



AUDIT SUMMARY 2021

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

- 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 2021

- Audit Opinion on the financial statement is on page 15
 - The opinion is unqualified
 - The supplementary information is fairly presented
- Report on Internal Control and Compliance with GAS reports are on page 139
 - No internal control weaknesses or compliance issues were identified.
- Report on Compliance for Each Major Program and on Internal Control and Compliance on page 141
 - 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 2021

- 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.
 - Update our policies on federal funds compliance
 - Public works to document name of streets for highway maintenance funds

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

- Letter of Transmittal page 1 to 11
- MD&A or Management Discussion and Analysis page 18 to 26
- Government Wide Financial Statements page 27-28 GASB 34 statements
- Fund Financial Statements page 29-35
- Notes to the Financial Statements page 36-85
- Supplementary Information page 86-138

lots of trend data, functional data and schedules

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

- Government wide financial statements vs fund balance statements
 - Government Wide financial statements Pg. 27-28 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 30 and 32.
 - From either perspective the Town has a strong fund balance, and we are in good shape going into this fiscal year.

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

REVENUES AS COMPARED TO PRIOR YEARS

Revenues	2018	2019	2020	2021	Increase (decrease) over 2020
GENERAL FUND	29,224,918	30,557,111	30,048,301	30,201,297	116,996
SPEC REV FUNDS	1,522,629	1,577,449	1,876,411	4,313,537	2,437,126
CEMETERY	110,202	107,239	149,677	150,896	1,219
GF Capital Projects	1,483,271	3,608,916	8,054,236	1,581,272	(6,472,964)
ENTERPRISE W&S	10,792,784	10,989,344	11,775,306	11,219,076	(556.230)
STORM WATER	2,042,427	2,421,103	1,875,764,	1,475,327	(400,437)

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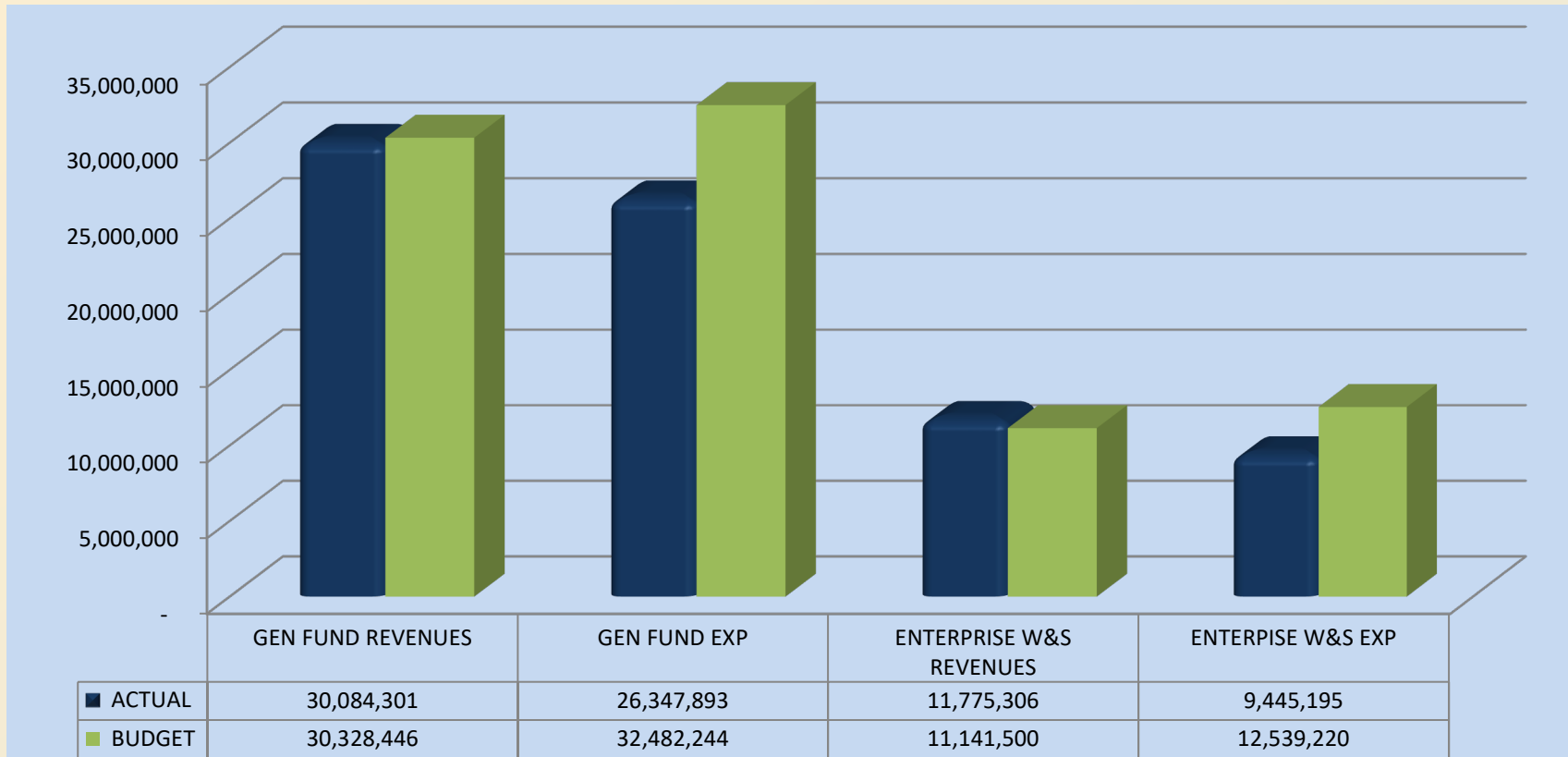
- EXPENDITURES AS COMPARED TO PRIOR YEARS

Expenditures	2018	2019	2020	2021	Increase (decrease) over 2019
GENERAL FUND	24,081,567	25,038,426	26,347,893	26,981,201	633,308
SPEC REV FUNDS	1,343,442	1,412,240	1,697,713	4,907,413	3,209,700
CEMETERY	229,919	233,809	206,440	289,021	82,581
GF CAPITAL PROJECTS	2,484,701	5,850,521	11,444,878	3,682,507	(7,762,371)
ENTERPRISE W&S	8,642,531	9,345,847	9,445,195	9,908,912	(191,838)
STORM WATER	1,196,667	767,957	839,408	958,792	119,384

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

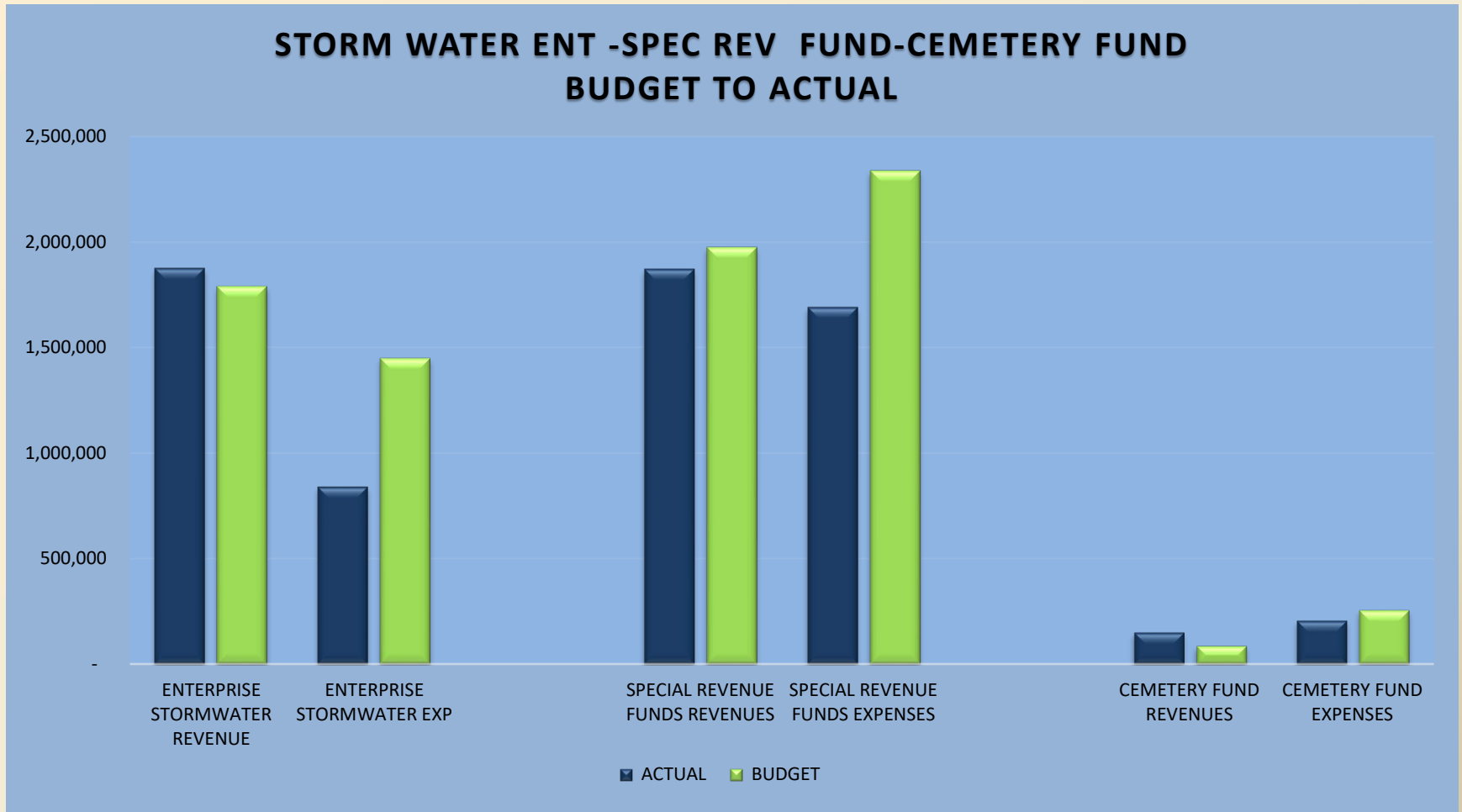
REVENUES AND EXPENDITURES AS COMPARED TO BUDGET

BUDGET TO ACTUAL GEN FUND AND WATER SEWER ENTERPRISE



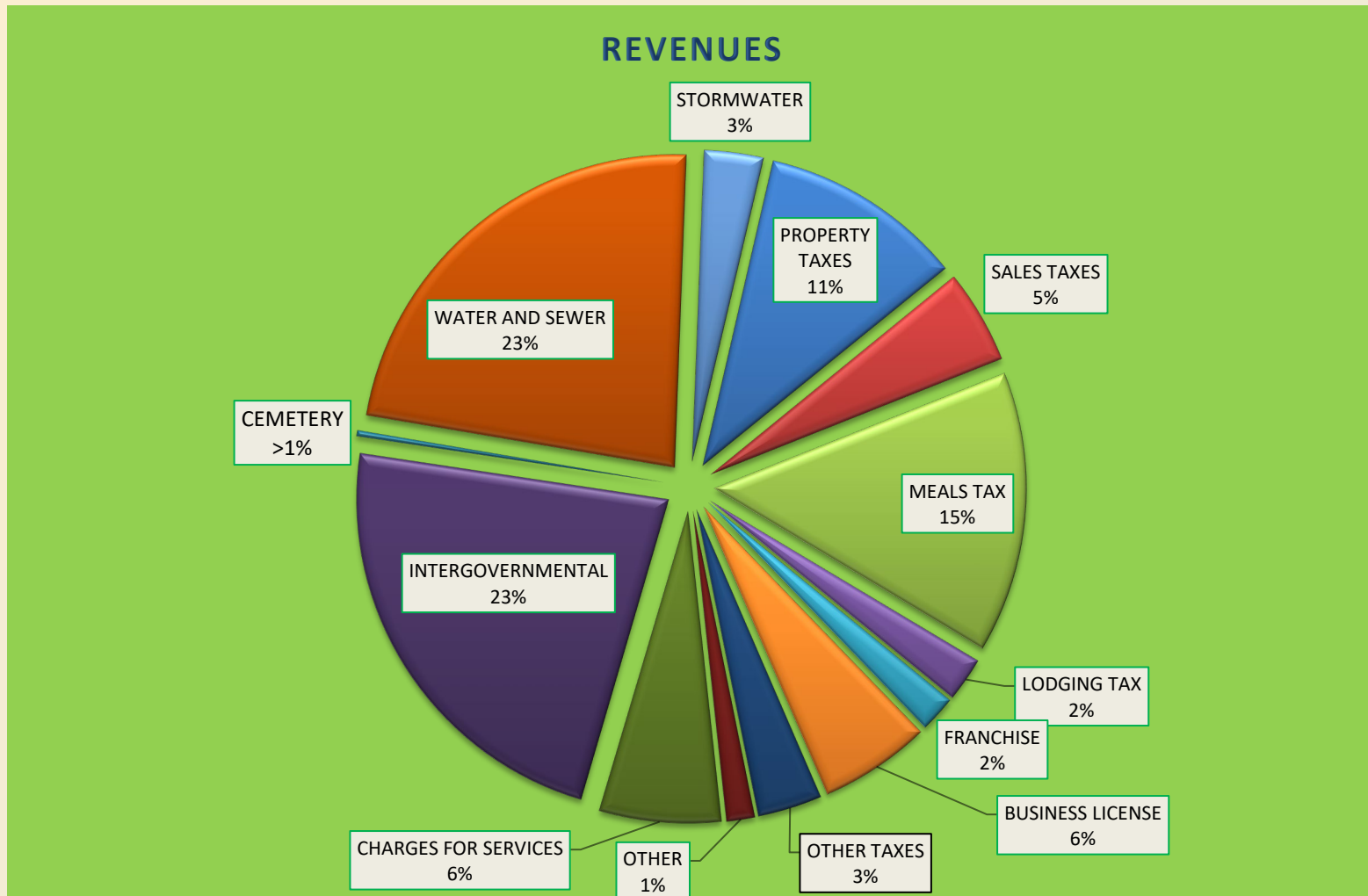
TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

REVENUES AND EXPENDITURES AS COMPARED TO BUDGET



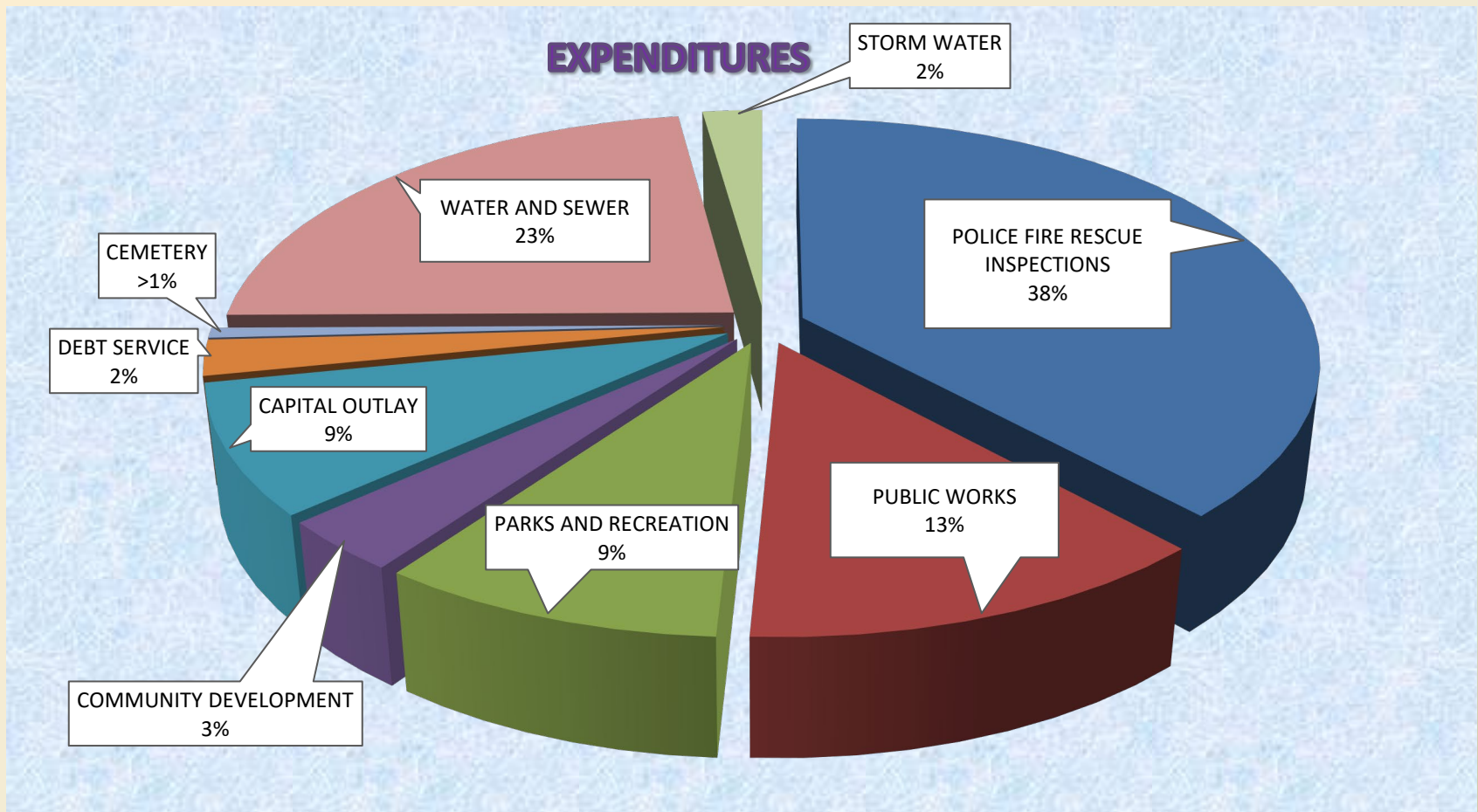
TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

- WHERE DID THE REVENUE COME FROM



TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

- EXPENDITURES

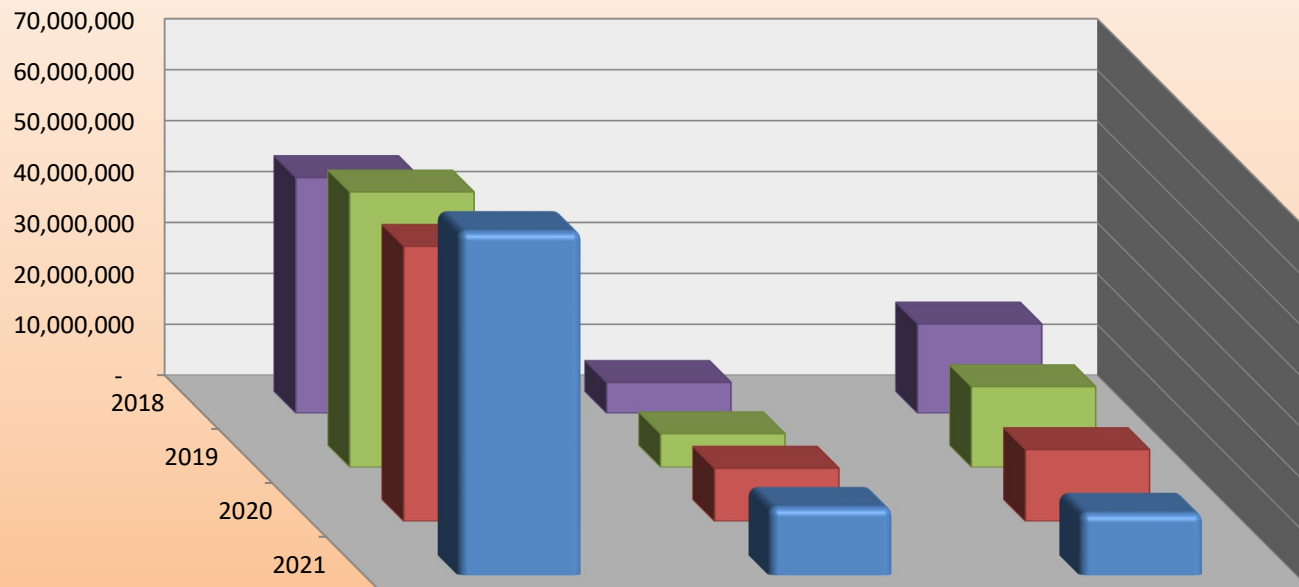


TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

- TOTAL FIXED ASSETS OF THE GOVERNMENT HAVE INCREASED THIS YEAR NET OF DEPRECIATION BY \$5,709,937
- 2018 \$171,295,120
- 2019 \$180,097,380
- 2020 \$190,165,751
- 2021 \$195,875,128

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

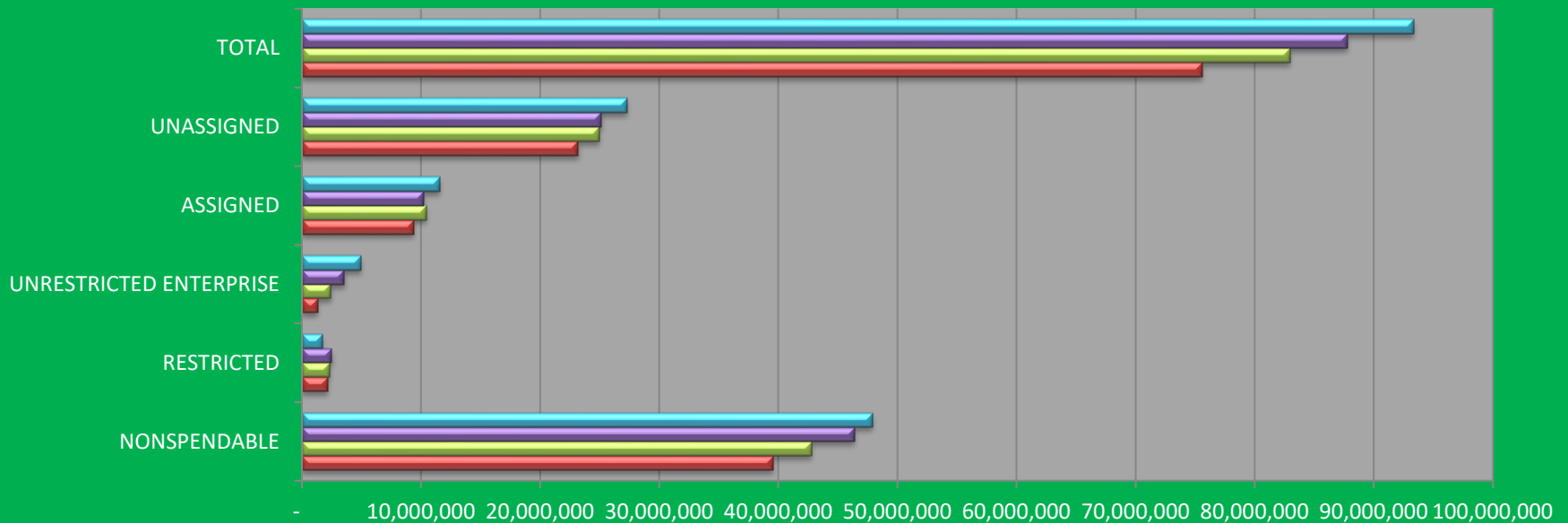
ASSETS AND LIABILITIES



	CURRENT ASSETS	CURRENT LIABILITIES	LONG TERM DEBT
2021	67,620,915	13,444,355	12,305,400
2020	54,005,652	10,427,897	14,086,663
2019	54,054,016	6,581,536	15,821,162
2018	46,259,612	6,036,356	17,511,722

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

FUND BALANCE



	NONSPENDABLE	RESTRICTED	UNRESTRICTED ENTERPRISE	ASSIGNED	UNASSIGNED	TOTAL
2021	47,876,960	1,697,443	4,951,993	11,573,428	27,265,079	93,364,903
2020	46,393,556	2,498,344	3,552,793	10,230,258	25,132,831	87,807,782
2019	42,783,097	2,329,595	2,424,081	10,445,447	24,950,794	82,933,014
2018	39,557,807	2,166,386	1,311,037	9,346,047	23,179,082	75,560,359

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

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		
FUND BALANCE REVIEW FOR THE YEAR ENDED JUNE 30, 2021		
	REFERENCE	ACTUAL
GENERAL FUND EXPENDITURES	AUDIT PG 31	24,714,333
CEMETERY FUND EXPENDITURES	AUDIT PG 102	238,677
CAPITAL PROJECTS FUNDS	AUDIT PG 31	3,682,507
WATER AND SEWER ENTERPRISE FUND	AUDIT PG 34	10,937,017
STORM WATER ENTERPRISE FUND	AUDIT PG 34	958,792
TOTAL EXPENDITURES		40,531,326
LESS CAPITAL EXPENDITURES GENERAL FUND	CAPITAL WS	1,461,183
LESS CAPITAL PROJECT FUND EXPENDITURES	AUDIT PG 31	3,682,507
TOTAL OPERATING EXPENDITURES		35,387,636
FUND BALANCE UNASSIGNED 6/30/2020	AUDIT PG 32	27,265,079
PERCENTAGE OF EXPENDITURES TO UNASSIGNED		77.05%
FUND BALANCE USED FOR 2022 BUDGET CAPITAL ROLLOVER	BUDGET	8,391,760
ADDITIONAL BUDGET ROLLOVERS CAPITAL PROJECTS		1,091,264
AMENDMENTS 1-6 2021 BUDGET MODIFICATION AND OTHER USES		201,500
TOTAL FUND BALANCE USES		9,684,524
PERCENTAGE OF EXPENDITURES TO UNASSIGNED		49.68%
ADDITIONAL ASSIGNMENT TO RESERVES		1,555,000
TOTAL ASSIGNMENT OF RESERVES		1,555,000
PERCENTAGE OF EXPENDITURES TO UNASSIGNED		
AFTER NEW RESERVES IN 2020 BUDGET		45.29%

TOWN OF CHRISTIANSBURG AUDIT SUMMARY 2021

- Our Unassigned Fund Balance increased 2.5 million over our expectations as compared to last year and our budget expectations.
- Our unassigned fund balance is at 45.29% after consideration of fund balance use in the FY 2022 budget, additional amounts to reserves in the FY 2022 budget along with the Budget Amendments #1-6 we will need to do one more amendment for carry over of capital projects which should drop us below the 45%
- 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 with whatever the pandemic challenges maybe.
- Update on a few numbers for the current year:
 - Meals taxes are up 12% over pre-pandemic levels for the same 4 month period and up 23% over the same period last year.
 - Lodging is down 6% for the first 4 months of 2022 as compared to pre-pandemic levels but more than double the same 4 months of last year.
 - Sales tax revenues are up 20% as compared to the same 3month period last year.

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- 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
 - Tower Road and Arbor Drive signals
 - Roanoke Street Waterline replacement and sidewalks
 - Annual Paving projects
 - Preliminary Engineering Reports for the treatment plant
 - Biosolid dewatering design
 - Hickok Street Improvements
 - College Street and Stone Street drainage
 - Cambria Drainage Basin I&I
 - ARPA funds

QUESTIONS?