

# SOUTHSIDE PLANNING DISTRICT COMMISSION

AGENDA:      Executive Committee Meeting  
                 Brian's Steakhouse

January 23, 2020 - 5:30 p.m.  
625 East Atlantic Street, South Hill, VA

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1.    CALL TO ORDER ..... Chairman Callis
  - A. Recognize New Committee Members ..... Chairman Callis
  - B. Roll Call ..... Executive Director Gosney
  - C. Public Comment Period..... Chairman Callis
  - D. Approval/Modification of Agenda ..... Chairman Callis
    - *Motion to Approve*
  
2.    MINUTES - JUNE 18, 2019 MEETING ..... Chairman Callis
  - *Motion to Approve*
  
3.    TREASURER'S REPORT - DECEMBER 31, 2019 ..... Treasurer Weddington
  - *Motion to Accept*
  
4.    BUDGET AMENDMENTS ..... Stephanie Creedle - *Director of Finance & HR*
  - *Motion to Approve*
  
5.    FY19 AUDIT ..... Executive Director Gosney
  - *Motion to Accept*
  
6.    CDBG REGIONAL PRIORITIES..... Executive Director Gosney
  - *Motion to Approve*
  
7.    2045 RURAL TRANSPORTATION PLAN..... Chad Neese - *GIS & Transportation Planner*
  - *Motion to Approve*
  
8.    CEDS UPDATE ..... Executive Director Gosney
  
9.    OTHER BUSINESS ..... Chairman Callis
  
10.  ADJOURNMENT ..... Chairman Callis

Southside Planning District Commission  
Executive Committee Meeting  
June 18, 2019

CALL TO  
ORDER

An Executive Committee meeting of the Southside Planning District Commission (SPDC) was held on June 18, 2019 at the Commission's Conference Room, 200 South Mecklenburg Avenue, South Hill, Virginia. Chairman Kim Callis called the meeting to order at 12:00 p.m.

PRESENT  
AND ABSENT

Present

Absent

Brunswick County

Garland Baird  
Bernard Jones, Sr.  
Leslie Weddington, Treasurer

Halifax County

Stanley Brandon  
Dennis Witt, Vice Chairman

Garland Ricketts

Mecklenburg County

Glanzy Spain

Gregg Gordon  
Charlie Simmons

South Boston, Town of

George Leonard  
Winston Harrell

South Hill, Town of

Kim Callis, Chairman

Staff

Gail P. Moody, Executive Director  
Deborah B. Gosney, Deputy Director  
Stephanie W. Creedle, Finance  
Director/HR

APPROVAL OF  
AGENDA

UPON MOTION BY GLANZY SPAIN, SECONDED BY DENNIS WITT,  
THE AGENDA WAS UNANIMOUSLY ACCEPTED AS PRESENTED.

APPROVAL  
OF MINUTES

Chairman Callis referred everyone to the minutes from the April 25, 2019 and June 7, 2019 Executive Committee meetings.

GARLAND BAIRD MOVED FOR APPROVAL OF THE APRIL 25, 2019 MINUTES. DENNIS WITT SECONDED THE MOTION, AND IT CARRIED UNANIMOUSLY.

GLANZY SPAIN MOVED FOR APPROVAL OF THE JUNE 7, 2019 MINUTES. LESLIE WEDDINGTON SECONDED THE MOTION, AND IT CARRIED UNANIMOUSLY.

TREASURER'S  
REPORT

Treasurer Leslie Weddington presented the financial report as of April 2019 as follows:

<b>Total Assets</b>	<b>\$1,292,719.58</b>
Liabilities	\$1,145,174.18
Retained Earnings	222,538.59
Net Balance	<u>(74,993.19)</u>
<b>Total Liabilities</b>	<b>\$1,292,719.58</b>

Expenditures for the period totaled \$744,301.04, which is 81% percent of the annual budget.

GEORGE LEONARD MOVED FOR ACCEPTANCE OF THE TREASURER'S REPORT AS PRESENTED. WINSTON HARRELL SECONDED THE MOTION, AND IT CARRIED UNANIMOUSLY.

PUBLIC HEARING  
- CEDS

The Comprehensive Economic Development Strategy (CEDS) requires that a Public Hearing be held prior to the 2019 CEDS Update Session. As no public was in attendance, the Public Hearing was closed.

2019 CEDS  
UPDATE

Executive Director Moody gave a Comprehensive Economic Development Strategy (CEDS) Update and presented the 2019 CEDS Update to the Board for adoption.

UPON MOTION BY GARLAND BAIRD, SECONDED BY STANLEY BRANDON, THE 2019 CEDS UPDATE WAS ADOPTED.

FY20 BUDGET

Executive Director Moody presented the FY20 Budget to the Executive Committee, which was recommended for approval by the Budget and Finance Committee, on May 23, 2019. The FY20 Budget summary page was reviewed first as it shows a comparison between the FY18 Budget, the FY18 January Amended Budget, the FY19 Budget, the FY19 Amended Budget and the proposed FY20 Budget. Mrs. Moody reviewed the following:

FY20 BUDGET  
(CONTINUED)

<u>FY20 Revenue</u>	
Member Jurisdiction Dues	\$ 123,992.50
Revenue Brought Forward	395,530.00
New Revenue Approved	424,540.00
Deferred Revenue	(16,554.00)
Interest Income	<u>12,500.00</u>
<b>Total Revenue</b>	<b>\$940,008.50</b>

<u>FY20 Expenditures</u>	
Direct Chargeable Salaries	\$ 362,044.23
Employee Fringe Benefits	226,870.67
Travel	10,000.00
Other Direct Cost - Grants	10,000.00
Other Direct Cost - State/Local	40,000.00
Indirect Costs	<u>276,748.50</u>
<b>Total Expenditures</b>	<b>\$ 925,663.40</b>

Mrs. Moody noted that Revenues exceed Expenditures by \$14,345.10.

Next, Mrs. Moody discussed the projected Expenditures for FY20. Topics that were discussed included: Health Insurance, Auditing, Insurance and Bonding, Membership Fees, Printing, Postage and Freight, Software Licensing, and Interest Income. Additionally, a 5% cost-of-living increase was included for Salaries as well as merits at the discretion of the Executive Director.

It was noted that Per Capita Dues may increase for FY21, and the Commissioners should prepare their localities for the potential increase.

UPON MOTION BY STANLEY BRANDON AND SECONDED BY GLANZY SPAIN, THE FY20 BUDGET WAS UNANIMOUSLY APPROVED.

FY20  
MANAGEMENT  
PLAN

Executive Director Moody referred the Executive Committee to the Management Plan which was included in their meeting materials. She provided an overview of the Management Plan and explained its importance to our funding agencies while answering questions in each section as they arose.

UPON MOTION BY DENNIS WITT, SECONDED BY GARLAND BAIRD, THE FY20 MANAGEMENT PLAN WAS UNANIMOUSLY APPROVED.

FY20 ECONOMIC  
DEVELOPMENT  
ADMINISTRATION  
PLANNING  
GRANT

The PDC was invited by the U. S. Department of Commerce – Economic Development Administration to submit an Application for Federal Assistance for a Partnership Planning Program investment in the amount of \$70,000. The Commission applies for this grant annually which helps the PDC assist with the Comprehensive Economic Development Strategy (CEDS) process as well as economic development projects. The PDC must commit to provide matching funds of \$70,000.

GLANZY SPAIN MADE A MOTION FOR ACCEPTANCE OF THE FY20 EDA PLANNING GRANT APPLICATION WITH A COMMITMENT OF \$70,000.00 IN MATCHING FUNDS. LESLIE WEDDINGTON SECONDED THE MOTION, AND IT CARRIED UNANIMOUSLY.

GO VIRGINIA  
REGION 3  
CONTRACT AND  
UPDATE

The PDC has been offered the opportunity to renew its Contract with DHCD as the Support Organization/Fiscal Agent for GO Virginia Region 3.

UPON MOTION BY GLANZY SPAIN, SECONDED BY GEORGE LEONARD, THE CONTRACT WITH DHCD AS THE SUPPORT ORGANIZATION/FISCAL AGENT FOR GO VIRGINIA REGION 3 WAS UNANIMOUSLY APPROVED.

VIRGINIA  
INVESTMENT  
POOL  
RESOLUTION

Chairman Callis informed the Executive Committee that the Budget and Finance Committee met with Beau Blevins, Director of Government Consulting with VML/VACo Finance on May 23, 2019. Mr. Blevins' gave a presentation for the PDC on VACo/VML's Virginia Investment Pool (VIP) and how the VIP could benefit the Commission. He explained that VML/VACo Finance is a non-profit corporation established by the Virginia Municipal League and Virginia Association of Counties. They offer services to local governments in the areas of: Governmental Financing, Investment Management, Municipal Advisory and Accounting Services.

The VIP was created in 2013 by local Treasurers and investment officers. It was organized as a governmental trust (IRC Section 115) and is governed by a Board of Trustees elected by participants. VIP is owned and controlled by local governments and authorities.

VIP offers two investment portfolios:

- VIP Stable NAV Liquidity Pool – Funds that may be needed immediately or for which maintaining a stable net asset value is important.
- VIP 1-3 Year High Quality Bond Fund – Funds that are expected to be invested for one year or longer.

After much discussion with Mr. Blevins, the Budget and Finance Committee decided that moving the current balance of the Commission's First Citizens' Money Market Account to the VIP Stable NAV Liquidity Pool, as offered by

VIRGINIA  
INVESTMENT  
POOL  
RESOLUTION  
(CONTINUED)

VML/VACo Finance, was a wise decision and should be recommended by Resolution to the Executive Committee. After a brief discussion, the Executive Committee agreed to sign the Resolution as detailed below.

**A RESOLUTION AUTHORIZING PARTICIPATION IN THE VACO/VML VIRGINIA INVESTMENT POOL FOR THE PURPOSE OF INVESTING FUNDS BELONGING TO THE SOUTHSIDE PLANNING DISTRICT COMMISSION IN CERTAIN AUTHORIZED INVESTMENTS IN ACCORDANCE WITH SECTIONS 2.2-4501 et seq. AND 15.2-1300 OF THE VIRGINIA CODE.**

*WHEREAS, Section 15.2-1500 of the Virginia code provides, in part, that every locality shall provide for all the governmental functions of the locality, including, without limitation, the organization of all departments, offices, boards, commissions and agencies of government, and the organizational structure thereof, which are necessary to carry out the functions of government; and*

*WHEREAS, the Investment of Public Funds Act (Va. Code §§ 2.2-4500 through 2.2-4519) lists the eligible categories of securities and investments in which municipal corporations, other political subdivisions and other public bodies are authorized to invest funds belonging to them or within their control; and*

*WHEREAS, Section 15.2-1300 of the Virginia Code provides that any power, privilege or authority exercised or capable of exercise by any political subdivision of the Commonwealth of Virginia may be exercised and enjoyed jointly with any other political subdivision having a similar power, privilege or authority pursuant to agreements with one another for joint action in accordance with the provisions of that Code section; and*

*WHEREAS, the city of Chesapeake, Virginia and the City of Roanoke, Virginia have jointly established and are participating in the Virginia Investment Pool Trust Fund (the "Trust Fund"), also known as the "VACo/VML Virginia Investment Pool," and have provided in their trust agreement for participation by other eligible governmental entities that execute a trust joinder agreement; and*

*WHEREAS, it appearing to the governing body of the Southside Planning District Commission that it is in the best interests of the Southside Planning District Commission to become a Participating Political Subdivision in the Trust Fund; and*

*WHEREAS, the individual holding the title of Executive Director, its chief investment officer of the Southside Planning District Commission, and has the authority and responsibility under Virginia law to determine the manner in which funds under his control will be invested;*

VIRGINIA  
INVESTMENT  
POOL  
RESOLUTION  
(CONTINUED)

**NOW, THEREFORE, THE COMMISSIONERS OF THE SOUTHSIDE PLANNING DISTRICT COMMISSION HEREBY RESOLVES:**

§ 1. That, pursuant to Sections 2.2-4501 et seq. and 15.2-1300 of the Virginia Code, the Southside Planning District Commission hereby establishes a trust for the purpose of investing funds, other than sinking funds, determined to derive the most benefit from this investment strategy, in investments authorized under the Investment of Public Funds Act, jointly with other participating political subdivisions and public bodies in the Trust Fund. A copy of the Virginia Investment Pool Trust Fund Agreement ("Trust Fund Agreement") is attached and incorporated in this resolution as Exhibit A.

§ 2. That the Southside Planning District Commission agrees to become a "Participating Political Subdivision " in the Trust Fund as further defined in the Agreement.

§ 3. That the Southside Planning District Commission hereby designates its Executive Director to serve as its trustee with respect to the Trust Fund and determine what funds shall be invested in the Trust Fund.

§ 4. That the Southside Planning District Commission hereby authorizes its above-designated trustee to execute and deliver the Trust Joinder Agreement for Participating Political Subdivisions under the Virginia Investment Pool Trust Fund ("Trust Joinder Agreement"), a copy of which is attached and incorporated in this resolution as Exhibit B.

§ 5. This resolution shall be in force and effect upon its adoption.

Adopted \_\_\_\_\_, 2019.

Attested: \_\_\_\_\_

Exhibits: Trust Fund Agreement ("Exhibit A")  
Trust Joinder Agreement ("Exhibit B")

UPON MOTION BY GARLAND BAIRD, SECONDED BY DENNIS WITT, THE VIRGINIA INVESTMENT POOL RESOLUTION WAS APPROVED AUTHORIZING PARTICIPATION IN THE VIP STABLE NAV LIQUIDITY POOL AND WAS UNANIMOUSLY APPROVED.

OTHER BUSINESS

In Other Business, Chairman Callis announced that the VAPDC Summer Conference will be held July 24-26, 2019. He encouraged all local officials to attend as the benefits include networking, learning about other PDCs, hearing speakers from the nation's capital, and hearing firsthand trends that are heading to our region. Director Moody added that she would send out the link for registration to all Commissioners. She also brought to the Executive Committee's attention that Chairman Callis has been named the new President of the VAPDC. The Executive Committee congratulated him.

ADJOURNMENT

There being no further business, the meeting adjourned at 1:01 p.m.

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Kim Callis, Chairman

  
Gail P. Moody, Secretary

**SOUTHSIDE PLANNING DISTRICT COMMISSION**  
**Quarterly Meetings**  
**January 23, 2020**

**TREASURER'S REPORT**

**THE DECEMBER 2019 BALANCE SHEET SHOWS THE FOLLOWING FIGURES:**

ASSETS	\$ 1,313,463.50
LIABILITIES	1,042,907.10
RETAINED EARNINGS	228,869.89
NET BALANCE	41,686.51

**EXPENDITURES FOR THE PERIOD ENDING DECEMBER 2019 TOTALED \$407,706.76 WHICH WAS 44% OF THE ANNUAL BUDGET. EXPENDITURES ARE ON TARGET FOR FY20.**

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## Balance Sheet

FY20

December 31, 2019

<u>ASSETS</u>	
<b>Current Assets</b>	
Operating Account	\$ 76,582.48
Go Virginia Account	4,569.97
Reserve Funds - VIP	535,865.46
Reserve Funds - CD's	238,890.24
Maintenance Account	31,041.68
Accounts Receivable	279,737.41
Deferred Outflows	82,649.54
Total Current Assets	1,249,336.78
<b>Fixed Assets</b>	
Equipment	65,038.07
Less: Accumulated Depreciation	(62,320.16)
Vehicle	34,400.00
Less: Accumulated Depreciation	(25,394.94)
Leasehold Improvements	51,186.58
Less: Accumulated Depreciation	(22,182.51)
Total Fixed Assets	40,727.04
<b>Other Assets</b>	
Principal Financial Group	23,399.68
<b>TOTAL ASSETS</b>	<b>\$ 1,313,463.50</b>

<u>LIABILITIES &amp; FUND BALANCE</u>	
<b>Current Liabilities</b>	
Deferred Program Income	\$ 137,671.78
Go Virginia Escrow	4,569.97
Net Pension Liability	816,681.00
Payroll Liabilities	7,095.70
Accrued Annual Leave	37,124.65
Accounts Payable	700.00
Deferred Inflows	39,064.00
Total Current Liabilities	1,042,907.10
<b>Fund Balance</b>	
Retained Earnings	228,869.89
Net Balance	41,686.51
Total Fund Balance	270,556.40
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>\$ 1,313,463.50</b>

**Revenue and Expenditures**  
**FY20**  
**Period Ending December 31, 2019**

<b>FY20 Budget adopted 6/18/2019</b>	<b>12/31/2019</b>	<b>YTD</b>	<b>Balance</b>	
<b>REVENUES</b>				
Member Jurisdiction Dues	\$ 123,992.50	\$ -	123,992.50	\$ -
EDA	70,000.00	-	35,000.00	35,000.00
DHCD	75,971.00	-	37,985.00	37,986.00
VDOT - Rural Transportation	58,000.00	8,259.33	18,141.03	39,858.97
Hazard Mitigation - FY19	45,000.00	-	29,278.20	15,721.80
LCDC	28,600.00	-	6,436.74	22,163.26
Miscellaneous Income	4.82	-	4.82	-
Interest Income	12,500.00	865.37	5,989.66	6,510.34
Program Income Paybacks	3,964.00	1,162.48	3,964.00	-
<b>Local Government Projects:</b>				
Go Virginia SO/FA - FY19 Allocation	36,537.19	-	36,537.19	-
GO Virginia SO/FA - FY20 Allocation	43,462.81	6,220.38	9,412.97	34,049.84
GO Virginia - GO-TEC 1 Project	15,000.00	356.10	4,213.14	10,786.86
GO Virginia - GO-TEC 2A Project	6,115.00	-	-	6,115.00
GO Virginia - GO-TEC 2B Project	16,554.00	-	-	16,554.00
Deferred to FY21	(16,554.00)	-	-	(16,554.00)
Southern Virginia Food Hub CDBG Local Inn.	11,780.00	1,890.00	4,390.00	7,390.00
Brodnax Water System Upgrade - CDBG	6,250.00	-	6,250.00	-
Brodnax Depot - VDOT	30,000.00	-	-	30,000.00
Brunswick County Alvis Road Project - CDBG	45,000.00	-	4,300.00	40,700.00
Brunswick County Flat Rock Road - CDBG	35,000.00	-	5,518.60	29,481.40
Brunswick IDA - Sledge & Barkley	1,500.00	-	1,500.00	-
Chase City Endly Street - Phase I - CDBG	75,000.00	2,200.00	13,484.50	61,515.50
Lawrenceville Sidewalks Project - VDOT	5,000.00	-	-	5,000.00
Lawrenceville North Main Street Project - VDOT	15,000.00	-	-	15,000.00
Town of Halifax Streetlight Extension - VDOT	12,500.00	-	-	12,500.00
Clarksville Planter's Warehouse Project	2,500.00	-	-	2,500.00
Clarksville Southwest Downtown- Phase 2 - CDBG	10,000.00	7,000.01	10,307.70	(307.70)
Halifax County Tobacco Heritage Trail Ext - VDOT	39,000.00	-	-	39,000.00
Halifax County Meadville Road Project - CDBG	31,000.00	9,936.35	13,637.19	17,362.81
Mecklenburg County Highway 49 Project	15,000.00	-	17,400.03	(2,400.03)
South Boston John Randolph Hotel	2,500.00	-	-	2,500.00
South Boston Southern Innovation Brownfield	2,500.00	-	-	2,500.00
Brunswick County Chestnut Road PG	3,000.00	-	3,000.00	-
Brunswick County Sheriff's Office - GIS	4,800.00	400.00	2,400.00	2,400.00
Brodnax GIS	25,000.00	-	20,250.00	4,750.00
Halifax GIS	18,000.00	1,500.00	9,000.00	9,000.00
Mecklenburg GIS	24,000.00	2,000.00	12,000.00	12,000.00
VITA Shared Services Grant	15,000.00	-	15,000.00	-
<b>TOTAL REVENUES</b>	<b>948,477.32</b>	<b>41,790.02</b>	<b>449,393.27</b>	<b>499,084.05</b>

**Revenue and Expenditures**  
**Period Ending December 31, 2019**

FY20 Budget adopted 6/18/2019	12/31/2019	YTD	Balance	
<b>DIRECT COSTS</b>				
Direct Chargeable Salaries	\$ 362,044.23	\$ 20,278.43	\$ 148,598.75	\$ 213,445.48
Employee Fringe Benefits Applied	226,870.67	13,866.84	98,468.46	128,402.21
<b>SUBTOTAL</b>	<b>588,914.90</b>	<b>34,145.27</b>	<b>247,067.21</b>	<b>341,847.69</b>
Travel and Per Diem	10,000.00	387.83	4,728.63	5,271.37
Other Direct Costs Charged to Grants	10,000.00	6,472.40	6,856.79	3,143.21
Other Direct Costs Charged to State/Local Funds	40,000.00	9,343.56	15,817.22	24,182.78
<b>TOTAL DIRECT COSTS</b>	<b>648,914.90</b>	<b>50,349.06</b>	<b>274,469.85</b>	<b>374,445.05</b>
<b>INDIRECT COSTS</b>				
Indirect Salaries	83,040.38	6,344.37	41,413.48	41,626.90
Employee Fringe Benefits Applied	56,208.12	3,546.41	24,548.28	31,659.84
<b>SUBTOTAL</b>	<b>139,248.50</b>	<b>9,890.78</b>	<b>65,961.76</b>	<b>73,286.74</b>
Auditing	8,000.00	-	-	8,000.00
Consumable Supplies	7,000.00	544.88	2,759.60	4,240.40
Commissioner's Expense/Meetings	10,000.00	-	7,920.64	2,079.36
Equipment, Rental, Maintenance, Use	8,000.00	140.02	4,441.99	3,558.01
Insurance and Bonding	6,000.00	-	5,785.00	215.00
Officer's Expense/Stipend	500.00	500.00	500.00	-
Membership Fees and Dues	3,500.00	800.00	4,600.00	(1,100.00)
Publications/Subscriptions	1,500.00	85.00	190.00	1,310.00
Printing	2,500.00	29.41	1,792.82	707.18
Space and Occupancy Costs	33,000.00	782.13	9,468.21	23,531.79
Indirect Travel	500.00	-	-	500.00
Training, Seminars, Workshops, Conferences	500.00	-	311.99	188.01
Postage and Freight	2,500.00	-	536.19	1,963.81
Telephone	8,000.00	100.00	3,012.44	4,987.56
Auto Operations & Maintenance	5,000.00	236.87	1,041.86	3,958.14
Public Relations	1,000.00	-	-	1,000.00
Depreciation	5,000.00	3,180.06	3,180.06	1,819.94
Legal Fees	2,000.00	-	200.00	1,800.00
Software Licensing	15,000.00	(2,093.19)	(127.09)	15,127.09
Part-Time Staff	18,000.00	2,816.25	9,018.75	8,981.25
<b>SUBTOTAL</b>	<b>137,500.00</b>	<b>7,121.43</b>	<b>54,632.46</b>	<b>82,867.54</b>
<b>TOTAL INDIRECT COSTS</b>	<b>276,748.50</b>	<b>17,012.21</b>	<b>120,594.22</b>	<b>156,154.28</b>
<b>TOTAL BENEFITS ADJUSTED</b>		<b>7,149.38</b>	<b>12,642.69</b>	
<b>TOTAL EXPENDITURES</b>	<b>925,663.40</b>	<b>74,510.65</b>	<b>407,706.76</b>	<b>517,956.64</b>
<b>AGENCY BALANCE</b>	<b>\$ 22,813.92</b>	<b>\$ (32,720.63)</b>	<b>\$ 41,686.51</b>	
<b>EMPLOYEE BENEFITS</b>				
VML Disability	\$ 2,395.20	\$ 198.30	\$ 1,228.25	\$ 1,166.95
Vacation Leave Earned	34,857.69	6,332.66	21,939.90	12,917.79
Sick Leave Pay	20,423.08	489.44	5,739.95	14,683.13
Holiday Pay	30,634.62	3,734.40	17,316.44	13,318.18
Workmen's Compensation	531.00	-	-	531.00
Group Hospitalization	63,840.00	4,655.00	32,653.00	31,187.00
VRS Group Life Insurance	6,956.10	483.61	3,015.74	3,940.36
Taxes - FICA	40,621.50	2,915.47	18,023.74	22,597.76
Taxes - Unemployment	620.80	39.05	106.13	514.67
VRS Retirement	82,198.80	5,714.70	35,636.29	46,562.51
<b>TOTAL BENEFITS</b>	<b>283,078.79</b>	<b>24,562.63</b>	<b>135,659.44</b>	<b>147,419.35</b>
<b>TOTAL BENEFITS APPLIED</b>		<b>(17,413.25)</b>	<b>(123,016.75)</b>	
<b>TOTAL BENEFITS ADJUSTED</b>		<b>\$ 7,149.38</b>	<b>\$ 12,642.69</b>	

**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**QUARTERLY MEETING**

January 23, 2020

**FY20 PROPOSED BUDGET AMENDMENTS**

**FY20 REVENUE ADJUSTMENTS:**

**GRANT CONTRACTS BROUGHT FORWARD FROM FY19 -**

MECKLENBURG COUNTY HIGHWAY 49 PROJECT - CDBG	+	\$2,400.03
TOBACCO HERITAGE TRAIL (ALBERTA SEGMENT) - VDOT	+	\$20,000.00
TOWN OF CLARKSVILLE SOUTHWEST DOWNTOWN PH. II - CDBG	+	\$307.70
TOWN OF HALIFAX STREETLIGHT EXTENSION - VDOT	-	\$12,500.00

**DCR GRANT AWARDED:**

SOUTH BOSTON GREEN'S CROSSING LANDING	+	\$15,000.00
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**DHCD COMMUNITY DEVELOPMENT BLOCK GRANTS AWARDED:**

CHASE CITY ENDLY STREET - PHASE II	+	\$100,000.00
LA CROSSE PINE STREET - PHASE II	+	\$100,000.00
MECKLENBURG COUNTY QUAIL HOLLOW	+	\$80,000.00

**DHCD PLANNING GRANTS AWARDED:**

BRUNSWICK COUNTY CHESTNUT ROAD PLANNING GRANT	+	\$15,000.00
BRODNAX HIGHWAY 58 AND DORNIA PLANNING GRANT	+	\$3,000.00
LA CROSSE PINE STREET - PHASE II - PLANNING GRANT	+	\$14,500.00

**GIS:**

BRODNAX GIS - DECREASED DUE TO REVENUE BEING ACCRUED BACK TO FY19	-	\$4,750.00
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**GRANT WRITING/ADMINISTRATION:**

BRUNSWICK IDA - SLEDGE & BARKLEY (TRRC)	+	\$1,500.00
BRUNSWICK IDA - SOUTHERN STATES PROJECT (TRRC)	+	\$1,000.00

**TRRC GRANT AWARDED:**

EXPANSION OF THE CIVIL RIGHTS AND EDUCATION HERITAGE TRAIL	+	<u>\$5,000.00</u>
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<b>NET INCREASE IN REVENUES</b>		<b><u>\$340,457.73</u></b>
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**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**QUARTERLY MEETING**

January 23, 2020

**FY20 PROPOSED BUDGET AMENDMENTS**

**FY20 EXPENSE ADJUSTMENTS:**

MEMBERSHIP FEES AND DUES INCREASED AS A RESULT OF AN INCREASE IN VAPDC DUES AND ADDING MEMBERSHIP TO SERDI (SOUTHEAST REGIONAL DIRECTORS INSTITUTE)	+	<b>\$1,100.00</b>
---	---	-------------------

DEPRECIATION INCREASED AS A RESULT OF ADJUSTING TO ACTUAL FOR NEW EQUIPMENT PURCHASED	+	<b><u>\$1,360.12</u></b>
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<b>NET INCREASE IN EXPENSES</b>		<b><u>\$2,460.12</u></b>
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**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**BUDGET FY20**

**ADOPTED JUNE 18, 2019**

**AMENDED JANUARY 23, 2020**

	<u><b>FY20</b></u>	<u><b>FY20 AMENDED</b></u>
<b>REVENUES</b>		
Member Jurisdiction Dues	\$ 123,992.50	\$ 123,992.50
Revenue Brought Forward	395,530.00	405,737.73
New Revenue Approved	424,540.00	754,790.00
Deferred Revenue	(16,554.00)	(16,554.00)
Interest Income	12,500.00	12,500.00
	<hr/>	<hr/>
Total Revenues	<u><b>\$940,008.50</b></u>	<u><b>\$ 1,280,466.23</b></u>
 <b>EXPENDITURES</b>		
Direct Chargeable Salaries	\$ 362,044.23	\$ 362,044.23
Employee Fringe Benefits	226,870.67	226,870.67
Travel/Per Diem	10,000.00	10,000.00
Other Direct Cost - Grants	10,000.00	10,000.00
Other Direct Cost - S/L	40,000.00	40,000.00
Indirect Costs	276,748.50	279,208.62
	<hr/>	<hr/>
Total Expenditures	<u><b>\$925,663.40</b></u>	<u><b>\$928,123.52</b></u>
 <b>Excess Revenues Over Expenditures</b>	 <u><b>\$14,345.10</b></u>	 <u><b>\$352,342.71</b></u>

**SOUTHSIDE PLANNING DISTRICT COMMISSION**  
**AMENDED BUDGET FY20**  
**REVENUES**

*Member Jurisdiction Dues* \$ 123,992.50

*Revenue Brought Forward From FY19*

<b>DHCD - Community Development Block Grants</b>	
Brodnax Water System Upgrade	6,250.00
Brunswick County Alvis Road Project	45,000.00
Brunswick County Flat Rock Road Project	35,000.00
Chase City Endly Street - Phase I	75,000.00
<b>Clarksville Southwest Downtown - Phase II</b>	<b>10,307.70</b>
Halifax County Meadville Road Project	31,000.00
<b>Mecklenburg County Highway 49 Project</b>	<b>17,400.03</b>
Southern Virginia Food Hub - Local Innovation Grant	11,780.00
<b>DHCD - IRF Grants</b>	
South Boston John Randolph Hotel Project	2,500.00
Clarksville Planter's Warehouse Project	2,500.00
<b>FEMA Grant</b>	
Hazard Mitigation	45,000.00
<b>VDOT - MAP-21 Grants</b>	
Brodnax Depot	30,000.00
Halifax County Tobacco Heritage Trail Extension	39,000.00
Lawrenceville Sidewalks Project	5,000.00
Lawrenceville North Main Street Project	15,000.00
<b>Tobacco Heritage Trail (Alberta Segment)</b>	<b>20,000.00</b>
<b>VITA Grant</b>	
VITA Shared Services Grant	15,000.00
<b>SUBTOTAL</b>	<b>405,737.73</b>

*New Revenue Approved*

Commonwealth of Virginia - FY20 Dues	75,971.00
<b>DCR</b>	
<b>South Boston Green's Crossing Landing</b>	<b>15,000.00</b>
<b>DHCD - Community Development Block Grants</b>	
<b>Chase City Endly Street - Phase II</b>	<b>100,000.00</b>
<b>La Crosse Pine Street - Phase II</b>	<b>100,000.00</b>
<b>Mecklenburg County Quail Hollow</b>	<b>80,000.00</b>
<b>DHCD - Planning Grants</b>	
<b>Brunswick County Chestnut Road (Scattered Sites) PG</b>	<b>15,000.00</b>
<b>Brodnax Highway 58 and Dornia PG</b>	<b>3,000.00</b>
<b>La Crosse Pine Street Planning Grant - Ph 2 PG</b>	<b>14,500.00</b>

**SOUTHSIDE PLANNING DISTRICT COMMISSION**  
**AMENDED BUDGET FY20**  
**REVENUES**

*New Revenue Approved - Continued*

<b>EDA</b>	
EDA FY20 Planning Grant	70,000.00
<b>GIS Contracts</b>	
<b>Brodnax GIS</b>	<b>20,250.00</b>
Brunswick Sheriff's Department GIS	4,800.00
Halifax GIS	18,000.00
Mecklenburg GIS	24,000.00
<b>GO Virginia</b>	
GO Virginia - Support Org./Fiscal Agent Services - FY19/FY20	80,000.00
GO TEC I Project	15,000.00
GO TEC 2A Project	6,115.00
GO TEC 2B Project	16,554.00
Deferred to FY21	(16,554.00)
<b>LCDC - FY20 Allocation</b>	28,600.00
<b>TRRC</b>	
<b>Expansion of the Civil Rights and Education Heritage Trail</b>	<b>5,000.00</b>
<b>VDOT</b>	
Rural Transportation Planning	58,000.00
<b>VEDP</b>	
South Boston Southern Innovation Brownfield	2,500.00
<b>Grant Writing/Administration</b>	
<b>Brunswick IDA - Sledge &amp; Barkley (TRRC)</b>	<b>1,500.00</b>
<b>Brunswick IDA - Southern States Project (TRRC)</b>	<b>1,000.00</b>
<b>SUBTOTAL</b>	<b>738,236.00</b>
<i>Interest Income</i>	<u>12,500.00</u>
<b>TOTAL APPROVED REVENUES - FY20</b>	<b><u>\$ 1,280,466.23</u></b>

\* Blue font denotes a corresponding Budget Amendment.

**SOUTHSIDE PLANNING DISTRICT COMMISSION**  
**AMENDED BUDGET FY20**  
**PROJECTED EXPENSES**

	<u>FY20</u>	<u>FY20 AMENDED</u>
<b><u>DIRECT COSTS CHARGEABLE TO GRANT PROGRAMS</u></b>		
Personnel, Direct Chargeable Salaries	\$ 362,044.23	\$ 362,044.23
Employee Fringe Benefits	<u>226,870.67</u>	<u>226,870.67</u>
<b>SUBTOTAL</b>	<b>588,914.90</b>	<b>588,914.90</b>
Travel and Per Diem	10,000.00	10,000.00
Other Direct Costs Charged to Grants	10,000.00	10,000.00
Other Direct Costs Charged to State/Local Funds:	<u>40,000.00</u>	<u>40,000.00</u>
<b>TOTAL DIRECT COSTS</b>	<b>648,914.90</b>	<b>648,914.90</b>
<b><u>INDIRECT COSTS</u></b>		
Personnel, Indirect Salaries	83,040.38	83,040.38
Employee Fringe Benefits	<u>56,208.12</u>	<u>56,208.12</u>
<b>SUBTOTAL</b>	<b>139,248.50</b>	<b>139,248.50</b>
Auditing	8,000.00	8,000.00
Consumable Supplies	7,000.00	7,000.00
Commissioner's Expense	10,000.00	10,000.00
Equipment Rental, Maintenance and Use	8,000.00	8,000.00
Insurance and Bonding	6,000.00	6,000.00
Officer's Expense/Stipend	500.00	500.00
Membership Fees and Dues	3,500.00	4,600.00
Publications/Subscriptions	1,500.00	1,500.00
Printing	2,500.00	2,500.00
Space, Utilities and Occupancy Costs	33,000.00	33,000.00
Indirect Travel	500.00	500.00
Training, Seminars, Workshops, Conferences	500.00	500.00
Postage and Freight	2,500.00	2,500.00
Telephone	8,000.00	8,000.00
Auto Operations and Maintenance	5,000.00	5,000.00
Public Relations	1,000.00	1,000.00
Depreciation	5,000.00	6,360.12
Legal Fees	2,000.00	2,000.00
Software Licensing	15,000.00	15,000.00
Contractual Staff	<u>18,000.00</u>	<u>18,000.00</u>
<b>TOTAL INDIRECT COSTS</b>	<b>276,748.50</b>	<b>279,208.62</b>
 <b>TOTAL FY20 EXPENSES</b>	 <b><u>\$925,663.40</u></b>	 <b><u>\$928,123.52</u></b>

**SOUTHSIDE PLANNING  
DISTRICT COMMISSION**

**AUDITED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

**DUNHAM, AUKAMP & RHODES, PLC**  
Certified Public Accountants  
Chantilly, Virginia

# SOUTHSIDE PLANNING DISTRICT COMMISSION

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**Dunham, Aukamp & Rhodes, PLC**  
*Certified Public Accountants*

4437 Brookfield Corporate Dr., Suite 205-D  
Chantilly, VA 20151

**INDEPENDENT AUDITOR'S REPORT**

To the Commissioners  
Southside Planning District Commission  
South Hill, Virginia

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the fiduciary activities, and the aggregate remaining fund information of Southside Planning District Commission as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the fiduciary activities, and the aggregate remaining fund information of Southside Planning District Commission as of June 30, 2019 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedule of changes in the Commission's net pension liability and related ratios, and the schedule of employer's contributions on pages 3 through 7, pages 32, and 36 to 38 be presented to supplement the basic financial statements. Such information, 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.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Southside Planning District Commission's basic financial statements. The schedule of changes in assets and liabilities – fiduciary funds is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of changes in assets and liabilities – fiduciary funds on page 33 is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 schedule of revenues and expenditures by program is fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2020, on our consideration of Southside Planning District Commission'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 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 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 Southside Planning District Commission's internal control over financial reporting and compliance.



Certified Public Accountants  
Chantilly, Virginia

January 3, 2020

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of Southside Planning District Commission presents the following discussion and analysis as an overview of Southside Planning District Commission's financial activities for the fiscal year ending June 30, 2019. We encourage readers to read this discussion and analysis in conjunction with the Commission's financial statements.

### Financial Highlights for Fiscal Year 2019

#### *Highlights for Government-Wide Financial Statements*

- At the close of the current fiscal year, the net position of the Commission was \$228,870. This compares to the previous year when the net position was \$227,290. Of the current year amount, \$184,963 is unrestricted and may be used to meet the government's ongoing obligations to citizens, members, and creditors.
- For the fiscal year, program revenues of the Commission's governmental activities were \$799,967 and expenses amounted to \$885,182. General revenues for the year, including the GASB 68 adjustment, were \$86,795. The Commission's total net position increased by \$1,580.

#### *Highlights for Fund Financial Statements*

- As of June 30, 2019, the Commission's Governmental Funds reported combined fund balances of \$862,915, a decrease of \$114,126 in comparison with the prior year amount of \$977,041. All of the combined fund balances are available to meet the Commission's current and future needs.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This Comprehensive Annual Financial Report consists of two sections: financial and compliance.

- The *financial section* has three component parts - management's discussion and analysis (this section), the basic financial statements, which include government-wide financial statements and fund financial statements, and required supplementary information.
- The *compliance section* is required under the provisions of *Government Auditing Standards*.

### Government-Wide Financial Statements

The government-wide financial statements report information about the Commission as a whole using accounting methods similar to those found in the private sector. They also report the Commission's net position and how they have changed during the fiscal year.

The Statement of Net Position - presents information on all of the Commission's assets, deferred outflows, liabilities, deferred inflows and net position. The Commission's net position can be used as one way to measure the Commission's financial health, or financial condition. Over time, increases or decreases in the net position can be one indicator of whether the Commission's financial condition is improving or deteriorating. Other nonfinancial factors will also need to be considered, such as changes in the Commission's administrative grant load and the condition of the Commission's fixed assets.

The Statement of Activities - presents information using the accrual basis accounting method and shows how the Commission's net position changed during the fiscal year. All of the current year's revenues and expenses are shown in the Statement of Activities, regardless of when cash is received or paid.

**Fund Financial Statements**

Traditional users of government financial statements will find the fund financial statements more familiar. These statements provide more detailed information about the Commission's most significant funds. Funds are used to ensure compliance with finance-related legal requirements and are used to keep track of specific sources of revenue and expenses for particular purposes. The Commission has two kinds of funds:

*Governmental Funds* - All of the Commission's basic services are included in Governmental Funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances remaining at year end that are available for spending. The Governmental Funds financial statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Commission's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided with the fund's financial statements to explain the relationship (or differences). The General Fund is the main operating account of the Commission. The Special Revenue Fund accounts for administrative grants from local sources. These are the only Governmental Funds of the Commission at this time.

*Fiduciary Fund* - The Commission serves as the fiscal agent for the GO Virginia Regional Council 3. The fiduciary fund accounts for the funds held for the operation of the program.

**FINANCIAL ANALYSIS OF THE COMMISSION AS A WHOLE**

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
<b>Assets</b>		
Current and other assets	\$1,139,375	\$1,172,696
Capital assets (net)	<u>43,907</u>	<u>51,933</u>
Total Assets	<u>\$1,183,282</u>	<u>\$1,224,629</u>
<b>Deferred Outflows of Resources</b>	<u>\$ 82,650</u>	<u>\$ 75,757</u>
<b>Liabilities</b>		
Current liabilities	\$ 181,317	\$ 141,331
Net pension liability	<u>816,681</u>	<u>838,925</u>
Total Liabilities	<u>\$ 997,998</u>	<u>\$ 980,256</u>
<b>Deferred Inflows of Resources</b>	<u>\$ 39,064</u>	<u>\$ 92,840</u>
<b>Net Position</b>		
Net investment in capital assets	\$ 43,907	\$ 51,933
Unrestricted	<u>184,963</u>	<u>175,357</u>
Total Net Position	<u>\$ 228,870</u>	<u>\$ 227,290</u>

The net position of the total financial reporting entity best represents the entity's financial position. In the case of the Commission's reporting entity, the net position was \$228,870 at June 30, 2019. The largest portion of the reporting entity's assets, \$820,519, reflects cash and cash equivalents. The next largest portions of the reporting entity's net assets, \$144,420 and \$142,323 reflects program fees and grants and contracts receivable, respectively. The largest portion of the Commission's liabilities is \$816,681 for the net pension liability. The next largest liability is \$126,831 in deferred program income.

### Statement of Activities

The following table summarizes revenues and expenses from the Statement of Activities for the Commission for the years ending June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
<b>Revenues</b>		
Federal Government		
Grants and Contributions	\$128,000	\$128,000
Commonwealth of Virginia		
State Dues	75,971	75,971
Grants and contributions	47,542	76,542
Local Sources		
Grants and Contributions	424,461	429,283
Member Dues	123,993	123,993
Other	<u>86,795</u>	<u>60,268</u>
Total Revenues	886,762	894,057
<b>Expenses</b>		
General Government Administration	<u>885,182</u>	<u>811,658</u>
Increase in Net Position	1,580	82,399
Beginning Net Position	<u>227,290</u>	<u>144,891</u>
Ending Net Position	<u>\$228,870</u>	<u>\$227,290</u>

Governmental activities increased the Commission's net position by \$1,580. Revenues from governmental activities totaled \$799,967 for the fiscal year ended June 30, 2019, compared to \$888,762 in fiscal year ended June 30, 2018. Revenue from local grants and contributions comprise the largest source of these revenues, totaling \$548,454, or 62 percent, of all governmental activities' revenue.

The total cost of all governmental activities for the fiscal year ended June 30, 2019 was \$885,182 compared to \$811,658 for the fiscal year ended June 30, 2018. General government administration continues to be the Commission's only program with all of the expenses going towards this function.

## FINANCIAL ANALYSIS OF THE COMMISSION'S FUNDS

As of June 30, 2019, the Commission's Governmental Funds reported a combined ending fund balance of \$862,915 a decrease of \$114,126 in comparison with the prior year. Approximately 100 percent, or \$862,915, is available for spending at the government's discretion (unassigned fund balance).

The General Fund is the main operating fund of the Commission. At the end of the current fiscal year, the General Fund had an unassigned fund balance of \$862,915, a decrease of \$114,126 in comparison with the prior year. The General Fund's liquidity can be measured by comparing total fund balance to total fund expenditures. Total fund balance represents 99 percent of that same amount.

## BUDGETARY HIGHLIGHTS

### General Fund

The following table provides a comparison of original budget, final budget, and actual revenues and expenditures in the General Fund for the years ended June 30, 2019 and 2018.:

	2019			2018		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
Revenues						
Federal	\$128,000	\$ 128,000	\$128,000	\$128,000	\$ 128,000	\$128,000
State	155,971	155,971	123,513	125,971	125,971	152,513
Local Sources						
Member Dues and Programs	633,543	851,898	548,454	682,193	881,181	553,276
Other	<u>360</u>	<u>360</u>	<u>3,882</u>	<u>360</u>	<u>360</u>	<u>(1,686)</u>
Total	917,874	1,136,229	803,849	936,524	1,135,512	832,103
Expenditures	<u>916,081</u>	<u>917,081</u>	<u>885,182</u>	<u>871,168</u>	<u>896,118</u>	<u>828,675</u>
Excess of Revenues over Expenditures	\$ <u>1,793</u>	\$ <u>219,148</u>	\$ <u>(81,333)</u>	\$ <u>65,356</u>	\$ <u>239,394</u>	\$ <u>3,428</u>

General Fund actual revenues were less than the final budget amounts by \$332,380, while actual expenditures were \$31,899 less than final budget amounts. Highlights of the comparison of final budget to actual figures for the fiscal year ended June 30, 2019 include the following:

### General Fund

Total Local and Program Income – the actual local and program income was \$303,444 less than budgeted due to administrative contracts being deferred to FY20 because of unexpected completion time of contracts.

Total Direct Costs – The actual direct costs applied to General Fund programs were \$23,020 less than budgeted due to reasonable timing difference of grant expenses required for the programs.

## **CAPITAL ASSETS**

As of June 30, 2019, the Commission's net investment in capital assets totals \$43,907, which is net capital assets less related debt. This is a decrease of \$8,026 over the previous fiscal year due to depreciation net of current year asset purchases, and the purchase of a new vehicle. There is no related debt on any capital assets at this time.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The fiscal year 2020 adopted budget anticipates General Fund revenues to be \$199,964, the same as in the fiscal year 2019 budget. Total Governmental Revenues are comprised primarily of Administrative Contracts at 79 percent with State and Member Dues comprising 21 percent. The Commission's expenditures on general government administration are anticipated to be \$925,663, an increase of 1.0 percent for the Government as a whole.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Commission's finances and to demonstrate the Commission's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to Deborah Gosney, Executive Director, Southside Planning District Commission, 200 South Mecklenburg Avenue, South Hill, Virginia 23970, telephone (434) 447-7101.

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## STATEMENT OF NET POSITION

JUNE 30, 2019

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 820,519
Grants and contracts receivable	142,323
Program fees receivable	144,420
Prepaid expenses	8,713
Total Current Assets	<u>1,115,975</u>
Capital assets	
Capital assets, net of accumulated depreciation	43,907
Other Assets	
Investments	<u>23,400</u>
Total Assets	<u>1,183,282</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Change of assumptions	146
Pension contributions after the measurement date	82,504
Total Deferred Outflows of Resources	<u>82,650</u>
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	132,040
Accrued leave	49,277
Net pension liability	<u>816,681</u>
Total Liabilities	<u>997,998</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Differences between expected and actual experience	16,613
Net difference between projected and actual earnings on plan investments	22,451
Total Deferred Inflows of Resources	<u>39,064</u>
<b>NET POSITION</b>	
Net investment in capital assets	43,907
Donor without restrictions	<u>184,963</u>
Total Net Position	<u>\$ 228,870</u>

See accompanying notes.

**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

Program Activities	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position	
				Governmental Activities	Total
Governmental Activities					
General government and administration	\$ 885,182	\$ 600,003	\$ 199,964	\$ (85,215)	\$ (85,215)
Total Governmental Activities	<u>885,182</u>	<u>600,003</u>	<u>199,964</u>	<u>(85,215)</u>	<u>(85,215)</u>
General revenues:					
GASB 68 pension adjustment				82,913	82,913
Investment earnings				3,882	3,882
Total general revenues				<u>86,795</u>	<u>86,795</u>
Change in net position				1,580	1,580
Net position at beginning of year				<u>227,290</u>	<u>227,290</u>
Net position at end of year				<u>\$ 228,870</u>	<u>\$ 228,870</u>

See accompanying notes.

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2019

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 820,519	\$ -	\$ 820,519
Grants and contracts receivable	142,323	-	142,323
Program fees receivable	-	144,420	144,420
Prepaid expenses	8,713	-	8,713
Total Current Assets	971,555	144,420	1,115,975
Other Assets			
Investments	23,400	-	23,400
Total Assets	\$ 994,955	\$ 144,420	\$ 1,139,375
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 132,040	\$ -	\$ 132,040
Deferred revenue	-	144,420	144,420
Total Liabilities	132,040	144,420	276,460
<b>FUND BALANCE</b>			
Unassigned	862,915	-	862,915
Total Fund Balance	862,915	-	862,915
Total Liabilities and Fund Balance	\$ 994,955	\$ 144,420	\$ 1,139,375

Reconciliation of fund balances on the balance sheet for governmental funds to net position of governmental activities on the statement of net position:

Fund balances - total governmental funds	\$ 862,915
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Amounts reported for governmental activities in the statement of net assets are different because:

Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the fund statements	144,420
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Long-term liabilities and related deferred items are not due and payable in the current period and therefore are not reported in the funds

Change of assumptions	146
Pension contributions after the measurement date	82,504
Compensated absences	(49,277)
Net pension liability	(816,681)
Differences between expected and actual experience	(16,613)
Net difference between projected and actual earnings on plan investments	(22,451)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	43,907
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Net Position of Governmental Activities	\$ 228,870
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See accompanying notes.

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUND FOR THE YEAR ENDED JUNE 30, 2019

### REVENUE

Grants and appropriations:	
Federal grants	\$ 128,000
State grants	123,513
Local and program income	505,887
Investment earnings	3,882
TOTAL REVENUES	761,282

### EXPENDITURES

Salaries	441,784
Employee benefits and payroll taxes	289,301
Direct grant expenses	36,980
Space, utilities and occupancy costs	33,994
Software licensing	13,324
Commissioner's expense	10,015
Equipment rental, maintenance and use	8,071
Auditing	6,900
Telephone	6,358
Insurance and bonding	5,761
Consumable supplies	5,497
Bad debt	5,000
Membership fees and dues	3,105
Auto operations and maintenance	1,912
Contractual staff	1,815
Printing	1,663
Postage and freight	1,559
Public relations	875
Training	589
Officer's expense/stipend	500
Publications and subscriptions	388
Travel	17
TOTAL EXPENDITURES	875,408

NET CHANGE IN FUND BALANCE	(114,126)
FUND BALANCE - Beginning of year	977,041
FUND BALANCE - End of year	\$ 862,915

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

Net Change in Fund Balances - Total Government Funds \$ (114,126)

Some expenses 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 - change in long-term annual leave payable. (1,748)

Change in deferred outflows	6,893
Change in program fees receivable	42,567
Change in deferred inflows	53,776
Change in net pension liability	22,244

All capital outlays to purchase capital assets are reported in governmental funds as expenditures. However, for governmental activities those outlays are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities. This is the amount by which depreciation exceeds capital outlays in the period. (8,026)

Change in net position reported on the Statement of Activity \$ 1,580

See accompanying notes.

**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**STATEMENT OF FIDUCIARY NET POSITION**

**JUNE 30, 2019**

	<b>Go Virginia Regional Council 3</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 20,077
Total Assets	<u>20,077</u>
<b>LIABILITIES</b>	
Amount held for others	<u>20,077</u>
Total Liabilities	<u>20,077</u>
<b>NET POSITION</b>	<u><u>\$ -</u></u>

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 – Organization and Summary of Accounting Policies

The Southside Planning District Commission (the "Commission") operates as an agent for the Counties of Mecklenburg, Brunswick, and Halifax and the Towns of South Hill and South Boston for improving public safety, health and welfare, articulating community needs and developmental planning, and creating a unit of government to provide functions and services on a regional basis as provided for in Title 15.1, Chapter 34, Sections 15.1-1400 to 15.1-1452 of the Code of Virginia (1950), as amended.

The Commission has been officially designated by the U.S. Department of Commerce, Economic Development Administration, as the grantee of a revolving loan fund. The Commission has officially designated the Lake Country Development Corporation with the institutional and legal capacity to make and administer the revolving loans. The Commission and Lake Country Development Corporation maintain separate Boards of Directors and identities.

The financial statements of the Commission have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and the accounting principles generally accepted in the United States as specified by the Government Accounting Standards Board (GASB). The following is a summary of significant accounting policies followed in the preparation of these financial statements:

- (a) The Financial Reporting Entity – The Commission consists of various members who are appointed by and serve at the pleasure of the five member jurisdictions. The Commission is not a component unit of any of the participating governments. The Commission has no component units to be included in their financial statements at this time.
- (b) Government-Wide and Fund Financial Statements – The basic financial statements include both government-wide (based on the Commission as a whole) and fund financial statements. The focus is on both the Commission as a whole and the fund financial statements, including the major individual funds of the governmental category. Both the government-wide and fund financial statements categorize primary activities as governmental. In the government-wide Statement of Net Position, the governmental activities columns are presented on a consolidated basis, and 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 Commission generally first uses with donor restricted assets for expenses incurred for which both with donor restrictions and without donor restrictions assets are available. The Commission may defer the use of with donor 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 that are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (general government administration, health and welfare, etc.) or a business-type activity. Program revenues include: charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Interest revenue and other items not properly included among program revenues are reported as general revenues.

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 1 – Organization and Summary of Accounting Policies (Continued)

#### (b) Government-Wide and Fund Financial Statements (Continued)

In the fund financial statements, financial transactions and accounts of the Commission 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 and modified accrual basis of accounting.

This is the manner in which these funds are normally budgeted. 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 which briefly explains the adjustment necessary to reconcile the fund financial statements to the governmental column of the government-wide financial statements.

The Commission applies all GASB pronouncements as well as the Financial Accounting Standards Board 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 Commission:

#### *Governmental Funds*

Governmental Funds account for the expendable financial resources, other than those accounted for in Proprietary and Fiduciary Funds. The individual Governmental Funds are:

**General Fund** – The General Fund is the primary operating fund of the Commission and accounts for all revenues and expenditures applicable to the general operations of the Commission which are not accounted for in other funds. Revenues are derived primarily from state and member dues. The General Fund is considered a major fund for financial reporting purposes.

**Special Revenue Funds** – The Special Revenue Fund accounts for the proceeds of specific revenue sources (other than those derived from special assessments, expendable trusts, or dedicated for major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action. The Special Revenue Fund is considered a major fund for financial reporting purposes.

**Basis of Accounting** – The accounting and reporting policies of the Commission relating to the accompanying basic financial conform to accounting principles generally accepted in the United States of America applicable to state and local governments.

#### *Fiduciary Fund*

**Go Virginia Agency Fund** – This fund accounts for the increases and decreases of the funds held for the GO Virginia Regional Council 3.

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 1 – Organization and Summary of Accounting Policies (Continued)

#### (b) Government-Wide and Fund Financial Statements (Continued)

The government-wide Statements of Net Position and Statements of Activities are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operation of these activities are included on the Statement of Net Position.

The fund financial statements of the General Fund are maintained and reported on the accrual basis of accounting using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the fund statements. Under the accrual method of accounting, revenues are recognized in the period in which they become measurable and available. Federal and State reimbursement-type grants are recorded as revenue when related eligible expenditures are incurred. Expenditures are recorded when the fund liability is incurred.

#### (c) Budgets and Budgetary Accounting – The Commission’s Board annually adopts budgets for the various funds of the primary government. The following procedures are used by the Commission in establishing the budgetary data reflected in the financial statements:

1. The Executive Director submits to the Executive Committee a proposed operating budget commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Prior to June 30, the Executive Committee adopts the budget.
3. Only the Executive Committee can revise the budget for each department or category.
4. Formal budgetary integration is employed as a management device during the year.
5. All budgets are adopted on a basis consistent with generally accepted accounting principles.
6. Appropriations lapse on June 30. Contracts that carry over more than one year can be re-budgeted.
7. Budget data presented in the accompanying financial statements consists of the original budget and the revised budget as of June 30, 2019, as adopted, appropriated, and legally amended.

#### (d) Revenue Recognition – Intergovernmental revenues, consisting primarily of federal, state, local and other grants for the purpose of funding specific expenditures, are recognized when earned. Contributions of the member governments are based on population and are assessed annually. The Commission recognizes a liability for funds received in excess of project expenditures.

#### (e) Cash and Cash Equivalents – Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less, excluding amounts whose use is limited by the Commission’s Board designation or other arrangements under trust agreements with third-party payers.

#### (f) Investments – Investments with readily determinable fair values are measured at fair value in the statement of financial position. Investment income or loss is included in the statement of activities unless the income or loss is restricted by donor or law.

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 1 – Organization and Summary of Accounting Policies (Continued)

- (g) Accounts Receivable – Accounts receivable are reported at their gross value when earned as the underlying exchange transaction occurs. Receivables related to non-exchange transactions are recognized when their eligibility requirements have been met. Receivables are reduced by the estimated portion that is expected to be uncollectible based on collection history and current information regarding the credit worthiness of the debtors. When continued collection activity results in receipts of amounts previously written off, revenue is recognized for the amount collected. Management considers all of the receivables collectible at June 30, 2019, and no allowance for doubtful accounts has been provided.
- (h) Capital Assets – Capital outlays are recorded as expenditures of the Governmental Funds and as assets in the government-wide financial statements to the extent the Commission's capitalization threshold of \$2,000 is met. All capital assets are valued at historical cost.

Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the following estimated useful lives:

Buildings and improvements	7 to 39 years
Furniture and other equipment	3 to 5 years

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of furniture, vehicles, or equipment, the cost and related accumulated depreciation are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

- (i) Deferred Outflows/Inflows of Resources – The Commission reports deferred outflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until the applicable period.

The Commission reports deferred inflows of resources on its statement of net position. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until a future period.

- (j) Management Estimates – The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- (k) Advertising Costs – Advertising costs are expensed as incurred.

## SOUTHSIDE PLANNING DISTRICT COMMISSION

### NOTES TO FINANCIAL STATEMENTS (Continued)

#### NOTE 2 – Cash and Investments

**Deposits** - All cash of the Commission is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”), Section 2.2-4400 et seq. of the Code of Virginia or covered by Federal Depository Insurance. Under the Act, banks holding public deposits in excess of the amounts insured by FDIC must pledge collateral in the amount of 50% of excess deposits to a collateral pool in the name of the State Treasury Board. Savings and loan institutions are required to collateralize 100% of deposits in excess of FDIC limits. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying local governments of compliance by banks and savings and loans. If any member financial institution fails, the entire collateral becomes available to satisfy the claims of the Commission. If the value of the pool’s collateral is inadequate to cover a loss, additional amounts would be assessed on a pro-rata basis to the members of the pool. Therefore, these deposits are considered collateralized, and, as a result, are considered insured.

**Investments** - Statutes authorize local governments and other public bodies 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).

As of June 30, 2019, the Commission had an investment of \$23,400 in a mutual company as a result of the demutualization of an insurance policy, with a cost basis of \$8,686. Commission intent is to liquidate the value of the shares. Investments are recorded at fair market value based on quoted prices in active markets for identical assets (level 1 inputs).

Investment income for the year ended June 30, 2019 consisted of the following:

Interest	\$ 1,874
Unrealized gain on investments	<u>2,008</u>
	<u>\$ 3,882</u>

#### NOTE 3 – Capital Assets

A summary of property and equipment as of June 30, 2019 is as follows:

	Balance July 1, 2018	Additions	Disposals	Balance June 30, 2019
Equipment	\$100,508	\$ -	\$ -	\$100,508
Leasehold Improvements	51,187	-	-	51,187
Accumulated Depreciation	<u>( 99,762)</u>	<u>(8,026)</u>	-	<u>(107,788)</u>
Net	<u>\$ 51,933</u>	<u>\$(8,026)</u>	<u>\$ -</u>	<u>\$ 43,907</u>

## SOUTHSIDE PLANNING DISTRICT COMMISSION

### NOTES TO FINANCIAL STATEMENTS

(Continued)

#### NOTE 4 – Pension Plan

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

#### *Plan Description*

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

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p><b>About Plan 1</b> Plan 1 is a defined benefit plan. The retirement benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula.</p>	<p><b>About Plan 2</b> Plan 2 is a defined benefit plan. The retirement benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula.</p>	<p><b>About the Hybrid Retirement Plan</b> The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan.</p> <ul style="list-style-type: none"> <li>• The defined benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula.</li> <li>• The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.</li> <li>• In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.</li> </ul>

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS

(Continued)

### NOTE 4 – Pension Plan (Continued)

<p><b>Eligible Members</b> Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013, and they have not taken a refund.</p> <p><b>Hybrid Opt-In Election</b> VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan’s effective date for eligible Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p> <p>Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.</p>	<p><b>Eligible Members</b> Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p> <p><b>Hybrid Opt-In Election</b> Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan’s effective date for eligible Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement plan.</p> <p>Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.</p>	<p><b>Eligible Members</b> Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <ul style="list-style-type: none"> <li>• Political subdivision employees*</li> <li>• Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan’s effective date for opt-in members was July 1, 2014.</li> </ul> <p><b>* Non-Eligible Members</b> Some employees are not eligible to participate in the Hybrid Retirement Plan. They include:</p> <ul style="list-style-type: none"> <li>• Political subdivision employees who are covered by enhanced benefits for hazardous duty employees.</li> </ul> <p>Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.</p>
<p><b>Retirement Contributions</b> Members contribute up to 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Member contributions are tax-deferred until they are withdrawn as part of retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.</p>	<p><b>Retirement Contributions</b> Members contribute up to 5% of their compensation each month to their member contribution account through a pre-tax salary reduction.</p>	<p><b>Retirement Contributions</b> A member’s retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee’s creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.</p>

**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE 4 – Pension Plan (Continued)**

<p><b>Creditable Service</b> Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member’s total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p>	<p><b>Creditable Service</b> Same as Plan 1.</p>	<p><b>Creditable Service</b> <b><u>Defined Benefit Component:</u></b> Under the defined benefit component of the plan, creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member’s total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p> <p><b><u>Defined Contributions Component:</u></b> Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.</p>
<p><b>Vesting</b> Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.</p> <p>Members are always 100% vested in the contributions that they make.</p>	<p><b>Vesting</b> Same as Plan 1.</p>	<p><b>Vesting</b> <b><u>Defined Benefit Component:</u></b> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Plan remain vested in the defined benefit component.</p> <p><b><u>Defined Contributions Component:</u></b> Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.</p> <p>Members are always 100% vested in the contributions that they make.</p> <p>Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.</p>

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS

(Continued)

### NOTE 4 – Pension Plan (Continued)

		<p><b>Vesting (continued)</b></p> <ul style="list-style-type: none"> <li>• After two years, a member is 50% vested and may withdraw 50% of employer contributions.</li> <li>• After three years, a member is 75% vested and may withdraw 75% of employer contributions.</li> <li>• After four years or more, a member is 100% vested and may withdraw 100% of employer contributions.</li> </ul> <p>Distribution is not required by law until age 70½.</p>
<p><b>Calculating the Benefit</b> The Basic Benefit is calculated based on a formula using the member’s average final compensation, a retirement multiplier and total service credit at retirement. It is one of the benefit payouts options available to a member at retirement.</p> <p>An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.</p>	<p><b>Calculating the Benefit</b> See definition under Plan 1.</p>	<p><b>Calculating the Benefit</b> <b><u>Defined Benefit Component:</u></b> See definition under Plan 1.</p> <p><b><u>Defined Contribution Component:</u></b> The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.</p>
<p><b>Average Final Compensation</b> A member’s average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.</p>	<p><b>Average Final Compensation</b> A member’s average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.</p>	<p><b>Average Final Compensation</b> Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.</p>
<p><b>Service Retirement Multiplier VRS:</b> The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%.</p> <p><b>Sheriffs and regional jail superintendents:</b> The retirement multiplier for sheriffs and regional jail superintendents is 1.85%.</p> <p><b>Political subdivision hazardous duty employees:</b> The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.</p>	<p><b>Service Retirement Multiplier VRS:</b> Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for creditable service earned, purchased or granted on or after January 1, 2013.</p> <p><b>Sheriffs and regional jail superintendents:</b> Same as Plan 1.</p> <p><b>Political subdivision hazardous duty employees:</b> Same as Plan 1.</p>	<p><b>Service Retirement Multiplier</b> <b><u>Defined Benefit Component: VRS:</u></b> The retirement multiplier for the defined benefit component is 1.00%.</p> <p>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.</p> <p><b>Sheriffs and regional jail superintendents:</b> Not applicable</p> <p><b>Political subdivision hazardous duty employees:</b> Not applicable.</p> <p><b><u>Defined Contribution Component:</u></b> Not applicable.</p>

**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE 4 – Pension Plan (Continued)**

<p><b>Normal Retirement Age VRS:</b> Age 65.</p> <p><b>Political subdivision hazardous duty employees:</b> Age 60.</p>	<p><b>Normal Retirement Age VRS:</b> Normal Social Security retirement age.</p> <p><b>Political subdivision hazardous duty employees:</b> Same as Plan 1.</p>	<p><b>Normal Retirement Age</b> <b>Defined Benefit Component: VRS:</b> Same as Plan 2.</p> <p><b>Political subdivision hazardous duty employees:</b> Not applicable.</p> <p><b>Defined Contribution Component:</b> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p><b>Earliest Unreduced Retirement Eligibility VRS:</b> Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service.</p> <p><b>Political subdivision hazardous duty employees:</b> Age 60 with at least five years (60 months) of creditable service or at age 50 with at least 25 years of creditable service.</p>	<p><b>Earliest Unreduced Retirement Eligibility VRS:</b> Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p><b>Political subdivision hazardous duty employees:</b> Same as Plan 1.</p>	<p><b>Earliest Unreduced Retirement Eligibility</b> <b>Defined Benefit Component: VRS:</b> Normal Social Security retirement age and have at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p><b>Political subdivision hazardous duty employees:</b> Not applicable.</p> <p><b>Defined Contribution Component:</b> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p><b>Earliest Reduced Retirement Eligibility VRS:</b> Age 55 with at least five years (60 months) of creditable service or at age 50 with at least 10 years of creditable service.</p> <p><b>Political subdivision hazardous duty employees:</b> 50 with at least five years of creditable service.</p>	<p><b>Earliest Reduced Retirement Eligibility VRS:</b> Age 60 with at least five years (60 months) of creditable service.</p> <p><b>Political subdivision hazardous duty employees:</b> Same as Plan 1.</p>	<p><b>Earliest Reduced Retirement Eligibility</b> <b>Defined Benefit Component: VRS:</b> Age 60 with at least five years (60 months) of creditable service.</p> <p><b>Political subdivision hazardous duty employees:</b> Not applicable.</p> <p><b>Defined Contribution Component:</b> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p><b>Cost-of-Living Adjustment (COLA) in Retirement</b> The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.</p> <p><b>Eligibility:</b> For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date.</p>	<p><b>Cost-of-Living Adjustment (COLA) in Retirement</b> The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%.</p> <p><b>Eligibility:</b> Same as Plan 1.</p>	<p><b>Cost-of-Living Adjustment (COLA) in Retirement</b> <b>Defined Benefit Component:</b> Same as Plan 2.</p> <p><b>Defined Contribution Component:</b> Not applicable.</p> <p><b>Eligibility:</b> Same as Plan 1 and Plan 2.</p>

**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE 4 – Pension Plan (Continued)**

<b>Cost-of-Living Adjustment (COLA) in Retirement (continued)</b>	<b>Cost-of-Living Adjustment (COLA) in Retirement (continued)</b>	<b>Cost-of-Living Adjustment (COLA) in Retirement (continued)</b>
<p>For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.</p> <p><b><u>Exceptions to COLA Effective Dates:</u></b> The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:</p> <ul style="list-style-type: none"> <li>• The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013.</li> <li>• The member retires on disability.</li> <li>• The member retires directly from short-term to long-term disability under the Virginia Sickness and Disability Program (VSDP).</li> <li>• The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program.</li> <li>• The member dies in service and the member’s survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.</li> </ul>	<p><b><u>Exceptions to COLA Effective Dates:</u></b> Same as Plan 1.</p>	<p><b><u>Exceptions to COLA Effective Dates:</u></b> Same as Plan 1 and Plan 2.</p>
<p><b>Disability Coverage</b> Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.70% on all service, regardless of when it was earned, purchased or granted.</p>	<p><b>Disability Coverage</b> Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.</p>	<p><b>Disability Coverage</b> Employees of political subdivisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides and employer-paid comparable program for its members.</p> <p>Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 4 – Pension Plan (Continued)

<p><b>Purchase of Prior Service</b> Members may be eligible to purchase service from previous public employment, active duty military, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.</p>	<p><b>Purchase of Prior Service</b> Same as Plan 1.</p>	<p><b>Purchase of Prior Service</b> <b><u>Defined Benefit Component:</u></b> Same as Plan 1, with the following exceptions:</p> <ul style="list-style-type: none"> <li>• Hybrid Retirement Plan members are ineligible for ported service.</li> </ul> <p><b><u>Defined Contribution Component:</u></b> Not applicable.</p>
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### *Employees Covered by Benefit Terms*

As of the June 30, 2017 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

		Number
Inactive Members or Their Beneficiaries Currently Receiving Benefits		8
Inactive Members		
Vested inactive members	4	
Non-vested inactive members	6	
Inactive members active elsewhere in VRS	<u>7</u>	
Total Inactive Members		17
Active Members		<u>8</u>
Total covered employees		<u>33</u>

### *Contributions*

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012 new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

The Commission's contractually required contribution rate for the year ended June 30, 2019 was 15.09% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017.

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 4 – Pension Plan (Continued)

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Commission were \$82,504 and \$75,308 for the years ended June 30, 2019 and June 30, 2018, respectively.

#### *Net Pension Liability*

The net pension liability (NPL) 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, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2017 rolled forward to the measurement date of June 30, 2018.

#### *Actuarial Assumptions – General Employees*

The total pension liability for General Employees in the Commission's Retirement Plan was based on an actuarial valuation as of June 30, 2017, 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, 2018.

Inflation	2.5%
Salary increases, including Inflation	3.5% – 5.35%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

\* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

#### Mortality rates:

Largest 10 - Non-Hazardous Duty: 20% of deaths are assumed to be service related

##### Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

##### Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.

##### Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 4 – Pension Plan (Continued)

All Others (Non 10 Largest) - Non-Hazardous Duty: 15% of deaths are assumed to be service related  
Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% of rates; females 125% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016. Changes to the actuarial assumptions as a result of the experience study are as follows:

#### Largest 10 – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 20%

#### All Other (Non 10 Largest) – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 20%

## SOUTHSIDE PLANNING DISTRICT COMMISSION

### NOTES TO FINANCIAL STATEMENTS

(Continued)

#### NOTE 4 – Pension Plans (Continued)

##### *Long-Term Expected Rate of Return*

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long- Term Expected Rate of Return
Public Equity	40.00%	4.54%	1.82%
Fixed Income	15.00%	0.69%	0.10%
Credit Strategies	15.00%	3.96%	0.59%
Real Assets	15.00%	5.76%	0.86%
Private Equity	<u>15.00%</u>	9.53%	1.43%
Total	100.00%		4.80%
		Inflation	2.50%
		* Expected arithmetic nominal return	7.30%

\* The above allocation provides a one-year return 7.30%. 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 6.83%, including expected inflation of 2.50%.

## SOUTHSIDE PLANNING DISTRICT COMMISSION

### NOTES TO FINANCIAL STATEMENTS (Continued)

#### NOTE 4 – Pension Plans (Continued)

##### *Discount Rate*

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2018, the alternate rate was the employer contribution rate used in FY 2012 or 90% of the actuarially determined employer contribution rate from the June 30, 2015, actuarial valuations, whichever was greater. From July 1, 2018 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the Long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

##### *Changes in Net Pension Liability:*

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at June 30, 2017	\$3,420,823	\$2,581,898	\$838,925
Changes for the year:			
Service cost	38,098	-	38,098
Interest	234,461	-	234,461
Changes of assumptions	-	-	-
Differences between expected and actual experience	(8,475)	-	(8,475)
Contributions – employer	-	74,691	(74,691)
Contributions – employee	-	24,463	(24,463)
Net investment income	-	189,197	(189,197)
Benefit payments, including refunds of employee contributions	(142,751)	(142,751)	-
Administrative expense	-	(1,635)	1,635
Other changes	-	(388)	388
Net changes	121,333	143,577	(22,244)
Balances at June 30, 2018	<u>\$3,542,156</u>	<u>\$2,725,475</u>	<u>\$ 816,681</u>

## SOUTHSIDE PLANNING DISTRICT COMMISSION

### NOTES TO FINANCIAL STATEMENTS (Continued)

#### NOTE 4 – Pension Plans (Continued)

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

The following presents the net pension liability of the Commission using the discount rate of 7.00%, as well as what the Commission’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Commission’s Net Pension Liability	\$1,300,869	\$816,681	\$416,781

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

For the year ended June 30, 2019, the Commission recognized pension benefit of \$82,913. At June 30, 2019, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$16,613
Change in assumptions	146	-
Net difference between projected and actual earnings on plan investments	-	22,451
Employer contributions subsequent to the Measurement Date	82,504	-
Total	\$82,650	\$39,064

\$82,504 reported as deferred outflows of resources related to pensions resulting from Commission’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2020	\$ (8,194)
2021	(2,447)
2022	(26,264)
2023	(2,013)
Thereafter	-

##### *Pension Plan Data*

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2018 Comprehensive Annual Financial Report (CAFR). A copy of the 2018 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2017-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 5 – Compensated Absences

Each Commission employee earns vacation under a formula approved by its Board of Directors as described in the employee handbook. Sick leave is earned at the rate of ten hours per completed month of service. A maximum of 42 accumulated days of vacation may be carried from one year to the next, depending upon years of service. A maximum of 120 accumulated days of sick leave may be carried from one year to the next for employees with one to twenty years of service, and 150 accumulated days of sick leave may be carried from one year to the next for employees with over twenty years of service. Accrued vacation may be paid if not used prior to termination up to a maximum of 36 days. Accrued sick leave is not paid upon termination. The Commission has outstanding compensated absences totaling \$49,277 in the governmental activities.

### NOTE 6 – Indirect Costs

Indirect costs, which support all projects, are allocated based on the ratio of the individual project's direct salaries and fringe benefits to total direct salaries and fringe benefits. The indirect cost rate for the fiscal year ended June 30, 2019 was calculated as follows:

Indirect costs	\$240,723	
Total direct salaries and fringe benefits	\$602,478	= 39.96%

The following indirect costs have been allocated to projects:

Salaries	\$ 78,583
Fringe benefits	51,770
Space and occupancy costs	33,994
Software licensing	13,324
Commission member's expense	10,515
Equipment rental and maintenance	8,071
Depreciation	8,026
Audit and accounting	6,900
Telephone	6,358
Insurance and bonding	5,761
Consumable supplies	5,497
Membership dues	3,105
Printing and publications	2,051
Auto and travel	1,930
Contract services	1,815
Postage and freight	1,559
Public relations	875
Miscellaneous	589
Total Indirect Costs	<u>\$240,723</u>

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 7 – Fringe Benefit Allocation

Fringe benefit expense is allocated using the percentage of benefits to total non-leave salaries. The fringe benefit rate for the fiscal year ended June 30, 2019 is calculated as follows:

Fringe benefit expense	<u>\$291,048</u>	
Total non-leave salaries	\$441,784	= 65.88%

Components of fringe benefit expense for the year ended June 30, 2019 are shown below:

Employee leave	\$ 92,707
Retirement	82,504
Health, disability and life insurance	78,121
Payroll taxes	<u>37,716</u>
Total Fringe Benefits	<u>\$291,048</u>

### NOTE 8 – Lease Commitments

The Commission has a lease for its facilities at 200 South Mecklenburg Avenue, South Hill, Virginia. The premises are leased from the Lake Country Development Corporation for the sum of \$1,050 per month. The lease commenced July 1, 1995 for the term of one year and automatically renews on each anniversary unless terminated in accordance with the provisions of the lease. Rent expense for the year ended June 30, 2019 was \$12,600.

### NOTE 9 – Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial. At June 30, 2019, there were no matters of litigation involving the Commission which would materially affect the Commission's financial position should any court decision or pending matter not be favorable to the Commission.

### NOTE 10 – Surety Bond Information

A public employee blanket bond through Auto Insurers, Inc. amounting to \$60,000 was in force and expires July 21, 2019.

### NOTE 11 – Evaluation of Subsequent Events

The Commission has evaluated subsequent events through January 3, 2020, the date which the financial statements were available to be issued.

**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN NET POSITION -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUE</b>				
Grants and appropriations:				
Federal grants	\$ 128,000	\$ 128,000	\$ 128,000	\$ -
State grants	155,971	155,971	123,513	(32,458)
Local and program income	633,543	851,898	548,454	(303,444)
Other revenue:				
Investment earnings	360	360	3,882	3,522
<b>TOTAL REVENUES</b>	<u>917,874</u>	<u>1,136,229</u>	<u>803,849</u>	<u>(332,380)</u>
<b>EXPENDITURES</b>				
Current Operating:				
Salaries	445,903	445,903	441,784	4,119
Employee benefits and payroll taxes	292,128	292,128	291,049	1,079
Direct grant expenses	60,000	60,000	36,980	23,020
Space, utilities and occupancy costs	33,000	33,000	33,994	(994)
Software licensing	12,000	12,000	13,324	(1,324)
Commissioner's expense	10,000	10,000	10,015	(15)
Equipment rental, maintenance and use	8,000	8,000	8,071	(71)
Depreciation	5,000	5,000	8,026	(3,026)
Auditing	7,000	7,000	6,900	100
Telephone	8,000	8,000	6,358	1,642
Insurance and bonding	5,000	5,000	5,761	(761)
Consumable supplies	7,000	7,000	5,497	1,503
Bad debt	-	-	5,000	(5,000)
Membership fees and dues	3,050	3,050	3,105	(55)
Auto operations and maintenance	5,000	5,000	1,912	3,088
Contractual staff	5,000	5,000	1,815	3,185
Printing	1,500	2,000	1,663	337
Postage and freight	3,000	3,000	1,559	1,441
Public relations	500	1,000	875	125
Training, seminars, workshops and conferences	500	500	589	(89)
Officer's expense/stipend	500	500	500	-
Publications and subscriptions	1,500	1,500	388	1,112
Travel	500	500	17	483
Legal fees	2,000	2,000	-	2,000
<b>TOTAL EXPENDITURES</b>	<u>916,081</u>	<u>917,081</u>	<u>885,182</u>	<u>31,899</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ 1,793</u>	<u>\$ 219,148</u>	<u>(81,333)</u>	<u>\$ (300,481)</u>
NET POSITION - Beginning of year			227,290	
GASB 68 pension adjustment			<u>82,913</u>	
<b>NET POSITION - End of year</b>			<u>\$ 228,870</u>	

**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2019**

	<b>Balance Beginning of Year</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance End of Year</b>
<b>GO VIRGINIA REGIONAL COUNCIL 3</b>				
<b>ASSETS</b>				
Cash and cash equivalents	<u>\$ 119,455</u>	<u>\$ -</u>	<u>\$ 99,378</u>	<u>\$ 20,077</u>
<b>LIABILITIES</b>				
Amount held for others	<u>\$ 119,455</u>	<u>\$ -</u>	<u>\$ 99,378</u>	<u>\$ 20,077</u>

**Dunham, Aukamp & Rhodes, PLC**  
*Certified Public Accountants*

4437 Brookfield Corporate Dr., Suite 205-D  
Chantilly, VA 20151

**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 Commissioners  
Southside Planning District Commission:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the fiduciary activities, and the aggregate remaining fund information of Southside Planning District Commission as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Southside Planning District Commission's basic financial statements, and have issued our report thereon dated January 3, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Southside Planning District Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in 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 Southside Planning District Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Southside Planning District Commission'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 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 over financial reporting was for the limited purpose described in the preceding paragraph 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 material deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

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

## 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.



Certified Public Accountants  
Chantilly, Virginia

January 3, 2020

# SOUTHSIDE PLANNING DISTRICT COMMISSION

## SCHEDULE OF CHANGES IN THE COMMISSION'S NET PENSION LIABILITY AND RELATED RATIOS

	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>					
Service Cost	\$ 38,098	\$ 45,474	\$ 42,499	\$ 46,077	\$ 45,495
Interest on total pension liability	234,461	228,653	221,928	212,995	202,971
Differences between expected and actual experience	(8,475)	(63,621)	(57,581)	(24,561)	-
Changes in assumptions	-	752	-	-	-
Benefit payments, including refunds of employee contributions	(142,751)	(113,803)	(107,753)	(106,035)	(104,509)
Net change in total pension liability	121,333	97,455	99,093	128,476	143,957
<b>Total pension liability - beginning</b>	3,420,823	3,323,368	3,224,275	3,095,799	2,951,842
<b>Total pension liability - ending (a)</b>	<u>\$ 3,542,156</u>	<u>\$ 3,420,823</u>	<u>\$ 3,323,368</u>	<u>\$ 3,224,275</u>	<u>\$ 3,095,799</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 74,691	\$ 73,194	\$ 74,782	\$ 77,575	\$ 75,698
Contributions - employee	24,463	24,077	23,986	24,867	25,300
Net investment income	189,197	282,851	40,085	100,931	300,098
Benefits payments, including refunds of employee contributions	(142,751)	(113,803)	(107,753)	(106,035)	(104,509)
Administrative expense	(1,635)	(1,617)	(1,411)	(1,364)	(1,606)
Other	(388)	(529)	(17)	(21)	16
Net change in plan fiduciary net position	143,577	264,173	29,672	95,953	294,997
<b>Plan fiduciary net position - beginning</b>	2,581,898	2,317,725	2,288,053	2,192,100	1,897,103
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 2,725,475</u>	<u>\$ 2,581,898</u>	<u>\$ 2,317,725</u>	<u>\$ 2,288,053</u>	<u>\$ 2,192,100</u>
<b>Commission's Net Pension Liability - Ending (a)-(b)</b>	<u>\$ 816,681</u>	<u>\$ 838,925</u>	<u>\$ 1,005,643</u>	<u>\$ 936,222</u>	<u>\$ 903,699</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	76.94%	75.48%	69.74%	70.96%	70.81%
<b>Covered - employee payroll</b>	\$ 521,305	\$ 452,931	\$ 476,610	\$ 468,800	\$ 501,200
<b>Commission's net pension liability as percentage of covered-employee payroll</b>	156.66%	185.22%	211.00%	199.71%	180.31%

**SOUTHSIDE PLANNING DISTRICT COMMISSION**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FOR THE YEARS ENDED JUNE 30, 2010 THROUGH 2019**

<u>Date</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2019	\$ 80,859	\$ 82,504	\$ (1,645)	\$ 535,848	15.40%
2018	\$ 79,238	\$ 75,308	\$ 3,930	\$ 521,305	14.45%
2017	\$ 68,846	\$ 73,354	\$ (4,508)	\$ 452,931	16.20%
2016	\$ 74,589	\$ 75,067	\$ (478)	\$ 476,610	15.75%
2015	\$ 73,367	\$ 77,835	\$ (4,468)	\$ 468,800	16.60%
2014	\$ 75,230	\$ 75,698	\$ (468)	\$ 501,200	15.10%
2013	\$ 77,992	\$ 77,792	\$ 200	\$ 519,600	14.97%
2012	\$ 79,730	\$ 78,934	\$ 796	\$ 476,000	16.58%
2011	\$ 78,390	\$ 83,192	\$ (4,802)	\$ 468,000	17.78%
2010	\$ 79,307	\$ 75,655	\$ 3,652	\$ 581,000	13.02%

## SOUTHSIDE PLANNING DISTRICT COMMISSION

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2019

#### NOTE 1 – Change of Benefit Terms

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

#### NOTE 2 – Changes of Assumptions

The following changes in actuarial assumptions were made effective June 30, 2016 based on the most recent experience study of the System for the four-year period ending June 30, 2016:

Largest 10 – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 20%

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 15%

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Ralph S. Northam  
Governor

R. Brian Ball  
Secretary of  
Commerce and Trade

# COMMONWEALTH of VIRGINIA

Erik C. Johnston  
Director

## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 13, 2020

### **MEMORANDUM**

**TO:** Executive Directors, Virginia Planning District Commissions

**FROM:** Tamarah Holmes, Ph.D., Associate Director

**SUBJECT:** 2020 Virginia CDBG Program Regional Priorities

The Department of Housing and Community Development is requesting that each Planning District Commission provide DHCD with the following two items by **Friday, March 20, 2020**:

**A prioritized list of the CDBG Project Types and Activity Categories.**

Using the *List of Project Types / Activity Categories and Ranking Worksheet* enclosed, rank the five project types in one of three priority groups. Proposals for projects in the highest priority group will receive 50 points. Those with projects in the middle priority group will receive 30 points and proposals for projects in the lowest priority group will receive 15 points.

**A list of CDBG proposals expected to originate in your District in 2020.**

Develop a list of the Competitive Grant (Community Improvement Grant) proposals which may be submitted from the Planning District in 2020. Include the locality name, project name, and project type.

Thank you in advance for your attention. These two items will assist us in our evaluation of 2020 project applications. Should you have any questions, please call Rachel Jordan, Policy Analyst at [rachel.jordan@dhcd.virginia.gov](mailto:rachel.jordan@dhcd.virginia.gov).

**2020 Virginia Community Development Block Grant Program  
Regional Priorities**

*List of Project Types / Activity Categories and Ranking Worksheet*

**Project Types / Activity Categories**

The following five items must be ranked in one of the three priority groups below. **Please check no more than 3 per priority group:**

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**Ranking Worksheet**

**Planning District Commission:**     Southside PDC

Priority (1 is highest, 3 is lowest)

#1	#2	#3	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Comprehensive Community Development
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Economic Development – Business District Revitalization
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Housing – Housing Rehabilitation
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Community Facility (Including Housing Production)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Community Service Facility

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**Expected 2020 CDBG Applications:**

**CDBG – Brunswick County Chestnut Road Project Scattered Site Housing Rehab.**

**CDBG – LaCrosse Pine Street Community Project Phase 2 - Comprehensive**

**PG – South Boston North Main Street Project – Comprehensive**

**PG – South Hill 4<sup>th</sup> and 5<sup>th</sup> Avenue Project – Comprehensive**

**PG – Chase City B Street Project - Comprehensive**

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## **2045 Rural Long-Range Transportation Plan**

As part of the contractual work program between the SPDC and VDOT, one of the major projects we are tasked with is updating the Rural Long-Range Transportation Plan (RLRTP) for the region every few years. The plan is designed to evaluate the existing transportation network and provide recommendations to address current and future needs. While numerous transportation modes are profiled in the plan, its main focus is roads. The recommendations in the Plan are the result of input from our localities, VDOT, the public, and the RLRTP adopted in 2011.

As part of the update process VDOT required road recommendations to be scored and ranked using a prioritization matrix that they provided. The purpose behind this is to better identify the transportation projects that are best positioned to receive support and funding from the Commonwealth Transportation Board, particularly through the Smart Scale funding program. The prioritization matrix takes many factors into account when scoring the recommendations, including, but not limited to: traffic counts, crashes, capacity issues, length in miles of the project, economic factors, environmental issues, and if other modes of transportation (bicycles, pedestrians, etc.) are part of the recommendation. The Plan contains the top 10 transportation recommendations across the region and ranks all the proposed recommendations within each county.

Because the prioritization matrix is designed to score and rank only road projects we needed to find a way to represent the other transportation projects that localities are interested in pursuing. This could include sidewalks, trails, or new roads for which no traffic data currently exists. For those projects we created a new section in the RLRTP referred to as Vision Projects. These projects are simply listed by locality and are in no particular order. We hope that by identifying them in a regional plan, it will help those projects score better during future grant cycles, such as the Transportation Alternatives Set-Aside program.

Attached you will find the final version of the 2045 RLRTP. A public meeting for this plan was previously held on January 2, 2020. The SPDC's Transportation Technical Advisory Board met on January 15th and they voted to recommend the 2045 RLRTP be adopted by the SPDC at their quarterly meeting on January 23rd.



## RESOLUTION

**WHEREAS**, the Southside Planning District Commission has participated in the development of the 2045 Rural Long Range Transportation Plan as directed under the FY20 Work Program for Rural Transportation Planning.

**WHEREAS**, the Southside Planning District Commission hosted a public hearing on the 2045 Rural Long Range Transportation Plan.

**WHEREAS**, the Southside Planning District Commission has reviewed the 2045 Rural Long Range Transportation Plan and concurs with the proposed elements.

**NOW THEREFORE BE IT RESOLVED** that the Southside Planning District Commission approves the 2045 Rural Long Range Transportation Plan.

1/23/20

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Adopted

A handwritten signature in black ink that reads "Kim Callis".

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Kim Callis  
Chairman

**Southside PDC CEDS Community Input Session**  
**December 17, 2019**  
**11:30 am -1:30 pm**

A total of 28 persons attended with representation from private industry, educational institutions, healthcare facilities, workforce development centers, economic development offices, and local government entities. The Berkley Group, represented by 4 staff persons, facilitated the event.

The Community Input Session was held at the Southside Planning District Commission. Participants signed in and were served lunch. Deborah Gosney and Kim Callis welcomed everyone and introduced The Berkley Group. The Berkley Group delivered a Power Point presentation on the Comprehensive Economic Development Strategy (CEDs) for our region. Following the Power Point presentation, participants were directed to break into small groups to perform a SWOT exercise. Each of the groups were provided a questionnaire to be completed, and each group chose a spokesperson to report out their responses. The questionnaires were collected by PDC Staff for compilation and inclusion in the CEDs.

Deborah thanked everyone for attending, and the meeting was adjourned.

The SWOT Analysis Summary Report is attached.

ATTENDANCE LOG  
 Southside PDC CEDS Community Input Session  
 December 17, 2019

	A	B	C	D	E
	Name	Locality	Affiliation	Email	
1	Wendy Wright	Brunswick County	Brunswick Chamber	<a href="mailto:brunschamber@lawrencevilleweb.com">brunschamber@lawrencevilleweb.com</a>	
2	Tracey Rogers	Brunswick County	Brunswick Co. Public Schools	<a href="mailto:rogerst@brunswickcps.org">rogerst@brunswickcps.org</a>	
3	Carthan Currin, III	Brunswick County	Economic Director	<a href="mailto:ccurrin@brunswickco.com">ccurrin@brunswickco.com</a>	
4	Bernard L. Jones, Sr.	Brunswick County	BOS/CEDS Committee	<a href="mailto:bljsr.bjs@gmail.com">bljsr.bjs@gmail.com</a>	
5	Hope Cole	Town of South Boston	Town	<a href="mailto:hcole@southbostonva.us">hcole@southbostonva.us</a>	
6	Jeremy Satterfield	Halifax	Microsoft	<a href="mailto:jeremy.satterfield@microsoft.com">jeremy.satterfield@microsoft.com</a>	
7	Mitzi McCormick	Halifax	Chamber	<a href="mailto:mitzi@halifaxchamber.net">mitzi@halifaxchamber.net</a>	
8	Stanley Brandon	Halifax	BOS	<a href="mailto:sb@co.halifax.va.us">sb@co.halifax.va.us</a>	
9	Jerry Lovelace	Halifax	SSPDC Committee	<a href="mailto:jlovelace@embargmail.com">jlovelace@embargmail.com</a>	
10	Brian Brown	Halifax	HC IDA	<a href="mailto:bbrown@halifaxvirginia.com">bbrown@halifaxvirginia.com</a>	
11	Nancy Pool	Halifax	Go VA	<a href="mailto:delpool@comcast.net">delpool@comcast.net</a>	
12	Tom Raab	Town of South Boston	Town Manager	<a href="mailto:traab@southbostonva.us">traab@southbostonva.us</a>	
13	Lauren Mathena	Halifax/ Mecklenburg	MBC	<a href="mailto:lauren.mathena@mbc-va.com">lauren.mathena@mbc-va.com</a>	
14	John Lee	Mecklenburg	Mecklenburg Electric	<a href="mailto:jlee@meckelec.org">jlee@meckelec.org</a>	
15	Tina Morgan	Mecklenburg	Mecklenburg Tourism	<a href="mailto:tina.morgan@mecklenburgva.com">tina.morgan@mecklenburgva.com</a>	
16	Paul Nichols	Mecklenburg	School System	<a href="mailto:pnichols@mcpsweb.org">pnichols@mcpsweb.org</a>	
17	Wayne Carter	Mecklenburg	County Administrator	<a href="mailto:wayne.carter@mecklenburgva.com">wayne.carter@mecklenburgva.com</a>	
18	Angie Kellett	Mecklenburg	Economic Development	<a href="mailto:Angie.Kellett@mecklenburgva.com">Angie.Kellett@mecklenburgva.com</a>	
19	Brently Morris	South Hill	Economic Development	<a href="mailto:bmorris@southhillva.org">bmorris@southhillva.org</a>	
20	Kim Callis	South Hill	Town Manager	<a href="mailto:kcallis@southhillva.org">kcallis@southhillva.org</a>	
21	A Todd Howell	South Hill	CMH.VCU	<a href="mailto:todd.howell@vcuhealth.org">todd.howell@vcuhealth.org</a>	
22	Kelly Arnold	ALL	SVCC	<a href="mailto:kelly.arnold@southsidepdc.edu">kelly.arnold@southsidepdc.edu</a>	
23	Chad Neese	SPDC	GIS Planner	<a href="mailto:cneese@southsidepdc.org">cneese@southsidepdc.org</a>	
24	Ashleigh Zinconne	SPDC	SPDC	<a href="mailto:azincone@southsidepdc.org">azincone@southsidepdc.org</a>	
25	Lisa McGee	SPDC	SPDC	<a href="mailto:lmcgee@southsidepdc.org">lmcgee@southsidepdc.org</a>	
26	Andrea Judd	SPDC	SPDC	<a href="mailto:ajudd@southsidepdc.org">ajudd@southsidepdc.org</a>	
27	Sangi Cooper	SPDC	SPDC	<a href="mailto:scooper@southsidepdc.org">scooper@southsidepdc.org</a>	
28	Megan Foster	SPDC	SPDC	<a href="mailto:mfoster@southsidepdc.org">mfoster@southsidepdc.org</a>	
29	Deborah Gosney	SPDC	SPDC	<a href="mailto:dgosney@southsidepdc.org">dgosney@southsidepdc.org</a>	
30					

SWOT ANALYSIS SUMMARY REPORT

QUESTIONS

What are the top economic strengths of the region? List them in order of importance. Add any additional comments.	What are the main economic challenges for the region? List them in order of importance. Add additional comments.	What are the existing and desired industries of the region? List them in order of importance. Add additional comments.	LAND Review the goals from the 2015 CEDS. 1) To what degree has the region met these goals? 2) Would you include any additional strategies to meet	People Review the goals from the 2015 CEDS. To what degree has the region met these goals? Would you include any additional strategies to meet	Capital Review the goals from the 2015 CEDS. To what degree has the region met these goals? Would you include any additional strategies to meet	What other economic goals would you set for the region? Add additional comments.
<p>1) Highway system in all four directions with access to the Port of Richmond and Port of Virginia</p> <p>2) Digital Infrastructure to Middle Mile</p> <p>3) Outdoor Recreation</p> <p>4) Cost of doing business</p> <p>5) Workforce Training Infrastructure</p> <p>Comments: Ease to development and partnerships with local officials is a plus.</p>	<p>1) K-12 Education/ Number of skilled workers.</p> <p>2) Rural Broadband (Last Mile)</p> <p>3) Transportation system for the Rural Areas-no bus system, taxis or Uber</p> <p>4) Access to Childcare</p> <p>5) Loss of young professionals-Brain Drain</p>	<p>Existing Industries:</p> <p>1) Technology based-Microsoff, MBC</p> <p>2) Healthcare: Centera, VCU</p> <p>3) Advanced Manufacturing-ABB, Huber</p> <p>Desired Industries:</p> <p>1) Technology</p> <p>2) Healthcare</p> <p>3) Advanced Manufacturing</p> <p>4) Agribusiness</p> <p>Comments:Should also look at growing education sector as well as small business sector and Entrepreneurship.</p>	<p>1) Somewhat Met</p> <p>2) a. We need to develop stronger programs for last mile</p> <p>b. We need to build redundancy for data and utilities.</p>	<p>1) Met</p> <p>2) a. Still strong gaps in Healthcare.</p> <p>b. Bring in businesses to meet by sector.</p> <p>c. Reach out to people- Social Media Campaign (look at Shenandoah Valley In-Demand Jobs Program)</p>	<p>1) Did Not Meet</p> <p>2) a. Develop projects around Opportunity Zones.</p> <p>b. Need to develop a checklist for all grant opportunities and partner resources.</p> <p>c. Continue to coordinate with all partners. (Tobacco Commission, Rural Development, Department of Labor, VDOT, DEQ, DHCD and others)</p>	<p>Stronger Access to waterways and tie together recreational amenities.</p>
<p>1) Cost to do business-land cost and tax structure</p> <p>2) Business friendly</p> <p>3) Workforce/ Training opportunities</p> <p>4) Diverse Region</p>	<p>1) Broadband Access</p> <p>2) Skilled Workforce</p> <p>3) Attraction and Retention of young professionals</p> <p>4) Local and State elected leadership</p> <p>5) Public Transportation</p>	<p>Existing Industries:</p> <p>1) Agriculture and Forestry</p> <p>2) Healthcare</p> <p>3) Manufacturing/ Logistics/ Distribution</p> <p>Desired Industries:</p> <p>1) Advanced Manufacturing</p> <p>2) Technology</p> <p>3) Wood Product Development</p> <p>Comments: Expanded Apprenticeship Program</p>	<p>1) Somewhat Met</p> <p>2) Leadership Development</p>	<p>1) Somewhat Met</p> <p>2) a. Expand "Go Tec" throughout the region</p> <p>b. Expand Apprenticeship Program</p> <p>c. Leadership Development</p>	<p>1) Somewhat Met</p> <p>2) Regional Grant Writer Program</p>	<p>1) More Collaboration</p> <p>2) Expand and enhance regional programs</p>

Group 1

Group 2

SWOT ANALYSIS SUMMARY REPORT

<p>1) Location- I-85 /95, Hwy 58, Central to Raleigh and Richmond, mountains and beach. Can have rural living but convenient to metropolitan areas.</p> <p>2) Recreational Assets- Lakes (Kerr and Gaston), Rivers Lake Phenix, Rails to Trails, and State Parks</p> <p>3) Plenty of open land/natural resources</p> <p>4) History-Historical/Cultural Tourism- Ancestry hotspot, civil war/ civil rights trail.</p> <p>5) Potential of building new high schools- Mecklenburg/Halifax</p>	<p>1) Education-Retention of teachers and graduates, and programmatic alignment, and workforce development.</p> <p>2) Broadband- Lack of last mile connection</p> <p>3) Marketing -Synchronize and have the same message and increase awareness of region as a whole</p> <p>4) Lack of high paying jobs</p> <p>5) Lack of Local Investment in public facilities ( parks , ballfields, outdoor recreations, beautification/ Poverty level (Homelessness)</p> <p>Additional Comments: Brunswick County only has lack of accommodations (hotels)</p>	<p>Existing Industries:</p> <p>1) Microsoft/Technology</p> <p>2) Timber / Forestry</p> <p>3) Distribution / Manufacturing</p> <p>Desired Industries:</p> <p>1) Technology</p> <p>2) Hemp/Agriculture / Agriculture Processing</p> <p>3) Outdoor Recreation Products</p>	<p>1) Somewhat Met</p> <p>2) a. Broadband</p> <p>b. Pad ready, cleared sites/buildings</p> <p>c. Public Transportation ( uber and lyft)</p> <p>d. Prive Investment- Property owners make improvements</p>	<p>1) Somewhat Met</p> <p>2) a. Improve Workforce Development</p> <p>b. More certification programs.</p> <p>c. Grant Incentivos (Local/ State, community, business launch)</p>	<p>1) Somewhat Met</p> <p>2) a. Private investors can tap into brownfield incentives</p> <p>b. Utilize opportunity zones better</p> <p>c. Invest more in recreational amenities</p> <p>d. Invest in site cleaning/ pool readiness</p>	<p>1) People- Promote internships for high school students which help identify local business opportunities that will generate graduate retention.</p>
<p>1) Low tax rates/ low operating cost, cost of business</p> <p>2) Education/ workforce training</p> <p>3) Infrastructure- Water, Sewer, Fiber, Rail</p> <p>4) Geographic Location</p> <p>5) Healthcare</p>	<p>1) Workforce- Available Dependable/Skilled Force</p> <p>2) School System- K-12 teachers, new schools</p> <p>3) Lack of Broadband</p> <p>4) Lack of Capital and Entrepreneurs</p> <p>5) Perception of rural areas</p>	<p>Important Existing Industries and Desired Industries are combined for this group.</p> <p>1) Clean and Responsible Advanced Manufacturers</p> <p>2) Data Centers</p> <p>3) Forestry Log Industries</p> <p>4) Retail</p> <p>5) More Cultural Opportunities</p>	<p>Rearrange Goals:</p> <p>1) People</p> <p>2) Capital</p> <p>3) Land</p> <p>Land</p> <p>1) Met</p>	<p>People</p> <p>1) Somewhat Exceeded</p> <p>2) a. Continue to invest in workforce training</p> <p>b. Work based learning- investment</p>	<p>Capital</p> <p>1) Somewhat Met</p> <p>2) Continue to seek capital for start-up companies.</p>	<p>1) Stop selling for less</p> <p>2) Be Less dependabla on State/Federabi finding</p> <p>3) Keep our youth at home</p> <p>4) Telecommute</p> <p>5) Affordable Housing- Middle class workers</p>

Group 3

Group 4



# Southside Planning District Commission: Comprehensive Economic Development Strategy (CEDS)

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**Regional Economic Strategy Input Session  
Tuesday, December 17, 2019  
11:30 AM – 1:30 PM**

**200 S. Mecklenburg Ave. South Hill, VA 23970**

*The purpose of a CEDS is to bring together public and private sectors in building a roadmap with a strategy-driven focus to diversify and strengthen the region's economy.*

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## AGENDA

- I. Welcome & Introductions
- II. CEDS Overview
  - a. What is a CEDS?
  - b. Project Schedule
  - c. Mandatory Elements of a CEDS
    - i. Summary Background
    - ii. SWOT (Strengths-Weaknesses-Opportunities-Threats) Analysis
    - iii. Strategic Direction/Action Plan
    - iv. Evaluation Framework
- III. SWOT Exercise – break out into small groups and report out
- IV. Discussion
- V. Next Steps
- VI. Adjourn by 1:30 PM

