



# Town of Wakefield, Virginia

## Financial Report

June 30, 2025

## **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 .....	4a

### Basic Financial Statements

#### Government-Wide Financial Statements

Statement of Net Position .....	5
Statement of Activities .....	6

#### Governmental Fund Financial Statements

Balance Sheet - Governmental Funds .....	7
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position .....	8
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds .....	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Statement of Activities .....	10

#### Proprietary Fund Financial Statements

Statement of Net Position - Proprietary Funds .....	11
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds .....	12
Statement of Cash Flows - Proprietary Funds .....	13

Notes to Basic Financial Statements .....	15
---	----

### Required Supplementary Information

General Fund - Schedule of Revenues - Budget and Actual (Cash Basis) .....	30
General Fund - Schedule of Expenditures - Budget and Actual (Cash Basis) .....	32
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios .....	34
Schedule of Employer Contributions .....	35
Notes to Required Supplementary Information .....	36

## Statistical Section (Unaudited)

Net Position by Component - Last Ten Fiscal Years .....	37
Changes in Net Position - Last Ten Fiscal Years .....	38
Fund Balances - Governmental Funds - Last Ten Fiscal Years.....	40
Changes in Fund Balances - Governmental Funds - Last Ten Fiscal Years .....	41
Assessed Value of Taxable Property - Last Ten Fiscal Years.....	42
Property Tax Rates (Per \$100 of Assessed Values) - Last Ten Fiscal Years .....	43
Principal Taxpayers - Current Year and Nine Years Ago.....	44
Property Tax Levies and Collections - Last Ten Fiscal Years .....	45
Full-time Equivalent Town Government Employees by Function/Program .....	46
Operating Indicators by Function/Program.....	46
Capital Asset Statistics by Function/Program.....	46

## 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> .....	47
Summary of Compliance Matters .....	49
Schedule of Findings and Responses.....	50

## Independent Auditor's Report

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

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wakefield, Virginia as of and for the year ended June 30, 2025, 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and *Specifications for Audits of Authorities, Boards and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 to the financial statements, in 2025, the Town of Wakefield, Virginia adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. 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 10, 2025, 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.



CERTIFIED PUBLIC ACCOUNTANTS

Colonial Heights, Virginia

October 10, 2025

# **Town of Wakefield, Virginia**

## **Management's Discussion and Analysis**

**June 30, 2025**

The Town of Wakefield, Virginia (Town) offers readers of the financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2025. 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, 2025, 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, 2025**

*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 7 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 8 and 10.

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, 2025**

*Town of Wakefield, Virginia's Changes in Net Position*

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024, as restated	2025	2024, as restated	2025	2024, as restated
Revenues:						
Program revenues:						
Charges for services	\$ -	\$ -	\$ 1,816,943	\$ 1,792,516	\$ 1,816,943	\$ 1,792,516
Capital grants and contributions	-	-	233,549	159,980	233,549	159,980
Operating grants and contributions	-	-	413,732	-	413,732	-
Total program revenues	-	-	2,464,224	1,952,496	2,464,224	1,952,496
General revenues:						
General property taxes	136,319	137,251	-	-	136,319	137,251
Other local taxes	636,827	489,293	-	-	636,827	489,293
Other general revenues	1,041,218	263,816	-	-	1,041,218	263,816
Recovered costs	-	-	-	-	-	-
Miscellaneous	8,630	8,771	79,838	86,292	88,468	95,063
Intergovernmental:						
Commonwealth of Virginia	73,545	70,669	-	-	73,545	70,669
Total general revenues	1,896,539	969,800	79,838	86,292	1,976,377	1,056,092
Total revenues	1,896,539	969,800	2,544,062	2,038,788	4,440,601	3,008,588
Expenses:						
General government administration	419,812	379,577	-	-	419,812	379,577
Public safety	170,703	220,009	-	-	170,703	220,009
Public works	176,548	128,275	-	-	176,548	128,275
Parks, recreation, and cultural	43,692	50,239	-	-	43,692	50,239
Airport	-	-	185,691	184,131	185,691	184,131
Public utilities	-	-	1,836,009	1,731,443	1,836,009	1,731,443
Total expenses	810,755	778,100	2,021,700	1,915,574	2,832,455	2,693,674
Change in net position before transfers	1,085,784	191,700	522,362	123,214	1,608,146	314,914
Transfers	(126,767)	16,030	126,767	(16,030)	-	-
Change in net position	959,017	207,730	649,129	107,184	1,608,146	314,914
Net position, beginning of year	2,510,239	2,302,509	3,259,204	3,152,020	5,769,443	5,454,529
Net position, end of year	\$ 3,469,256	\$ 2,510,239	\$ 3,908,333	\$ 3,259,204	\$ 7,377,589	\$ 5,769,443

Total revenues increased from fiscal year 2024 to 2025 by \$1,432,013 primarily due to an increase in fines revenue collected and an increase in operating grants and contributions related to the grant funds received in a prior year from the State under the Coronavirus State and Local Fiscal Recovery Fund's Non-Entitlement Unit (NEU) distribution.

Total expenses increased by \$138,781. This is primarily because of an increase in general governmental administration expenses as a result of a new Sussex County administration fee, an increase in public works expenses as a result of a local match for a grant provided to Sussex County and higher repair and maintenance expenses, and an increase in public utility expenses as a result of higher grant expenses related to the project costs for the drinking water grant from the Commonwealth of Virginia.

*Town of Wakefield, Virginia's Net Position*

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024, as restated	2025	2024, as restated	2025	2024, as restated
Current and other assets	\$ 3,344,561	\$ 2,300,778	\$ 848,067	\$ 1,276,087	\$ 4,192,628	\$ 3,576,865
Capital assets	173,340	195,472	4,631,395	2,924,827	4,804,735	3,120,299
Total assets	\$ 3,517,901	\$ 2,496,250	\$ 5,479,462	\$ 4,200,914	\$ 8,997,363	\$ 6,697,164
Deferred outflows of resources	\$ 17,275	\$ 65,271	\$ 10,013	\$ 38,297	\$ 27,288	\$ 103,568

**Town of Wakefield, Virginia**  
**Management's Discussion and Analysis**  
**June 30, 2025**

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024, as restated	2025	2024, as restated	2025	2024, as restated
Current liabilities	38,165	40,465	899,664	972,231	937,829	1,012,696
Noncurrent liabilities	14,856	5,085	674,001	4,412	688,857	9,497
Total liabilities	<b>\$ 53,021</b>	<b>\$ 45,550</b>	<b>\$ 1,573,665</b>	<b>\$ 976,643</b>	<b>\$ 1,626,686</b>	<b>\$ 1,022,193</b>
Deferred inflows of resources	<b>\$ 12,899</b>	<b>\$ 5,732</b>	<b>\$ 7,477</b>	<b>\$ 3,364</b>	<b>\$ 20,376</b>	<b>\$ 9,096</b>
Net investment in capital assets	172,148	193,143	3,661,345	2,924,827	3,833,493	3,117,970
Restricted	1,722	1,762	-	-	1,722	1,762
Unrestricted	3,295,386	2,315,334	246,988	334,377	3,542,374	2,649,711
Net position, as restated	<b>\$ 3,469,256</b>	<b>\$ 2,510,239</b>	<b>\$ 3,908,333</b>	<b>\$ 3,259,204</b>	<b>\$ 7,377,589</b>	<b>\$ 5,769,443</b>

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 \$7,377,589 compared to the previous year in which assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5,769,443.

Current and other assets increased primarily due to an increase in cash as a result of an increase in fines collected. Capital assets increased primarily due to two generators purchased and water system improvements. There was a 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 increased due to the issuance of long-term debt to fund the generators purchased. The increase in deferred inflows of resources is due to an actuarially determined increase in pension deferrals.

A large portion of the Town's net position represents an unrestricted net position of \$3,542,374, which may be used to meet the Town's ongoing obligations. In the previous year, unrestricted net position totaled \$2,649,711.

*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.



# **Basic Financial Statements**

---

# Town of Wakefield, Virginia

## Statement of Net Position

June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents (Note 2)	\$ 3,108,929	\$ 507,323	\$ 3,616,252
Taxes receivable, net (Note 3)	55,154	-	55,154
Other receivables	84,410	225,754	310,164
Restricted cash (Note 2)	1,125	114,990	116,115
Note receivable: (Note 5)			
Due within one year	12,601	-	12,601
Due in more than one year	82,342	-	82,342
Capital assets (Note 4)			
Nondepreciable/nonamortizable	80,714	759,006	839,720
Depreciable/amortizable	92,626	3,872,389	3,965,015
Total assets	<b>\$ 3,517,901</b>	<b>\$ 5,479,462</b>	<b>\$ 8,997,363</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension deferrals (Note 8)	<b>\$ 17,275</b>	<b>\$ 10,013</b>	<b>\$ 27,288</b>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	\$ 33,984	\$ 442,844	\$ 476,828
Accrued interest	39	22,773	22,812
Payable from restricted cash, deposits	1,125	114,990	116,115
Unearned revenue (Note 10)	-	317,308	317,308
Net pension liability (Note 8)	3,017	1,749	4,766
Noncurrent liabilities: (Note 7)			
Due within one year	12,242	27,210	39,452
Due in more than one year	2,614	646,791	649,405
Total liabilities	<b>\$ 53,021</b>	<b>\$ 1,573,665</b>	<b>\$ 1,626,686</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension deferrals (Note 8)	<b>\$ 12,899</b>	<b>\$ 7,477</b>	<b>\$ 20,376</b>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 172,148	\$ 3,661,345	\$ 3,833,493
Restricted for permanent fund	1,722	-	1,722
Unrestricted	3,295,386	246,988	3,542,374
Total net position	<b>\$ 3,469,256</b>	<b>\$ 3,908,333</b>	<b>\$ 7,377,589</b>

# Town of Wakefield, Virginia

## Statement of Activities

Year Ended June 30, 2025

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		
					Governmental Activities	Business-Type Activities	Total
<b>PRIMARY GOVERNMENT</b>							
Governmental activities:							
General government administration	\$ 419,812	\$ -	\$ -	\$ -	\$ (419,812)	\$ -	\$ (419,812)
Public safety	170,703	-	-	-	(170,703)	-	(170,703)
Public works	176,548	-	-	-	(176,548)	-	(176,548)
Parks, recreation and cultural	43,692	-	-	-	(43,692)	-	(43,692)
Total governmental activities	<u>810,755</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(810,755)</u>	<u>-</u>	<u>(810,755)</u>
Business-type activities:							
Public utilities	1,836,009	1,758,748	433,315	206,157	-	562,211	562,211
Airport Commission	185,691	58,195	-	7,809	-	(119,687)	(119,687)
Total business-type activities	<u>2,021,700</u>	<u>1,816,943</u>	<u>433,315</u>	<u>213,966</u>	<u>-</u>	<u>442,524</u>	<u>442,524</u>
Total primary government	<u><b>\$ 2,832,455</b></u>	<u><b>\$ 1,816,943</b></u>	<u><b>\$ 433,315</b></u>	<u><b>\$ 213,966</b></u>	<u>(810,755)</u>	<u>442,524</u>	<u>(368,231)</u>
<b>GENERAL REVENUES</b>							
General property taxes					136,319	-	136,319
Meals taxes					475,050	-	475,050
Other local taxes					161,777	-	161,777
Revenues from use of money and property					99,869	36,224	136,093
Permits, privilege fees, and regulatory licenses					273	-	273
Fines and forfeitures					941,076	-	941,076
Miscellaneous					8,630	43,614	52,244
Intergovernmental - Commonwealth of Virginia					73,545	-	73,545
Transfers, net (Note 11)					(126,767)	126,767	-
Total general revenues and transfers					<u>1,769,772</u>	<u>206,605</u>	<u>1,976,377</u>
Change in net position					959,017	649,129	1,608,146
<b>NET POSITION</b>							
Beginning of year, as restated (Note 13)					2,510,239	3,259,204	5,769,443
End of year					<u><b>\$ 3,469,256</b></u>	<u><b>\$ 3,908,333</b></u>	<u><b>\$ 7,377,589</b></u>

**Town of Wakefield, Virginia**  
**Balance Sheet - Governmental Funds**  
June 30, 2025

	General Fund	Non-Major Permanent Fund	Total Governmental Funds
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents (Note 2)	\$ 3,062,037	\$ 46,892	\$ 3,108,929
Taxes receivable, net (Note 3)	55,154	-	55,154
Other receivables	84,410	-	84,410
Restricted cash (Note 2)	1,125	-	1,125
Total assets	<u><u>\$ 3,202,726</u></u>	<u><u>\$ 46,892</u></u>	<u><u>\$ 3,249,618</u></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and other current liabilities	\$ 33,683	\$ 301	\$ 33,984
Payable from restricted cash, deposits	1,125	-	1,125
Total current liabilities	<u>34,808</u>	<u>301</u>	<u>35,109</u>
<b>FUND BALANCES</b>			
Restricted	-	1,722	1,722
Committed	-	44,869	44,869
Unassigned	3,167,918	-	3,167,918
Total fund balances	<u>3,167,918</u>	<u>46,591</u>	<u>3,214,509</u>
Total liabilities and fund balances	<u><u>\$ 3,202,726</u></u>	<u><u>\$ 46,892</u></u>	<u><u>\$ 3,249,618</u></u>

**Town of Wakefield, Virginia**  
**Reconciliation of Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2025**

Total fund balances, governmental funds	\$ 3,214,509
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>173,340</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>94,943</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>17,275</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	(3,017)
Compensated absences	(13,664)
Subscription liability	(1,192)
Accrued interest	(39)
Deferred pension inflows	<u>(12,899)</u>
	<u>(30,811)</u>
Net position of governmental activities	<u><u>\$ 3,469,256</u></u>

# Town of Wakefield, Virginia

## Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds Year Ended June 30, 2025

	General Fund	Non-Major Permanent Fund	Total Governmental Funds
<b>OPERATING REVENUES</b>			
General property taxes	\$ 136,319	\$ -	\$ 136,319
Other local taxes	636,827	-	636,827
Revenues from use of money and property	95,526	4,343	99,869
Permits, privilege fees, and regulatory licenses	273	-	273
Fines and forfeitures	941,076	-	941,076
Recovered costs	3,980	-	3,980
Miscellaneous	6,530	2,100	8,630
Intergovernmental - Commonwealth of Virginia	73,545	-	73,545
Total revenues	1,894,076	6,443	1,900,519
<b>OPERATING EXPENDITURES</b>			
Current:			
General government administration	356,542	-	356,542
Public safety	161,271	-	161,271
Public works	145,249	26,825	172,074
Parks, recreation and cultural	31,654	-	31,654
Capital projects	17,196	-	17,196
Total expenditures	711,912	26,825	738,737
Excess (deficiency) of revenues over (under) expenditures	1,182,164	(20,382)	1,161,782
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (Note 11)	5,638	24,685	30,323
Transfers out (Note 11)	(157,090)	-	(157,090)
Note receivable repayments	12,354	-	12,354
Total other financing sources (uses)	(139,098)	24,685	(114,413)
Excess of revenues and other financing sources over expenditures and other financing uses	1,043,066	4,303	1,047,369
<b>FUND BALANCE</b>			
Beginning of year	2,124,852	42,288	2,167,140
End of year	\$ 3,167,918	\$ 46,591	\$ 3,214,509

# 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, 2025

Net change in fund balances, total governmental funds	\$ 1,047,369
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>(12,354)</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>(22,132)</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.	
Repayment of subscription arrangement	<u>1,137</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	(588)
Change in pension and pension-related deferred amounts	(54,451)
Change in accrued interest	36
	<u>(55,003)</u>
Change in net position of governmental activities	<u><u>\$ 959,017</u></u>

# Town of Wakefield, Virginia

## Statement of Net Position - Proprietary Funds

June 30, 2025

	<u>Public Utilities</u>	<u>Airport Commission</u>	<u>Total</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents (Note 2)	\$ 507,323	\$ -	\$ 507,323
Accounts receivable, net	225,754	-	225,754
Total current assets	<u>733,077</u>	<u>-</u>	<u>733,077</u>
<b>NONCURRENT ASSETS</b>			
Restricted cash (Note 2)	114,990	-	114,990
Capital assets, net of accumulated depreciation (Note 4)	2,954,851	1,676,544	4,631,395
Total noncurrent assets	<u>3,069,841</u>	<u>1,676,544</u>	<u>4,746,385</u>
Total assets	<u><b>\$ 3,802,918</b></u>	<u><b>\$ 1,676,544</b></u>	<u><b>\$ 5,479,462</b></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension deferrals (Note 8)	<u><b>\$ 10,013</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 10,013</b></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and other current liabilities	\$ 442,209	\$ 635	\$ 442,844
Accrued interest	22,773	-	22,773
Unearned revenue (Note 10)	317,308	-	317,308
Net pension liability (Note 8)	1,749	-	1,749
Compensated absences, current portion (Note 7)	16,308	-	16,308
Note payable, current portion (Notes 6 & 7)	10,902	-	10,902
Total current liabilities	<u>811,249</u>	<u>635</u>	<u>811,884</u>
<b>NONCURRENT LIABILITIES</b>			
Compensated absences (Note 7)	2,756	-	2,756
Note payable (Notes 6 & 7)	644,035	-	644,035
Payable from restricted cash, deposits	114,990	-	114,990
Total liabilities	<u><b>\$ 1,573,030</b></u>	<u><b>\$ 635</b></u>	<u><b>\$ 1,573,665</b></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension deferrals (Note 8)	<u><b>\$ 7,477</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 7,477</b></u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 1,984,801	\$ 1,676,544	\$ 3,661,345
Unrestricted	247,623	(635)	246,988
Total net position	<u><b>\$ 2,232,424</b></u>	<u><b>\$ 1,675,909</b></u>	<u><b>\$ 3,908,333</b></u>

# Town of Wakefield, Virginia

## Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds Year Ended June 30, 2025

	Public Utilities	Airport Commission	Total
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,758,748	\$ 58,195	\$ 1,816,943
<b>OPERATING EXPENSES, other than depreciation:</b>			
Purchase of electricity	1,035,364	-	1,035,364
Other contractual services	103,864	-	103,864
Salaries	119,779	15,343	135,122
Maintenance and repairs	71,438	1,821	73,259
Benefits	82,520	6,875	89,395
Materials and supplies	27,578	165	27,743
Office expense	8,653	5,812	14,465
Fuel	7,774	25,002	32,776
Dues	2,860	-	2,860
Utilities	4,424	9,722	14,146
Professional services	19,166	-	19,166
Total operating expenses, other than depreciation	1,483,420	64,740	1,548,160
Operating income (loss) before depreciation	275,328	(6,545)	268,783
Depreciation	(120,159)	(120,951)	(241,110)
Operating income (loss)	155,169	(127,496)	27,673
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Penalty charges	25,902	-	25,902
Miscellaneous revenues	14,036	-	14,036
State consumption and regulatory tax, net	3,676	-	3,676
Federal grant revenue (Note 10)	433,315	-	433,315
Other grants	206,157	7,809	213,966
Grant expenses, nonoperating	(209,657)	-	(209,657)
Interest income	36,224	-	36,224
Interest expense	(22,773)	-	(22,773)
Total nonoperating revenues	486,880	7,809	494,689
Income (loss) before operating transfers	642,049	(119,687)	522,362
<b>OPERATING TRANSFERS</b>			
Transfers from other funds (Note 11)	132,405	-	132,405
Transfers to other funds (Note 11)	-	(5,638)	(5,638)
Change in net position	774,454	(125,325)	649,129
<b>NET POSITION</b>			
Beginning of year, as restated (Note 13)	1,457,970	1,801,234	3,259,204
End of year	\$ 2,232,424	\$ 1,675,909	\$ 3,908,333

# Town of Wakefield, Virginia

## Statement of Cash Flows - Proprietary Funds Year Ended June 30, 2025

	Public Utilities	Airport Commission	Total
<b>OPERATING ACTIVITIES</b>			
Received from customers and users	\$ 1,744,197	\$ 58,195	\$ 1,802,392
Payments to suppliers for goods and services	(1,301,765)	(49,437)	(1,351,202)
Payments to employees	(114,035)	(15,343)	(129,378)
Net cash provided (used) by operating activities	328,397	(6,585)	321,812
<b>NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers out to other funds	-	(5,638)	(5,638)
Transfers in from other funds	132,405	-	132,405
Penalty charges	25,902	-	25,902
Miscellaneous revenues	14,036	-	14,036
State consumption and regulatory tax, net	3,676	-	3,676
Net cash provided (used) by noncapital financing activities	176,019	(5,638)	170,381
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	(1,620,909)	(11,656)	(1,632,565)
Proceeds from long-term debt	700,000	-	700,000
Payments on long-term debt	(45,063)	-	(45,063)
Other grants	242,898	23,879	266,777
Grant expenses	(209,657)	-	(209,657)
Net cash provided (used) by capital and related financing activities	(932,731)	12,223	(920,508)
<b>INVESTING ACTIVITIES</b>			
Interest income	36,224	-	36,224
Net decrease in cash and cash equivalents	(392,091)	-	(392,091)
<b>CASH AND CASH EQUIVALENTS</b>			
Beginning of year	1,014,404	-	1,014,404
End of year	\$ 622,313	\$ -	\$ 622,313
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>			
Cash and cash equivalents	\$ 507,323	\$ -	\$ 507,323
Restricted cash	114,990	-	114,990
	\$ 622,313	\$ -	\$ 622,313

**Town of Wakefield, Virginia**  
**Statement of Cash Flows - Proprietary Funds**  
Year Ended June 30, 2025

	<u>Public Utilities</u>	<u>Airport Commission</u>	<u>Total</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 155,169	\$ (127,496)	\$ 27,673
Adjusting to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	120,159	120,951	241,110
Pension expense, net of employer contributions	31,958	-	31,958
Change in current assets and liabilities:			
Accounts receivable	(16,882)	-	(16,882)
Accounts payable and accrued liabilities	29,918	(40)	29,878
Payable from restricted cash, deposits	2,331	-	2,331
Compensated absences	5,744	-	5,744
Net cash provided (used) by operating activities	<u>\$ 328,397</u>	<u>\$ (6,585)</u>	<u>\$ 321,812</u>
<b>SUPPLEMENTAL DISCLOSURES</b>			
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Other grant revenue receivable in a future year	<u>\$ 3,610</u>	<u>\$ -</u>	<u>\$ 3,610</u>
Federal grant revenue received in a prior year	<u>\$ 433,315</u>	<u>\$ -</u>	<u>\$ 433,315</u>
Capital asset additions included in accounts payable At current year end	<u>\$ 315,113</u>	<u>\$ -</u>	<u>\$ 315,113</u>

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

---

### Note 1 – Summary of Significant Accounting Policies

---

#### *Reporting Entity*

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 8). 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, 2025

### *General Fund*

The General Fund has Unassigned Fund Balance of \$3,167,918 at June 30, 2025.

### *Other Major Fund*

The Permanent Fund has Restricted Funds of \$1,722 at June 30, 2025, consisting of funds donated by residents for the purpose of Cemetery repairs and maintenance. The Permanent Fund also has Committed Funds of \$44,869, 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, 2025

### *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, 2025

### *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, 2025. 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*

The Town permits employees to accrue vacation pay, sick leave, and compensatory leave each pay period, and this is accounted for as a compensated absence liability. Vacation pay is earned based on years of service, sick leave is earned at twelve days each year per employee, and compensatory leave is earned for hours worked outside of regular working hours. Employees are allowed to carry over and accrue vacation pay up to a certain number of days based on years of service. There is a maximum carryover of sick leave of 90 days, and sick leave is not paid out upon termination. There is no maximum carryover of compensatory leave. A liability is recognized for the amount of leave that has been earned for services already rendered and is estimated to be used or taken, at current pay rates at year-end, plus salary-related payments such as the employer share of Social Security and Medicare taxes.

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

### *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, 2025, 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, 2025 the allowance for uncollectible real estate and personal property taxes receivable was \$19,203 and the allowance for uncollectible water, waste disposal, and electrical service receivables was \$116,298.

### *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, 2025

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, 2024, the Town adopted GASB Statement No. 101, *Compensated Absences*. Statement No. 101 provides guidance on the recognition and measurement guidance for compensated absences. The implementation of this pronouncement had the effect of restating previously reported amounts. Further information on this restatement is provided in Note 13, and additional details on the Town's compensated absences can be found in Note 7.

---

## 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, 2025, the carrying value of the Town's deposits with banks and savings institutions was \$3,732,267 and the bank balance was \$4,066,655. Cash and deposits consist of the following:

Total deposits	\$ 3,732,267
Total cash on hand	100
Total cash and deposits	<u>3,732,367</u>
Less: restricted cash	<u>(116,115)</u>
Total cash and cash equivalents, Statement of Net Position	<u><u>\$ 3,616,252</u></u>

The Town has no formal investment policy.

---

## 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, 2025, was \$0.120 per \$100 of assessed value. The rate for public service corporations was \$0.093 for the fiscal year ended June 30, 2025.

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

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, 2025, 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 at June 30, 2025:

Real estate	\$ 63,034,712
Personal property	\$ 10,045,202
Public service corporations	\$ 3,872,422

### Note 4 – Capital Assets

Capital assets activity for the year was as follows:

	Beginning Balance July 1, 2024	Additions	Reductions	Ending Balance June 30, 2025
<b>Governmental activities</b>				
Capital assets not subject to depreciation and amortization:				
Land	\$ 71,483	\$ -	\$ -	\$ 71,483
Construction in progress	-	9,231	-	9,231
Total capital assets not subject to depreciation	71,483	9,231	-	80,714
Capital assets being depreciated and amortized:				
Land improvements	269,678	4,445	-	274,123
Equipment	269,444	2,270	-	271,714
Subscription asset	3,579	-	-	3,579
Vehicles	447,969	-	-	447,969
Total capital assets being depreciated and amortize	990,670	6,715	-	997,385
Accumulated depreciation and amortization:				
Land improvements	(195,514)	(15,798)	-	(211,312)
Equipment	(235,652)	(18,087)	-	(253,739)
Subscription asset	(795)	(1,193)	-	(1,988)
Vehicles	(434,720)	(3,000)	-	(437,720)
Total accumulated depreciation and amortization	(866,681)	(38,078)	-	(904,759)
Total capital assets being depreciated and amortized, net	123,989	(31,363)	-	92,626
Governmental activities capital assets, net	<b>\$ 195,472</b>	<b>\$ (22,132)</b>	<b>\$ -</b>	<b>\$ 173,340</b>

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

	Beginning Balance July 1, 2024	Additions	Reductions	Ending Balance June 30, 2025
<b>Business-type activities - Public Utility Fund</b>				
Capital assets not subject to depreciation:				
Land	\$ 35,500	\$ -	\$ -	\$ 35,500
Construction in progress	69,695	653,811	-	723,506
Total capital assets not subject to depreciation	105,195	653,811	-	759,006
Capital assets being depreciated:				
Land improvements	31,211	-	-	31,211
Vehicles	24,930	-	-	24,930
Equipment	1,089,641	1,230,972	-	2,320,613
Infrastructure	1,223,665	51,239	-	1,274,904
Total capital assets being depreciated	2,369,447	1,282,211	-	3,651,658
Accumulated depreciation:				
Land improvements	(6,800)	(1,196)	-	(7,996)
Vehicles	(22,626)	-	-	(22,626)
Equipment	(561,605)	(81,457)	-	(643,062)
Infrastructure	(744,623)	(37,506)	-	(782,129)
Total accumulated depreciation	(1,335,654)	(120,159)	-	(1,455,813)
Total capital assets being depreciated and amortized, net	1,033,793	1,162,052	-	2,195,845
Business-type activities capital assets, net	<b>\$ 1,138,988</b>	<b>\$ 1,815,863</b>	<b>\$ -</b>	<b>\$ 2,954,851</b>
	Beginning Balance July 1, 2024	Additions	Reductions	Ending Balance June 30, 2025
<b>Business-type activities - Airport Commission</b>				
Capital assets being depreciated:				
Hangers and building improvements	\$ 2,524,809	\$ -	\$ -	\$ 2,524,809
Runway improvements	471,597	-	-	471,597
Equipment	72,592	11,656	-	84,248
Total capital assets being depreciated	3,068,998	11,656	-	3,080,654
Accumulated depreciation:				
Hangers and building improvements	(884,239)	(106,496)	-	(990,735)
Runway improvements	(331,387)	(10,250)	-	(341,637)
Equipment	(67,533)	(4,205)	-	(71,738)
Total accumulated depreciation	(1,283,159)	(120,951)	-	(1,404,110)
Total capital assets being depreciated, net	1,785,839	(109,295)	-	1,676,544
Airport Commission capital assets, net	<b>\$ 1,785,839</b>	<b>\$ (109,295)</b>	<b>\$ -</b>	<b>\$ 1,676,544</b>

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, 2025

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

Government activities:	
Public works	\$ 8,454
General government administration	8,153
Parks, recreation and cultural	12,039
Public safety	9,432
	<b>\$ 38,078</b>
Business-type activities:	
Public utility	\$ 120,159
Airport Commission	120,951
	<b>\$ 241,110</b>

Construction in process consists of the following:

	Incurred through June 30, 2025	Committed at June 30, 2025
Cellular Controller	\$ 9,231	\$ -
Water System Improvements	723,506	31,400
	<b>\$ 732,737</b>	<b>\$ 31,400</b>

### 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 \$94,943 at June 30, 2025.

### Note 6 – Note Payable

The Town obtained a \$700,000 loan from Truist Bank to fund two turnkey generators. The total loan amount was received on November 7, 2024, bears interest at a rate of 4.88%, and is due in annual installments through November 2034.

Future maturities are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 10,902	\$ 34,160	\$ 45,062
2027	58,697	31,429	90,126
2028	61,562	28,564	90,126
2029	64,566	25,560	90,126
2030	67,717	22,409	90,126
2031-2035	391,493	59,137	450,630
	<b>\$ 654,937</b>	<b>\$ 201,259</b>	<b>\$ 856,196</b>

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

### Note 7 – Noncurrent Liabilities

	Beginning Balance July 1, 2024, as restated	Additions	Reductions	Ending Balance June 30, 2025	Due Within One Year
<b>Governmental activities</b>					
Compensated absences	\$ 13,076	\$ 588*	\$ -	\$ 13,664	\$ 11,050
Subscription liability	2,329	-	(1,137)	1,192	1,192
Total governmental activities	<b>15,405</b>	<b>588</b>	<b>(1,137)</b>	<b>14,856</b>	<b>12,242</b>
<b>Business-type activities</b>					
Note payable	\$ -	\$ 700,000	\$ (45,063)	\$ 654,937	\$ 10,902
Compensated absences	13,320	5,744*	-	19,064	16,308
Total business-type activities	<b>\$ 13,320</b>	<b>\$ 705,744</b>	<b>\$ (45,063)</b>	<b>\$ 674,001</b>	<b>\$ 27,210</b>

\*The change in the compensated absences liability is presented as a net change.

### 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>.

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

### *Employees Covered by Benefit Terms*

As of the June 30, 2023, actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	5
Inactive members:	
Vested	-
Non-vested	1
Active elsewhere in VRS	2
Total inactive members	8
Active members	5
Total covered employees	<u><u>13</u></u>

### *Contributions*

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to 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, 2025, was 5.51% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023.

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 \$11,155 for the year ended June 30, 2025.

The defined contributions component of the Hybrid plan includes member and employer mandatory and voluntary contributions. The Hybrid plan member must contribute a mandatory rate of 1% of their covered payroll. The employer must also contribute a mandatory rate of 1% of this covered payroll, which totaled \$2,742 for the year ended June 30, 2025. Hybrid plan members may also elect to contribute an additional voluntary rate of up to 4% of their covered payroll; which would require the employer a mandatory additional contribution rate of up to 2.5%. This additional employer mandatory contribution totaled \$756 for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$275,211 for the year ended June 30, 2025.

### *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, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2023, rolled forward to the measurement date of June 30, 2024.

### *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, 2023, 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, 2024.

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

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 and a Modified MP-2020 Improvement Scale with various setbacks or set forwards for both males and females.

The actuarial assumptions used in the June 30, 2023, valuation was based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study are as follows:

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	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP – Private Investment Partnership	1.00%	8.00%	0.08%
Diversifying Strategies	6.00%	5.80%	0.35%
Cash	2.00%	3.00%	0.06%
Leverage	(3.00%)	3.50%	(0.11%)
	<b>100.00%</b>		<b>7.07%</b>

\* Expected arithmetic nominal return 7.07%

\* The above allocation provides for a one-year return of 7.07% (includes 2.50% inflation assumption). 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 7.10%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

a long-term rate of 6.75% which is roughly at the 45<sup>th</sup> 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. For the year ended June 30, 2024, the employer contribution was 100% of the actuarially determined employer contribution rate from the June 30, 2023 actuarial valuations. From July 1, 2024, on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in Net Pension Liability

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) – (b)</b>
Balances at June 30, 2023	\$ 851,287	\$ 845,370	\$ 5,917
Changes for the year:			
Service cost	16,236	-	16,236
Interest	56,244	-	56,244
Difference between expected and actual experience	26,693	-	26,693
Contributions - employer	-	10,802	(10,802)
Contributions - employee	-	10,053	(10,053)
Net investment income	-	80,017	(80,017)
Benefit payments, including refunds of employee contributions	(68,543)	(68,543)	-
Administrative expense	-	(564)	564
Other changes	-	16	(16)
Net changes	30,630	31,781	(1,151)
Balances at June 30, 2024	<u>\$ 881,917</u>	<u>\$ 877,151</u>	<u>\$ 4,766</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:

	<b>1% Decrease 5.75%</b>	<b>Current Discount Rate 6.75%</b>	<b>1% Increase 7.75%</b>
Net pension liability (asset)	<u>\$ 87,448</u>	<u>\$ 4,766</u>	<u>\$ (66,469)</u>

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

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

For the year ending June 30, 2025, the Town recognized pension expense of \$97,564. At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 16,133	\$ -
Changes of assumptions	-	-
Employer contributions made subsequent to measurement date	11,155	-
Net difference between projected and actual earnings on plan investments	-	20,376
	<b>\$ 27,288</b>	<b>\$ 20,376</b>

Deferred outflows of resources of \$11,155 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, 2026. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to pensions as of June 30, 2025, will be recognized in pension expense in future reporting periods as follows:

<b>Year Ending June 30,</b>	<b>Effect on Pension Expense</b>
2026	\$ (5,641)
2027	10,699
2028	(4,386)
2029	(4,915)
	<b>\$ (4,243)</b>

### *Pension Plan Data*

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2024 Annual Report. A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at [varetire.org/media/shared/pdf/publications/2024-annual-report.pdf](http://varetire.org/media/shared/pdf/publications/2024-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 contractor on a water main project. The total contract price is \$665,420, of which \$31,400 is the outstanding commitment that the Town is committed to payment to the contractor that is not included in accounts payable at year-end.

# Town of Wakefield, Virginia

## Notes to Financial Statements

June 30, 2025

### 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, 2025, the Town had only spent a portion of these funds and, as such, the unspent portion of \$317,308 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 2025 and is included in public utility fund grants in the statement of activities.

### Note 11 – Interfund Transfers

Interfund transfers were made for operating purposes. The total interfund transfers for the year ended June 30, 2025, were as follows:

	General Fund	Airport Commission Fund	Total
Transfers to:			
General Fund	\$ -	\$ 5,638	\$ 5,638
Public Utility Fund	132,405	-	132,405
Permanent Fund	24,685	-	24,685
	\$ 157,090	\$ 5,638	\$ 162,728

### 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 \$1,192 and \$795, respectively, which are included in the statement of activities in expenses, for the fiscal year ended June 30, 2025:

Intangible right-to-use subscription liability - July 1, 2024	\$ 2,329
Additions	-
Subtractions	(1,137)
Balance - June 30, 2025	1,192
Less - current portion of intangible right-to-use subscription liability	(1,192)
Long-term intangible right-to-use subscription liability - June 30, 2025	\$ -

Future maturities are as follows:

	Principal	Interest	Total
2026	\$ 1,192	\$ 58	\$ 1,250



# **Required Supplementary Information (RSI)**

---

# Town of Wakefield, Virginia

## General Fund

### Schedule of Revenues - Budget and Actual (Cash Basis)

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUE FROM LOCAL SOURCES</b>				
General property taxes:				
Personal property taxes	\$ 44,500	\$ 44,500	\$ 41,630	\$ (2,870)
Real property taxes	77,550	77,550	70,867	(6,683)
Machinery and tools taxes	12,112	12,112	17,025	4,913
Public service corporations (real and personal property taxes)	5,205	5,205	4,647	(558)
Penalties	1,950	1,950	1,897	(53)
Mobile home taxes	225	225	253	28
Total general property taxes	<u>141,542</u>	<u>141,542</u>	<u>136,319</u>	<u>(5,223)</u>
Other local taxes:				
Meals taxes, net of 3% reimbursement	345,125	345,125	467,911	122,786
Local sales and use taxes	62,000	62,000	64,883	2,883
Franchise license taxes	41,689	41,689	49,346	7,657
Communication taxes	11,800	11,800	11,500	(300)
Motor vehicle licenses	10,300	10,300	9,285	(1,015)
Cigarette tax	36,350	36,350	27,648	(8,702)
Total other local taxes	<u>507,264</u>	<u>507,264</u>	<u>630,573</u>	<u>123,309</u>
Revenue from use of money and property:				
Revenue from use of money	68,430	68,430	76,551	8,121
Revenue from use of property	4,400	4,400	6,190	1,790
Total revenue from use of money and property	<u>72,830</u>	<u>72,830</u>	<u>82,741</u>	<u>9,911</u>
Permits, privilege fees, and regulatory licenses:				
Trailer permits and golf cart licenses	110	110	273	163
Fines and forfeitures:				
Town fines	28,236	28,236	856,666	828,430
Recovered costs:				
Insurance recoveries	1,500	1,500	3,980	2,480
Miscellaneous revenue:				
Other	19,440	19,440	21,530	2,090
Total revenue from local sources	<u>770,922</u>	<u>770,922</u>	<u>1,732,082</u>	<u>961,160</u>

# Town of Wakefield, Virginia

## General Fund

### Schedule of Revenues - Budget and Actual (Cash Basis)

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUE FROM THE COMMONWEALTH OF VIRGINIA</b>				
Categorical aid:				
Law enforcement grant	30,100	30,100	31,179	1,079
Fire program funds	15,000	15,000	15,000	-
Total categorical aid	<u>45,100</u>	<u>45,100</u>	<u>46,179</u>	<u>1,079</u>
Noncategorical aid:				
Personal Property Tax Relief Act	19,612	19,612	19,612	-
Rolling stock tax	5,000	5,000	5,467	467
Mobile home titling taxes	850	850	2,287	1,437
Total noncategorical aid	<u>25,462</u>	<u>25,462</u>	<u>27,366</u>	<u>1,904</u>
Total revenue from the Commonwealth of Virginia	<u>70,562</u>	<u>70,562</u>	<u>73,545</u>	<u>2,983</u>
Total revenues	<u>841,484</u>	<u>841,484</u>	<u>1,805,627</u>	<u>964,143</u>
<b>OTHER FINANCING SOURCES</b>				
Other financing sources:				
Transfers from the Airport Commission	-	-	5,638	5,638
Total other financing sources	<u>-</u>	<u>-</u>	<u>5,638</u>	<u>5,638</u>
Total revenues and other financing sources	<u>\$ 841,484</u>	<u>\$ 841,484</u>	<u>\$ 1,811,265</u>	<u>\$ 969,781</u>

# Town of Wakefield, Virginia

## General Fund

### Schedule of Expenditures - Budget and Actual (Cash Basis)

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance
<b>GENERAL GOVERNMENT ADMINISTRATION</b>				
Legislative - Town Council	\$ 10,395	\$ 10,395	\$ 10,426	\$ (31)
General and financial administration:				
Salaries and fringe benefits	169,442	169,442	170,445	(1,003)
Insurance and bonding	29,100	29,100	31,603	(2,503)
Office operations and utilities	49,150	49,150	52,297	(3,147)
Repairs and maintenance	22,000	22,000	22,520	(520)
Independent auditor	29,500	29,500	35,763	(6,263)
Legal services	15,000	15,000	9,036	5,964
Dues and subscriptions	765	765	814	(49)
Travel	1,170	1,170	1,559	(389)
Advertising	445	445	1,108	(663)
Miscellaneous	16,150	16,150	19,928	(3,778)
Total general and financial administration	<u>332,722</u>	<u>332,722</u>	<u>345,073</u>	<u>(12,351)</u>
Total general government administration	<u>343,117</u>	<u>343,117</u>	<u>355,499</u>	<u>(12,382)</u>
<b>PUBLIC SAFETY</b>				
Law enforcement and traffic control - police department	173,502	173,502	101,971	71,531
Fire and rescue services - volunteer fire and rescue squads	58,995	58,995	64,318	(5,323)
Total public safety	<u>232,497</u>	<u>232,497</u>	<u>166,289</u>	<u>66,208</u>
<b>PUBLIC WORKS</b>				
Maintenance of highways, streets, bridges and sidewalks:				
Highways, streets, bridges, and sidewalks	17,029	17,029	29,599	(12,570)
Street lights	3,800	3,800	350	3,450
Total maintenance of highways, streets, bridges and sidewalks	<u>20,829</u>	<u>20,829</u>	<u>29,949</u>	<u>(9,120)</u>
Maintenance of general buildings and grounds:				
General properties	78,154	78,154	109,681	(31,527)
General administration	5,300	5,300	7,772	(2,472)
Total maintenance of general buildings and grounds	<u>83,454</u>	<u>83,454</u>	<u>117,453</u>	<u>(33,999)</u>
Total public works	<u>104,283</u>	<u>104,283</u>	<u>147,402</u>	<u>(43,119)</u>

# Town of Wakefield, Virginia

## General Fund

### Schedule of Expenditures - Budget and Actual (Cash Basis)

Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>PARKS, RECREATIONAL AND CULTURAL</b>				
Library	7,200	7,200	7,200	-
Ball park	25,576	25,576	20,862	4,714
Total parks, recreation and cultural	<u>32,776</u>	<u>32,776</u>	<u>28,062</u>	<u>4,714</u>
<b>CAPITAL OUTLAY</b>				
Public safety	45,000	45,000	6,715	38,285
Public works	11,650	11,650	-	11,650
Total capital outlay	<u>56,650</u>	<u>56,650</u>	<u>6,715</u>	<u>49,935</u>
Total expenditures	<u>769,323</u>	<u>769,323</u>	<u>703,967</u>	<u>65,356</u>
<b>OTHER FINANCING USES</b>				
Transfers to permanent fund	-	-	24,685	(24,685)
Transfers to public utility fund	-	-	132,405	(132,405)
Total other financing uses	<u>-</u>	<u>-</u>	<u>157,090</u>	<u>(157,090)</u>
Total expenditures and other financing uses	<u>\$ 769,323</u>	<u>\$ 769,323</u>	<u>\$ 861,057</u>	<u>\$ (91,734)</u>
Excess of revenues and other financing sources over expenditures and other financing uses - cash basis	<u>\$ 72,161</u>	<u>\$ 72,161</u>	\$ 950,208	<u>\$ 878,047</u>
Cash to accrual adjustments			92,858	
Excess of revenues and other financing sources over expenditures and other financing uses - U.S. GAAP basis			1,043,066	
<b>FUND BALANCE</b>				
Beginning of year			2,124,852	
End of year			<u>\$ 3,167,918</u>	

**Town of Wakefield, Virginia**

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>TOTAL PENSION LIABILITY</b>										
Service cost	\$ 16,236	\$ 13,382	\$ 10,873	\$ 15,713	\$ 12,973	\$ 20,790	\$ 21,167	\$ 21,697	\$ 20,780	\$ 20,253
Interest	56,244	55,732	39,942	33,736	32,578	33,388	30,990	29,121	27,217	25,347
Changes of assumptions	-	-	-	23,763	-	10,926	-	(723)	-	-
Benefit payments, including refunds of employee contributions	(68,543)	(65,679)	(64,611)	(45,115)	(28,112)	(19,648)	(19,538)	(22,710)	(22,682)	(22,321)
Difference between expected and actual experience	26,693	2,729	245,747	62,727	8,209	(35,558)	1,695	(2,272)	1,900	3,618
Net change in total pension liability	30,630	6,164	231,951	90,824	25,648	9,898	34,314	25,113	27,215	26,897
Total pension liability, beginning	851,287	845,123	613,172	522,348	496,700	486,802	452,488	427,375	400,160	373,263
Total pension liability, ending (a)	<u>\$ 881,917</u>	<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>
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions - employer	\$ 10,802	\$ 9,094	\$ 12,838	\$ 200,032	\$ 30,680	\$ 11,718	\$ 14,522	\$ 14,179	\$ 13,485	\$ 13,247
Contributions - employee	10,053	8,231	7,676	8,780	19,016	6,797	7,290	7,118	6,994	6,871
Net investment income	80,017	52,513	(184)	171,325	10,371	32,889	33,559	49,465	7,011	17,639
Benefit payments	(68,543)	(65,679)	(64,611)	(45,115)	(28,112)	(19,648)	(19,538)	(22,710)	(22,682)	(22,321)
Administrative expenses	(564)	(552)	(562)	(251)	(307)	(318)	(282)	(281)	(247)	(240)
Other changes	16	21	20	18	(12)	(21)	(30)	(44)	(3)	(4)
Net change in plan fiduciary net position	31,781	3,628	(44,823)	334,789	31,636	31,417	35,521	47,727	4,558	15,192
Plan fiduciary net position, beginning	845,370	841,742	886,565	551,776	520,140	488,723	453,202	405,475	400,917	385,725
Plan fiduciary net position, ending (b)	<u>\$ 877,151</u>	<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>
Town's net pension liability (asset), ending (a) - (b)	<u>\$ 4,766</u>	<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>
Plan fiduciary net position as a percentage of the total pension liability	99.5%	99.3%	99.6%	144.6%	105.6%	104.7%	100.4%	100.2%	94.9%	100.2%
Covered payroll	<u>\$ 251,324</u>	<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>
Net pension liability (asset) as a percentage of covered payroll	<u>1.9%</u>	<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>

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 2024 information was presented in the Town's fiscal year 2025 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
2025	\$ 11,155	\$ 11,155	\$ -	\$ 275,211	4.05%
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%

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, 2025

---

**Note 1 – Budgetary Appropriations**

---

The Town budget is prepared on a cash basis. During FY2025, actual expenditures were in excess of budgeted appropriations. The amount by which actual revenues exceeded those budgeted for FY2025 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, 2023, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study 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 from 75 to 80 for all.
- Adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.



# Statistical Section

---

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

	Fiscal Year									
	2025	*2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>GOVERNMENTAL ACTIVITIES</b>										
Net investment in capital assets	\$ 172,148	\$ 193,143	\$ 228,946	\$ 260,152	\$ 288,869	\$ 280,071	\$ 324,333	\$ 270,909	\$ 193,628	\$ 225,577
Restricted for permanent fund	1,722	1,762	1,786	1,832	1,760	2,251	42,143	41,884	41,302	41,921
Restricted for pensions	-	-	-	155,705	17,459	15,821	1,516	-	-	586
Unrestricted	3,295,386	2,315,334	2,071,777	1,682,618	1,709,678	1,384,378	1,291,311	1,295,001	1,123,448	1,221,506
Total governmental activities net position	<u>\$ 3,469,256</u>	<u>\$ 2,510,239</u>	<u>\$ 2,302,509</u>	<u>\$ 2,100,307</u>	<u>\$ 2,017,766</u>	<u>\$ 1,682,521</u>	<u>\$ 1,659,303</u>	<u>\$ 1,607,794</u>	<u>\$ 1,358,378</u>	<u>\$ 1,489,590</u>
<b>BUSINESS-TYPE ACTIVITIES</b>										
Net investment in capital assets	\$ 3,661,345	\$ 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
Restricted for pensions	-	-	-	117,688	11,969	7,619	405	-	-	171
Unrestricted	246,988	334,377	213,437	152,203	203,033	183,408	223,287	194,210	184,687	207,107
Total business-type activities net position	<u>\$ 3,908,333</u>	<u>\$ 3,259,204</u>	<u>\$ 3,152,020</u>	<u>\$ 2,783,280</u>	<u>\$ 2,781,479</u>	<u>\$ 2,866,489</u>	<u>\$ 2,521,455</u>	<u>\$ 2,300,318</u>	<u>\$ 2,321,267</u>	<u>\$ 2,077,971</u>
<b>PRIMARY GOVERNMENT</b>										
Net investment in capital assets	\$ 3,833,493	\$ 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
Restricted for permanent fund	1,722	1,762	1,786	1,832	1,760	2,251	42,143	41,884	41,302	41,921
Restricted for pensions	-	-	-	273,393	29,428	23,440	1,921	-	-	757
Unrestricted	3,542,374	2,649,711	2,285,214	1,834,821	1,912,711	1,567,786	1,514,598	1,489,211	1,308,135	1,428,613
Total primary government net position	<u>\$ 7,377,589</u>	<u>\$ 5,769,443</u>	<u>\$ 5,454,529</u>	<u>\$ 4,883,587</u>	<u>\$ 4,799,245</u>	<u>\$ 4,549,010</u>	<u>\$ 4,180,758</u>	<u>\$ 3,908,112</u>	<u>\$ 3,679,645</u>	<u>\$ 3,567,561</u>

\* Restated for GASB 101

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

	Fiscal Year									
	2025	*2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>EXPENSES</b>										
Governmental activities:										
General government administration	\$ 419,812	\$ 379,577	\$ 304,599	\$ 346,819	\$ 362,373	\$ 326,160	\$ 288,234	\$ 287,102	\$ 275,860	\$ 252,234
Public safety	170,703	220,009	141,391	123,595	124,506	129,857	123,416	117,530	124,539	130,871
Public works	176,548	128,275	77,902	100,081	67,635	77,468	183,967	172,367	175,765	169,621
Parks, recreation and cultural	43,692	50,239	53,936	16,510	19,248	25,500	26,266	30,314	16,081	22,192
Community development	-	-	-	-	-	-	-	-	-	124,776
Total governmental activities expenses	<u>810,755</u>	<u>778,100</u>	<u>577,828</u>	<u>587,005</u>	<u>573,762</u>	<u>558,985</u>	<u>621,883</u>	<u>607,313</u>	<u>592,245</u>	<u>699,694</u>
Business-type activities:										
Public utility	1,836,009	1,731,443	1,707,881	1,444,329	1,218,813	1,312,254	1,333,911	1,260,827	1,289,260	1,233,896
Airport Commission expenses	185,691	184,131	142,690	173,849	148,052	151,070	172,711	198,148	277,501	166,660
Total business-type activities expenses	<u>2,021,700</u>	<u>1,915,574</u>	<u>1,850,571</u>	<u>1,618,178</u>	<u>1,366,865</u>	<u>1,463,324</u>	<u>1,506,622</u>	<u>1,458,975</u>	<u>1,566,761</u>	<u>1,400,556</u>
Total primary government expenses	<u><b>\$ 2,832,455</b></u>	<u><b>\$ 2,693,674</b></u>	<u><b>\$ 2,428,399</b></u>	<u><b>\$ 2,205,183</b></u>	<u><b>\$ 1,940,627</b></u>	<u><b>\$ 2,022,309</b></u>	<u><b>\$ 2,128,505</b></u>	<u><b>\$ 2,066,288</b></u>	<u><b>\$ 2,159,006</b></u>	<u><b>\$ 2,100,250</b></u>
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Operating grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ 144,868	\$ -	\$ -	\$ -	\$ -	\$ -
Business-type activities:										
Charges for services	1,816,943	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
Capital grants and contributions	213,966	159,980	464,324	-	-	-	-	-	-	-
Operating grants and contributions	433,315	-	2,738	75,914	4,010	312,457	97,713	-	33,986	420,637
Total business-type activities program revenues	<u>2,464,224</u>	<u>1,952,496</u>	<u>2,234,425</u>	<u>1,637,436</u>	<u>1,494,664</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>
Total primary government program revenues	<u><b>\$ 2,464,224</b></u>	<u><b>\$ 1,952,496</b></u>	<u><b>\$ 2,234,425</b></u>	<u><b>\$ 1,637,436</b></u>	<u><b>\$ 1,639,532</b></u>	<u><b>\$ 1,830,045</b></u>	<u><b>\$ 1,820,773</b></u>	<u><b>\$ 1,710,057</b></u>	<u><b>\$ 1,663,134</b></u>	<u><b>\$ 2,092,629</b></u>
<b>NET (EXPENSE) REVENUE</b>										
Governmental activities	\$ (810,755)	\$ (778,100)	\$ (577,828)	\$ (587,005)	\$ (428,894)	\$ (558,985)	\$ (621,883)	\$ (607,313)	\$ (592,245)	\$ (699,694)
Business-type activities	442,524	36,922	383,854	19,258	127,799	366,721	314,151	251,082	96,373	692,073
Total primary government net expense	<u><b>\$ (368,231)</b></u>	<u><b>\$ (741,178)</b></u>	<u><b>\$ (193,974)</b></u>	<u><b>\$ (567,747)</b></u>	<u><b>\$ (301,095)</b></u>	<u><b>\$ (192,264)</b></u>	<u><b>\$ (307,732)</b></u>	<u><b>\$ (356,231)</b></u>	<u><b>\$ (495,872)</b></u>	<u><b>\$ (7,621)</b></u>

\* Restated for GASB 101

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

	Fiscal Year									
	2025	*2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>GENERAL REVENUES AND OTHER</b>										
<b>CHANGES IN NET POSITION</b>										
Governmental activities:										
General property taxes	\$ 136,319	\$ 137,251	\$ 111,598	\$ 86,121	\$ 79,723	\$ 77,330	\$ 84,243	\$ 81,548	\$ 84,724	\$ 84,301
Meals taxes	475,050	298,368	303,319	266,229	192,170	189,656	-	-	-	-
Other local taxes	161,777	190,925	146,698	133,863	159,807	139,963	361,818	390,657	330,233	322,934
Revenues from use of money and property	99,869	79,384	14,159	10,325	7,394	15,181	8,216	9,062	9,157	8,795
Permits, privilege fees, and regulatory licenses	273	140	180	196	200	140	90	248	170	450
Fines and forfeitures	941,076	184,292	46,979	26,540	18,292	13,344	5,594	1,939	772	180
Recovered costs	-	-	-	-	1,064	16,420	4,033	3,695	16,968	8,834
Revenues from other sources	8,630	8,771	12,762	4,801	4,575	6,420	8,316	3,938	29,984	21,912
Intergovernmental -										
Commonwealth of Virginia	73,545	70,669	71,668	70,145	65,327	62,965	59,466	57,573	59,599	58,422
Transfers	(126,767)	16,030	72,667	71,326	235,587	60,784	141,616	308,069	(70,574)	305,094
Total governmental activities	<u>1,769,772</u>	<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>
Business-type activities:										
Revenues from other sources	79,838	86,292	57,553	53,869	22,778	39,097	39,562	32,547	38,211	31,365
Payments from (to) the Town	-	-	-	-	-	-	9,040	3,491	(11,862)	124,776
Transfers	126,767	(16,030)	(72,667)	(71,326)	(235,587)	(60,784)	(141,616)	(308,069)	70,574	(305,094)
Total business-type activities	<u>206,605</u>	<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>
Total primary government	<u>\$ 1,976,377</u>	<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>
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ 959,017	\$ 207,730	\$ 202,202	\$ 82,541	\$ 335,245	\$ 23,218	\$ 51,509	\$ 249,416	\$ (131,212)	\$ 111,228
Business-type activities	649,129	107,184	368,740	1,801	(85,010)	345,034	221,137	(20,949)	193,296	543,120
Total primary government	<u>\$ 1,608,146</u>	<u>\$ 314,914</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>

\* Restated for GASB 101

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>GENERAL FUND</b>										
Unassigned	\$ 3,167,918	\$ 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
Total general fund	<u>\$ 3,167,918</u>	<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>
<b>ALL OTHER GOVERNMENT FUNDS</b>										
Committed	\$ 44,869	\$ 40,526	\$ 40,526	\$ 40,503	\$ 40,462	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Restricted	1,722	1,762	1,786	1,832	1,760	2,251	2,143	1,884	1,302	1,921
Total all other governmental funds	<u>\$ 46,591</u>	<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>

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>REVENUES</b>										
General property taxes	\$ 136,319	\$ 137,251	\$ 111,598	\$ 86,121	\$ 79,723	\$ 77,330	\$ 84,243	\$ 81,548	\$ 84,724	\$ 84,301
Other local taxes	636,827	489,293	450,017	400,092	351,977	329,619	361,818	390,657	330,233	322,934
Revenue from use of money and property	99,869	79,384	14,159	10,325	7,394	15,181	8,216	9,062	9,157	8,795
Permits, privilege fees, and regulatory licenses	273	140	180	196	200	140	90	248	170	450
Fines and forfeitures	941,076	184,292	46,979	26,540	18,292	13,344	5,594	1,939	772	180
Recovered costs	3,980	1,915	37,701	-	1,064	16,420	4,033	3,695	16,968	8,834
Miscellaneous	8,630	8,771	12,762	4,801	4,575	6,420	8,316	3,938	18,122	21,912
Intergovernmental - Commonwealth of Virginia	73,545	70,669	71,668	70,145	65,327	62,965	59,466	57,573	59,599	58,422
Federal	-	-	-	-	144,868	-	-	-	-	-
<b>Total revenues</b>	<b>1,900,519</b>	<b>971,715</b>	<b>745,064</b>	<b>598,220</b>	<b>673,420</b>	<b>521,419</b>	<b>531,776</b>	<b>548,660</b>	<b>519,745</b>	<b>505,828</b>
<b>EXPENDITURES</b>										
General government administration	356,542	293,288	268,854	249,380	526,362	345,903	279,623	278,492	262,688	243,908
Public safety	161,271	211,170	129,970	117,294	112,516	107,454	95,419	91,807	101,093	107,425
Public works	172,074	121,919	107,810	79,371	48,449	59,937	166,239	157,086	164,246	156,744
Parks, recreation and cultural	31,654	32,400	36,097	16,510	19,248	25,500	26,266	30,314	16,081	22,318
Community development	-	-	-	-	-	-	-	-	-	124,776
Capital projects	17,196	10,598	16,444	21,000	61,913	12,876	111,631	128,551	12,548	45,818
<b>Total expenditures</b>	<b>738,737</b>	<b>669,375</b>	<b>559,175</b>	<b>483,555</b>	<b>768,488</b>	<b>551,670</b>	<b>679,178</b>	<b>686,250</b>	<b>556,656</b>	<b>700,989</b>
Excess (deficiency) of revenues over (under) expenditures	1,161,782	302,340	185,889	114,665	(95,068)	(30,251)	(147,402)	(137,590)	(36,911)	(195,161)
<b>OTHER FINANCING SOURCES (USES)</b>										
Subscription financing	-	2,329	-	-	-	-	-	-	-	-
Operating transfers in	30,323	79,326	193,342	87,697	249,150	73,783	162,990	322,402	153,352	525,090
Operating transfers out	(157,090)	(63,296)	(120,675)	(16,371)	(13,563)	(12,999)	(21,374)	(14,333)	(212,064)	(219,996)
Loan to fire department	-	-	-	(167,925)	-	-	-	-	-	-
Note receivable repayments	12,354	12,112	36,874	11,642	7,349	11,617	11,387	11,162	10,941	10,725
<b>Total other financing sources (uses)</b>	<b>(114,413)</b>	<b>30,471</b>	<b>109,541</b>	<b>(84,957)</b>	<b>242,936</b>	<b>72,401</b>	<b>153,003</b>	<b>319,231</b>	<b>(47,771)</b>	<b>315,819</b>
<b>Net change in fund balances</b>	<b>\$ 1,047,369</b>	<b>\$ 332,811</b>	<b>\$ 295,430</b>	<b>\$ 29,708</b>	<b>\$ 147,868</b>	<b>\$ 42,150</b>	<b>\$ 5,601</b>	<b>\$ 181,641</b>	<b>\$ (84,682)</b>	<b>\$ 120,658</b>

**Town of Wakefield, Virginia**  
**Assessed Value of Taxable Property - Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30,</b>	<b>Real Estate</b>	<b>Personal Property</b>	<b>Public Service Corporations</b>	<b>Total Taxable Assessed Value</b>
2025	\$ 63,034,712	\$ 10,045,202	\$ 3,872,422	\$ 76,952,336
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

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
2025	\$ 0.120	\$ 0.860	\$ 0.093	\$ 0.860	\$ 0.120
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

Source: Commissioner of Revenue, Sussex County

## Town of Wakefield, Virginia

### Principal Taxpayers - Current Year and Nine Years Ago

Taxpayer	2025			2016		
	Total Taxes Paid	Rank	Percentage of Total Town Tax Revenue	Total Taxes Paid	Rank	Percentage of Total Town Tax Revenue
Virginia Diner	\$ 24,554	1	3.18%	\$ 12,775	1	3.14%
Wakefield Farm Service	6,263	2	0.81%	4,321	2	1.06%
7-Eleven	3,085	3	0.40%	1,037	7	0.25%
Indmar Coatings/Wilmer Rowe	2,670	4	0.35%	n/a	n/a	n/a
Spectrum South	1,861	5	0.24%	n/a	n/a	n/a
Wakefield IGA	1,693	6	0.22%	1,627	4	0.40%
Richard E. and Sandra P. Rickmond	1,507	7	0.19%	870	10	0.21%
Norfolk & Western Railroad	1,487	8	0.19%	1,165	5	0.29%
Virginia Electric & Power Co.	1,478	9	0.19%	1,131	6	0.28%
Eastern Properties	1,161	10	0.15%	n/a	n/a	n/a
Golden Peanut	n/a	n/a	n/a	2,162	3	0.53%
Mac's / Uppy's	n/a	n/a	n/a	918	8	0.23%
Family Dollar of Virginia	n/a	n/a	n/a	888	9	0.22%
	<b>\$ 45,759</b>		<b>5.92%</b>	<b>\$ 26,894</b>		<b>6.61%</b>

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
2025	\$ 138,371	\$ 129,335	93.47%	-	\$ 129,335	93.47%
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%

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

Source: Town of Wakefield Office

# **Town of Wakefield, Virginia**

**Year Ended June 30, 2025**

## **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.



# **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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, 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, 2025, 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 10, 2025.

### **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 2025-001).

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 2025-002).

## **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

Colonial Heights, Virginia  
October 10, 2025

**Town of Wakefield, Virginia**  
**Summary of Compliance Matters**  
June 30, 2025

As more fully described in the Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, we performed tests of the Town’s compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

---

**State Compliance Matters**

---

Code of Virginia

- Cash and Investment Laws
- Procurement Laws

**Town of Wakefield, Virginia**  
**Schedule of Findings and Responses**  
**June 30, 2025**

---

**2025-001: Segregation of Duties (Material Weakness)**

---

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

Criteria Duties within the accounting system should be properly segregated.

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.

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

---

**2025-002: 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.

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).

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.

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.

View of Responsible Officials Recommendations made by auditors will be implemented.