



**Urbanna Town Council  
REGULAR MEETING  
Thursday, May 8, 2025 - 6:00pm  
Town Council Chambers - 390 Virginia St. Suite B  
Urbanna, Virginia**

## AMENDED AGENDA

1. Call to Order
2. Approval of Electronic Participation by a Council Member (if needed)
3. Roll Call
4. Pledge of Allegiance
5. Review and Adoption of Meeting Agenda
6. Approval of Minutes
  - a. April 10, 2025 Draft Minutes
  - b. April 24, 2025 Draft Minutes
7. Public Hearing (None scheduled)
8. Reports
 

<ol style="list-style-type: none"> <li>a. Staff Reports               <ol style="list-style-type: none"> <li>1. Town Administrator</li> <li>2. Treasurer</li> <li>3. Town Clerk</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>b. Committee Reports               <ol style="list-style-type: none"> <li>1. Finance</li> <li>2. Water</li> <li>3. Personnel</li> <li>4. Events</li> </ol> </li> </ol>
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9. Public Comment 1
10. Council Response to Public Comment 1
11. Unfinished Business
  - a. **Resolution 2025-006** – Approve Support Agreement with VRA and MPPDC
12. New Business
  - a. Fiscal Year Ended June 30, 2024 Audit
  - b. Professional Services for Groundwater Withdrawal Permit Renewal
13. Public Comment 2
14. Council Response to Public Comment 2
15. Council Announcements & Requests
16. Closed Meeting
  - a. Motion to Convene Closed Meeting – §2.2-3711 (A)(1) and §2.2-3711 (A)(3)
  - b. Motion to Reconvene in Open Session
  - c. Certification of Closed Meeting
  - d. Action on Closed Meeting – Contract Approval
17. Appointments to Boards & Commissions
  - a. **Resolution 2025-007** – Citizen Appointment to Planning Commission
18. Adjourn or Recess



## TOWN COUNCIL

### Agenda Item Summaries – Opening the Meeting FOR ALL REGULAR MEETINGS & WORK SESSIONS

#### Agenda Item: 1 – CALL TO ORDER

Mayor calls the meeting to order at 6:00 p.m. or as close thereto as possible, but not before.

#### Agenda Item: 2 – ELECTRONIC PARTICIPATION (if necessary)

**Mayor:** Councilmember \_\_\_\_\_ has requested to participate electronically in tonight's meeting due to [\*state reason]. May I have a motion to approve?

**Sample Motion:** I move to approve Councilmember \_\_\_\_\_'s electronic participation in tonight's meeting due to [\*state reason]. *Motion, Second, Discussion, Voice Vote*

\*Allowed reasons for electronic participation per § 2.2-3708.3 of the Code of Virginia:

1. The Councilmember has a temporary or permanent disability or medical condition that prevents their physical attendance.
2. The Councilmember must provide care to a family member due to a medical condition or to a person with a disability at the time the public meeting is being held thereby preventing their physical attendance.
3. The Councilmember's principal residence is more than 60 miles from the meeting location identified in the required notice for such meeting.
4. The Councilmember is unable to attend the meeting due to a personal matter and identifies with specificity the nature of the personal matter. (This reason cannot be used more than six times per year.)

If participation is approved, the minutes must state the remote location from which the member participated; however, the remote location need not be open to the public and may be identified in the minutes by a general description.

#### Agenda Item: 3 – ROLL CALL (ATTENDANCE)

Mayor determines a quorum then calls roll (or directs clerk to call roll) for attendance purposes.

#### Agenda Item: 4 – PLEDGE OF ALLEGIANCE

Those able, stand for the Pledge of Allegiance led by the Mayor.

#### Agenda Item: 5 – REVIEW AND ADOPTION OF AGENDA

Mayor calls for changes to or adoption of the agenda.

**Sample Adoption Motion:** I move to adopt the agenda as presented.

**Sample Change Motion(s):** I move to [add, remove, move] the discussion of \_\_\_\_\_ as/to Item \_\_\_\_ on this agenda.

*Motion, Second, Discussion, Voice Vote*



**TOWN  
COUNCIL**

**Agenda Item Summary**

**MAY 8, 2025**

**Agenda Item: 6 – APPROVAL OF MINUTES**

- a. **April 10, 2025 Regular Meeting Draft Minutes**
- b. **April 24, 2025 Work Session Draft Minutes**

**Fiscal Impact:** None

**Staff Recommendation:** Review the draft minutes and offer any amendments. Amendments can be made by consensus of the Council. Then, approve the minutes, either as presented or with the amendments discussed.

Each set can be approved individually or both together.

**Council Action Requested:** Yes

**Sample Adoption Motion:** I move to approve the minutes of \_\_\_\_\_ as presented [or, with the discussed amendments made by consensus of the Council].

***Motion, Second, Discussion, Voice Vote***

**DRAFT MINUTES  
TOWN OF URBANNA TOWN COUNCIL  
REGULAR MEETING OF APRIL 10, 2025**

A regular meeting of the Town Council of the Town of Urbanna, Virginia, was held on the 10th day of April, 2025 beginning at 6:00 p.m. in the Council Chambers of Town Hall located at 390 Virginia Street, Suite B in Urbanna, VA.

**AGENDA ITEM 1. CALL TO ORDER**

Mayor Goldsmith called the meeting to order at 6:00pm.

**AGENDA ITEM 2. APPROVAL OF ELECTRONIC PARTICIPATION BY A COUNCIL MEMBER**

Not necessary

**AGENDA ITEM 3. ROLL CALL**

Marjorie Austin	Absent
Larry Chowning	Present
Alana Courtney	Present
Mayor Bill Goldsmith	Present
Merri Hanson	Present
Beth Justice	Present
Robbie Wilson	Present

**Others Present:**

Ted Costin, Town Administrator (via phone)  
Michele Hutton, Town Treasurer  
Christine Branch, Town Clerk  
Members of the public

**AGENDA ITEM 4. PLEDGE OF ALLEGIANCE**

The Mayor led the Pledge of Allegiance.

**AGENDA ITEM 5. REVIEW AND ADOPTION OF MEETING AGENDA**

**Councilmember Hanson made a motion to approve the agenda as presented.**

**Councilmember Justice seconded. The Mayor called for any discussion. All were in favor with none opposed.**

**The motion passed 6-0 with 1 absent.**

**AGENDA ITEM 6. APPROVAL OF MINUTES**

**6a. March 13, 2025 Draft Minutes**

**6b. March 27, 2025 Draft Minutes**

**Councilmember Hanson made a motion to approve both sets of minutes as presented.**

**Councilmember Justice seconded. The Mayor called for any discussion. All were in favor with none opposed.**

**The motion passed 6-0 with 1 absent.**

**AGENDA ITEM 7. PUBLIC HEARING**

There was no public hearing scheduled.

**AGENDA ITEM 8. REPORTS****8a. STAFF REPORTS****8a.1. Town Administrator**

Mr. Costin presented his report. Regarding the manhole issue, he said that VDOT will be installing the lifter rings, provided by HRSD. It is expected the project will be ongoing throughout the summer.

Regarding the water runoff and overflow issue, he said HRSD will be at the April 24, 2025 Council Work Session to address questions and concerns. Mr. Costin said it is the landowner's responsibility to make sure the ditches and pipes are kept clear from debris which could impede the flow of stormwater.

Mr. Costin thanked Steve Hutton and Roy Kime for their work on the Well 6 project. A second extension has been filed due to delays and it has been approved.

**8a.2. Treasurer**

Ms. Hutton presented the February 2025 Treasurer's report. She said she had just received payment for two tax liens and they have been removed. She and Maribel Kimble have been working together to collect past due water bills.

**8a.3. Town Clerk**

Ms. Branch presented her report and mentioned the non-material changes made to the February 13, 2025 minutes. She said there are some minutes missing from 2020-2021 and she was able to put together at least a few details of those meetings by looking at past issues of the Sentinel.

She, Ms. Hutton, and Ms. Kimble have been working on getting all the water customers entered into the Reverse 911 system along with the Middlesex Emergency Manager. Ms. Hutton mentioned that the next step is training on the Everbridge system which allows us to activate the system.

**8b. COMMITTEE REPORTS****8b.1. Finance Committee**

Councilmember Wilson said the committee has been working on the budget and will present it to Council and the citizens at the April 24, 2025 meeting.

**8b.2. Water Committee**

No report.

**8b.3. Personnel Committee**

No report.

**8b.4. Events Committee**

Ms. Justice said the committee is currently working on the Independence Day celebration, which will be held on Saturday, July 5, 2025. Second Saturdays will begin on May 10, 2025 with the Michael Clark Band.

**AGENDA ITEM 9. PUBLIC COMMENT 1**

There were no speakers at this time.

**AGENDA ITEM 10. COUNCIL COMMENT 1**

There were no council comments made at this time.

**AGENDA ITEM 11. UNFINISHED BUSINESS****11a. Virginia Street Terminus**

Mr. Costin presented a brief overview of the discussion from the March 27, 2025 Work Session and said there are new options with the MPPDC for Council to consider.

**11a.1. Taylor Ovide, Coastal Resilience Planner with the MPPDC**

Mr. Ovide introduced the programs available through the MPPDC. Their FIGHT THE FLOOD (FTF) program takes requests from both citizens and local governments and matches those requests with the grants they have available. Things such as home elevation, roadway flooding, stormwater issues, and living shorelines are just some of the things FTF covers.

Some organizations that had projects planned have backed out so funds are now available for reimbursement. Mr. Costin will be working with Mr. Ovide on submitting some of the expenses for the marina shoreline for reimbursement since that project fits in with the FTF program. The Virginia Street Terminus project also fits.

Mayor Goldsmith asked if there was any assurance that the funding is there. Mr. Ovide said it depends on the portion and handed out a brochure on the program (Attachment A). He said what is done is the choice of the citizen or government. FTF does not dictate what the applicant has to do within their project.

Councilmember Hanson said there is concern over how what the Town does will affect the adjacent property (Oyster Harbor Condominiums) and asked if FTF would help us integrate with them. Mr. Ovide said they will help navigate the best they can.

Councilmember Courtney asked if this was a one-time only deal and said there is concern because the condo association is about to begin installing a bulkhead on their adjacent shoreline. Mr. Ovide said funds are available now for whatever projects the Town wants to focus on. Natrx, a FTF program partner, will come out and do an engineering evaluation and would consider the adjacent properties. Ms. Courtney asked if the town is responsible for the ongoing maintenance of whatever is done. Mr. Ovide said yes.

Councilmember Wilson asked if the FTF solutions and plantings would withstand foot traffic. Mr. Ovide said there are potential solutions for that such as installing decking. Councilmember Hanson asked if a PDC loan could be used on any potential decking, Mr. Ovide said yes.

Councilmember Wilson asked if there were limits. Mr. Ovide said he thinks we could get enough funds to complete the project.

Councilmember Chowning said pre-engineering needs to be done to make sure the condo and Town projects mesh. He said it is also important to have a professional engineer say whether or not our plan would affect the condo's plan.

**Councilmember Hanson made a motion to defer action on the Virginia Street Terminus until an engineering report from Natrrix, in cooperation with MPPDC, is received and discussed with the MPPDC and the Oyster Bay Condo Association. Councilmember Wilson seconded. The Mayor called for any discussion. All were in favor with none opposed. The motion passed 6-0 with 1 absent.**

Councilmember Hanson asked about kayak access. Mr. Costin said they are still working on getting Northern access. In order to permanently move the fence (put supports in the ground), a permit is needed. A permit is also needed to remove vegetation to make the site accessible. This is an ongoing Eagle Scout project.

Councilmember Hanson said you can't get through the fence to the north side of the dock. Mr. Costin said we could remove the rails but he's concerned that will increase people using private property to launch their kayaks.

Mr. Costin said current kayak launch sites are: use the boat ramp, use the dinghy dock, or at the end of Virginia Street. He pointed out that the sign on the terminus property says No Parking. It does not say No Trespassing as some have been saying on social media.

Councilmember Chowning said there is a possibility of a grant for a kayak launch but we have to know what we want to do and have a solid plan before we can apply.

## **AGENDA ITEM 12. NEW BUSINESS**

### **12a. Draft Administrative Policies**

#### **12a.1. Vehicle Use**

#### **12a.2. Information Technology**

Ms. Branch presented the draft policies and said she is working on converting all policies to this format.

**Councilmember Justice made a motion to approve the administrative policies on Vehicle Use and Information Technology as presented. Councilmember Wilson seconded. The Mayor called for any discussion. All were in favor with none opposed. The motion passed 6-0 with 1 absent.**

## **AGENDA ITEM 13. PUBLIC COMMENT 2**

Sandy Sturgill of Oyster Road said her concerns had already been addressed during the meeting.

Michael Binns of Oyster Road thanked Council for all their consideration in working with the condo association on the Virginia Street Terminus. He said there is a lot of silt going into the water and hopes it's dealt with as soon as possible.

Robert Montague of Virginia Street said his son has spent a lot of money on their dock and dredging and they don't want the terminus issue to undo their work. He asked Council to consider selling the land to his son.

**AGENDA ITEM 14. COUNCIL RESPONSE TO PUBLIC COMMENT 2**

Councilmember Austin responded to Mr. Montague and said to make an offer.

Councilmember Chowning responded to Mr. Binns saying the Town needs a rock solid opinion from an engineering source on the potential effect of the terminus on the condo's bulkhead.

Councilmember Hanson said to remember that the silt and other challenges with the terminus are partially due to the damage done to the property by Docks of the Bay.

**AGENDA ITEM 15. COUNCIL ANNOUNCEMENTS & REQUESTS**

Councilmember Wilson thanked the citizens in Deltaville who helped him look for a barge.

**AGENDA ITEM 16. CLOSED MEETING**

A closed meeting was not necessary.

**AGENDA ITEM 17. APPOINTMENTS**

No appointments were made.

**AGENDA ITEM 18. ADJOURN OR RECESS**

**Councilmember Hanson made a motion to adjourn. All were in favor with none opposed. The meeting was adjourned at 7:10pm.**

Respectfully submitted,  
Christine H. Branch, Town Clerk

Approved by Council: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Christine H. Branch, Town Clerk



ATTACHMENT A

# Let's Get Ready To

# FIGHT THE FLOOD

## Grant Recipient Information Packet

*This project has been funded wholly or in part by the United States Environmental Protection Agency under assistance agreement 41-953081-01-2 to the Virginia Department of Environmental Quality.*

*The contents of this document do not necessarily reflect the views and policies of the Environmental Protection Agency, nor does the EPA endorse trade names or recommend the use of commercial products mentioned in this document.*



# Congratulations!

As a registrant in the Fight the Flood program, your property has met the eligibility requirements to receive reimbursable grant funds from the Virginia Department of Environmental Quality to shore up your property and coastline. This effort will include a customized plan for your property to help mitigate erosion, protect water quality and provide overall improvements to the coastline of Virginia's Middle Peninsula region.

# The Process

**1**

## May-June 2024

Notification of grant award. Since you are reading this, you know you have been selected!

**2**

## June-July 2024

Team members will conduct an evaluation of your property and develop recommended courses of action for your shoreline.

**3**

## July-September 2024

Permitting. This step can go quickly, but can also take some time. We've built in several months for this. Construction can start right after permits are issued.

**4**

## September-November 2024

Construction.

**5**

## December 2024

Project completion.

# The Lingo

We get it. In the coastal world, there are a lot of acronyms, environmental speak and government lingo flying around. Here are the key terms you'll likely hear most throughout this project.

## BMP or Best Management Practice

Best Management Practice. Isn't every project done to protect the water and shorelines a best management practice? Not necessarily. Formally defined, a "best management practice" (BMP) is a treatment or technology that helps reduce nutrient and sediment pollution into local waters and the tidal Chesapeake Bay. In addition, these practices can help reduce local flooding, protect sources of drinking water, protect shorelines from erosion and support local economies through the return of clean water and viable habitats suitable for recreational activities.

## Living Shoreline

Simply put, a living shoreline is a protected and stabilized shoreline that is made of natural materials such as plants, sand or rock.



## Natrx

Natrx is a Fight the Flood partner company that delivers high-performance, nature-based resilience and restoration technologies along the coast. Their team will lead this project and guide you through the process. Using their purpose-built technologies, they will analyze your site's specific erosion and habitat challenges. Then, because no two sites' challenges are the same, they can address your challenges with a site-specific solution. For more information, contact Mason Harris (919-418-4801 or mason@natrx.io). Learn more about Natrx online at natrx.io.



## Flexamat

Flexamat, a potential solution for your property, is a vegetated concrete block mat installed to help stabilize slopes, channels, low water crossings and shorelines. The power of Flexamat is in its high-strength geogrid. Spacing between the concrete blocks allows for vegetation growth. For more information, visit flexamat.com.



## The Team

**Natrx**  
Mason Harris  
919-418-4801  
mason@natrx.io

**Middle Peninsula  
Planning District Commission**  
Taylor Ovide  
804-758-2311  
tovide@mppdc.com



Connecting property owners facing rising flood waters with tools and funding to contract with specialized businesses who can help evaluate, design, and build solutions to **FIGHT THE FLOOD**.

[fightthefloodva.com](http://fightthefloodva.com)

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*Funding for this project, managed by the Middle Peninsula Planning District Commission, was provided by a grant from the Virginia Department of Environmental Quality.*



**DRAFT MINUTES  
TOWN OF URBANNA TOWN COUNCIL  
WORK SESSION OF APRIL 24, 2025**

A work session of the Town Council of the Town of Urbanna, Virginia, was held on the 24th day of April, 2025 beginning at 6:00 p.m. in the Council Chambers of Town Hall located at 390 Virginia Street, Suite B in Urbanna, VA.

**AGENDA ITEM 1. CALL TO ORDER & ROLL CALL**

Mayor Goldsmith called the meeting to order at 6:09pm.

**AGENDA ITEM 2. APPROVAL OF ELECTRONIC PARTICIPATION BY A COUNCIL MEMBER**

Not necessary.

**AGENDA ITEM 3. ROLL CALL**

Marjorie Austin	Absent
Larry Chowning	Present
Alana Courtney	Present
Mayor Bill Goldsmith	Present
Merri Hanson	Absent
Beth Justice	Present
Robbie Wilson	Present

**Others Present:**

Ted Costin, Town Administrator  
Michele Hutton, Town Treasurer  
Christine Branch, Town Clerk  
Evan Bell, Airloom, Inc. (via Zoom)  
Sam McAdoo, Director of Small Communities for the Hampton Roads Sanitation District (HRSD)  
Members of the press and public

**AGENDA ITEM 4. PLEDGE OF ALLEGIANCE**

The Mayor led the Pledge of Allegiance.

**AGENDA ITEM 5. APPROVAL OF AGENDA**

**Councilmember Justice made a motion to approve the agenda as presented.**

**Councilmember Wilson seconded. The Mayor called for any discussion. All were in favor with none opposed.**

**The motion passed 5-0 w/2 absent.**

**AGENDA ITEMS 6 & 7. PUBLIC COMMENT & COUNCIL RESPONSE TO PUBLIC COMMENT**

Sarah Jane Wyatt of Island Lane gave an update on Urbanna Main Street (Attachment A). She said they have been established as a non-profit and thanked Troutman Pepper for their pro bono work. They are working on a mural project which will be on the wall of the ABC store facing Home Town Burger. The Main Street program requires them to have a staff person. This person will work part-time and will be finding and administering grants, and working on tourism, branding, and social media. They have had two offers of free office space. Urbanna Main Street is asking that \$5,000 be budgeted to them for FY25-26. Amy Denney also spoke briefly regarding the program.

William Mayo of Rappahannock Avenue spoke about the manhole cover problem and said two children on scooters fell when they hit them. Mr. Costin said HRSD is providing lifter rings and either VDOT or HRSD will install them. They did not provide a timeframe. Mr. Costin estimates it should be done by Labor Day.

## **AGENDA ITEM 8. WORK SESSION MATTERS**

### **8a. Independence Day Celebration Presentation**

Evan Bell with Airloom, Inc. joined via Zoom and presented information on a drone show which could take the place of fireworks for the Town Independence Day Celebration on Saturday, July 5, 2025. The show would consist of 200 drones and last 15 minutes. The show is tied to music which the Town would choose. Three custom animations are included in the contract. Ideally, the drone launch would take place at Rosegill, and they are very supportive of the idea, pending approval from their insurance company. Mr. Bell said boats would have to stay out of the safety zone in Urbanna Creek during the show.

Councilmember Courtney said she had a hard time visualizing how this would look. Mr. Bell showed examples of the animations available and videos from previous shows. He said more examples are available on their Instagram <https://www.instagram.com/airloomdroneshows/>. Mr. Bell said the designer is the founder of the company. There is a stock library of available animations plus three custom animations would be included.

Councilmember Wilson asked what sort of weather is needed to hold the show. Mr. Bell said no rain, less than 26 mph winds, 1,000 ft. cloud base, and three miles of linear sight. He said there is a 180 day rescheduling clause in case of bad weather or a 30% refund. He said 50% is due at the contract signing, and 50% is due two weeks prior to the show. Mr. Bell also said Airloom's pricing is below the industry average.

Councilmember Justice said Urbanna would be the only locality to have this type of show. She also said there are no loud noises to upset pets because the only noise is from the music. The music is located at the viewing site.

Councilmember Wilson asked the price difference between the 100, 200, or 300 drone shows. Mr. Bell said the 100 drone show is \$10,000 standard or \$15,000 custom. He said it takes 6-8 hours to design each animation.

Councilmember Chowning asked what other expenses there would be. Ms. Hutton said approximately \$700 - \$100 for a road closure permit and \$600 for police services for six hours. Councilmember Justice said she could provide a sound system at no charge if it was needed.

**Councilmember Wilson made a motion to authorize staff to enter into a service agreement with Airloom for a drone show on July 5, 2025 at approximately 9pm at a cost of \$18,000 provided a launch site has been secured. Councilmember Justice seconded. The Mayor called for any discussion. All were in favor with none opposed. The motion passed 5-0 w/2 absent.**

### **8b. HRSD Presentation**

Sam McAdoo, Director of Small Communities for the Hampton Roads Sanitation District (HRSD), presented information about HRSD, the way stormwater and wastewater systems work, and the overflow issue on Bonner Street during the March 17, 2025 rain event. He said 7" of rain fell in 14 hours which more than doubled the flows and overwhelmed the system. He explained about inflow and infiltration, which are their constant battles. Examples of infiltration include cracked or broken pipes, root intrusion, broken house lateral connections, connected foundation drains, and deteriorated manholes. Blocked ditches also contribute. It is the property owner's responsibility to keep ditches clear.

He said SCADA upgrades are coming to Urbanna Pump Stations and will give them top end control during rain events to troubleshoot alarms and system issues. CCTV inspection work is also ongoing. Mr. McAdoo noted all the pipes in town are cleaned every October in preparation for the Oyster Festival.

Mayor Goldsmith asked if the SCADA upgrades will help with the Bonner Street problem. Mr. McAdoo said no but it will give them more data and possibly help avoid problems. He said they don't see overflows very often and each is reported to DEQ and the Health Department.

Councilmember Chowning asked if the overflow is wastewater or stormwater. Mr. McAdoo said it could be both but they'll be very diluted. The estimate is  $\frac{3}{4}$  stormwater and  $\frac{1}{4}$  wastewater.

Councilmember Wilson asked if there is any way to manage runoff so it's not going through someone's yard. Mr. McAdoo said HRSD won't do runoffs anymore.

Regarding the manhole covers, Mr. McAdoo said an inspector has gone through town and noted the location of each manhole. He said they have a meeting next week with VDOT to discuss better coordination of VDOT paving projects so this issue doesn't happen again. He said each road will have to be closed during the installation and construction of the lifter rings. Councilmember Courtney asked who gets sued if there is an accident. Mr. McAdoo said the utility company (HRSD). Mr. Costin said he just received information that the issue may be resolved as part of another VDOT project. Mr. McAdoo said he would discuss it with them during their meeting next week.

### **8c. Fiscal Year 2025-2026 Budget Presentation & Authorization for Public Hearing**

Mr. Costin presented the proposed budget, created by the Finance Committee, for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

**Councilmember Justice made a motion to authorize the advertisement of a public hearing on the proposed Fiscal Year 2025-2026 Budget for the Town of Urbanna as, on Thursday, May 22, 2025 at 6pm in Council Chambers. Councilmember Chowning seconded. The Mayor called for any discussion. All were in favor with none opposed. The motions passed 5-0 w/2 absent.**

### **AGENDA ITEM 9. ACTION ITEMS** (if any)

There were no action items necessary.

**AGENDA ITEM 10. COUNCIL ANNOUNCEMENTS & REQUESTS**

There were no Council announcements or requests.

**AGENDA ITEM 11. CLOSED MEETING**

**11a. Motion to Convene Closed Meeting**

Councilmember Wilson made a motion to convene in Closed Meeting in accordance with Section 2.2-3711 (A)(1) of the Code of Virginia for the discussion and consideration of the performance, duties, and employment contract of the Town Administrator. Councilmember Justice seconded. The Mayor called for any discussion. All were in favor with none opposed. The motion passed 5-0 w/2 absent.

**11b. Motion to Reconvene in Open Session**

The Mayor reconvened the meeting in open session.

**11c. Certification of Closed Meeting**

Mayor Goldsmith made a motion to approve Standing Resolution 1 (SR-1) certifying compliance with the Freedom of Information Act.

Marjorie Austin .....	Absent
Larry Chowning .....	Certify
Alana Courney .....	Certify
Bill Goldsmith (Mayor) .....	Certify
Merri Hanson .....	Absent
Beth Justice .....	Certify
Robbie Wilson .....	Certify

**11d. Action on Closed Meeting**

No action was taken as a result of the Closed Meeting.

**AGENDA ITEM 12. ADJOURN OR RECESS**

Councilmember Courtney made a motion to adjourn. All were in favor with none opposed. The meeting was adjourned at 8:04pm.

Respectfully submitted,  
Christine H. Branch, Town Clerk

Approved by Council: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Christine H. Branch, Town Clerk



## ATTACHMENT A



### OVERVIEW OF ACHIEVEMENTS

- **Holiday Home Tours:** Successfully hosted two years of community-driven Holiday Home Tours, showcasing local businesses and homes.
- **Non-Profit Established:** Pro Bono work provided by Troutman Pepper
- **Holiday Flags:** Designed and hung custom holiday flags throughout Urbanna to enhance town decor and create a festive atmosphere.
- **Strategic Planning Session:** Completed a two-day strategic planning session with an out-of-town professional to help guide future development.
- **Branding Strategy:** Near completion of Urbanna Main Street’s branding strategy, aligning the town’s identity for future promotional efforts.
- **Grant for Wayfinding Signs:** In the process of completing a grant application for new wayfinding signs to improve navigation and visibility around town.
- **Main Street America Conference:** Attended the recent Main Street America Conference in Philadelphia to gain insights and strategies for enhancing our town’s revitalization.
- **Mural Project:** Actively working on a mural project, with artist Tommy Fox currently designing a digital version of the mural’s concept to reflect Urbanna’s history and culture.

BRANDING





**TOWN  
COUNCIL**

**Agenda Item Summary**

**MAY 8, 2025**

**Agenda Item: 8 – STAFF & COMMITTEE REPORTS**

**a. Staff Reports**

1. Town Administrator – Ted Costin
2. Treasurer – Michele Hutton
3. Town Clerk – Christine Branch

**b. Committee Reports – each committee chair will present their report**

1. Finance
2. Water
3. Personnel
4. Events



## TOWN OF URBANNA

390 VIRGINIA ST. SUITE B, PO BOX 179, URBANNA, VA 23175  
PHONE: 804-758-2613, FAX: 804-758-0389

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To: The Honorable Mayor and Members of the Urbanna Town Council  
From: P. S. T. (Ted) Costin, Administrator  
Date: May 1, 2025  
Subject: April 2025 Report given May 2025

I attended a meeting of the Water Committee and of the Finance Committee. I have also been involved with several meetings concerning the Marina with VDH and PDC staff as well as PDC staff concerning the end of Virginia Street. Also, attended First Planning Team Meeting for All Hazards Mitigation Plan and subsequently reviewed Urbanna's Community Profile for inclusion into that plan. Met with Bay Transit concerning route and limitations on use of the Trolley by others.

Budget and advertisement preparation, zoning to include processing one Special Use Permit, and Drone Show have all been worked as well.

I consulted with VDOT as well as HRSD regarding HRSD manhole issue. As council heard during its work session, a project to uncover manholes is being taken up by HRSD and those will be brought to grade. As to timeline, project to be completed before Labor Day. The resolution of the recent paving being above manhole cover grade is still being discussed by VDOT and HRSD.

Dominion Energy has completed the removal of old power poles replaced two-three years ago.

The "No Wake" concern for Urbanna Creek has also been raised again. I reported on this May-September of last year and set it aside for lack of access to the signs. Guidance is desired from council on the level of effort to give this item.

The Well 6 project has seen much activity to include successful testing of the water. A final inspection of water and site stabilization is planned for May 8<sup>th</sup>, but fencing of the area for security will still need to be installed. Staff is pulling together documentation to close on the loan with USDA.

If you have any questions or concerns, please bring them forward.



# Treasurer's Report

The Balances Below, Reflect Bank Statements as of Month's End

Account Balance thru 3/31/2025	Prior Year 3/31/24	Prior Month 2/28/25	Statement Date 3/31/25
Primis Bank General Operating Bank Account	910,471.10	1,075,033.34	1,056,460.37
Renter Water Deposits	-17,326.66	-18,276.66	-18,776.66
Net Operating General Bank Account (Adjusted Bal)	910,090.83	1,071,935.89	1,056,670.78
Primis – USDA Well Replacement reopened (8/2/24)	2,511.01	58,771.88	76,626.24
C&F Bank Historic Trust (new 3/1/2023)	48,775.97	63,883.26	64,356.21
C&F Bank - Water Fund Reserve (11 mo CD) 11/16/25	115,433.93	121,127.71	Next Int 4/15/25
C&F Bank - General Fund Reserve (11 mo CD) 11/16/25	95,500.91	100,211.48	Next Int 4/15/25
C&F Bank -Operating Reserve (11 mo CD) 11/16/25	400,000.00	419,729.98	Next Int 4/15/25
Taber Trust – Account Value	982,294.68	1,034,480.76	1,037,941.89
Taxes listed below are collected for prior month(s)	<b>3/31/24</b>	<b>2/28/2025</b>	<b>3/31/25</b>
Meals Tax collected in March	10,188.85	12,644.22	9,958.28
Lodging Tax collected in March	2,406.02	1,427.07	1,455.98
Cigarette Tax collected in March	513.92	659.15	472.95

**EXPENDITURES:**

- Business as usual

**REVENUE:**

- May 1 - Business license apps will be mailed
- 2025 Golf Cart Registration as of 4/30/25 total \$1,875.00 = 75 carts

**Meals Tax**

Range of Accounts: 100-12110-0001 to 100-12110-0001 Start Month: July Start Year: 2024  
 Type: Revenue Activity Includes Accounts with Zero Activity: N Year To Date As Of: 04/09/25  
 Subtotal CAFR: No

Account No	Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
100-12110-0001	Meals Tax - Local										
121318.40	14797.23	16604.09	15038.79	13071.47	13278.88	15974.11	9951.33	12644.22	9958.28	0.00	
<b>Fund Total</b>		14797.23	16604.09	15038.79	13071.47	13278.88	15974.11	9951.33	12644.22	9958.28	0.00
<b>Grand Total</b>	Count: 1	14797.23	16604.09	15038.79	13071.47	13278.88	15974.11	9951.33	12644.22	9958.28	0.00

**Lodging Tax**

Range of Accounts: 100-12100-0001 to 100-12100-0001 Start Month: July Start Year: 2024  
 Type: Revenue Activity Includes Accounts with Zero Activity: N Year To Date As Of: 04/09/25  
 Subtotal CAFR: No

Account No	Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
100-12100-0001	Lodging Tax										
24036.58	2610.92	5686.36	1869.72	1194.09	6055.32	2737.22	965.24	1427.07	1455.98	34.66	
<b>Fund Total</b>		2610.92	5686.36	1194.09	6055.32	2737.22	965.24	1427.07	1455.98	34.66	
<b>Grand Total</b>	Count: 1	2610.92	5686.36	1194.09	6055.32	2737.22	965.24	1427.07	1455.98	34.66	

# Water Sales

April 9, 2025  
12:05 PM

Town of Urbanna  
2025 Revenue Summary by Month

Range of Accounts: 500-17010-0001 to 500-17010-0001      Start Month: July      Start Year: 2024  
 Type: Revenue Activity      Includes Accounts with Zero Activity: N      Year To Date As Of: 04/09/25  
 Subtotal CAFR: No

Account No	Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
500-17010-0001	Water Sales Charges										
276366.90	58031.08	26379.71	21701.77	20767.86	28954.24	28773.17	34829.62	32271.50	24657.95	0.00	
<b>Fund Total</b>		26379.71	21701.77	20767.86	28954.24	28773.17	34829.62	32271.50	24657.95	0.00	
<b>Grand Total</b>	<b>Count: 1</b>	26379.71	21701.77	20767.86	28954.24	28773.17	34829.62	32271.50	24657.95	0.00	



## MEMORANDUM

**Date:** May 8, 2025  
**To:** The Honorable Mayor and Members of the Town Council  
Town Administrator  
**From:** Christine H. Branch, Town Clerk  
**Subject:** Monthly Clerk's Report (No action required)

### COMPLETED PROJECTS

- Finalized Municode document through 2019 and awaiting final product

### ONGOING PROJECTS

- Update Town Code to current; investigate online hosting options
- Continue researching and organizing all town files
- Continue updating website with current information and links
- Began the disposition process for expired records in accordance with Library of Virginia retention and disposal schedules
- Continue writing records management policy and procedure and other policies

### FUTURE PROJECTS

- Scan and send all minutes to Library of Virginia for microfilm storage
- Develop draft bylaws for BZA and Planning Commission for their review and approval
- Conversion of paper records to electronic to ensure compliance with Virginia Public Records Act and best practices

### WEBINAR TRAINING

- Attended VMCA Annual Business Meeting (virtual)
- Attended Disaster Planning for Records Management webinar through LVA
- Attended VML Legislative Update, Town Section Webinar
- 2025 SERI STEER Unconference (Electronic Records) – May 14<sup>th</sup>, Noon-5pm



**TOWN  
COUNCIL**

**Agenda Item Summary  
FOR ALL REGULAR MEETINGS**

**Agenda Item: 9 – PUBLIC COMMENT 1**

Mayor opens Public Comment Period and asks if all who desire to speak have had a chance to sign up.

NO SPEAKERS: Mayor closes Public Comment Period.

SPEAKERS: Mayor explains that each individual has five minutes to address Council on matters not scheduled for Public Hearing. Clerk will keep time.

**Agenda Item: 10 – COUNCIL RESPONSE TO PUBLIC COMMENT 1**

After all speakers have been heard, Mayor asks for any councilmember response.

Councilmembers may provide brief responses to issues such as clarifications of facts, answers to questions, etc. Councilmembers shall limit their response to only those comments presented during the immediately preceding public comment period.





## TOWN COUNCIL

### Agenda Item Summary

MAY 8, 2025

#### Agenda Item: 11 – UNFINISHED BUSINESS

##### 11a. Resolution 2025-006 – Approve Support Agreement with VRA and MPPDC

**Background:** Council took action on December 5, 2024 in support of the MPPDC's financial management. The Agenda Item Summary document related to that action follows. That action should be viewed as a willingness to commit. What the MPPDC seeks from Urbanna and all member localities at this time is a commitment in the form of a resolution acceptable to the VRA. There is no change to the underlying intent or obligation and the town attorney has been advised.

**Fiscal Impact:** This is a third layer moral obligation pledge being considered by all MPPDC jurisdictions so there is no immediate expenditure. Only in a very unlikely event would the town be asked to financially contribute.

**Staff Recommendation:** Support the financial effort of the MPPDC by adopting the resolution as presented.

**Council Action Requested:** Yes.

**Sample Motion:** I move to adopt Resolution 2025-006 approving a support agreement with the Virginia Resources Authority and the Middle Peninsula Planning District Commission and related matters for the issuance of the Revolving Line of Credit promissory note by the Middle Peninsula Planning District Commission.

*Motion, Second, Discussion, Voice Vote*



## Agenda Item Summary

December 5, 2024

**Agenda Item: 12b** - Virginia Resources Authority (VRA) Financing Agreement for Middle Peninsula Planning District Commission (MPPDC).

**Background:** The MPPDC manages a range of projects, programs, and services for local communities and governments, primarily funded through federal and state grants. Notably, around 95% of these grants are reimbursable, meaning that MPPDC must initially cover the project costs before seeking reimbursement from the granting agency. Individual grants, such as living shoreline, can amount to several million dollars.

To facilitate timely payments to contractors and streamline the reimbursement process, MPPDC would like to utilize a short-term line of credit from the VRA. This line of credit would typically last up to 45 days and would ensure that MPPDC can maintain cash flow during the project lifecycle. VRA has granted MPPDC a \$500,000 line of credit that can be accessed on an ongoing basis.

The federal or state grant agreements serve as the primary form of collateral for the VRA line of credit. Additionally, MPPDC's unrestricted General Fund, which amounts to approximately \$500,000, acts as a secondary layer of collateral. VRA is now seeking the support of Middle Peninsula local governments to act as a third layer of collateral by serving as "co-signers" and providing a moral obligation pledge.

Over the past nine years, MPPDC has demonstrated its financial reliability, successfully securing and closing over 200 grants. Throughout this period, the organization has received every dollar owed to it, with no grants failing to convert.

**Fiscal Impact:** This is a third layer moral obligation pledge being considered by all MPPDC jurisdictions so there is no immediate expenditure. Only in a very unlikely event would the town be asked to financially contribute.

**Staff Recommendation:** Support the attached agreement providing moral obligation and support for the MPPDC's VRA financing provided all MPPDC member jurisdictions agree.

**Council Action Requested:** Yes. Support the attached agreement providing moral obligation and support for the MPPDC's VRA financing provided all MPPDC member jurisdictions agree.

**Sample Motion:** I move to authorize the Town Administrator to execute the attached agreement providing moral obligation and support for the MPPDC's VRA financing and to convey to the MPPDC that support is in anticipation of all member jurisdictions participating.



## TOWN COUNCIL ACTION

### MIDDLE PENINSULA PLANNING DISTRICT COMMISSION SURETY AGREEMENT

At the **December 12, 2024** meeting of the Urbanna Town Council, Councilmember Austin made a motion to authorize the Town Administrator to execute the Surety Agreement as presented, providing moral obligation and support for the MPPDC’s VRA financing and to convey to the MPPDC that support is in anticipation of all member jurisdictions participating. Councilmember Hanson seconded. The Mayor called for any discussion. The members were polled:

Marjorie Austin	Yes
Larry Chowning	Yes
Alana Courtney	No
Mayor Bill Goldsmith	Yes
Merri Hanson	Yes
Beth Justice	Yes
Sandy Sturgill	Absent

**The motion passed 5-1 w/1 absent.**

ATTEST:

Christine H. Branch, Town Clerk

**Attachment:** Surety Agreement as presented to Council

**RESOLUTION 2025-006**

**APPROVING A SUPPORT AGREEMENT WITH THE VIRGINIA RESOURCES AUTHORITY AND THE MIDDLE PENINSULA PLANNING DISTRICT COMMISSION AND RELATED MATTERS FOR THE ISSUANCE OF THE REVOLVING LINE OF CREDIT PROMISSORY NOTE BY THE MIDDLE PENINSULA PLANNING DISTRICT COMMISSION**

**WHEREAS** the Middle Peninsula Planning District Commission (the “Commission”) has determined the need exists to provide funds to provide interim funding on a revolving basis for a variety of grant-funded projects facilitated by the Commission across the localities served by the Commission, consisting of the Counties of Essex, Gloucester, King and Queen, King William, Mathews and Middlesex, Virginia and the Towns of Tappahannock, Urbanna and West Point, Virginia (collectively, the “Member Jurisdictions”), along with related costs (the “Project”); and

**WHEREAS** the Commission has received a commitment from the Virginia Resources Authority (the “VRA”), to purchase the Commission’s Revolving Line of Credit Promissory Note to finance needs related to the Project (the “VRA Note”) to be secured by grant reimbursements related to such Project, pursuant to the terms of a Financing Agreement, to be dated a date specified by VRA, between VRA and the Commission (the “Financing Agreement”); and

**WHEREAS** the Commission proposes to issue the VRA Note in an amount not to exceed \$500,000 at any time; and

**WHEREAS** VRA requires the governing bodies of the Member Jurisdictions of the Commission, including the Town Council (the “Town Council”) of the Town of Urbanna, Virginia (the “Town”), as a condition of the purchase of the VRA Note, to enter into a Support Agreement, in the form attached to this Resolution (the “Support Agreement”), to undertake a non-binding obligation to appropriate from time to time moneys to the Commission in connection with payments due on the VRA Note in the event revenues of the Commission are insufficient to pay debt service on the VRA Note when due; and

**WHEREAS** the Town Council indicated its support of the Project and issuance of the VRA Note by the Commission on December 12, 2024 with a vote of 5-1 w/1 absent and desires to enter into such a Support Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF URBANNA, VIRGINIA:**

- 31 1. It is determined to be in the best interests of the Town and its citizens for the Town Council to  
32 enter into the Support Agreement providing for a Proportional Share (as set forth in the  
33 Support Agreement) for the Town and each other Member Jurisdiction related to the Annual  
34 Deficiency Amount (as defined in the Support Agreement), provided that each other Member  
35 Jurisdiction also approve a similar Support Agreement with respective Proportional Shares  
36 related to the potential Annual Deficiency Amount as set forth in the form of Support  
37 Agreement attached hereto.
  
- 38 2. The Town Council of the Town acknowledges that (i) the obligations of the Commission to  
39 determine, and of the Town to pay, the charges in connection with the Project (as defined in  
40 the Financing Agreement) are crucial to the security for the VRA Note, (ii) VRA would not  
41 purchase the VRA Note without the security and credit enhancement provided by the  
42 Support Agreement, (iii) VRA will be a third party beneficiary of the Support Agreement for  
43 so long as the VRA Note remains outstanding, and (iv) VRA is treating the Support Agreement  
44 as a “local obligation” within the meaning of Section 62.1-199 of the Code of Virginia of 1950,  
45 as amended (the “Virginia Code”), which in the event of a nonpayment thereunder authorizes  
46 VRA to file an affidavit with the Governor that such nonpayment has occurred pursuant to  
47 Section 62.1-216.1 of the Virginia Code. Section 62.1-216.1 of the Virginia Code provides that  
48 if the Governor is satisfied that such nonpayment has occurred, the Governor will  
49 immediately make an order directing the Comptroller to withhold all further payment to the  
50 Town of all funds, or of any part of them, appropriated and payable by the Commonwealth of  
51 Virginia to the Town for any and all purposes, and the Governor will, while the nonpayment  
52 continues, direct in writing the payment of all sums withheld by the Comptroller, or as much  
53 of them as is necessary, to VRA, so as to cure, or cure insofar as possible, such nonpayment.
  
- 54 3. As provided in the Support Agreement, the Town Council of the Town hereby undertakes a  
55 non-binding obligation to appropriate to the Commission such amounts as may be requested  
56 from time to time pursuant to the Support Agreement, to the fullest degree and in such  
57 manner as is consistent with the Constitution and laws of the Commonwealth of Virginia.  
58 The Town Council, while recognizing that it is not empowered to make any binding  
59 commitment to make such appropriations in future fiscal years, hereby states its intent to  
60 make such appropriations in future fiscal years, and hereby recommends future Town  
61 Councils do likewise during the term of the Support Agreement.

- 
- 62 4. In consideration of the Commission's undertakings with respect to financing the Project, the  
63 Mayor or Town Administrator of the Town Council, either of whom may act, is hereby  
64 authorized and directed to execute and deliver the Support Agreement. The Support  
65 Agreement shall be in substantially the form presented to this meeting, which is hereby  
66 approved, with such completions, omissions, insertions or changes not inconsistent with this  
67 resolution as may be approved by the Mayor or Town Administrator of the Town Council, the  
68 execution thereof by the Mayor or Town Administrator of the Town Council to constitute  
69 conclusive evidence of his or her approval of such completions, omissions, insertions or  
70 changes.
- 71 5. The Town Administrator is hereby authorized and directed to carry out the obligations  
72 imposed by the Support Agreement on the Town Administrator as Designated Local Official  
73 as defined thereunder.
- 74 6. All actions previously taken by representatives or agents of the Town in furtherance of the  
75 Project and issuance of the VRA Note are hereby ratified and approved.
- 76 7. This resolution shall take effect immediately.

77 **DONE** this 8th day of May, 2025.

78

79 **EXHIBIT A**  
80 **FORM OF SUPPORT AGREEMENT**

81 **THIS SUPPORT AGREEMENT** is made as of the first day of June 2025, by and among the Town  
82 Council (the “Governing Body”), acting as the governing body of the Town of Urbanna, Virginia (the  
83 “Locality”), the MIDDLE PENINSULA PLANNING DISTRICT COMMISSION, a public body corporate  
84 and politic of the Commonwealth of Virginia (the “Borrower”), and the VIRGINIA RESOURCES  
85 AUTHORITY (the “Authority”), as purchaser of the Promissory Note, as hereinafter defined,  
86 pursuant to a Revolving Line of Credit Financing Agreement dated as of the date hereof (the  
87 “Financing Agreement”), between the Authority and the Borrower.

88 **RECITALS:**

89 **WHEREAS** the Borrower was created by the Counties of Essex, Gloucester, King and Queen,  
90 King William, Mathews and Middlesex, Virginia and the Towns of Tappahannock, Urbanna and  
91 West Point, Virginia (collectively, the “Member Jurisdictions”) pursuant to the Regional  
92 Cooperation Act (the “Act”), Chapter 42 of Title 15.2 of the Code of Virginia (1950), as amended  
93 (the “Code”) and the Charter Agreement, dated as of January 31, 1972 among the Member  
94 Jurisdictions; and

95 **WHEREAS** the Borrower has determined that it is in its best interest to issue and sell a  
96 Revolving Line of Credit Promissory Note in an original aggregate principal amount not to exceed  
97 \$500,000 (the “Promissory Note”) to the Authority, pursuant to the terms of the Revolving Line of  
98 Credit Financing Agreement in order to finance various grant-funded projects serving the Member  
99 Jurisdictions (the “Project”); and

100 **WHEREAS** the Governing Body adopted on May 8, 2025, a resolution authorizing, among  
101 other things, the execution of an agreement providing for a non-binding obligation of the  
102 Governing Body to consider certain appropriations in support of the Promissory Note and the  
103 Project;

104 **Agreement**

105 **NOW, THEREFORE**, for and in consideration of the foregoing and of the mutual covenants  
106 herein set forth, the parties hereto agree as follows:

- 107 1. Unless otherwise defined, each capitalized term used in this Support Agreement shall have  
108 the meaning given it in the Financing Agreement.
- 109 2. The term “Proportional Share” shall mean for each of the Member Jurisdictions, the following  
110 percentages of the Annual Deficiency Amount (as defined in paragraph 5) or other  
111 insufficiency (as set forth in paragraph 7), if any, or such other percentages as may be agreed  
112 upon by the Member Jurisdictions in writing, provided such amended allocation shall add up  
113 to 100%:

<b>Member Jurisdiction</b>	<b>Proportional Share</b>
Essex County	14.29%
Gloucester County	14.29%
King and Queen County	14.29%
King William County	14.29%
Mathews County	14.29%
Middlesex County	14.29%
Town of Tappahannock	4.76%
<b>Town of Urbanna</b>	<b>4.76%</b>
Town of West Point	4.76%

- 114 Each of the Member Jurisdictions’ obligations is limited to its Proportional Share of debt  
115 service on the Promissory Note and the amounts to be included in each Member  
116 Jurisdiction’s submitted budget pursuant to paragraphs 6 and 7 below shall not be increased  
117 to offset a non-appropriation of any of the other Member Jurisdictions.
- 118 3. If the Member Jurisdictions’ moral obligation commitments are invoked, the Member  
119 Jurisdictions’ Proportional Shares of debt service on the Promissory Note shall be taken from  
120 the first dollars the Member Jurisdictions annually submitted to the Borrower.
- 121 4. The Borrower shall use its best efforts to issue the Promissory Note, to use the proceeds  
122 thereof to pay the costs of the Project, and to construct and place the Project in operation at  
123 the earliest practical date.
- 124 5. No later than March 15 of each year, beginning March 15, 2026, the Borrower shall calculate  
125 and notify the Member Jurisdictions of (a) the amount by which the Borrower reasonably  
126 expects the total debt service obligations under the Financing Agreement for the following  
127 fiscal year will exceed the total funds the Borrower will have available to pay the debt service  
128 obligations under the Financing Agreement for the following fiscal year (the “Annual



- 129 Deficiency Amount”), and (b) the corresponding Proportional Share of the Annual Deficiency  
130 Amount for each Member Jurisdiction.
- 131 6. The Town Administrator of the Locality (the “Designated Local Official”) shall include the  
132 respective Proportional Share for his or her Member Jurisdiction in the respective budget  
133 submitted to the Member Jurisdiction for the following fiscal year as an amount to be  
134 appropriated to or on behalf of the Borrower. Each Designated Local Official shall deliver to  
135 the Authority within ten (10) days after the adoption of the respective Member Jurisdiction’s  
136 budget for each fiscal year, but not later than July 15 of each year, a certificate stating whether  
137 the respective Member Jurisdiction has appropriated to or on behalf of the Borrower an  
138 amount equal to its Proportional Share.
- 139 7. If at any time the Borrower is unable to make any of the payments referred to in paragraph 5  
140 hereof, the Borrower shall notify the Designated Local Official of the amount of such  
141 insufficiency and the Designated Local Official shall (1) ensure that their respective portions  
142 of the Annual Deficiency Amount have been paid to the Borrower, and (2) request, and pay to  
143 the Borrower, additional appropriations from the Locality as necessary and in the  
144 proportions set forth in paragraph 2 to enable the Borrower to pay in full all payments under  
145 the Financing Agreement.
- 146 8. Each Designated Local Official shall present each request for appropriation pursuant to  
147 paragraph 7 above to his or her Locality, and the respective Locality shall consider such  
148 request at such Locality’s next regularly scheduled meeting at which it is possible to satisfy  
149 any applicable notification requirement. Promptly after such meetings, each Designated  
150 Local Official shall notify the Authority as to whether the amount so requested was  
151 appropriated. If the Locality shall fail to make any such appropriation, the Designated Local  
152 Official shall add the amount of such requested appropriation to the Proportional Share  
153 reported to the Locality by its Designated Local Official for the next fiscal year.
- 154 9. The Locality hereby undertakes a non-binding obligation to appropriate its respective  
155 Proportional Share as may be requested from time to time pursuant to paragraphs 6 and 7  
156 above, to the fullest degree and in such manner as is consistent with the Constitution and  
157 laws of the Commonwealth of Virginia. The Locality, while recognizing it is not empowered  
158 to make any binding commitment to make such appropriations in future fiscal years, hereby

159 state its intent to make such appropriations in future fiscal years, and hereby recommend  
160 that future Governing Bodies do likewise.

161 10. The Locality acknowledges that (i) the Authority would not purchase the Promissory Note  
162 without the security and credit enhancement provided by this Agreement, and (ii) the  
163 Authority is treating this Agreement as a “local obligation” within the meaning of Section  
164 62.1-199 of the Code of Virginia of 1950, as amended (the “Virginia Code”), which in the  
165 event of a nonpayment by a Locality hereunder authorizes the Authority to file an affidavit  
166 with the Governor that such nonpayment by such Locality has occurred pursuant to Section  
167 62.1-216.1 of the Virginia Code. In purchasing the Promissory Note, the Authority is further  
168 relying on Section 62.1-216.1 of the Virginia Code, providing that if the Governor is satisfied  
169 that the nonpayment has occurred, the Governor will immediately make an order directing  
170 the Comptroller to withhold all further payment to the Locality of all funds, or of any part of  
171 them, appropriated and payable by the Commonwealth of Virginia to the Locality for any and  
172 all purposes, and the Governor will, while the nonpayment continues, direct in writing the  
173 payment of all sums withheld by the Comptroller, or as much of them as is necessary, to the  
174 Authority, so as to cure, or cure insofar as possible, such nonpayment.

175 11. Nothing herein contained is or shall be deemed to be a lending of the credit of the Locality or  
176 any other Member Jurisdiction to the Borrower, the Authority or to any holder of the  
177 Promissory Note or to any other person, and nothing herein contained is or shall be deemed  
178 to be a pledge of the faith and credit or the taxing power of the Locality or any other Member  
179 Jurisdiction, nor shall anything herein contained legally bind or obligate the Locality or any  
180 other Member Jurisdiction to appropriate funds for the purposes described herein.

181 Any notices or requests required to be given hereunder shall be deemed given if sent by registered  
182 or certified mail, postage prepaid, addressed (i) if to the Town of Urbanna, to PO Box 179,  
183 Urbanna, Virginia, 23175, Attention: Town Administrator; (ii) if to the Borrower, to PO Box  
184 399, Saluda, Virginia 23156, Attention: Executive Director; and (iv) if to the Authority, to  
185 1111 East Main Street, Suite 1920, Richmond, Virginia, 23219, Attention: Executive Director.  
186 Any party may designate any other address for notices or requests by giving notice.

187 12. It is the intent of the parties hereto that this Agreement shall be governed by the laws of the  
188 Commonwealth of Virginia.

189 13. This Agreement shall remain in full force and effect until the Promissory Note and all other  
190 amounts payable by the Borrower under the Financing Agreement have been paid in full.

191 14. This Agreement may be executed in any number of counterparts, each of which shall be an  
192 original and all of which together shall constitute but one and the same instrument.

193 **IN WITNESS WHEREOF** the parties hereto have each caused this Agreement to be executed in  
194 their respective names as of the date first above written.

195 TOWN COUNCIL OF THE TOWN OF URBANNA, VIRGINIA

196 By: \_\_\_\_\_  
197 Ted Costin, Town Administrator

198 MIDDLE PENINSULA PLANNING DISTRICT COMMISSION

199 By: \_\_\_\_\_

200 Its: \_\_\_\_\_

201 VIRGINIA RESOURCES AUTHORITY

202 By: \_\_\_\_\_  
203 Shawn B. Crumlish, Executive Director



**TOWN  
COUNCIL**

**Agenda Item Summary**

**MAY 8, 2025**

**Agenda Item: 12 – NEW BUSINESS**

**12a Fiscal Year Ended June 30, 2024 Audit**

**Background:** Good public financial management includes an audit on prior years finances. As presented, the Fiscal Year Ended June 30, 2024 Audit shows no irregularities and that the town's finances and practices of financial management are sound. Nevertheless, as the town is engaging more into grants and long-term debt finances some alterations are suggested via a management letter. This document will be taken up separately.

**Fiscal Impact:** Auditor's service has been rendered and paid for as budgeted.

**Staff Recommendation:** Accept the Fiscal Year Ended June 30, 2024 Audit as presented.

**Council Action Requested:** Yes

**Sample Adoption Motion:** I move to accept the Fiscal Year Ended June 30, 2024 Audit as presented.

*Motion, Second, Discussion, Voice Vote*

# Town of Urbanna, Virginia

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## Annual Financial Report

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For the Year Ended June 30,  
2024

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Town of Urbanna, Virginia  
Financial Report  
Fiscal Year Ended June 30, 2024

**Town of Urbanna, Virginia**  
**Financial Report**  
**Year Ended June 30, 2024**

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**TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	4
<b>Basic Financial Statements</b>	
<i>Government- Wide Financial Statements</i>	
Exhibit 1                      Statement of Net Position	13
Exhibit 2                      Statement of Activities	14
<i>Fund Financial Statements</i>	
Exhibit 3                      Balance Sheet - Governmental Funds	16
Exhibit 4                      Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	17
Exhibit 5                      Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Exhibit 6                      Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Exhibit 7                      Statement of Net Position - Proprietary Funds	20
Exhibit 8                      Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	21
Exhibit 9                      Statement of Cash Flows - Proprietary Funds	22
Notes to the Principal Financial Statements	23- 39



**Town of Urbanna, Virginia**  
**Financial Report**  
**Year Ended June 30, 2024**

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**TABLE OF CONTENTS (Continued)**

		<u>Page</u>
<i>Required Supplementary Information</i>		
Exhibit 10	Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	41
<i>Supporting Schedules</i>		
Schedule 1	Schedule of Revenues - Budget and Actual - General Fund	43
Schedule 2	Schedule of Expenditures - Budget and Actual - General Fund	44
<i>Compliance</i>		
	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>	45

TOWN OF URBANNA, VIRGINIA  
DIRECTORY OF PRINCIPAL OFFICIALS

**Town Council**

---

William “Bill” Goldsmith, Mayor

Marjorie Austin

Larry Chowning

Alana Courtney

Merri Hanson

Beth Justice

Sandy Sturgill

**Official**

---

T. Ted Costin, Administrator

## Independent Auditor's Report

### **The Honorable Governing Body Town of Urbanna, Virginia**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities and business-type activities, each major fund, and the aggregate remaining fund information of the Town of Urbanna, Virginia ("The Town"), as of and for the year ended June 30, 2024, and the related notes to the financial statements which collectively comprise The Town'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 of the Town of Urbanna, Virginia, as of June 30, 2024, and the respective changes in financial position and cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Urbanna, 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.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Urbanna, 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 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, 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 Urbanna, 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 Urbanna, Virginia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Urbanna, Virginia's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the statistical information but does not include the basic financial statements and our auditors' 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 July 29, 2024, on our consideration of the Town of Urbanna, 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 of Urbanna, Virginia'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 Urbanna, Virginia's internal control over financial reporting and compliance.

*Davis & Associates*

Columbia, Maryland  
March 31, 2025

**Town of Urbanna, Virginia  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2024**

The Management's Discussion and Analysis of the financial performance of the Town of Urbanna, Virginia (the "Town") provides an overall review of the Town's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. Readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Town's financial performance.

**Financial Highlights**

Net position at June 30, 2024, for the Governmental and Business Type activities, was \$2,948,292 and \$461,716 respectively.

**Overview of the Financial Statements**

This annual report consists of two parts – management's discussion and analysis and the basic financial statements consisting of a *Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows*; and related footnotes. The Statement of Net Position represents the financial position of the Town and provides information about the activities of the Town, including all short-term and long-term financial resources and obligations. The Town's financial statements present two kinds of statements, each with a different snapshot of the Town's finances. The government-wide financial statements provide both long-term and short-term information about the Town's overall financial status. Both perspectives allow the user to address relevant questions, broaden the basis of comparison and enhance the Town's accountability.

**Government-Wide Financial Statements**

*Government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business. The *Statement of Net Position* (Exhibit 1) presents information on all Town assets and liabilities with the difference between the two reported as *net position*. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. However, other non-financial factors will need to be considered, such as changes in the Town's property tax base and condition of the Town's infrastructure. The *Statement of Activities* (Exhibit 2) presents information identifying how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when cash is received or paid.

In the *Statement of Net Position* (Exhibit 1) and the *Statement of Activities* (Exhibit 2), the Town is divided into the following:

**Governmental activities** - The Town's basic municipal services are reported here and include general government, public safety, building and grounds, highways and streets, community development, public health, and cultural and recreation. These activities are mainly supported by taxes and intergovernmental revenue.

**Business-type activities** - The Town charges user fees to customers to help offset all or most of the cost of the services provided. The business-type activities of the Town reported in this section include Water and Sewer Utility.

## Fund Financial Statements

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

- **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the Taber Trust fund which are considered to be major funds. Data from the other governmental funds, the Historical Trust fund and the Grant's fund are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report. The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

- **Proprietary Funds**

**Proprietary Funds** – The Town maintains proprietary funds to account for enterprise fund operations that report the same functions as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the fund.

## **Notes to the Financial Statements**

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Town's progress in funding its obligations to provide pension benefits to its employees.

### **Government- Wide Financial Statements Analysis**

Net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town of Urbanna exceeded liabilities and deferred inflows by \$2,948,292 as of June 30, 2024. The Town's net position decreased by \$254,228 for the fiscal year ended June 30, 2024.

On January 23, 2023, the Town obtained a Revenue Bond Note from Huntington Public Capital Corporation in the amount of \$1,056,000. The funds from this loan were placed in a SNAP (Virginia State Non-Arbitrage Program) account. These funds were for drilling a new well to supply the town with water. Funds are drawn down as expenses are incurred.

Several particular aspects of the Town's financial operations positively influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes – \$280,200.
- Surplus in the Net Pension Liability - \$(484,930).
- Meals tax of \$181,730 increased by \$47,600 from the prior year.
- Cost of garbage collection decreased from \$110,467 to \$85,160.
- On Memorial Day Weekend 2024, the Town opened the Marshall Community Pool at Taber Park. The Pool offers season and day passes for both residents and visitors from out of town. The Town anticipates significant seasonal revenue from the Pool.



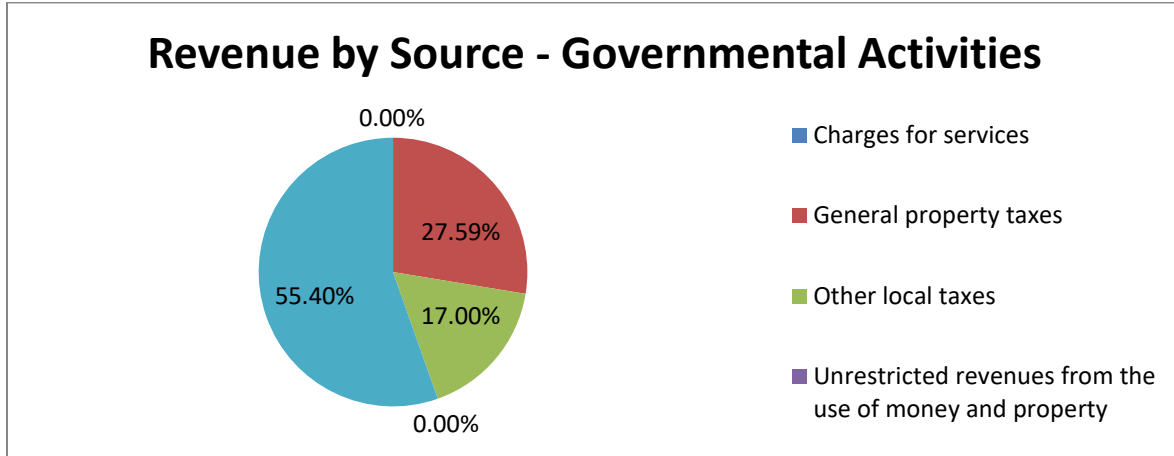
## STATEMENT OF NET POSITION (Exhibit 1) – For the Fiscal Years Ended June 30, 2024 and 2023

	2024			2023		
	Primary Government			Primary Government		
	Governmental Activities	Business - Type Activities	Total	Governmental Activities	Business - Type Activities	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 933,917	\$ 1,231,874	\$ 2,165,791	\$ 644,256	\$ 1,291,291	\$ 1,935,547
Due to/from	-	96,171	96,171	-	96,171	96,171
Restricted assets:						
Temporarily restricted:						
Cash and cash equivalents	1,183,640	-	1,183,640	1,795,921	-	1,795,921
Capital assets (net of accumulated depreciation):						
Land	228,324	251,000	479,324	228,324	251,000	479,324
Other capital assets	202,097	8,875	210,972	260,470	8,875	269,345
Total assets	\$ 2,547,978	\$ 1,587,920	\$ 4,135,898	\$ 2,928,971	\$ 1,647,337	\$ 4,576,308
Deferred Outflow of Resources:						
Total Deferred Outflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assets and Deferred Outflow of Resources	\$ 2,547,978	\$ 1,587,920	\$ 4,135,898	\$ 2,928,971	\$ 1,647,337	\$ 4,576,308
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	\$ 133,126	\$ 52,878	\$ 186,003	\$ 657,997	\$ 61,521	\$ 719,518
Utility deposits	-	17,327	17,327	-	15,247	15,247
Long-term liabilities:						
Due in more than one year	-	1,056,000	1,056,000	-	1,056,000	1,056,000
Net Pension Liability	(484,930)	-	(484,930)	(414,936)	-	(414,936)
Total liabilities	\$ (351,804)	\$ 1,126,204	\$ 774,400	\$ 243,061	\$ 1,132,768	\$ 1,375,829
Deferred Inflow of Resources:						
Total Deferred Inflow of Resources	\$ (48,510)	\$ -	\$ (48,510)	\$ 56,585	\$ 449,650	\$ 506,235
Total Liabilities and Deferred Inflow of Resources	\$ (400,314)	\$ 1,126,204	\$ 725,890	\$ 299,646	\$ 1,582,418	\$ 1,882,064
<b>NET POSITION</b>						
Net investment in capital assets	\$ 915,351	\$ (796,125)	\$ 119,226	\$ 903,730	\$ (796,125)	\$ 107,605
Unrestricted (deficit)	2,032,941	1,257,841	3,290,782	1,725,595	860,864	2,586,459
Total net position	\$ 2,948,292	\$ 461,716	\$ 3,410,007	\$ 2,629,325	\$ 64,739	\$ 2,694,064

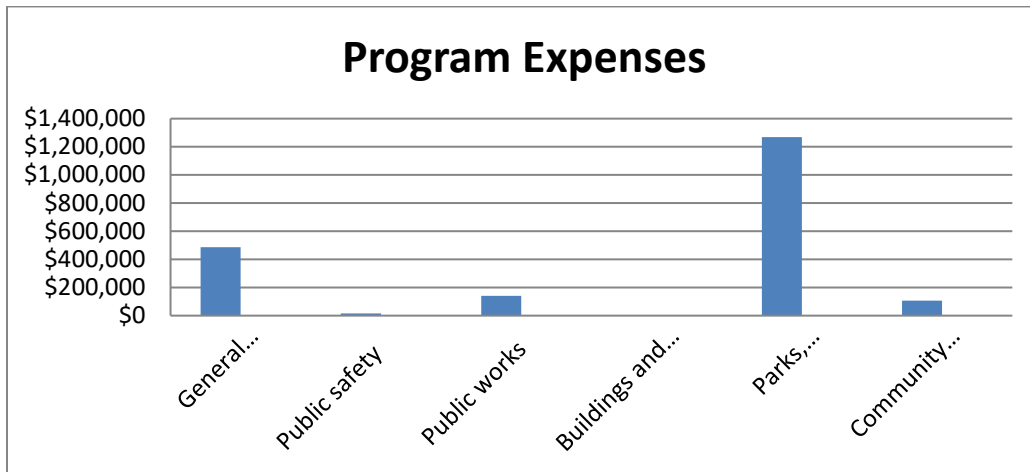
## STATEMENT OF ACTIVITIES (Exhibit 2) – For the Fiscal Years Ended June 30, 2024, and 2023

	<u>Governmental Activities</u>		<u>Business - Type Activities</u>		<u>Total Primary Government</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ -	\$ -	\$ 1,328,124	\$ 477,341	\$ 1,328,124	\$ 477,341
General revenues:						
General property taxes	280,200	273,666	-	-	280,200	273,666
Other local taxes	172,644	297,786	-	-	172,644	297,786
Restaurant and food taxes	181,730	134,130	-	-	181,730	134,130
Unrestricted revenues from the use of money and property	-	-	-	-	-	-
Miscellaneous	562,605	142,534	-	-	562,605	142,534
Total revenues	<u>\$ 1,197,180</u>	<u>\$ 848,116</u>	<u>\$ 1,328,124</u>	<u>\$ 477,341</u>	<u>\$ 2,525,304</u>	<u>\$ 1,325,457</u>
<b>Expenses:</b>						
General government	\$ 487,389	\$ 361,352	\$ -	\$ -	\$ 487,389	\$ 361,352
Public safety	15,000	35,200	-	-	15,000	35,200
Public works	140,539	174,125	-	-	140,539	174,125
Buildings and grounds	-	-	-	-	-	-
Parks, recreation and cultural	1,267,909	117,329	-	-	1,267,909	117,329
Community development	106,073	73,547	-	-	106,073	73,547
Enterprise funds	-	-	1,046,581	319,552	1,046,581	319,552
Total expenses	<u>\$ 2,016,910</u>	<u>\$ 761,553</u>	<u>\$ 1,046,581</u>	<u>\$ 319,552</u>	<u>\$ 3,063,492</u>	<u>\$ 1,081,105</u>
Increase (decrease) in net position before transfers	\$ (819,731)	\$ 86,562	\$ 281,543	\$ 157,789	\$ (538,188)	\$ 244,352
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	<u>\$ (819,731)</u>	<u>\$ 86,562</u>	<u>\$ 281,543</u>	<u>\$ 157,789</u>	<u>\$ (538,188)</u>	<u>\$ 244,352</u>
Net position - beginning, as adjusted	2,662,666	2,542,762	180,173	(93,050)	2,842,839	2,449,712
Net position - ending	<u>\$ 1,842,936</u>	<u>\$ 2,629,325</u>	<u>\$ 461,717</u>	<u>\$ 64,740</u>	<u>\$ 2,304,652</u>	<u>\$ 2,694,065</u>

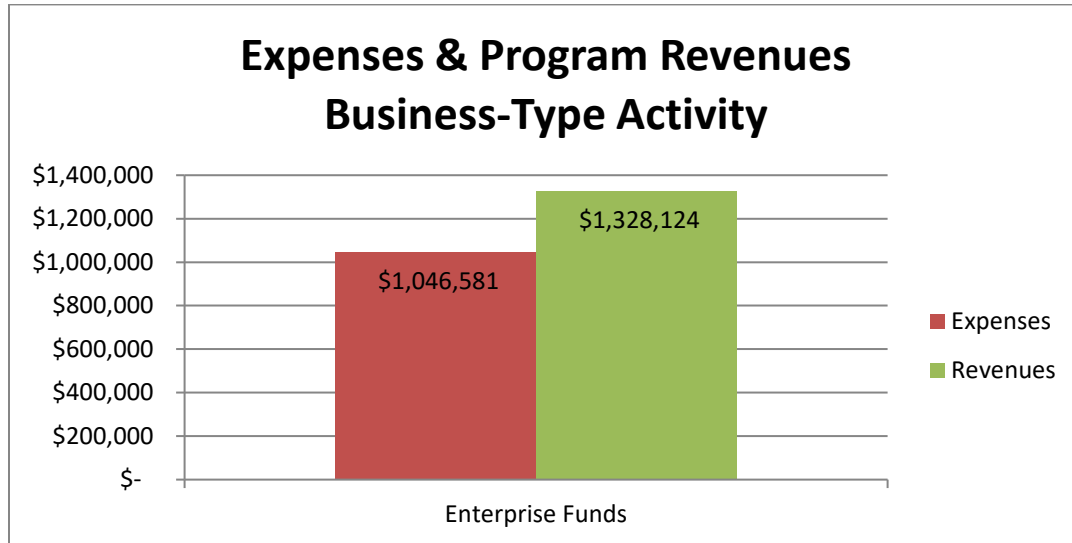
**Primary Government Revenues**



**Primary Government Expenses**



## Business Type Activities - Revenues and Expenses



### **Economic Factors and Future Outlook**

Presently, the Town is not aware of any significant changes in conditions that would have a significant effect on administrative expenses in the near future.

### **Contacting Town's Financial Management**

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the Town's finances and to reflect the Town's accountability for the monies it receives. The Town may be contacted at Town of Urbanna, Virginia - P.O. Box 179, Urbanna, Virginia 23175.

**BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT- WIDE FINANCIAL STATEMENTS**

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## Town of Urbanna, Virginia

## Exhibit 1

June 30, 2024  
Statement of Net Position

	Primary Government		Total
	Governmental Activities	Business - Type Activities	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 933,917	\$ 1,231,874	\$ 2,165,791
Due to/from	-	96,171	96,171
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	1,183,640	-	1,183,640
Capital assets (net of accumulated depreciation):			
Land	228,324	251,000	479,324
Other capital assets	202,097	8,875	210,972
Total assets	<u>\$ 2,547,978</u>	<u>\$ 1,587,920</u>	<u>\$ 4,135,898</u>
Deferred Outflow of Resources:			
Total Deferred Outflow of Resources	\$ -	-	-
Total Assets and Deferred Outflow of Resources	<u>\$ 2,547,978</u>	<u>1,587,920</u>	<u>4,135,898</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 133,126	\$ 52,878	\$ 186,003
Unreconciled overdraft	-	-	-
Utility deposits	-	17,327	17,327
Noncurrent liabilities:			
Due in more than one year	-	1,056,000	1,056,000
Net Pension Liability	(484,930)	-	(484,930)
Total liabilities	<u>\$ (351,804)</u>	<u>\$ 1,126,204</u>	<u>\$ 774,400</u>
Deferred Inflow of Resources:			
Total Deferred Inflow of Resources	\$ (48,510)	-	(48,510)
Total Liabilities and Deferred Inflow of Resources	<u>\$ (400,314)</u>	<u>1,126,204</u>	<u>725,890</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 915,351	\$ (796,125)	\$ 119,226
Unrestricted (deficit)	2,032,941	1,257,841	3,290,782
Total net position	<u>\$ 2,948,292</u>	<u>\$ 461,716</u>	<u>\$ 3,410,007</u>

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

## Town of Urbanna, Virginia

## Exhibit 2

Year Ended June 30, 2024  
Statement of Activities

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
<b>PRIMARY GOVERNMENT:</b>							
Governmental activities:							
General government administration:	\$ 499,886	\$ 12,497	\$ -	\$ -	\$ (487,389)	\$ -	\$ (487,389)
Public safety	15,000	-	-	-	(15,000)	-	(15,000)
Public works	140,539	-	-	-	(140,539)	-	(140,539)
Buildings and grounds	-	-	-	-	-	-	-
Parks, recreation, and cultural	1,267,909	-	-	-	(1,267,909)	-	(1,267,909)
Community development	106,073	-	-	-	(106,073)	-	(106,073)
Total governmental activities	\$ 2,029,407	\$ 12,497	\$ -	\$ -	\$ (2,016,910)	\$ -	\$ (2,016,910)
Business-type activities:							
Water	\$ 991,589	\$ 1,243,331	\$ -	\$ -	\$ -	\$ 251,742	\$ 251,742
Uptons Point	54,992	84,793	-	-	-	29,801	29,801
Total business-type activities	\$ 1,046,581	\$ 1,328,124	\$ -	\$ -	\$ -	\$ 281,543	\$ 281,543
Total primary government	\$ 3,075,989	\$ 1,340,621	\$ -	\$ -	\$ (2,016,910)	\$ 281,543	\$ (1,735,368)
General revenues:							
General property taxes					\$ 280,200	\$ -	\$ 280,200
Other local taxes					354,374	-	354,374
Permits, privilege fees, and regulatory licenses					12,497	-	12,497
Miscellaneous					550,108	-	550,108
Bristow Pavilion					7,200	-	7,200
Pool					1,098,155	-	1,098,155
Total general revenues and transfers					\$ 2,302,535	\$ -	\$ 2,302,535
Changes in net position					285,624	281,543	567,167
Net position - beginning, as adjusted					2,662,666	180,173	2,842,839
Net position - ending					\$ 2,948,291	\$ 461,716	\$ 3,410,007

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



**FUND FINANCIAL STATEMENTS**

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## Town of Urbanna, Virginia

## Exhibit 3

June 30, 2024  
 Balance Sheet  
 Governmental Funds

	<u>General</u>	<u>Permanent Fund Taber Trust Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 892,562	\$ -	\$ 41,355	\$ 933,917
Due to/From 100 Fund	48,509	-	-	48,509
Restricted Assets				
Cash and cash equivalents	-	1,122,230	61,410	1,183,640
Total assets	<u>\$ 941,071</u>	<u>\$ 1,122,230</u>	<u>\$ 102,765</u>	<u>\$ 2,166,066</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ (32,579)	\$ 5,150	\$ -	\$ (27,429)
Accrued liabilities	<u>160,555</u>	<u>-</u>	<u>-</u>	<u>160,555</u>
Total liabilities	<u>\$ 127,976</u>	<u>\$ 5,150</u>	<u>\$ -</u>	<u>\$ 133,126</u>
Fund balances:				
Nonspendable:				
Corpus of historical trust fund	\$ -	\$ 1,122,230	\$ 61,410	\$ 1,183,640
Restricted:				
Residential benefit	-	-	-	-
Debt Service	-	-	-	-
Unassigned	<u>813,095</u>	<u>(5,150)</u>	<u>41,355</u>	<u>849,300</u>
Total fund balances	<u>\$ 813,095</u>	<u>\$ 1,117,080</u>	<u>\$ 102,765</u>	<u>\$ 2,032,941</u>
Total liabilities and fund balances	<u>\$ 941,071</u>	<u>\$ 1,122,230</u>	<u>\$ 102,765</u>	<u>\$ 2,166,068</u>

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

## Town of Urbanna, Virginia

## Exhibit 4

June 30, 2024

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances per Exhibit 3 – Balance Sheet – Governmental Funds	\$	2,032,941
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$	228,324
Depreciable capital assets, net of accumulated depreciation		202,097
Total capital assets		<u>430,421</u>
Deferred outflows of resources		
Deferred outflows of resources related to pensions are applicable to future periods and, are not reported in funds		<u>-</u>
Net Pension Liability		
Net Pension Liability		<u>484,930</u>
Net position of governmental activities	\$	<u><u>2,948,292</u></u>

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

## Town of Urbanna, Virginia

## Exhibit 5

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

	<u>General</u>	<u>Permanent Fund Taber Trust Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>REVENUES</b>				
General property taxes	\$ 280,200	\$ -	\$ -	\$ 280,200
Other local taxes	354,374	-	-	354,374
Permits, privilege fees, and regulatory licenses	12,497	-	-	12,497
Miscellaneous	521,993	-	28,115	550,108
Bristow Pavilion	7,200	-	-	7,200
Pool	1,098,155	-	-	1,098,155
Total revenues	<u>\$ 2,274,419</u>	<u>\$ -</u>	<u>\$ 28,115</u>	<u>\$ 2,302,535</u>
<b>EXPENDITURES</b>				
Current:				
General government administration	\$ 438,465	\$ -	\$ 61,422	\$ 499,886
Public safety	15,000	-	-	15,000
Public works	140,539	-	-	140,539
Buildings and grounds	-	-	-	-
Parks, recreation, and cultural	1,256,011	-	11,898	1,267,909
Community development	106,073	-	-	106,073
Total expenditures	<u>\$ 1,956,087</u>	<u>\$ -</u>	<u>\$ 73,320</u>	<u>\$ 2,029,407</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 318,332</u>	<u>\$ -</u>	<u>\$ (45,205)</u>	<u>\$ 273,127</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ 318,332	\$ -	\$ (45,205)	\$ 273,127
Fund balances - beginning, as adjusted	<u>494,763</u>	<u>\$ 1,117,080</u>	<u>\$ 147,969</u>	<u>\$ 1,759,812</u>
Fund balances - ending	<u>\$ 813,095</u>	<u>\$ 1,117,080</u>	<u>\$ 102,764</u>	<u>\$ 2,032,940</u>

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

**Town of Urbanna, Virginia****Exhibit 6**

Year Ended June 30, 2024

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – total governmental funds (Exhibit 5)	\$	273,127
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period.		(58,373)
Some expenses and other adjustments reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		70,870
		<hr/>
Change in net position of governmental activities	\$	<u>285,624</u>

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

## Town of Urbanna, Virginia

## Exhibit 7

June 30, 2024  
Statement of Net Position  
Proprietary Fund

	<u>Business-Type Activities</u>		
	<u>Water Fund</u>	<u>Uptons Point Fund</u>	<u>Total Funds</u>
<b>ASSETS</b>			
Current assets:			
Cash	\$ 1,170,897	\$ 60,978	\$ 1,231,874
Due To/From	27,953	68,218	96,171
Total current assets	<u>\$ 1,198,849</u>	<u>\$ 129,196</u>	<u>\$ 1,328,045</u>
Noncurrent assets:			
Capital assets:			
Land	\$ 251,000	\$ -	\$ 251,000
Other capital assets	1,632,962	-	1,632,962
Less accumulated depreciation	(1,624,087)	-	(1,624,087)
Total capital assets	<u>\$ 259,875</u>	<u>\$ -</u>	<u>\$ 259,875</u>
Total noncurrent assets	<u>\$ 259,875</u>	<u>\$ -</u>	<u>\$ 259,875</u>
Total assets	<u>\$ 1,458,724</u>	<u>\$ 129,196</u>	<u>\$ 1,587,920</u>
Deferred Outflow of Resources:			
Total Deferred Outflow of Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 1,458,724</u>	<u>\$ 129,196</u>	<u>\$ 1,587,920</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 52,007	\$ 870	\$ 52,878
Utility deposits	17,327	-	17,327
Total current liabilities	<u>\$ 69,334</u>	<u>\$ 870</u>	<u>\$ 70,204</u>
Noncurrent liabilities:			
Bond anticipation note payable	\$ 1,056,000	\$ -	\$ 1,056,000
Total noncurrent liabilities	<u>\$ 1,056,000</u>	<u>\$ -</u>	<u>\$ 1,056,000</u>
Total liabilities	<u>\$ 1,125,334</u>	<u>\$ 870</u>	<u>\$ 1,126,204</u>
Deferred Inflow of Resources:			
Total Deferred Inflow of Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities and Deferred Inflow of Resources	<u>\$ 1,125,334</u>	<u>\$ 870</u>	<u>\$ 1,126,204</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ (796,125)	\$ -	\$ (796,125)
Unrestricted	1,129,515	128,325	1,257,841
Total net position	<u>\$ 333,390</u>	<u>\$ 128,325</u>	<u>\$ 461,716</u>

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

## Town of Urbanna, Virginia

## Exhibit 8

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

	<b>Business-Type Activities</b>		
	<b>Water Fund</b>	<b>Uptons Point Fund</b>	<b>Total Funds</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,243,331	\$ 84,793	\$ 1,328,124
Total operating revenues	\$ 1,243,331	\$ 84,793	\$ 1,328,124
<b>OPERATING EXPENSES</b>			
Other charges	\$ 991,589	\$ 54,992	\$ 1,046,581
Total operating expenses	\$ 991,589	\$ 54,992	\$ 1,046,581
Operating income (loss)	\$ 251,742	\$ 29,801	\$ 281,543
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Total nonoperating revenues (expenses)	\$ -	\$ -	\$ -
Income before contributions and transfers	\$ 251,742	\$ 29,801	\$ 281,543
Change in net position	\$ 251,742	\$ 29,801	\$ 281,543
Total net position - beginning	81,649	98,524	180,173
Total net position - ending	\$ 333,391	\$ 128,325	\$ 461,716

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

## Town of Urbanna, Virginia

## Exhibit 9

Year Ended June 30, 2024  
Statement of Cash Flows  
Proprietary Fund

	<u>Business-Type Activities</u>		
	<u>Water Fund</u>	<u>Upton's Point Fund</u>	<u>Total Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 1,243,331	\$ 84,793	\$ 1,328,124
Payments to suppliers	<u>(991,589)</u>	<u>(54,992)</u>	<u>(1,046,581)</u>
Net cash provided (used) by operating activities	<u>\$ 251,742</u>	<u>\$ 29,801</u>	<u>\$ 281,543</u>
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Net cash provided (used) by noncapital and related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal payments on debt	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net cash provided (used) by capital and related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net increase (decrease) in cash and cash equivalents	\$ 251,742	\$ 29,801	\$ 281,543
Cash and cash equivalents - beginning	<u>919,155</u>	<u>31,178</u>	<u>950,334</u>
Cash and cash equivalents - ending	<u>\$ 1,170,897</u>	<u>\$ 60,980</u>	<u>\$ 1,231,877</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>			
Operating income (loss)	<u>\$ 251,742</u>	<u>\$ 29,801</u>	<u>\$ 281,543</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Total adjustments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net cash provided (used) by operating activities	<u>\$ 251,742</u>	<u>\$ 29,801</u>	<u>\$ 281,543</u>



## NOTES TO THE PRINCIPAL FINANCIAL STATEMENTS

**NOTE 1           SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Narrative Profile

The Town of Urbanna (the “Town”), located in Middlesex County, Virginia, approximately 45 miles from Williamsburg, Virginia, was incorporated in 1902. The town has a population of 476 and a land area of .42 square miles.

The Town is governed under the Council-Manager form of government. The Town government engages in wide ranges of municipal services including general government administration, public works, park and recreation, cultural and community development. Judicial administration, education, fire, library, health and welfare services are provided by Middlesex County.

The financial statements of the Town of Urbanna, Virginia have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units promulgated by the Governmental Accounting Standards Board (GASB). The more significant of the government’s accounting policies are described below.

**A.       Financial Reporting Entity**

Management’s Discussion and Analysis: GASB Statement No. 34 requires that financial statements be accompanied by a narrative introduction and analytical overview of the government’s financial activities in the form of “Management’s Discussion and Analysis” (MD&A). This analysis is similar to the analysis the private sector provides in their annual reports.

Government-Wide Financial Statements: The reporting model includes financial statements prepared using full accrual accounting for all of the government’s activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter.

Statement of Net Position: The Statement of Net Position is designed to display the financial position of the primary government (government and business-type activities) and its discretely presented component units. Governments report all capital assets, including infrastructure, in the government-wide Statement of Net Position and report depreciation expense – the cost of “using up” capital assets – in the Statement of Activities. The net position of a government will be broken down into three categories: 1) Net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities: The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government’s functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

Fund Financial Statements: Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Budgetary Comparison Schedules: Demonstrating compliance with the adopted budget is an important component of a government’s accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. The Town and many other governments revise their original budgets over the course of the year for a variety of reasons. The budgetary comparison schedules present the government’s original budget to the current comparison of final budget and actual results for its major funds.

**A. Financial Reporting Entity (continued)**

Accounting principles generally accepted in the United States require financial statements to present the primary government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The Town has no component units that meet the requirements for blending. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide statements to emphasize they are legally separate from the primary government. The Town does not have any discretely presented component units.

**B. Government-Wide and Fund Financial Statements**

The basic financial statements include both government-wide and fund financial statements. The focus is on both the Town as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as fiduciary funds (by category) and the component units, if applicable. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type. In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information. The Town generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The Town may defer the use of restricted assets based on a review of the specific transaction.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, public works, community development, etc.) that are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program and revenues must be directly associated with the function (public safety, public works, community development, etc.) or a business-type activity. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. The Town does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Internal service charges, if applicable, are eliminated and the net income or loss from internal service activities is allocated to the various functional expense categories based on the internal charges to each function. In the fund financial statements, financial transactions and accounts of the Town are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The fund statements are presented on a current financial resource measurement focus and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted.

NOTE 1                    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued**

**B.            Government-Wide and Fund Financial Statements (continued)**

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented that briefly explains the adjustment necessary to reconcile the fund financial statements to the governmental column of the government-wide financial statements.

Proprietary fund operating revenues consist of charges for services and related revenues. Non-operating revenues consist of contributions, grants, investment earnings and other revenues not directly derived from the providing of services.

The Town applies all GASB pronouncements as well as the Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements.

The following is a brief description of the specific funds used by the Town in FY2024.

1. *Governmental Funds* – Governmental Funds account for and report the expendable financial resources, other than those accounted for and reported in Proprietary and Fiduciary Funds. The Governmental Funds utilize the modified accrual basis of accounting where the measurement focus is upon determination of financial position and changes in financial position, rather than upon net income determination as would apply to a commercial enterprise. The individual Governmental Funds are:

*General Fund* – The General Fund accounts for and reports all revenues and expenditures of the Town which are not accounted for and reported in the other funds. Revenues are primarily derived from general property taxes, other local taxes, licenses and permits, and revenues from other governmental units. The General Fund is considered a major fund for financial reporting purposes.

*Permanent Funds* – Permanent Funds are used to account for resources that are legally restricted to the extent that only the earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government of its citizenry. Permanent Funds include the following funds:

*Taber Trust Fund* – The income generated from this fund can only be used for recreational and charitable purposes. To date the funds are primarily used to cover expenses of the pool and contributions to the library, fire and rescue squads. This fund is reported as a major fund of the Town.

*Historic Trust Fund* – The income generated from this fund is used to promote, enhance or maintain the historic character of the Town. This fund is reported as a non-major fund of the Town.

2. *Enterprise Funds* – Enterprise Funds account for the financing of services to the general public where all or most of the operating expenses involved are recorded in the form of charges to users of such services. Enterprise Funds consist of the Water Fund and the Upton's Point Fund.

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued**

**C.            Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total position.

1. *Governmental Funds* – Governmental funds utilize the modified accrual basis of accounting under which revenues and related assets are recorded when measurable and available to finance operations during the year. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts, except that property taxes not collected within 45 days after year-end are reflected as deferred revenues. Sales and utility taxes, which are collected by the State or utilities and subsequently remitted to the Town, are recognized as revenues and receivables upon collection by the State or utility, which is generally in the month preceding receipt by the Town. Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of State and other grants for the purpose of funding specific expenditures, are recognized when measurable and available or at the time of the specific expenditure.

Expenditures, other than interest on long-term debt, are recorded as the related fund liabilities are incurred. Principal and interest on long-term debt are recognized when due, except for amounts due on July 1, which are accrued.

2. *Proprietary Funds* – The accrual basis of accounting is used for the Enterprise Fund. Under the accrual method, revenues are recognized in the accounting period in which they are earned, while expenses are recognized in the accounting period in which the related liability is incurred.

**D.            Budgets and Budgetary Accounting**

The following procedures are used by the Town in establishing the budgetary data reflected in the financial statements:

1. Prior to May 1, the Town Administrator submits to the Town Council a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the department or category level. The appropriation for each department or category can be revised only by the Town Council. The Town Administrator is authorized to transfer budgeted amounts within departments.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued****D.    Budgets and Budgetary Accounting (continued)**

7. Appropriations lapse on June 30 for all Town funds unless they are carried forward by a resolution of Town Council.
8. All budgetary data presented in the accompanying financial statements reflect budget reviews as of June 30.

**E.    Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, cash and cash equivalents include all cash on hand and in banks, certificates of deposit, and highly liquid investments with maturities of three months or less.

**F.    Receivables and Payables**

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**G.    Capital Assets**

Capital outlays are recorded as expenditures of the governmental funds of the Town, and as assets in the government-wide financial statements.

Property, plant and equipment purchases are stated at cost or estimated cost. Donated property is recorded at the prevailing market value at date of donation. Depreciation is recorded on capital assets on a government-wide basis or in the Proprietary Funds using the straight-line method and the following estimated useful lives:

Buildings and improvements	33.5 years
Water system	25 years
Office and other equipment	5–25 years
Vehicles	5 years

**H.    Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1            **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *continued***I.     Allowance for Uncollectible Amounts**

The Town calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance for uncollectible taxes is \$2,465 at June 30, 2024.

**J.     Compensated Absences**

The Town accrues compensated absences (annual and sick leave benefits) when vested. The amounts include all balances earned by employees, which would be paid upon employee terminations, resignations or retirements.

An estimate of ten percent of the liability has been classified as current in the government-wide financial statements.

**K.     Fund Equity**

Beginning with fiscal year 2011, the Town implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- *Nonspendable fund balance* – amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (corpus of a permanent fund);
- *Restricted fund balance* – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation;
- *Committed fund balance* – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- *Assigned fund balance* – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- *Unassigned fund balance* – amounts that are available for any purpose; positive amounts are only reported in the general fund.

When fund balance resources are available for a specific purpose in more than one classification, it is the Town's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

Town Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by Town Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

**NOTE 2           PROPERTY TAXES RECEIVABLE**

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable December 5<sup>th</sup>. The Town bills and collects its own property taxes.

**NOTE 3           DEPOSITS AND INVESTMENTS**Deposits

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

Investments

Statutes authorize the Town to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, banker's acceptances, repurchase agreements and the State Treasurer's Local Government Investment Pool (LGIP). The Town had no investments at June 30, 2024.

**NOTE 4           INTERFUND BALANCES AND ACTIVITY**

There were no interfund receivables, payables or related activity as of June 30, 2024.

**NOTE 5           DUE FROM OTHER GOVERNMENTAL UNITS**

There were no amounts due from other governments at June 30, 2024.

**NOTE 6           DEFERRED REVENUE**

There were no deferred revenue amounts at June 30, 2024.

**NOTE 7 CAPITAL ASSETS**

The following is a summary of changes in capital assets during the fiscal year:

	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 228,324	\$ -	\$ -	\$ 228,324
Total capital assets not being depreciated	<u>\$ 228,324</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,324</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 1,070,437	\$ -	\$ -	\$ 1,070,437
Office and other equipment	<u>303,068</u>	<u>-</u>	<u>-</u>	<u>303,068</u>
Total capital assets being depreciated	<u>\$ 1,373,505</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,373,505</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ 860,263	\$ 52,120	\$ -	\$ 912,383
Office and other equipment	<u>252,772</u>	<u>6,253</u>	<u>-</u>	<u>259,025</u>
Total accumulated depreciation	<u>\$ 1,113,035</u>	<u>\$ 58,373</u>	<u>\$ -</u>	<u>\$ 1,171,408</u>
Total capital assets being depreciated, net	<u>\$ 260,470</u>	<u>\$ (58,373)</u>	<u>\$ -</u>	<u>\$ 202,097</u>
Governmental activities capital assets, net	<u>\$ 488,794</u>	<u>\$ (58,373)</u>	<u>\$ -</u>	<u>\$ 430,421</u>
Depreciation expense has been allocated as follows:				
General government administration	\$	15,120		
Public works	\$	41,231		
Parks, recreation and cultural	\$	<u>2,023</u>		
Total depreciation expense	\$	<u>58,373</u>		



## NOTE 7 CAPITAL ASSETS continued

	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 251,000	\$ -	\$ -	\$ 251,000
Total capital assets not being depreciated	\$ 251,000	\$ -	\$ -	\$ 251,000
Capital assets being depreciated:				
Water system	\$ 1,493,801	\$ -	\$ -	\$ 1,493,801
Vehicles	25,865	-	-	25,865
Office and other equipment	113,296	-	-	113,296
Total capital assets being depreciated	\$ 1,632,962	\$ -	\$ -	\$ 1,632,962
Less accumulated depreciation for:				
Water system	\$ 1,493,801	\$ -	\$ -	\$ 1,493,801
Vehicles	25,865	-	-	25,865
Office and other equipment	102,494	1,927	-	104,421
Total accumulated depreciation	\$ 1,622,160	\$ 1,927	\$ -	\$ 1,624,087
Total capital assets being depreciated, net	\$ 10,802	\$ (1,927)	\$ -	\$ 8,875
Business-type activities capital assets, net	\$ 261,802	\$ (1,927)	\$ -	\$ 259,875
Depreciation expense has been allocated as follows:				
Total depreciation expense		\$ 1,927		

**NOTE 8 LONG-TERM OBLIGATIONS**

The following is a summary of long-term obligations for the fiscal year ended June 30, 2024:

**Incurred by Town**

Net pension liability	\$ <u>(484,930)</u>
Total governmental obligations	\$ <u>(484,930)</u>

On January 23, 2024, the Town obtained a Revenue Bond Note from Huntington Public Capital Corporation in the amount of \$1,056,000. The funds from this loan were placed in a SNAP (Virginia State Non-Arbitrage Program) account. These funds were for drilling a new well to supply the town with water. Funds are drawn down as expenses are incurred. Principal payments are due at final maturity. Interest accrues as follows:

- Option 1 – Final Maturity – 3/1/2024 – 5.25%
- Option 2 – Final Maturity – 9/1/2024 – 4.81%

**NOTE 9 CLAIMS, JUDGMENTS, AND COMPENSATED ABSENCES**

In accordance with GASB Statement 16, *Accounting and Financial Reporting for Claims, Judgments and Compensated Absences*, the Town has accrued the liability arising from outstanding claims and judgments and compensated absences. Town employees earn vacation and sick leave based upon length of service. The Town has no outstanding accrued vacation pay.

**NOTE 10 DEFINED BENEFIT PENSION PLAN****Plan Description**

All full-time, salaried permanent employees of the Town are automatically covered by a VRS Retirement Plan upon employment. This is an agent multiple employer plan 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.

***Benefit Structures***

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, as detailed below.

a. Employees with a membership date before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit. Hazardous duty employees (law enforcement officers, firefighters, and sheriffs) are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.

b. Employees with a membership date from July 1, 2010 to December 31, 2013, that have not taken a refund or employees with a membership date prior to July 1, 2010 and not vested before January 1, 2013, are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age plus service credit equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. Hazardous duty employees are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25

**NOTE 10            DEFINED BENEFIT PENSION PLAN – continued**

years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.

c. Non-hazardous duty employees with a membership date on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 – April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service credit equals 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

***Average Final Compensation and Service Retirement Multiplier***

The VRS defined benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the employee's average final compensation multiplied by the employee's total service credit. Under Plan 1, average final compensation is the average of the employee's 36 consecutive months of highest compensation and the multiplier is 1.70% for non-hazardous duty employees, 1.85% for sheriffs and regional jail superintendents, and 1.7% or 1.85% for hazardous duty employees as elected by the employer. Under Plan 2, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the retirement multiplier is 1.65% for non-hazardous duty employees, 1.85% for sheriffs and regional jail superintendents, and 1.70% or 1.85% for hazardous duty employees as elected by the employer. Under the Hybrid Plan, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the multiplier is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

***Cost-of-Living Adjustment (COLA) in Retirement and Death and Disability Benefits***

Retirees with an unreduced benefit or with a reduced benefit with at least 20 years of service credit are eligible for an annual COLA beginning July 1 after one full calendar year from the retirement date. Retirees with a reduced benefit and who have less than 20 years of service credit are eligible for an annual COLA beginning on July 1 after one calendar year following the unreduced retirement eligibility date. Under Plan 1, the COLA cannot exceed 5.00%. Under Plan 2 and the Hybrid Plan, the COLA cannot exceed 3.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia, as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

***Employees Covered by Benefit Terms***

As of the June 30, 2021, actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Town
Retirees and Beneficiaries	8
Inactive Vested Members	2
Inactive Nonvested Members	0
Long Term Disability	0
Active Elsewhere in VRS	3
Active Employees	3
Total	16

**NOTE 10            DEFINED BENEFIT PENSION PLAN - continued****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 employer contribution rate for the year ended June 30, 2024, was 9.99% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

**Net Pension Liability (Asset)**

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

**Actuarial Assumptions**

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

Inflation	2.50%
General Employees – Salary increases, including inflation	3.50 – 5.35%
Investment rate of return	6.75% net of pension plan investment expense, including inflation*

Mortality rates:

Largest 10 – (Non 10 Largest) – Hazardous Duty; 15% of deaths are assumed to be service related.

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of

**NOTE 10            DEFINED BENEFIT PENSION PLAN - continued**

rates for males and females set forward 2 years

**Mortality Improvement:**

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 Rates

**Mortality rates: (Continued)**

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

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rate to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

***Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits***

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the Town's Retirement Plan was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation	3.50%– 4.75%
Investment rate of return	6.75% net of pension plan investment expenses, including inflation

**Mortality rates:**

All Others (Non 10 Largest) – Hazardous Duty: 45% of deaths are assumed to be service related

**Pre-Retirement:**

Pub-2010 Amount Weighted Safety Employee Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males; 105% of rates for females set forward 2 years

**Post-Retirement:**

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males; 105% of rates for females set forward 3 years

**NOTE 10            DEFINED BENEFIT PENSION PLAN - continued****Post-Disablement:**

Pub-2010 Amount Weighted General Disabled Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

**Beneficiaries and Survivors:**

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males and females set forward 2 years

**Mortality Improvement:**

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

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

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

**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:

**NOTE 10            DEFINED BENEFIT PENSION PLAN – continued**

Asset Class (Strategy)	Target Allocation	Arithmetic Long- Term Expected Real Rate of Return	Weighted Average Long- Term Expected Real Rate of Return
Public Equity	34.00%	6.14 %	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi- Asset Public Strategies	4.00%	4.50%	0.18%
PIP - Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	<u>100.00%</u>		<u>5.75%</u>
	Inflation		<u>2.50%</u>
	*Expected arithmetic nominal return		<u>8.25%</u>

\* The above allocation provides a one-year expected return of 8.25% However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14% including expected inflation of 2.50%

\*\*On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75% which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14% including expected inflation of 2.50%

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75% The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the Town and Component Unit School Board (nonprofessional) was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2022 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2023, the rate contributed by the school division for the VRS Teacher Retirement Plan was subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 112% of the actuarially determined contribution rate. From July 1, 2023 on, participating employers and school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore,

the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

**NOTE 10            DEFINED BENEFIT PENSION PLAN – continued****Changes in Net Pension Liability**

	<u>Increase (Decrease)</u>		
	Total	Plan	Net
	Pension Liability (a)	Fiduciary Net Position (b)	Pension Liability (a) - (b)
Balances at June 30, 2022	<u>831,154</u>	<u>1,246,090</u>	<u>(414,936)</u>
Changes for the Year			-
Service cost	8,223		8,223
Interest	54,808		54,808
Changes in benefit terms	-		-
Changes of assumptions	-		-
Differences between expected and actual experience	(50,411)		(50,411)
Contributions – employer	-	-	-
Contributions – employee	-	4,516	(4,516)
Net investment income	-	78,879	(78,879)
Benefit payments, including refunds of employee contributions	(54,815)	(54,815)	-
Administrative expenses	-	(811)	811
Other charges	-	30	(30)
Net Changes	<u>(42,195)</u>	<u>27,799</u>	<u>(69,994)</u>
Balances at June 30, 2023	<u>788,959</u>	<u>1,273,889</u>	<u>(484,930)</u>

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

The following presents the net pension liability of the Town and Component Unit School Board (nonprofessional) using the discount rate of 6.75% as well as what the Town's and Component Unit School Board's (nonprofessional) net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate::

	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Net Pension Liability (Asset)	\$ <u>(397,191)</u>	\$ <u>(484,930)</u>	\$ <u>(554,719)</u>

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

For the year ended June 30, 2024, the Town recognized pension expense of \$3,592 at June 30, 2024, the Town's deferred outflows of resources were \$(40,147). At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Year Ended June 30</u>	
2025	\$ (27,460)
2026	(25,588)
2027	18,033
2028	700
2029	-
Thereafter	-
Total	\$ <u>(34,315)</u>



**NOTE 10          DEFINED BENEFIT PENSION PLAN – continued****Pension Plan Data**

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2023 Annual Comprehensive Financial Report (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

**NOTE 11          CONTINGENT LIABILITIES**

As of June 30, 2024, there were no matters of litigation involving the Town that would materially affect the Town's financial position should any court decisions on pending matters not be favorable to the Town.

**NOTE 12          SURETY BONDS**

	<u>Amount</u>
Virginia Department of Risk Management:	
Town Administrator	\$       50,000
Blanket bond - all employees	50,000

**NOTE 13          EXPENDITURES IN EXCESS OF APPROPRIATIONS**

There were no expenditures in excess of appropriations.

**NOTE 14          DEFICIT NET POSITION**

At June 30, 2024, no funds had a deficit balance.

**NOTE 15          ADJUSTMENTS TO BEGINNING BALANCES**

<u>Fund</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Beginning net position/fund balances as previously reported, 6/30/23	\$       2,629,325	\$        64,739
Correction of capital assets and depreciation	<u>          33,341</u>	<u>      115,434</u>
Beginning net position/fund balances as restated, 7/1/23	\$ <u>2,662,666</u>	\$ <u>180,173</u>

**NOTE 16          SUBSEQUENT EVENTS**

Events or transactions sometimes occur subsequent to the balance-sheet date, but prior to the issuance of the financial statement that have a material effect on the financial statements and therefore require adjustment or disclosure in the statements. In accordance with AU Section 560 – the entity is required to disclose those events – that if not disclosed – would cause the financial statements to be misleading. Subsequent events are evaluated through March 31, 2025, the date which the financial statements were available.

**REQUIRED SUPPLEMENTARY INFORMATION**

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**

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Presented budgets were prepared in accordance with accounting principles generally accepted in the United States of America.

## Town of Urbanna, Virginia

## Exhibit 10

Year Ended June 30, 2024

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
General Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
General property taxes	\$ 261,900	\$ 261,900	\$ 280,200	\$ 18,300
Other local taxes	297,867	297,867	354,374	56,507
Permits, privilege fees, and regulatory licenses	26,700	26,700	12,497	(14,203)
Miscellaneous	24,100	24,100	521,993	497,893
Intergovernmental revenues	-	-	-	-
Total revenues	<u>\$ 610,567</u>	<u>\$ 610,567</u>	<u>\$ 2,274,419</u>	<u>\$ 1,663,852</u>
<b>EXPENDITURES</b>				
Current:				
General government administration	\$ 342,003	\$ 342,003	\$ 438,465	\$ (96,462)
Public safety	17,200	17,200	15,000	2,200
Public works	148,055	148,055	140,539	7,516
Buildings and grounds	-	-	-	-
Parks, recreation, and cultural	-	-	1,256,011	(1,256,011)
Community development	73,110	73,110	106,073	(32,963)
Total expenditures	<u>\$ 580,367</u>	<u>\$ 580,367</u>	<u>\$ 1,956,087</u>	<u>\$ (1,375,720)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 30,200</u>	<u>\$ 30,200</u>	<u>\$ 318,332</u>	<u>\$ 288,132</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Total other financing sources and uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ 30,200	\$ 30,200	\$ 318,332	\$ 288,132
Fund balances - beginning	-	-	494,763	494,763
Fund balances - ending	<u>\$ 30,200</u>	<u>\$ 30,200</u>	<u>\$ 813,095</u>	<u>\$ 782,895</u>

**SUPPORTING SCHEDULES**

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## Town of Urbanna, Virginia

## Schedule 1

Year Ended June 30, 2024  
 Schedule of Revenues – Budget and Actual  
 General Fund

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Real property taxes	\$ 250,000	\$ 250,000	\$ 258,208	\$ 8,208
Real property taxes - delinquent	1,000	1,000	5,875	4,875
Public service corporation taxes	1,600	1,600	3,169	1,569
Personal property taxes	8,500	8,500	10,291	1,791
Personal property taxes - delinquent	100	100	688	588
Penalties	200	200	557	357
Interest	500	500	1,412	912
Total general property taxes	\$ 261,900	\$ 261,900	\$ 280,200	\$ 18,300
State sales tax	\$ 25,767	\$ 25,767	\$ 31,107	\$ 5,340
Consumer utility tax	2,500	2,500	6,655	4,155
Business license tax	7,500	7,500	6,213	(1,287)
Cigarette tax	-	-	-	-
Motor vehicle license tax	10,000	10,000	9,555	(445)
Bank franchise tax	55,000	55,000	42,024	(12,976)
Lodging tax	20,000	20,000	32,188	12,188
Lodging - Occupancy Tax Escrow	-	-	-	-
Meals tax	145,000	145,000	181,730	36,730
Meals tax penalty	100	100	1,253	1,153
Oyster Festival meals tax	12,000	12,000	18,058	6,058
Oyster Festival meals tax penalty	-	-	-	-
Oyster Festival business licenses	17,500	17,500	23,200	5,700
Communication sales tax	2,500	2,500	2,390	(110)
Total other local taxes	\$ 297,867	\$ 297,867	\$ 354,374	\$ 56,507
Total tax	\$ 559,767	\$ 559,767	\$ 634,574	\$ 74,807
Permits, privilege fees, and regulatory licenses:				
Zoning and subdivision permits	\$ 1,016	\$ 1,016	\$ 1,850	\$ 834
Golf carts	1,500	1,500	3,225	1,725
Interest earned from banks	22,984	22,984	7,422	(15,562)
Rental of property	1,200	1,200	-	(1,200)
Total permits, privilege fees, and regulatory licenses	\$ 26,700	\$ 26,700	\$ 12,497	\$ (1,200)
Miscellaneous Revenue:				
Visitor Center donations	\$ 600	\$ 600	\$ 640	\$ 40
Visitor Center merchandise donations	700	700	1,497	797
OF Foundation Reimbursement	-	-	-	-
Trolley sponsorship and donations	-	-	-	-
Miscellaneous revenue	500	500	11,348	10,848
Property Sales	-	-	239,514	239,514
Cats Meow	300	300	754	454
PPTRA (Tax Relief)	6,000	6,000	5,995	(5)
Beautification grant	-	-	5,500	5,500
Litter control grant	1,000	1,000	2,085	1,085
Fire program funds	15,000	15,000	15,000	-
Cares fund	-	-	239,660	239,660
Total Miscellaneous	\$ 24,100	\$ 24,100	\$ 521,993	\$ 239,660
Total other fees	\$ 50,800	\$ 50,800	\$ 534,490	\$ 238,460
Court fines and forfeitures	\$ -	\$ -	\$ -	\$ -
Total fines and forfeitures	\$ -	\$ -	\$ -	\$ -
Revenue from use of money	\$ -	\$ -	\$ -	\$ -
Revenue from use of property	-	-	-	-
Total revenue from use of money and property	\$ -	\$ -	\$ -	\$ -
Bristow Pavilion	\$ -	\$ -	\$ 7,200	\$ 7,200
Pool	-	-	1,098,155	1,098,155
Total charges for services	\$ -	\$ -	\$ 1,105,355	\$ 1,105,355
Miscellaneous income	\$ -	\$ -	\$ -	\$ -
Total miscellaneous revenue	\$ -	\$ -	\$ -	\$ -
Total revenue from local sources	\$ 610,567	\$ 610,567	\$ 2,274,419	\$ 1,663,852
Total General Fund	\$ 610,567	\$ 610,567	\$ 2,274,419	\$ 1,663,852

## Town of Urbanna, Virginia

## Schedule 2

Year Ended June 30, 2024  
 Schedule of Expenditures – Budget and Actual  
 General Fund

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund:</b>				
General government administration:				
Town Council	\$ 11,000	\$ 11,000	\$ 19,083	\$ (8,083)
Town Treasurer	67,910	67,910	79,203	(11,293)
Town Clerk	48,756	48,756	58,118	(9,362)
Town Administrator	58,104	58,104	67,845	(9,741)
Professional services	57,900	57,900	27,000	30,900
General administration	98,333	98,333	187,216	(88,884)
Total general government administration	<u>\$ 342,003</u>	<u>\$ 342,003</u>	<u>\$ 438,465</u>	<u>\$ (96,462)</u>
Public safety:				
Public safety:	\$ 17,200	\$ 17,200	\$ 15,000	\$ 2,200
Total public safety	<u>\$ 17,200</u>	<u>\$ 17,200</u>	<u>\$ 15,000</u>	<u>\$ 2,200</u>
Public works:				
Refuse collection	\$ 91,000	\$ 91,000	\$ 85,160	\$ 5,840
Maintenance and grounds	57,055	57,055	55,379	1,676
Total public works	<u>\$ 148,055</u>	<u>\$ 148,055</u>	<u>\$ 140,539</u>	<u>\$ 7,516</u>
Parks, recreation and cultural:				
Administration	\$ -	\$ -	\$ 6,639	\$ (6,639)
Regional Pool	-	-	1,249,372	(1,249,372)
Total parks, recreation and cultural	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,256,011</u>	<u>\$ (1,256,011)</u>
Community development:				
Planning and community development	\$ 24,750	\$ 24,750	\$ 51,614	\$ (26,864)
Oyster fest	20,100	20,100	23,761	(3,661)
Trolley	8,500	8,500	8,615	(115)
Visitor's center	19,760	19,760	22,083	(2,323)
Total planning and community development	<u>\$ 73,110</u>	<u>\$ 73,110</u>	<u>\$ 106,073</u>	<u>\$ (32,963)</u>
Total General Fund	<u>\$ 580,367</u>	<u>\$ 580,367</u>	<u>\$ 1,956,087</u>	<u>\$ (1,375,720)</u>

**COMPLIANCE SECTION**

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**DAVIS AND ASSOCIATES CERTIFIED PUBLIC ACCOUNTANTS, PLLC**

Member American Institute of Certified Public Accountants Governmental Audit Quality Center

**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 Governing Body  
Town of Urbanna, Virginia**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Urbanna, Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Urbanna, Virginia's basic financial statements and have issued our report thereon dated March 31, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Urbanna, 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 Town of Urbanna, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Urbanna, Virginia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Town of Urbanna, Virginia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Davis & Associates*

Columbia, Maryland  
March 31, 2025



**TOWN  
COUNCIL**

**Agenda Item Summary**

**MAY 8, 2025**

**Agenda Item: 12 – NEW BUSINESS**

**12b Professional Services for Groundwater Withdrawal Permit Renewal**

**Background:** Every fifteen years, water systems are required to renew their operational permit involving water withdrawal. This coming year is Urbanna's renewal year. To get the complex process started, Kimley-Horn which has served the town in all aspects of water system engineering is willing and well-suited to undertake this effort. The local staff does not have the expertise or time to undertake the effort.

The Water Committee has met and supports retaining Kimley-Horn to undertake this effort.

**Fiscal Impact:** \$23,500

**Staff Recommendation:** Authorize staff to execute the Letter Agreement for Professional Services for Groundwater Withdrawal Permit Renewal with Kimly-Horn for \$23,000.

**Council Action Requested:** Yes

**Sample Adoption Motion:** I move to authorize staff to execute the Letter Agreement for Professional Services for Groundwater Withdrawal Permit Renewal with Kimly-Horn for \$23,000.

*Motion, Second, Discussion, Voice Vote*



April 7, 2025

Ted Costin  
 Town of Urbanna  
 PO Box 179  
 Urbanna, VA 23175

Re: Letter Agreement for Professional Services for  
 Groundwater Withdrawal Permit Renewal

Dear Ted:

Kimley-Horn and Associates, Inc. ("Kimley-Horn" or "Consultant") is pleased to submit this Letter Agreement (the "Agreement") to the Town of Urbanna ("Client") for providing services to help the Town complete the DEQ Groundwater Withdrawal Permit renewal process.

### **Scope of Services**

Kimley-Horn will provide the services specifically set forth below.

#### *Task 1: Groundwater Withdrawal Permit Application Support*

The Consultant will provide the following to support the development and submission of the permit application by the Town (Items not listed but required for submission of the permit will be provided by the Town.):

- Prepare for and attend pre-application conference with the Town and DEQ
- Prepare the permit application sections as indicated below:
  - SECTION 1: APPLICANT INFORMATION
  - SECTION 2: FACILITY INFORMATION
  - SECTION 3: PREAPPLICATION MEETING DATE
  - SECTION 4: TYPE OF APPLICATION
  - SECTION 5: REQUESTED WITHDRAWAL AMOUNT: It is assumed that the Town will not be increasing the requested withdrawal amount from the approved 2014 GWP.
  - SECTION 6: TYPE OF USE: It is assumed Type of Use is "Public Water Supply – Municipal."
  - SECTION 7: FEE SUBMITTED: This task includes completing the fee form to identify the fees required with this renewal application.
  - SECTION 8: JUSTIFICATION FOR THE AMOUNT OF WITHDRAWAL REQUESTED: This task includes the description and documentation of beneficial use and water demand projections.
  - SECTION 9: ALTERNATIVES ANALYSIS: This task includes an analysis that evaluates alternative sources of water supply and the availability and use of lower qualities of groundwater that can still be put to beneficial use.
  - SECTION 10: WATER CONSERVATION AND MANAGEMENT PLAN: This task includes the preparation of an operational plan that will be referenced and implemented by the permittee.
  - SECTION 11: WASTEWATER TREATMENT AND DISPOSAL: This task is a brief synopsis of the Town's current means of wastewater treatment and disposal.
  - SECTION 12: WELL LOCATIONS: Locate all wells (existing, proposed, abandoned,

out of service) in the water supply service area associated with the application on a United States Geological Survey 7 1/2 minute topographic map or copies of such maps. This map should contain the quadrangle name, the scale of the map, and a north arrow. This also includes a detailed location map for each existing and proposed well. The detailed location map must be of sufficient detail that all wells may be easily located for site inspection.

- SECTION 13: EXISTING WELL INFORMATION: Complete the existing well information table.
- SECTION 14: PROPOSED WELL INFORMATION: It is assumed that no new wells are proposed.
- SECTION 15: LOCAL AND AREA WIDE PLANNING REQUIREMENTS: This task includes a completing the Local Government Ordinance Form.
- SECTION 16: MITIGATION PLAN: A mitigation plan is required if the DEQ's technical evaluation determines the predicted area of impact extends beyond the Town limits and/or other groundwater users exist within the area of impact.
- SECTION 17: ADDITIONAL INFORMATION REQUIRED BY THE BOARD
  - Provide final review of the entire permit application package prior to the Town's submission to DEQ.
  - Aid the town in responding to DEQ comments. Two rounds of comments are assumed.

#### Task 2: Water Audit

The Consultant will perform a water audit using AWWA audit software. Results of the audit will be incorporated into the groundwater withdrawal permit renewal application.

#### **Additional Services**

Any services not specifically provided for in the above scope will require an amendment at our then current hourly rates.

#### **Information Provided By Client**

We shall be entitled to rely on the completeness and accuracy of all information provided by the Client or the Client's consultants or representatives.

#### **Fee and Expenses**

Kimley-Horn will perform the services in Tasks 1 - 2 on a labor fee plus expense basis with the maximum labor fee shown below.

Task 1- Groundwater Withdrawal Permit Application Support	<b>\$18,000 (Hourly, not to exceed)</b>
Task 2 – Water Audit	<b>\$5,000 (Hourly, no to exceed)</b>
Expenses (estimated)	<b>\$500 (Reimbursable)</b>
<b>Total Authorization</b>	<b>\$23,500</b>

Kimley-Horn will not exceed the total maximum labor fee shown without authorization from the Client. Individual task amounts are provided for budgeting purposes only. Kimley-Horn reserves the right to reallocate amounts among tasks as necessary.

Labor fee will be billed on an hourly basis according to our then-current rates. As to these tasks, direct reimbursable expenses such as express delivery services, fees, air travel, and other direct expenses will be billed at 1.15 times cost. A percentage of labor fee will be added to each invoice to cover certain other expenses as to these tasks such as telecommunications, in-house reproduction, postage, supplies, project related computer time, and local mileage. Administrative time related to the project may be billed hourly. All permitting, application, and similar project fees will be paid directly by the Client. Should the Client request Kimley-Horn to advance any such project fees on the Client's behalf, an invoice for such fees, with a fifteen percent (15%) markup, will be immediately issued to and paid by the Client.

Payment will be due within 25 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

### Closure

In addition to the matters set forth herein, our Agreement shall be subject to, and only to, the Agreement for Continuing Professional Engineering Services for the Town of Urbanna dated February 10, 2021.

To proceed with the services, please have an authorized person sign this Agreement below and return to us. We will commence services only after we have received a fully-executed agreement. Fees and times stated in this Agreement are valid for sixty (60) days after the date of this letter.

We appreciate the opportunity to provide these services. Please contact me if you have any questions.

Sincerely,

KIMLEY-HORN AND ASSOCIATES, INC.

Signed: 

Printed Name: Scott Funk

Title: Sr. Project Manager

Town of Urbanna

SIGNED: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_



## TOWN COUNCIL

### Agenda Item Summary FOR ALL REGULAR MEETINGS

#### Agenda Item: 13 – PUBLIC COMMENT 2

Mayor opens Public Comment Period and asks if all who desire to speak have had a chance to sign up.

NO SPEAKERS: Mayor closes Public Comment Period.

SPEAKERS: Mayor explains that each individual has five minutes to address Council on matters not scheduled for Public Hearing. Clerk will keep time.

#### Agenda Item: 14 – COUNCIL RESPONSE TO PUBLIC COMMENT 2

After all speakers have been heard, Mayor asks for any councilmember response.

Councilmembers may provide brief responses to issues such as clarifications of facts, answers to questions, etc. Councilmembers shall limit their response to only those comments presented during the immediately preceding public comment period.



**TOWN  
COUNCIL**

**Agenda Item Summary  
FOR ALL REGULAR MEETINGS**

**Agenda Item: 15 – COUNCIL ANNOUNCEMENTS & REQUESTS**

Mayor calls on each councilmember by name to share any announcements or requests.

This time is generally used for individual councilmembers to share information with other councilmembers and the public and to make any announcements of interest to citizens. Councilmembers may also request information from staff and/or items requiring action for inclusion on a future agenda during this time. This time should not be used to respond to Public Comment issues.



**TOWN  
COUNCIL**

**Agenda Item Summary**

**MAY 8, 2025**

**Agenda Item: 16 – CLOSED MEETING – AMENDED MOTION**

**16a – Motion to Convene Closed Meeting**

**Motion:** I move that the Town of Urbanna Town Council convene in Closed Meeting in accordance with **Section 2.2-3711 (A)(1)** of the Code of Virginia for the discussion, consideration, or interview of prospective candidates for appointment to the Town of Urbanna Planning Commission; and for the discussion and consideration of the performance, duties, and employment contract of the Town Administrator; and in accordance with **Section 2.2-3711 (A)(3)** of the Code of Virginia to discuss or consider the disposition of publicly held real property, Virginia Street Terminus, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Council.

*Motion, Second, Discussion, Roll Call by Clerk*

**16b – Motion to Reconvene in Open Session**

**Motion:** I move to reconvene in open session.

*Motion, Second, Discussion, Voice Vote*

**16c – Certification of Closed Meeting**

**Motion:** I move approval of Standing Resolution 1 (SR-1) in accordance with Section 2.2-3712 (D) of the Code of Virginia, 1950, as amended, certifying that the Closed Meeting was conducted in conformity with the requirements of the Virginia Freedom of Information Act.

*Motion, Second*

*Discussion - If any councilmember disagrees, they must so state at this time.*

*Roll Call by Clerk*

**16d – Action on Closed Meeting (if necessary)**

**Sample Motion:** I move to approve the employment contract for the Town Administrator, Ted Costin, which includes the duties of Zoning Administrator and Subdivision Agent.

If any action is to be taken on the terminus matter, it would be made here.



## **CERTIFICATION OF CLOSED MEETING**

### **STANDING RESOLUTION – 1 (SR-1) A RESOLUTION TO CERTIFY COMPLIANCE WITH THE FREEDOM OF INFORMATION ACT REGARDING MEETING IN CLOSED MEETING**

**WHEREAS** the Town Council of the Town of Urbanna has convened a Closed Meeting on \_\_\_\_\_, 2025 pursuant to an affirmative recorded vote, and in accordance with the provisions of the Virginia Freedom of Information Act; and,

**WHEREAS** Section 2.2-3712 (D) of the Code of Virginia requires a certification by the Town Council of the Town of Urbanna that such Closed Meeting was conducted in conformity with Virginia law;

**NOW, THEREFORE, BE IT RESOLVED** that the Town Council of the Town of Urbanna hereby certifies that, to the best of each member's knowledge:

1. Only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act were heard, discussed, or considered by the Town Council of the Town of Urbanna in the Closed Meeting to which this certification resolution applies; and
2. Only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed, or considered by the Town Council of the Town of Urbanna.

**DONE** this \_\_\_\_ day of \_\_\_\_\_, 2025.



**TOWN  
COUNCIL**

**Agenda Item Summary**

**MAY 8, 2025**

**Agenda Item: 17 – APPOINTMENTS**

**17a Resolution 2025-007 – Citizen Appointment to Planning Commission**

**Background:** There is one vacant seat on the Planning Commission due to the resignation of Donald Drayer. This seat has a term expiration of December 31, 2028.

**Fiscal Impact:** None

**Staff Recommendation:** Appoint a member and adopt Resolution 2025-007.

**Council Action Requested:** Yes

**Sample Adoption Motion:** I move to adopt Resolution 2025-007 appointing \_\_\_\_\_ to the Town of Urbanna Planning Commission for the unexpired portion of a four-year term expiring December 31, 2028.

*Motion, Second, Discussion, Voice Vote*

