twelve payments of \$15,000 and a thirteenth payment of the remaining balance. The outstanding balance of the note receivable was \$107,297 at June 30, 2024.

Note 6 – Note Payable

The Town obtained a \$250,000 loan from Farmer's Bank to fund an electrical line upgrade. The total loan amount was received in August 31, 2018, bears interest at a rate of 4%, and is due in monthly installments through August 2023. The loan was fully paid off during fiscal year 2024.

Note 7 – Noncurrent Liabilities

	Beginning Balance July 1, 2023	Additions	Reductions	Ending Balance June 30, 2024	Due Within One Year
Governmental activities					
Compensated absences	\$ 1,680	\$ 4,043	\$ (2,967)	\$ 2,756	\$ 2,756
Subscription liability	-	3,579	(1,250)	2,329	1,137
Total governmental activities	<u>\$ 1,680</u>	<u>7,622</u>	<u>(4,217)</u>	<u>5,085</u>	<u>3,893</u>
Business-type activities					
Note payable	\$ 8,773	\$ -	\$ (8,773)	\$ -	\$ -
Compensated absences	4,620	4,032	(4,240)	4,412	4,412
Total business-type activities	<u>\$ 13,393</u>	<u>\$ 4,032</u>	<u>\$ (13,013)</u>	<u>\$ 4,412</u>	<u>\$ 4,412</u>

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Note 8 – Defined Benefit Pension Plan

The Town contributes to the Virginia Retirement System (VRS), an agent, multiple employer defined benefit pension plan administered by the VRS.

Plan Description

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

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

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

	Number
Inactive members or their beneficiaries currently receiving benefits	5
Inactive members:	
Vested	-
Non-vested	-
Active elsewhere in VRS	2
Total inactive members	7
Active members	5
Total covered employees	12

Contributions

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

The Town's contractually required contribution rate for the year ended June 30, 2024, was 5.59% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Town were \$10,802 for the year ended June 30, 2024.

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Net Pension Liability

The net pension liability 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 Town's net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022, rolled forward to the measurement date of June 30, 2023.

Actuarial Assumptions

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

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

Mortality rates: General employees - 15 to 20% of deaths are assumed to be service related. Mortality is projected using the applicable Pub-2010 Mortality Table with various setbacks or set forwards for both males and females.

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 are as follows:

General Employees - Largest 10 - Non-Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rates to better fit experience; 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 disability; and no change to discount rate.

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:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
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%

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Private equity	16.00%	9.17%	1.47%
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%
	100.00%		5.75%
	Inflation		2.50%
	* Expected arithmetic nominal return		8.25%

*The above allocation provides for 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 rate of return for the System, stochastic projections are employed to model future returns under various economic conditions. The 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 6.75% which is 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%.

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 fiscal year 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 (asset).

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Changes in Net Pension Liability (Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at June 30, 2022	\$ 845,123	\$ 841,742	\$ 3,381
Changes for the year:			
Service cost	13,382	-	13,382
Interest	55,732	-	55,732
Changes of assumptions	-	-	-
Difference between expected and actual experience	2,729	-	2,729
Contributions - employer	-	9,094	(9,094)
Contributions - employee	-	8,231	(8,231)
Net investment income	-	52,513	(52,513)
Benefit payments, including refunds of employee contributions	(65,679)	(65,679)	-
Administrative expense	-	(552)	552
Other changes	-	21	(21)
Net changes	6,164	3,628	2,536
Balances at June 30, 2023	<u>\$ 851,287</u>	<u>\$ 845,370</u>	<u>\$ 5,917</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net pension liability (asset)	<u>\$ 87,812</u>	<u>\$ 5,917</u>	<u>\$ (64,417)</u>

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

For the year ending June 30, 2024, the Town recognized pension expense of \$106,877. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 90,348	\$ -
Changes of assumptions	2,418	-
Employer contributions made subsequent to measurement date	10,802	-
Net difference between projected and actual earnings on plan investments	-	9,096
	<u>\$ 103,568</u>	<u>\$ 9,096</u>

Deferred outflows of resources of \$10,802 represent the Town's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025.

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Other amounts reported as deferred inflows of resources and deferred outflows of resources related to pensions as of June 30, 2024, will be recognized in pension expense in future reporting periods as follows:

<u>Year Ending June 30,</u>	<u>Effect on Pension Expense</u>
2025	\$ 83,284
2026	(12,380)
2027	12,235
2028	531
	<u>\$ 83,670</u>

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 <http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

Note 9 – Commitments

Law Enforcement

The Town contracts with the County of Sussex to provide law enforcement services and equipment. The Town pays a monthly fee for all services and equipment; however, the agreement can be terminated upon 90 days written notice.

Water Project

The Town was working with a design firm on a water main design project. The total contract price is \$89,278, of which \$69,695 was paid at year-end.

Generator Project

The Town entered into an agreement with a contractor for a generator project in December 2023. The total contract price was \$1,231,685. As of June 30, 2024, no work has commenced toward this project.

Note 10 – Unearned Revenue

In June 2021, the Town received an allocation from the State of \$427,976 under the Coronavirus State and Local Fiscal Recovery Fund's Non-Entitlement Unit (NEU) distribution. In July 2022, the Town received a second allocation from the State of \$427,976. These funds are to be used for certain eligible expenditures incurred between March 3, 2021, and December 31, 2026. Eligible expenditures must be obligated by December 31, 2024. As of June 30, 2024, the Town had only spent a portion of these funds and, as such, the unspent portion of \$750,623 is included in unearned revenue in the statement of net position for proprietary funds. This allocation will be recognized as revenue as funds are expended in future fiscal years. Revenue was recognized for the spent funds for fiscal year 2024 and is included in operating grants and contributions for the public utilities in the statement of activities.

Town of Wakefield, Virginia

Notes to Financial Statements

June 30, 2024

Note 11 – Interfund Transfers

Interfund transfers were made for operating purposes. The total interfund transfers for the year ended June 30, 2024, were as follows:

	General Fund	Public Utility Fund	Total
Transfers to:			
General Fund	\$ -	\$ 51,719	\$ 51,719
Airport Commission Fund	35,689	-	35,689
Permanent Fund	27,607	-	27,607
	<u>\$ 63,296</u>	<u>\$ 51,719</u>	<u>\$ 115,015</u>

Note 12 – Subscription-Based Information Technology Arrangement

The Town has a subscription-based information technology arrangement for a communication platform. During 2024, the Town adopted GASB 96, *Subscription-based Information Technology Arrangements*, and recognized a subscription asset and intangible right-to-use subscription liability, discounted at 4.76%, in the statement of net position and also recognized subscription amortization and interest expense of \$795 and \$75, respectively, which are included in the statement of activities in expenses, for the fiscal year ended June 30, 2024:

Intangible right-to-use subscription liability - July 1, 2023	\$ -
Additions	3,579
Subtractions	(1,250)
Balance - June 30, 2024	2,329
Less - current portion of intangible right-to-use subscription liability	(1,137)
Long-term intangible right-to-use subscription liability - June 30, 2024	<u>\$ 1,192</u>

Future maturities are as follows:

	Principal	Interest	Total
2025	\$ 1,137	\$ 113	\$ 1,250
2026	1,192	58	1,250
	<u>\$ 2,329</u>	<u>\$ 171</u>	<u>\$ 2,500</u>



Required Supplementary Information (RSI)

Town of Wakefield, Virginia

General Fund

Schedule of Revenues - Budget and Actual (Cash Basis)

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
REVENUE FROM LOCAL SOURCES				
General property taxes:				
Personal property taxes	\$ 47,000	\$ 47,000	\$ 40,837	\$ (6,163)
Real property taxes	76,071	76,071	76,598	527
Machinery and tools taxes	6,475	6,475	12,111	5,636
Public service corporations (real and personal property taxes)	4,450	4,450	5,204	754
Penalties	800	800	2,303	1,503
Mobile home taxes	155	155	198	43
Total general property taxes	<u>134,951</u>	<u>134,951</u>	<u>137,251</u>	<u>2,300</u>
Other local taxes:				
Meals taxes, net of 3% reimbursement	293,500	293,500	318,533	25,033
Local sales and use taxes	62,000	62,000	62,730	730
Franchise license taxes	30,800	30,800	44,090	13,290
Communication taxes	12,500	12,500	11,709	(791)
Motor vehicle licenses	6,500	6,500	9,290	2,790
Cigarette tax	43,000	43,000	35,552	(7,448)
Total other local taxes	<u>448,300</u>	<u>448,300</u>	<u>481,904</u>	<u>33,604</u>
Revenue from use of money and property:				
Revenue from use of money	1,390	1,390	69,436	68,046
Revenue from use of property	6,710	6,710	7,060	350
Total revenue from use of money and property	<u>8,100</u>	<u>8,100</u>	<u>76,496</u>	<u>68,396</u>
Permits, privilege fees, and regulatory licenses:				
Trailer permits and golf cart licenses	150	150	140	(10)
Fines and forfeitures:				
Town fines	25,000	25,000	184,292	159,292
Recovered costs:				
Insurance recoveries	1,500	1,500	1,915	415
Miscellaneous revenue:				
Other	18,603	18,603	20,931	2,328
Total revenue from local sources	<u>636,604</u>	<u>636,604</u>	<u>902,929</u>	<u>266,325</u>

Town of Wakefield, Virginia

General Fund

Schedule of Revenues - Budget and Actual (Cash Basis)

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
REVENUE FROM THE COMMONWEALTH OF VIRGINIA				
Categorical aid:				
Law enforcement grant	26,032	26,032	30,102	4,070
Fire program funds	15,000	15,000	15,000	-
Total categorical aid	41,032	41,032	45,102	4,070
Noncategorical aid:				
Personal Property Tax Relief Act	19,612	19,612	19,612	-
Rolling stock tax	4,560	4,560	5,085	525
Car rental distribution	350	350	-	(350)
Mobile home titling taxes	2,500	2,500	870	(1,630)
Total noncategorical aid	27,022	27,022	25,567	(1,455)
Total revenue from the Commonwealth of Virginia	68,054	68,054	70,669	2,615
OTHER FINANCING SOURCES				
Other financing sources:				
Transfers from public utility fund	-	-	51,719	51,719
Total other financing sources	-	-	51,719	51,719
	\$ 704,658	\$ 704,658	\$ 1,025,317	\$ 320,659

Town of Wakefield, Virginia

General Fund

Schedule of Expenditures - Budget and Actual (Cash Basis)

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
GENERAL GOVERNMENT ADMINISTRATION				
Legislative - Town Council	\$ 9,587	\$ 9,587	\$ 9,930	\$ (343)
General and financial administration:				
Salaries and fringe benefits	150,573	150,573	158,440	(7,867)
Insurance and bonding	29,100	29,100	27,396	1,704
Office operations and utilities	28,725	28,725	34,527	(5,802)
Repairs and maintenance	24,000	24,000	20,471	3,529
Independent auditor	23,500	23,500	28,901	(5,401)
Legal services	7,000	7,000	11,280	(4,280)
Dues and subscriptions	760	760	816	(56)
Travel	1,170	1,170	803	367
Advertising	445	445	544	(99)
Miscellaneous	3,100	3,100	3,187	(87)
Total general and financial administration	268,373	268,373	286,365	(17,992)
Total general government administration	277,960	277,960	296,295	(18,335)
PUBLIC SAFETY				
Law enforcement and traffic control - police department	73,500	73,500	152,387	(78,887)
Fire and rescue services - volunteer fire and rescue squads	55,095	55,095	55,770	(675)
Total public safety	128,595	128,595	208,157	(79,562)
PUBLIC WORKS				
Maintenance of highways, streets, bridges and sidewalks:				
Highways, streets, bridges, and sidewalks	17,857	17,857	18,489	(632)
Street lights	3,800	3,800	3,841	(41)
Total maintenance of highways, streets, bridges and sidewalks	21,657	21,657	22,330	(673)
Maintenance of general buildings and grounds:				
General properties	87,021	87,021	62,165	24,856
General administration	6,000	6,000	4,408	1,592
Total maintenance of general buildings and grounds	93,021	93,021	66,573	26,448
Total public works	114,678	114,678	88,903	25,775

Town of Wakefield, Virginia

General Fund

Schedule of Expenditures - Budget and Actual (Cash Basis)

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
PARKS, RECREATIONAL AND CULTURAL				
Library	7,200	7,200	7,200	-
Ball park	32,291	32,291	30,769	1,522
Total parks, recreation and cultural	39,491	39,491	37,969	1,522
CAPITAL OUTLAY				
Public works	15,500	15,500	7,020	8,480
Total capital outlay	15,500	15,500	7,020	8,480
OTHER FINANCING USES				
Transfers to permanent fund			27,607	
Transfers to airport fund	-	-	35,689	(35,689)
Total other financing uses	-	-	63,296	(35,689)
	<u><u>\$ 576,224</u></u>	<u><u>\$ 576,224</u></u>	<u><u>\$ 701,640</u></u>	<u><u>\$ (97,809)</u></u>
Excess of revenues and other financing sources over expenditures and other financing uses - cash basis	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	\$ 323,677	<u><u>\$ (323,677)</u></u>
Cash to accrual adjustments			<u>9,158</u>	
Excess of revenues and other financing sources over expenditures and other financing uses - U.S. GAAP basis			332,835	
FUND BALANCE, June 30, 2023			<u>1,792,017</u>	
FUND BALANCE, June 30, 2024			<u><u>\$ 2,124,852</u></u>	

Town of Wakefield, Virginia

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY										
Service cost	\$ 13,382	\$ 10,873	\$ 15,713	\$ 12,973	\$ 20,790	\$ 21,167	\$ 21,697	\$ 20,780	\$ 20,253	\$ 18,924
Interest	55,732	39,942	33,736	32,578	33,388	30,990	29,121	27,217	25,347	23,901
Changes of assumptions	-	-	23,763	-	10,926	-	(723)	-	-	-
Benefit payments, including refunds of employee contributions	(65,679)	(64,611)	(45,115)	(28,112)	(19,648)	(19,538)	(22,710)	(22,682)	(22,321)	(21,999)
Difference between expected and actual experience	2,729	245,747	62,727	8,209	(35,558)	1,695	(2,272)	1,900	3,618	-
Net change in total pension liability	6,164	231,951	90,824	25,648	9,898	34,314	25,113	27,215	26,897	20,826
Total pension liability, beginning	845,123	613,172	522,348	496,700	486,802	452,488	427,375	400,160	373,263	352,437
Total pension liability, ending (a)	<u>\$ 851,287</u>	<u>\$ 845,123</u>	<u>\$ 613,172</u>	<u>\$ 522,348</u>	<u>\$ 496,700</u>	<u>\$ 486,802</u>	<u>\$ 452,488</u>	<u>\$ 427,375</u>	<u>\$ 400,160</u>	<u>\$ 373,263</u>
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 9,094	\$ 12,838	\$ 200,032	\$ 30,680	\$ 11,718	\$ 14,522	\$ 14,179	\$ 13,485	\$ 13,247	\$ 8,839
Contributions - employee	8,231	7,676	8,780	19,016	6,797	7,290	7,118	6,994	6,871	6,747
Net investment income	52,513	(184)	171,325	10,371	32,889	33,559	49,465	7,011	17,639	53,056
Benefit payments	(65,679)	(64,611)	(45,115)	(28,112)	(19,648)	(19,538)	(22,710)	(22,682)	(22,321)	(21,999)
Administrative expenses	(552)	(562)	(251)	(307)	(318)	(282)	(281)	(247)	(240)	(289)
Other changes	21	20	18	(12)	(21)	(30)	(44)	(3)	(4)	3
Net change in plan fiduciary net position	3,628	(44,823)	334,789	31,636	31,417	35,521	47,727	4,558	15,192	46,357
Plan fiduciary net position, beginning	841,742	886,565	551,776	520,140	488,723	453,202	405,475	400,917	385,725	339,368
Plan fiduciary net position, ending (b)	<u>\$ 845,370</u>	<u>\$ 841,742</u>	<u>\$ 886,565</u>	<u>\$ 551,776</u>	<u>\$ 520,140</u>	<u>\$ 488,723</u>	<u>\$ 453,202</u>	<u>\$ 405,475</u>	<u>\$ 400,917</u>	<u>\$ 385,725</u>
Town's net pension liability (asset), ending (a) - (b)	<u>\$ 5,917</u>	<u>\$ 3,381</u>	<u>\$ (273,393)</u>	<u>\$ (29,428)</u>	<u>\$ (23,440)</u>	<u>\$ (1,921)</u>	<u>\$ (714)</u>	<u>\$ 21,900</u>	<u>\$ (757)</u>	<u>\$ (12,462)</u>
Plan fiduciary net position as a percentage of the total pension liability	99.3%	99.6%	144.6%	105.6%	104.7%	100.4%	100.2%	94.9%	100.2%	103.3%
Covered payroll	<u>\$ 205,772</u>	<u>\$ 191,898</u>	<u>\$ 234,291</u>	<u>\$ 254,188</u>	<u>\$ 135,928</u>	<u>\$ 145,803</u>	<u>\$ 142,359</u>	<u>\$ 139,886</u>	<u>\$ 137,417</u>	<u>\$ 134,947</u>
Net pension liability (asset) as a percentage of covered payroll	<u>2.9%</u>	<u>1.8%</u>	<u>-116.7%</u>	<u>-11.6%</u>	<u>-17.2%</u>	<u>-1.3%</u>	<u>-0.5%</u>	<u>15.7%</u>	<u>-0.6%</u>	<u>-9.2%</u>

The plan years noted above are reported in the Town's financial statements in the fiscal year following the plan year - i.e., plan year 2023 information was presented in the Town's fiscal year 2024 financial report.

Town of Wakefield, Virginia

Schedule of Employer Contributions

Fiscal Year Ending June 30,	Contractually Required Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 10,802	\$ 10,802	\$ -	\$ 251,324	4.30%
2023	\$ 9,096	\$ 9,096	\$ -	\$ 205,772	4.42%
2022	\$ 12,838	\$ 12,838	\$ -	\$ 191,898	6.69%
2021	\$ 18,017	\$ 18,017	\$ -	\$ 234,291	7.69%
2020	\$ 21,911	\$ 21,911	\$ -	\$ 254,188	8.62%
2019	\$ 11,717	\$ 11,717	\$ -	\$ 135,928	8.62%
2018	\$ 14,522	\$ 14,522	\$ -	\$ 145,803	9.96%
2017	\$ 14,179	\$ 14,179	\$ -	\$ 142,359	9.96%
2016	\$ 13,485	\$ 13,485	\$ -	\$ 139,886	9.64%
2015	\$ 13,247	\$ 13,247	\$ -	\$ 137,417	9.64%

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

Town of Wakefield, Virginia
Notes to Required Supplementary Information
June 30, 2024

Note 1 – Budgetary Appropriations

The Town budget is prepared on a cash basis. During FY24, actual expenditures were in excess of budgeted appropriations. The amount by which actual revenues exceeded those budgeted for FY24 was greater than the amount by which expenditures exceeded budgetary appropriations.

Note 2 – Pension Plan

Changes of Benefit Terms

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

Changes of Assumptions

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

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

- 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.
- Adjusted withdrawal rates to better fit experience at each year 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.



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 Town Council of
Town of Wakefield, Virginia
Wakefield, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wakefield, Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Wakefield, Virginia's basic financial statements, and have issued our report thereon dated October 11, 2024.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and responses to be a material weakness in internal control over financial reporting (see 2024-001).

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. We consider the deficiency described in the accompanying schedule of findings and responses to be a significant deficiency in internal control over financial reporting (see 2024-002).

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Wakefield, Virginia'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town of Wakefield, Virginia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Wakefield, Virginia's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Town of Wakefield, Virginia'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 the testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purposes.



CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
October 11, 2024

Town of Wakefield, Virginia
Schedule of Findings and Responses
June 30, 2024

2024-001: Segregation of Duties (Material Weakness)

Criteria

Duties within the accounting system should be properly segregated.

Condition

A lack of segregation of duties within the accounting function was noted.

Cause

This is due to the limited number of office personnel employed by the Town.

Effect

This situation may result in defalcation or errors being undetected.

Recommendation

Due to the small size of the Town, we do not consider the hiring of additional employees to be cost effective. While complete segregation of duties is not practical, we recommend strong management supervision and review over the accounting system.

Management Response

Management (Town Council and Town Officials) will continue to strongly supervise and review the accounting system through monthly review of detailed financial information.

2024-002: Audit Adjustments (Significant Deficiency)

Criteria

The Town does not prepare financial statements and footnotes in compliance with Generally Accepted Accounting Principles (GAAP) and the Governmental Accounting Standards Board (GASB).

Condition

As part of our audit, we proposed multiple significant adjustments related to pensions, capital assets, accounts payable, and accounts receivable. These are reviewed and approved by management; however, auditors feel that this review would only detect material misstatements, and that a misstatement that is more than inconsequential may not be prevented or detected.

Cause

Due to the small size of the Town, there is a limited accounting staff, which does not allow for the hiring of an accountant with the background needed to prepare GAAP financial statements and related disclosures.

Town of Wakefield, Virginia
Schedule of Findings and Responses
June 30, 2024

Effect

Financial statements and related disclosures may be misstated by an amount that is more than inconsequential.

Recommendation

Management will meet regularly with the auditors to keep up to date on changes in GAAP and GASB and continue to review the draft GAAP and GASB financial statements and related disclosures prior to issuance.

Management Response

Recommendations made by auditors will be implemented.

Town of Wakefield, Virginia
Summary Schedule of Prior Audit Findings
June 30, 2024

2023-001: Segregation of Duties (Material Weakness)

Condition

A lack of segregation of duties within the accounting function was noted.

Recommendation

Due to the small size of the Town, we do not consider the hiring of additional employees to be cost effective. While complete segregation of duties is not practical, we recommend strong management supervision and review over the accounting system.

Current Status

See current year finding 2024-001.

2023-002: Audit Adjustments (Significant Deficiency)

Condition

As part of our audit, we proposed multiple significant adjustments related to pensions, capital assets, accounts payable, and accounts receivable. These are reviewed and approved by management; however, auditors feel that this review would only detect material misstatements, and that a misstatement that is more than inconsequential may not be prevented or detected.

Recommendation

Management will meet regularly with the auditors to keep up to date on changes in GAAP and GASB and continue to review the draft GAAP and GASB financial statements and related disclosures prior to issuance.

Current Status

See current year finding 2024-002.



Statistical Section

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

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	\$ 193,143	\$ 228,946	\$ 260,152	\$ 288,869	\$ 280,071	\$ 324,333	\$ 270,909	\$ 193,628	\$ 225,577	\$ 226,040
Restricted for permanent fund	1,762	1,786	1,832	1,760	2,251	42,143	41,884	41,302	41,921	41,876
Restricted for pensions	-	-	155,705	17,459	15,821	1,516	-	-	586	11,042
Unrestricted	2,325,654	2,071,777	1,682,618	1,709,678	1,384,378	1,291,311	1,295,001	1,123,448	1,221,506	1,099,404
Total governmental activities net position	<u><u>\$ 2,520,559</u></u>	<u><u>\$ 2,302,509</u></u>	<u><u>\$ 2,100,307</u></u>	<u><u>\$ 2,017,766</u></u>	<u><u>\$ 1,682,521</u></u>	<u><u>\$ 1,659,303</u></u>	<u><u>\$ 1,607,794</u></u>	<u><u>\$ 1,358,378</u></u>	<u><u>\$ 1,489,590</u></u>	<u><u>\$ 1,378,362</u></u>
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets	\$ 2,924,827	\$ 2,938,583	\$ 2,513,389	\$ 2,566,477	\$ 2,675,462	\$ 2,297,763	\$ 2,106,108	\$ 2,136,580	\$ 1,870,693	\$ 1,388,348
Restricted for pensions	-	-	117,688	11,969	7,619	405	-	-	171	1,420
Unrestricted	343,285	213,437	152,203	203,033	183,408	223,287	194,210	184,687	207,107	145,083
Total business-type activities net position	<u><u>\$ 3,268,112</u></u>	<u><u>\$ 3,152,020</u></u>	<u><u>\$ 2,783,280</u></u>	<u><u>\$ 2,781,479</u></u>	<u><u>\$ 2,866,489</u></u>	<u><u>\$ 2,521,455</u></u>	<u><u>\$ 2,300,318</u></u>	<u><u>\$ 2,321,267</u></u>	<u><u>\$ 2,077,971</u></u>	<u><u>\$ 1,534,851</u></u>
PRIMARY GOVERNMENT										
Net investment in capital assets	\$ 3,117,970	\$ 3,167,529	\$ 2,773,541	\$ 2,855,346	\$ 2,955,533	\$ 2,622,096	\$ 2,377,017	\$ 2,330,208	\$ 2,096,270	\$ 1,614,388
Restricted for permanent fund	1,762	1,786	1,832	1,760	2,251	42,143	41,884	41,302	41,921	41,876
Restricted for pensions	-	-	273,393	29,428	23,440	1,921	-	-	757	12,462
Unrestricted	2,668,939	2,285,214	1,834,821	1,912,711	1,567,786	1,514,598	1,489,211	1,308,135	1,428,613	1,244,487
Total primary government net position	<u><u>\$ 5,788,671</u></u>	<u><u>\$ 5,454,529</u></u>	<u><u>\$ 4,883,587</u></u>	<u><u>\$ 4,799,245</u></u>	<u><u>\$ 4,549,010</u></u>	<u><u>\$ 4,180,758</u></u>	<u><u>\$ 3,908,112</u></u>	<u><u>\$ 3,679,645</u></u>	<u><u>\$ 3,567,561</u></u>	<u><u>\$ 2,913,213</u></u>

See Independent Auditor's Report.

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

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
EXPENSES										
Governmental activities:										
General government administration	\$ 369,257	\$ 304,599	\$ 346,819	\$ 362,373	\$ 326,160	\$ 288,234	\$ 287,102	\$ 275,860	\$ 252,234	\$ 280,136
Public safety	220,009	141,391	123,595	124,506	129,857	123,416	117,530	124,539	130,871	104,626
Public works	128,275	77,902	100,081	67,635	77,468	183,967	172,367	175,765	169,621	182,088
Parks, recreation and cultural	50,239	53,936	16,510	19,248	25,500	26,266	30,314	16,081	22,192	26,170
Community development	-	-	-	-	-	-	-	-	124,776	-
Total governmental										
activities expenses	767,780	577,828	587,005	573,762	558,985	621,883	607,313	592,245	699,694	593,020
Business-type activities:										
Public utility	1,722,535	1,707,881	1,444,329	1,218,813	1,312,254	1,333,911	1,260,827	1,289,260	1,233,896	1,394,066
Airport Commission expenses	184,131	142,690	173,849	148,052	151,070	172,711	198,148	277,501	166,660	207,804
Total business-type activities										
expenses	1,906,666	1,850,571	1,618,178	1,366,865	1,463,324	1,506,622	1,458,975	1,566,761	1,400,556	1,601,870
Total primary										
government expenses	<u>\$ 2,674,446</u>	<u>\$ 2,428,399</u>	<u>\$ 2,205,183</u>	<u>\$ 1,940,627</u>	<u>\$ 2,022,309</u>	<u>\$ 2,128,505</u>	<u>\$ 2,066,288</u>	<u>\$ 2,159,006</u>	<u>\$ 2,100,250</u>	<u>\$ 2,194,890</u>
PROGRAM REVENUES										
Governmental activities:										
Operating grants and contributions	\$ -	\$ -	\$ -	\$ 144,868	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business-type activities:										
Charges for services	1,792,516	1,767,363	1,561,522	1,490,654	1,517,588	1,723,060	1,710,057	1,629,148	1,671,992	1,818,629
Capital grants and contributions	159,980	464,324	-	-	-	-	-	-	-	-
Operating grants and contributions	-	2,738	75,914	4,010	312,457	97,713	-	33,986	420,637	174,663
Total business-type activities										
program revenues	1,952,496	2,234,425	1,637,436	1,494,664	1,830,045	1,820,773	1,710,057	1,663,134	2,092,629	1,993,292
Total primary government										
program revenues	<u>\$ 1,952,496</u>	<u>\$ 2,234,425</u>	<u>\$ 1,637,436</u>	<u>\$ 1,639,532</u>	<u>\$ 1,830,045</u>	<u>\$ 1,820,773</u>	<u>\$ 1,710,057</u>	<u>\$ 1,663,134</u>	<u>\$ 2,092,629</u>	<u>\$ 1,993,292</u>
NET (EXPENSE) REVENUE										
Governmental activities	\$ (767,780)	\$ (577,828)	\$ (587,005)	\$ (428,894)	\$ (558,985)	\$ (621,883)	\$ (607,313)	\$ (592,245)	\$ (699,694)	\$ (593,020)
Business-type activities	45,830	383,854	19,258	127,799	366,721	314,151	251,082	96,373	692,073	391,422
Total primary government										
net expense	<u>\$ (721,950)</u>	<u>\$ (193,974)</u>	<u>\$ (567,747)</u>	<u>\$ (301,095)</u>	<u>\$ (192,264)</u>	<u>\$ (307,732)</u>	<u>\$ (356,231)</u>	<u>\$ (495,872)</u>	<u>\$ (7,621)</u>	<u>\$ (201,598)</u>

See Independent Auditor's Report.

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

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental activities:										
General property taxes	\$ 137,251	\$ 111,598	\$ 86,121	\$ 79,723	\$ 77,330	\$ 84,243	\$ 81,548	\$ 84,724	\$ 84,301	\$ 81,945
Meals taxes	298,368	303,319	266,229	192,170	189,656	-	-	-	227,106	246,858
Other local taxes	190,925	146,698	133,863	159,807	139,963	361,818	390,657	330,233	95,828	67,958
Revenues from use of money and property	79,384	14,159	10,325	7,394	15,181	8,216	9,062	9,157	8,795	8,486
Permits, privilege fees, and regulatory licenses	140	180	196	200	140	90	248	170	450	100
Fines and forfeitures	184,292	46,979	26,540	18,292	13,344	5,594	1,939	772	180	1,140
Recovered costs	-	-	-	1,064	16,420	4,033	3,695	16,968	8,834	11,662
Revenues from other sources	8,771	12,762	4,801	4,575	6,420	8,316	3,938	29,984	21,912	9,289
Intergovernmental -										
Commonwealth of Virginia	70,669	71,668	70,145	65,327	62,965	59,466	57,573	59,599	58,422	58,341
Transfers	16,030	72,667	71,326	235,587	60,784	141,616	308,069	(70,574)	305,094	298,973
Total governmental activities	<u>985,830</u>	<u>780,030</u>	<u>669,546</u>	<u>764,139</u>	<u>582,203</u>	<u>673,392</u>	<u>856,729</u>	<u>461,033</u>	<u>810,922</u>	<u>784,752</u>
Business-type activities:										
Revenues from other sources	86,292	57,553	53,869	22,778	39,097	39,562	32,547	38,211	31,365	32,065
Payments from (to) the Town	-	-	-	-	-	9,040	3,491	(11,862)	124,776	-
Transfers	(16,030)	(72,667)	(71,326)	(235,587)	(60,784)	(141,616)	(308,069)	70,574	(305,094)	(298,973)
Total business-type activities	<u>70,262</u>	<u>(15,114)</u>	<u>(17,457)</u>	<u>(212,809)</u>	<u>(21,687)</u>	<u>(93,014)</u>	<u>(272,031)</u>	<u>96,923</u>	<u>(148,953)</u>	<u>(266,908)</u>
Total primary government	<u>\$ 1,056,092</u>	<u>\$ 764,916</u>	<u>\$ 652,089</u>	<u>\$ 551,330</u>	<u>\$ 560,516</u>	<u>\$ 580,378</u>	<u>\$ 584,698</u>	<u>\$ 557,956</u>	<u>\$ 661,969</u>	<u>\$ 517,844</u>
CHANGE IN NET POSITION										
Governmental activities	\$ 218,050	\$ 202,202	\$ 82,541	\$ 335,245	\$ 23,218	\$ 51,509	\$ 249,416	\$ (131,212)	\$ 111,228	\$ 191,732
Business-type activities	116,092	368,740	1,801	(85,010)	345,034	221,137	(20,949)	193,296	543,120	124,514
Total primary government	<u>\$ 334,142</u>	<u>\$ 570,942</u>	<u>\$ 84,342</u>	<u>\$ 250,235</u>	<u>\$ 368,252</u>	<u>\$ 272,646</u>	<u>\$ 228,467</u>	<u>\$ 62,084</u>	<u>\$ 654,348</u>	<u>\$ 316,246</u>

Town of Wakefield, Virginia

Fund Balances - Governmental Funds - Last Ten Fiscal Years

		Fiscal Year									
		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GENERAL FUND											
Unassigned		\$ 2,124,852	\$ 1,792,017	\$ 1,496,564	\$ 1,466,969	\$ 1,319,072	\$ 1,277,030	\$ 1,271,688	\$ 1,090,629	\$ 1,174,692	\$ 1,054,079
Total general fund		<u>\$ 2,124,852</u>	<u>\$ 1,792,017</u>	<u>\$ 1,496,564</u>	<u>\$ 1,466,969</u>	<u>\$ 1,319,072</u>	<u>\$ 1,277,030</u>	<u>\$ 1,271,688</u>	<u>\$ 1,090,629</u>	<u>\$ 1,174,692</u>	<u>\$ 1,054,079</u>
ALL OTHER GOVERNMENT FUNDS											
Committed		\$ 40,526	\$ 40,526	\$ 40,503	\$ 40,462	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Restricted		1,762	1,786	1,832	1,760	2,251	2,143	1,884	1,302	1,921	1,876
Total all other governmental funds		<u>\$ 42,288</u>	<u>\$ 42,312</u>	<u>\$ 42,335</u>	<u>\$ 42,222</u>	<u>\$ 42,251</u>	<u>\$ 42,143</u>	<u>\$ 41,884</u>	<u>\$ 41,302</u>	<u>\$ 41,921</u>	<u>\$ 41,876</u>

See Independent Auditor's Report.

Town of Wakefield, Virginia
Changes in Fund Balances - Governmental Funds - Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
REVENUES										
General property taxes	\$ 137,251	\$ 111,598	\$ 86,121	\$ 79,723	\$ 77,330	\$ 84,243	\$ 81,548	\$ 84,724	\$ 84,301	\$ 81,945
Other local taxes	489,293	450,017	400,092	351,977	329,619	361,818	390,657	330,233	322,934	314,816
Revenue from use of money and property	79,384	14,159	10,325	7,394	15,181	8,216	9,062	9,157	8,795	8,486
Permits, privilege fees, and regulatory licenses	140	180	196	200	140	90	248	170	450	100
Fines and forfeitures	184,292	46,979	26,540	18,292	13,344	5,594	1,939	772	180	1,140
Recovered costs	1,915	37,701	-	1,064	16,420	4,033	3,695	16,968	8,834	11,662
Miscellaneous	8,771	12,762	4,801	4,575	6,420	8,316	3,938	18,122	21,912	9,289
Intergovernmental - Commonwealth of Virginia	70,669	71,668	70,145	65,327	62,965	59,466	57,573	59,599	58,422	58,341
Federal	-	-	-	144,868	-	-	-	-	-	-
Total revenues	<u>971,715</u>	<u>745,064</u>	<u>598,220</u>	<u>673,420</u>	<u>521,419</u>	<u>531,776</u>	<u>548,660</u>	<u>519,745</u>	<u>505,828</u>	<u>485,779</u>
EXPENDITURES										
General government administration	293,288	268,854	249,380	526,362	345,903	279,623	278,492	262,688	243,908	231,254
Public safety	211,170	129,970	117,294	112,516	107,454	95,419	91,807	101,093	107,425	104,626
Public works	121,919	107,810	79,371	48,449	59,937	166,239	157,086	164,246	156,744	184,416
Parks, recreation and cultural	32,400	36,097	16,510	19,248	25,500	26,266	30,314	16,081	22,318	26,284
Community development	-	-	-	-	-	-	-	-	124,776	-
Capital projects	10,598	16,444	21,000	61,913	12,876	111,631	128,551	12,548	45,818	5,000
Total expenditures	<u>669,375</u>	<u>559,175</u>	<u>483,555</u>	<u>768,488</u>	<u>551,670</u>	<u>679,178</u>	<u>686,250</u>	<u>556,656</u>	<u>700,989</u>	<u>551,580</u>
Excess (deficiency) of revenues over (under) expenditures	<u>302,340</u>	<u>185,889</u>	<u>114,665</u>	<u>(95,068)</u>	<u>(30,251)</u>	<u>(147,402)</u>	<u>(137,590)</u>	<u>(36,911)</u>	<u>(195,161)</u>	<u>(65,801)</u>
OTHER FINANCING SOURCES (USES)										
Subscription financing	2,329	-	-	-	-	-	-	-	-	-
Operating transfers in	79,326	193,342	87,697	249,150	73,783	162,990	322,402	153,352	525,090	507,462
Operating transfers out	(63,296)	(120,675)	(16,371)	(13,563)	(12,999)	(21,374)	(14,333)	(212,064)	(219,996)	(208,489)
Loan to fire department	-	-	(167,925)	-	-	-	-	-	-	-
Note receivable repayments	12,112	36,874	11,642	7,349	11,617	11,387	11,162	10,941	10,725	10,513
Total other financing sources (uses)	<u>30,471</u>	<u>109,541</u>	<u>(84,957)</u>	<u>242,936</u>	<u>72,401</u>	<u>153,003</u>	<u>319,231</u>	<u>(47,771)</u>	<u>315,819</u>	<u>309,486</u>
Net change in fund balances	<u>\$ 332,811</u>	<u>\$ 295,430</u>	<u>\$ 29,708</u>	<u>\$ 147,868</u>	<u>\$ 42,150</u>	<u>\$ 5,601</u>	<u>\$ 181,641</u>	<u>\$ (84,682)</u>	<u>\$ 120,658</u>	<u>\$ 243,685</u>

See Independent Auditor's Report.

Town of Wakefield, Virginia

Assessed Value of Taxable Property - Last Ten Fiscal Years

Fiscal Year Ended June 30,	Real Estate	Personal Property	Public Service Corporations	Total Taxable Assessed Value
2024	\$ 62,733,012	\$ 9,840,330	\$ 4,336,756	\$ 76,910,098
2023	\$ 67,027,712	\$ 9,227,462	\$ 4,768,315	\$ 81,023,489
2022	\$ 52,753,512	\$ 6,679,594	\$ 3,941,966	\$ 63,375,072
2021	\$ 52,812,812	\$ 5,237,923	\$ 4,323,741	\$ 62,374,476
2020	\$ 52,641,112	\$ 5,858,660	\$ 4,209,997	\$ 62,709,769
2019	\$ 52,194,712	\$ 5,803,895	\$ 4,313,933	\$ 62,312,540
2018	\$ 49,054,871	\$ 6,271,633	\$ 3,175,615	\$ 58,502,119
2017	\$ 48,831,653	\$ 5,892,730	\$ 4,373,220	\$ 59,097,603
2016	\$ 49,163,113	\$ 6,402,419	\$ 4,136,636	\$ 59,702,168
2015	\$ 49,177,913	\$ 6,463,406	\$ 3,741,551	\$ 59,382,870

Source: Commissioner of Revenue, Sussex County

Town of Wakefield, Virginia

Property Tax Rates (Per \$100 of Assessed Values) - Last Ten Fiscal Years

Fiscal Year Ended June 30,	Real Estate	Personal Property	Public Service Corporations	Machinery and Tools	Mobile Homes
2024	\$ 0.120	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.120
2023	\$ 0.093	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.093
2022	\$ 0.093	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.093
2021	\$ 0.093	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.093
2020	\$ 0.093	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.093
2019	\$ 0.093	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.093
2018	\$ 0.093	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.093
2017	\$ 0.093	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.093
2016	\$ 0.093	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.093
2015	\$ 0.093	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.093

Source: Commissioner of Revenue, Sussex County

Town of Wakefield, Virginia

Principal Taxpayers - Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Total Taxes Paid	Rank	Percentage of Total Town Tax Revenue	Total Taxes Paid	Rank	Percentage of Total Town Tax Revenue
Virginia Diner	\$ 20,562	1	3.28%	\$ 12,982	1	3.27%
Wakefield Farm Service	6,792	2	1.08%	4,285	2	1.08%
7-Eleven	2,989	3	0.48%	n/a	n/a	n/a
Indmar Coatings/Wilmer Rowe	2,889	4	0.46%	703	10	0.18%
Spectrum South	2,114	5	0.34%	n/a	n/a	n/a
Wakefield IGA	1,868	6	0.30%	1,635	4	0.41%
Virginia Electric & Power Co.	1,628	8	0.26%	1,004	5	0.25%
Norfolk & Western Railroad	1,618	7	0.26%	978	6	0.25%
Richard E. and Sandra P. Rickmond	1,570	9	0.25%	870	8	0.22%
Eastern Properties	1,161	10	0.19%	n/a	n/a	n/a
Golden Peanut	n/a	n/a	n/a	2,056	3	0.52%
Mac's / Uppy's	n/a	n/a	n/a	951	7	0.24%
Southside Investments	n/a	n/a	n/a	709	9	0.18%
	\$ 43,191		6.89%	\$ 26,173		6.60%

Source: Town of Wakefield Office

Town of Wakefield, Virginia
Property Tax Levies and Collections - Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (a)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2024	\$ 134,495	\$ 127,784	95.01%	-	\$ 127,784	95.01%
2023	\$ 111,281	\$ 104,750	94.13%	-	\$ 104,750	94.13%
2022	\$ 85,460	\$ 82,006	95.96%	-	\$ 82,006	95.96%
2021	\$ 77,251	\$ 72,082	93.31%	-	\$ 72,082	93.31%
2020	\$ 82,091	\$ 75,252	91.67%	-	\$ 75,252	91.67%
2019	\$ 83,103	\$ 79,183	95.28%	-	\$ 79,183	95.28%
2018	\$ 81,055	\$ 76,736	94.67%	-	\$ 76,736	94.67%
2017	\$ 83,889	\$ 79,983	95.34%	-	\$ 79,983	95.34%
2016	\$ 84,383	\$ 81,243	96.28%	-	\$ 81,243	96.28%
2015	\$ 82,962	\$ 79,860	96.26%	-	\$ 79,860	96.26%

Note (a): Town does not maintain detailed records of subsequent collections.

Source: Town of Wakefield Office

Town of Wakefield, Virginia

Year Ended June 30, 2024

Full-time Equivalent City Government Employees by Function/Program

Due to the small number of employees, such statistical data is not maintained by the Town.

Operating Indicators by Function/Program

Due to the small size of the Town, such statistical numbers are not maintained, nor will they be maintained in the future due to the small amount of activity within the Town.

Capital Asset Statistics by Function/Program

See Note 4 to the Financial Statements. The Town also has assets that are not listed on the depreciation schedule. However, these assets were considered during the GASB 34 conversion and were deemed fully depreciated.