



AUDIT SUMMARY 2020

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

- Presentation of Annual Report and Audit Results
 - Scott Wickham, audit partner with our audit firm will be presenting the Audit opinions to you as he is now required to do so by APA (Auditor of Public Accounts)
 - After Scott's presentation we will look at
 - How did we do with Revenues and Expenditures
 - Where did our money come from and where did it go
 - How did we do relative to the budget
 - Where are we with respect to the fund balance policy

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

- Audit Opinion on the financial statement is on page 18
 - The opinion is unqualified
 - The supplementary information is fairly presented
- Report on Internal Control and Compliance with GAS reports are on page 143
 - No internal control weaknesses or compliance issues were identified.
- Report on Compliance for Each Major Program and on Internal Control and Compliance on page 145
 - No internal control weaknesses or compliance issues were identified
- Auditors letter to Town Council
 - Provides communication to Council regarding work and interaction with management and the financial statements.

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

- Audit Recommendations:
 - During review of the annual Statements of Economic Interest we noted several incomplete forms. We recommend the forms be reviewed to ensure all necessary questions are completed entirely.

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- Letter of Transmittal page 1 to 14
- MD&A or Management Discussion and Analysis page 21 to 29
- Government Wide Financial Statements page 30-31 GASB 34 statements
- Fund Financial Statements page 32-38
- Notes to the Financial Statements page 38-89
- Supplementary Information page 90-142

lots of trend data, functional data and schedules

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

- Government wide financial statements vs fund balance statements
 - Government Wide financial statements Pg. 30-31 present all the capital assets and depreciation of the government as well as the long-term debt and long-term pension liabilities that are not reflected in the fund level financial statements. (economic resources measurement focus and full accrual basis.)
 - Fund level financial statements report on a shorter time horizon and do not reflect these long-term assets and debt the same way but account for assets as they are purchased and debt as the payments are made. (Current financial resources measurement and modified accrual basis)
 - You will see a reconciliation of these statements on pages 33 and 35.
 - From either perspective the Town has a strong fund balance, and we are in good shape going into this fiscal year to whether the impacts of COVID

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

REVENUES AS COMPARED TO PRIOR YEARS

Revenues	2017	2018	2019	2020	Increase (decrease) over 2019
GENERAL FUND	28,891,636	29,224,918	30,557,111	30,048,301	(472,810)
SPEC REV FUNDS	2,913,936	1,522,629	1,577,449	1,876,411	298,962
CEMETERY	103,107	110,202	107,239	149,677	42,438
GF Capital Projects	1,558,528	1,483,271	3,608,916	8,054,236	4,445,320
ENTERPRISE W&S	8,913,642	10,792,784	10,989,344	11,775,306	785,962
STORM WATER	1,397,976	2,042,427	2,421,103	1,875,764,	(545,339)

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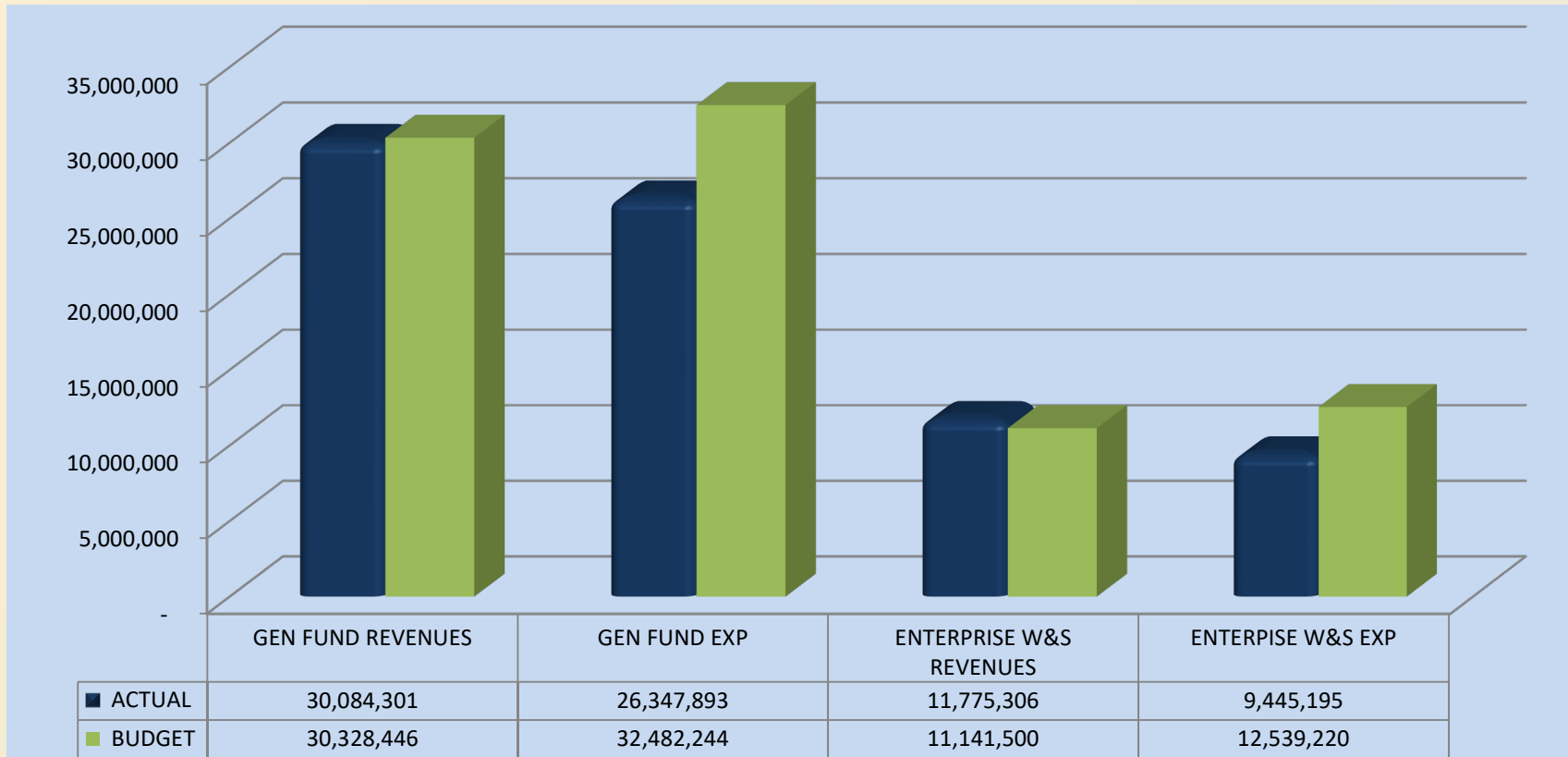
- EXPENDITURES AS COMPARED TO PRIOR YEARS

Expenditures	2017	2018	2019	2020	Increase (decrease) over 2019
GENERAL FUND	22,515,347	24,081,567	25,038,426	26,347,893	1,309,467
SPEC REV FUNDS	3,051,381	1,343,442	1,412,240	1,697,713	285,473
CEMETERY	214,231	229,919	233,809	206,440	(27,369)
GF CAPITAL PROJECTS	2,408,073	2,484,701	5,850,521	11,444,878	5,594,357
ENTERPRISE W&S	7,927,511	8,642,531	9,345,847	9,445,195	99,348
STORM WATER	401,448	1,196,667	767,957	839,408	71,451

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

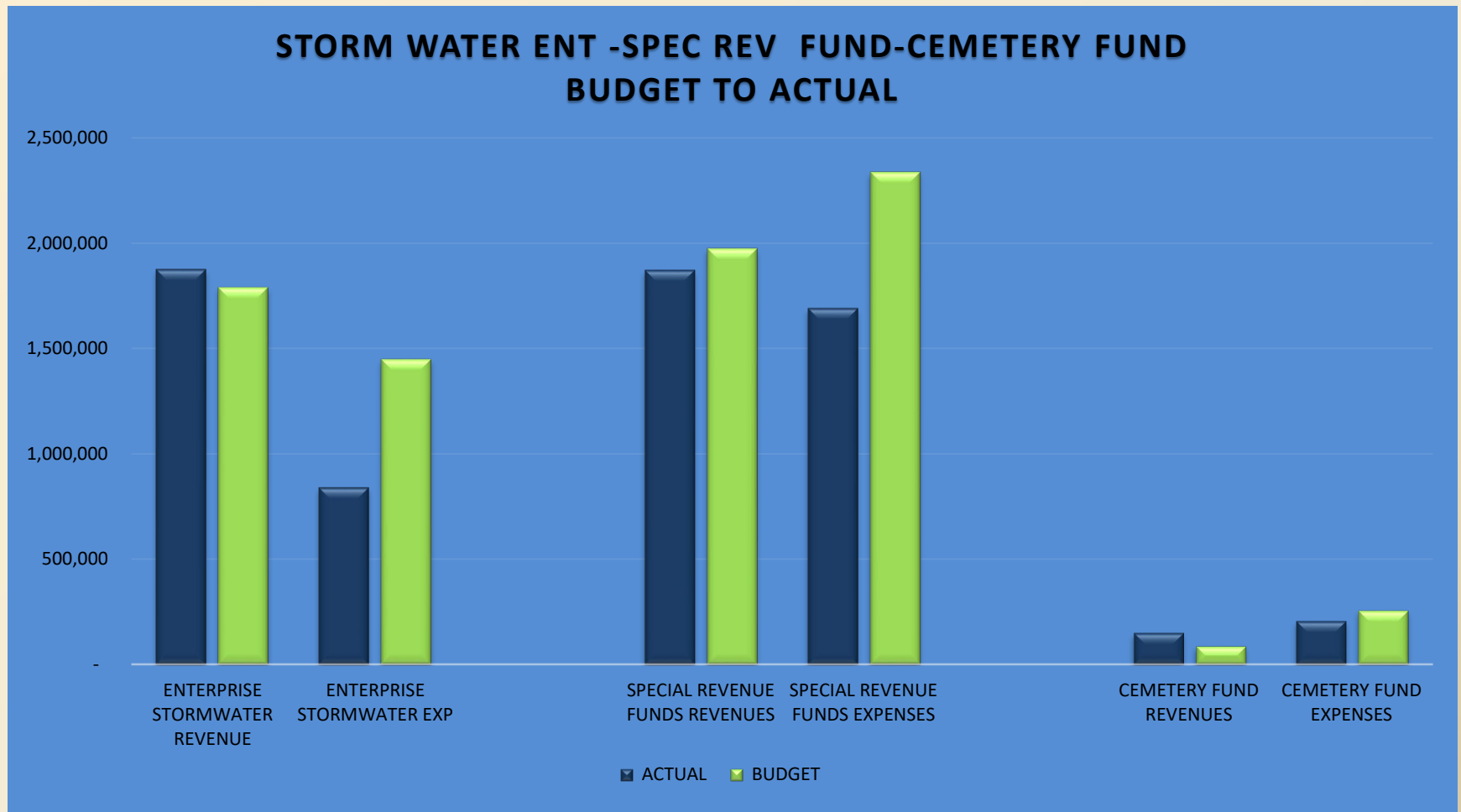
REVENUES AND EXPENDITURES AS COMPARED TO BUDGET

BUDGET TO ACTUAL GEN FUND AND WATER SEWER ENTERPRISE



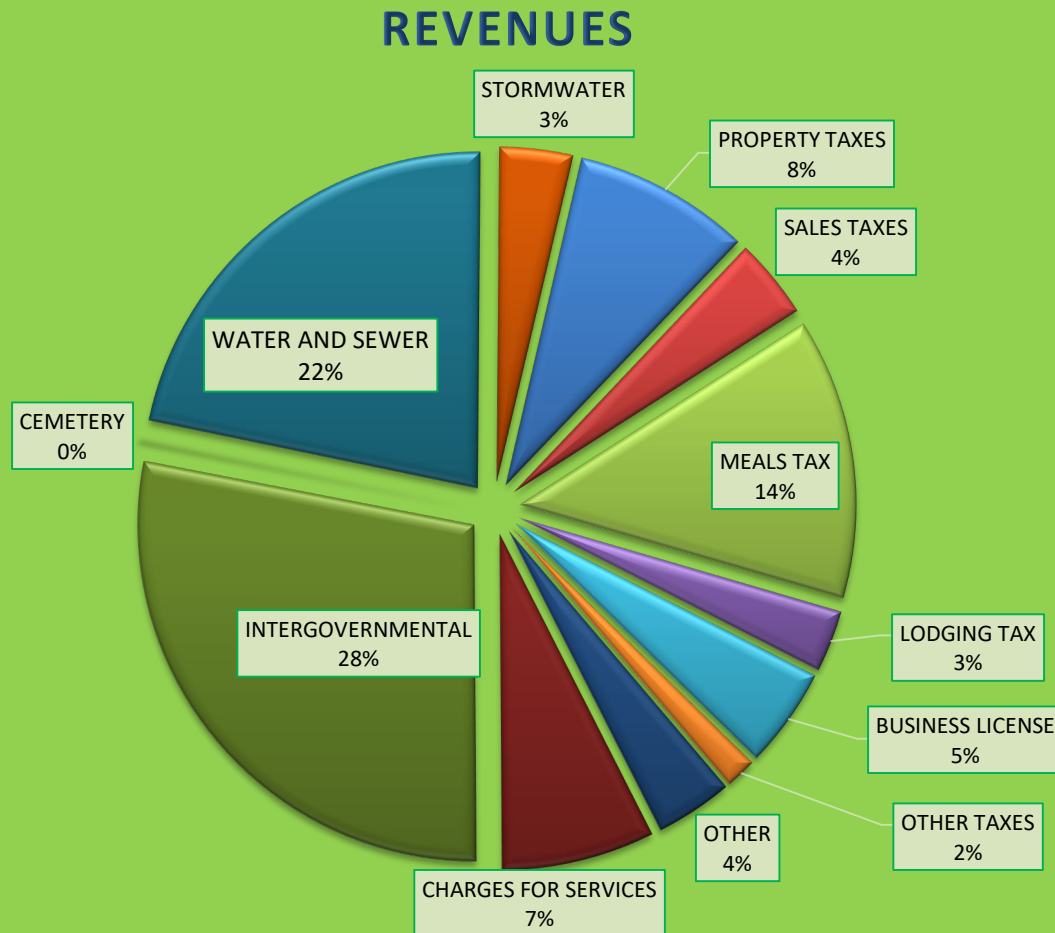
TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

REVENUES AND EXPENDITURES AS COMPARED TO BUDGET



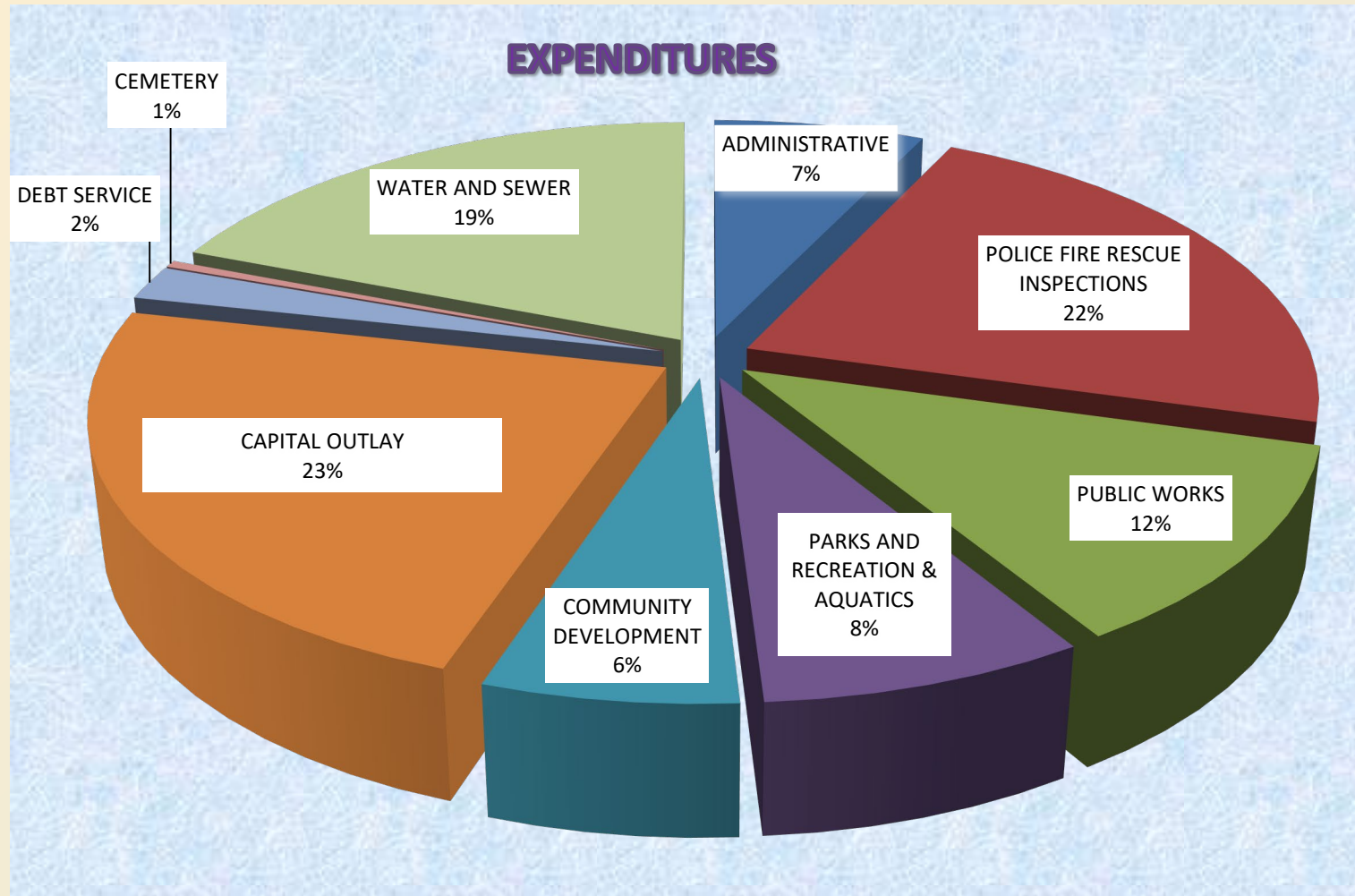
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- WHERE DID THE REVENUE COME FROM



TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

- EXPENDITURES

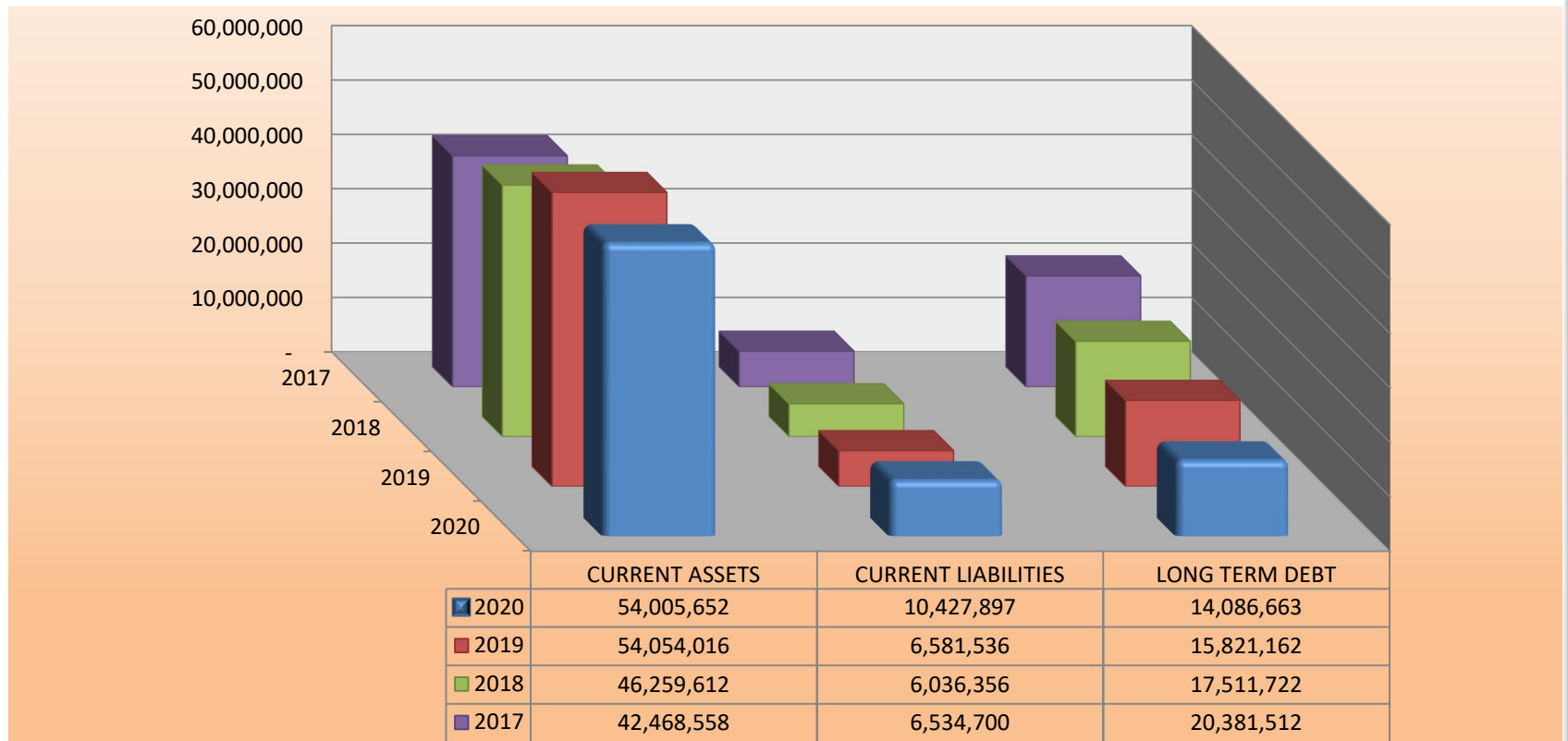


TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

- TOTAL FIXED ASSETS OF THE GOVERNMENT HAVE INCREASED THIS YEAR NET OF DEPRECIATION BY \$10,068,371
- 2017 \$170,568,607
- 2018 \$171,295,120
- 2019 \$180,097,380
- 2020 \$190,165,751

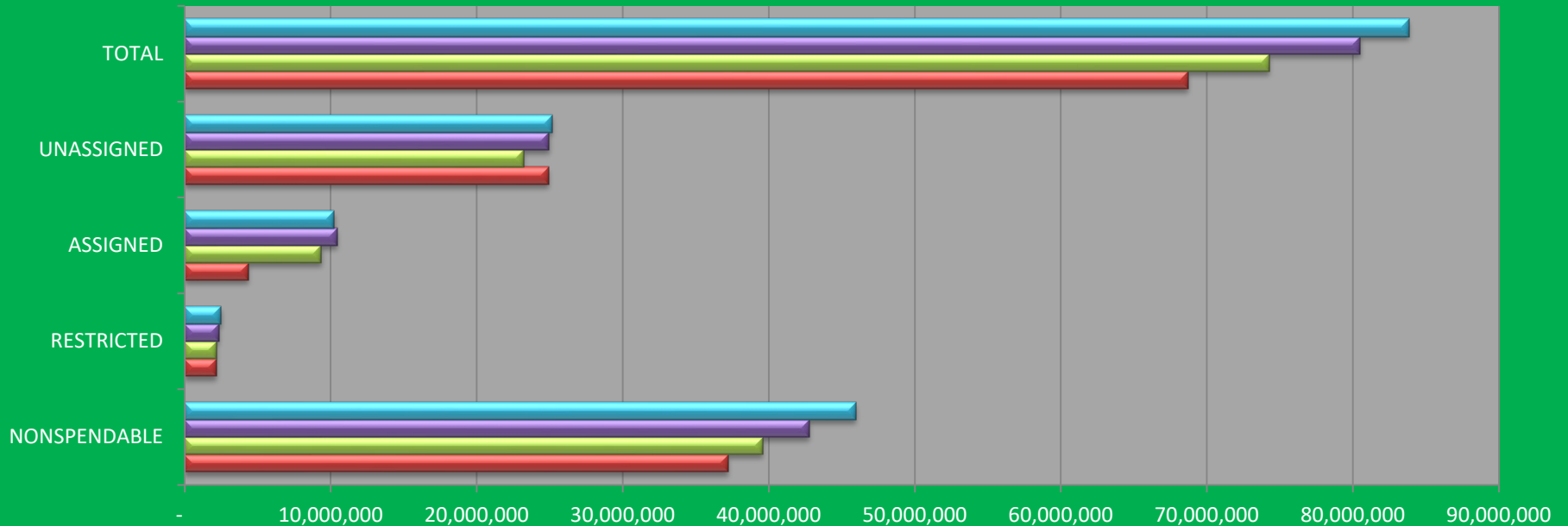
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ASSETS AND LIABILITIES



TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

FUND BALANCE



	NONSPENDABLE	RESTRICTED	ASSIGNED	UNASSIGNED	TOTAL
2020	45,975,662	2,498,344	10,230,258	25,132,831	83,837,095
2019	42,783,097	2,329,595	10,445,447	24,950,794	80,508,933
2018	39,557,807	2,166,386	9,346,047	23,179,082	74,249,322
2017	37,232,454	2,181,328	4,371,279	24,912,478	68,697,539

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

TOWN OF CHRISTIANSBURG		
FUND BALANCE REVIEW FOR THE YEAR ENDED JUNE 30, 2020		
	REFERENCE	ACTUAL
GENERAL FUND EXPENDITURES	AUDIT PG 34	26,347,893
CEMETERY FUND EXPENDITURES	AUDIT PG 106	206,440
CAPITAL PROJECTS FUNDS	AUDIT PG 34	11,444,878
WATER AND SEWER ENTERPRISE FUND	AUDIT PG 37	9,445,195
STORM WATER ENTERPRISE FUND	AUDIT PG 37	839,408
TOTAL EXPENDITURES		48,283,814
LESS CAPITAL EXPENDITURES GENERAL FUND	CAPITAL WS	1,534,477
LESS CAPITAL PROJECT FUND EXPENDITURES	AUDIT PG 30	11,444,878
TOTAL OPERATING EXPENDITURES		35,304,459
FUND BALANCE UNASSIGNED 6/30/2020	AUDIT PG 32	25,132,831
PERCENTAGE OF EXPENDITURES TO UNASSIGNED		71.19%
FUND BALANCE USED FOR 2021 BUDGET CAPITAL ROLLOVER	BUDGET	4,502,197
ADDITIONAL BUDGET ROLLOVERS CAPITAL PROJECTS		1,091,264
AMENDMENT 1 2021 BUDGET MODIFICATION AND OTHER USES		965,838
TOTAL FUND BALANCE USES		6,559,299
PERCENTAGE OF EXPENDITURES TO UNASSIGNED		52.61%
ADDITIONAL ASSIGNMENT TO RESERVES		3,105,000
TOTAL ASSIGNMENT OF RESERVES		3,105,000
PERCENTAGE OF EXPENDITURES TO UNASSIGNED		
AFTER NEW RESERVES IN 2020 BUDGET		43.81%

FUND BALANCE POLICY

Fund balance Goals General fund

The Town shall seek to maintain unassigned fund balance of between 35-40% of all expenditures in the preceding fiscal year. Expenditures shall include operating expenses (excluding capital) of the general fund, permanent fund and enterprise funds less any unassigned fund balance in the permanent fund and the enterprise fund. If the unassigned fund balance after conclusion of the annual audit exceeds 45% a review shall be conducted and appropriate actions shall be taken. If the unassigned fund balance is less than 30% a plan shall be developed to restore the reserves in an acceptable manner under the circumstances.

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

- Our Fund Balance remained about the same as the end of last year which is good considering the impacts of COVID
- Our unassigned fund balance is at 43.81% after consideration of fund balance use in the FY 2021 budget, additional amounts to reserves in the FY 2021 budget along with the Budget Amendment #1
- Overall we were consistent with revenue numbers being better than budgeted and expenditures less than budgeted.
- Reserves and liquidity are good and we should be able to manage well during this upcoming year even with the pandemic.
- Update on numbers for the current year:
 - Meals are down about 10% for the last 4 months
 - Lodging is down 58%
 - Sales tax is down 1.5%

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2020

- Major Initiatives moving into this year include:
 - Implementation of the new software selected in FY 2020 is underway, the full implementation is expected to take 2 years
 - Park Project
 - Pedestrian improvements on North and South Franklin
 - Cambria Trail design
 - Annual Paving projects
 - Preliminary Engineering Reports for the treatment plant
 - Biosolid dewatering design
 - Silver Lake Interceptor
 - College Street and Stone Street drainage studies
 - Cambria Drainage Basin I&I
 - COVID and Cares Act Projects

QUESTIONS?