

**SOUTHSIDE PLANNING
DISTRICT COMMISSION
MEETING PACKET**

January 30, 2025



TO: Southside PDC Commissioners
FROM: Deborah Gosney, Executive Director
DATE: January 14, 2025
SUBJECT: Meeting Overview

Happy New Year to all. The January meeting is virtual via Zoom, however, we encourage you to attend in person and enjoy lunch with staff and your fellow Commissioners.

David Lipscomb with EMPOWER Broadband will provide an update on the SPDC Regional Fiber Broadband Project. This update is provided annually at the January meeting and will continue through project completion. The PDC is the recipient of millions of dollars of grant funds, thus the need to keep you, the Commissioners, updated on project outcomes.

PDC Staff Chad Neese, Senior Planner/GIS Specialist, will present an update of the work being done on the CEDS five-year update currently underway. PDC Staff Andy Wells, Director of Local Services, will present an overview of a few services currently being offered to our communities. PDC Staff Erika Tanner, Community Planner II, will provide an overview of the upcoming Southside PDC Housing Summit. The Executive Director's Report is included in the meeting package.

Other agenda items include the review and acceptance of the FY24 Audit

I look forward to seeing all of you on the 30th.

AGENDA



QUARTERLY COMMISSION MEETING

DATE & TIME: January 30, 2025
12:00 p.m. – 2:00 p.m.

LOCATION: 200 South Mecklenburg Ave.
South Hill, VA

VIRTUAL ACCESS:
ZOOM LINK: <https://tinyurl.com/yfcekv9k>
MEETING ID: 3390115898
PASSCODE: 202011
PHONE: 1-646-931-3860

AGENDA

1. CALL TO ORDERChair Tanner
 - Roll Call and Recognition of Guest Executive Director Gosney
 - Public Comment PeriodChair Tanner
2. CONSENT AGENDAChair Tanner
 - ~ Motion to Approve
 - Meeting Agenda
 - Annual Meeting Minutes October - 10, 2024
 - Nominating Committee Minutes - April 25, 2024
 - Treasurer's Report - December 31, 2024
3. BUDGET UPDATELeslie Kubasek, SPDC Staff
4. FY24 AUDIT Executive Director Gosney
 - ~ Motion to Accept
5. GUEST SPEAKER – Regional Fiber Broadband Update.....David Lipscomb, EMPOWER
6. LOCAL GOVERNMENT SERVICESAndy Wells, SPDC Staff
7. HOUSING SUMMIT OVERVIEWErika Tanner, SPDC Staff
8. CEDS 5-YEAR UPDATEChad Neese, SPDC Staff
9. DIRECTOR'S REPORT Executive Director Gosney
10. OTHER BUSINESSChair Tanner
11. ADJOURNMENTChair Tanner

The Southside Planning District Commission will make reasonable accommodations and services necessary for sensory-impaired and citizens with disabilities to attend this meeting. Additionally, translation services may be offered upon request and availability. Persons requiring such accommodations/services should contact Chad Neese at least seven business days in advance of the meeting. Written comments may be mailed to Southside Planning District Commission. ATTN: Chad Neese, 200 S. Mecklenburg Ave., South Hill, VA 23970. Comments may also be submitted by phone at 434-447-7101, extension 211, or by email at cneese@southsidepdc.org.

MINUTES

SOUTHSIDE PLANNING DISTRICT COMMISSION
Annual Dinner Meeting
October 10, 2024

Southside PDC Chair Tom Tanner welcomed everyone to the Southside PDC Annual Dinner Meeting, held at the Dogwood in South Hill, Virginia, on October 10, 2024. Chair Tanner thanked Mecklenburg County/South Hill for hosting this year's meeting and introduced Keli Reekes, South Hill Town Manager, and Alex Gottschalk, Mecklenburg County Administrator, who provided welcoming comments to the group.

Deborah Gosney, Executive Director of Southside PDC, recognized special guests and sponsors of the Annual Dinner Meeting. Executive Director Gosney thanked PDC Commissioners and sponsors for their continued support of the organization. Recognition was given to the CEDS Committee and past PDC Executive Directors.

RECOGNITION OF SPECIAL GUESTS/SPONSORS

The following guests were recognized for their committed work and dedication to serving our communities:

- Senator Tammy Mulchi- Virginia Senate
- Delegate Tommy Wright- Virginia House of Delegates
- Laurette Tucker- Area Director, USDA Rural Development
- Perry Hickman- Virginia State Director, USDA Rural Development
- Bill Curtis- Assistant Director, DHCD
- Lisa Tharpe- Sr. Destination Development Manager, VA Department of Tourism

The following sponsors were recognized for their partnerships and contributions:

- B & B Consultants, Inc.
- Dewberry
- EMPOWER Broadband, Inc.
- First Citizens Bank
- Letterpress Communications
- MBC
- Mecklenburg Electric Cooperative
- SERCAP, Inc.
- Southside Outreach Group
- Timmons Group

INVOCATION

Claudia Lundy, Mecklenburg County Board of Supervisors and Southside PDC Commissioner delivered the invocation.

CALL TO ORDER

Chair Tanner called the meeting to order.

ROLL CALL

Executive Director Gosney called the roll. With 14 Commissioners being present, a quorum was met for this meeting. The full list of Annual Dinner Meeting attendees is attached.

Brunswick County	Present	Absent
Dr. Alfonzo Seward	X	
Leslie Weddington -Treasurer	X	
Dr. Barabara Jarrett-Harris		X
Halifax County		
Stanley Brandon		X
William Claiborne		X
Jerry Lovelace	X	
Keith McDowell	X	
Scott Simpson	X	
Mecklenburg County		
Joe Cappaert	X	
Charlie Simmons	X	
Kirk Gravitt	X	
Claudia Lundy	X	
Tom Tanner - Chair	X	
South Boston		
Joseph Chandler	X	
George Leonard – Vice Chair	X	
South Hill		
Kim Callis	X	
Lillie Feggins-Boone	X	
TOTAL	14	3

CONSENT AGENDA

The Commissioners received their respective meeting packets prior to the meeting. The meeting packet contained the agenda, minutes from the previous Commissioner meeting dated July 25, 2024, and the Financial Report period ending September 30, 2024. The Commissioners were asked if any of the Consent Agenda items needed to be moved to regular discussion items. Hearing none, the Consent Agenda items were recommended for approval. UPON MOTION BY LESLIE WEDDINGTON, SECONDED BY GEORGE LEONARD, THE CONSENT AGENDA WAS UNANIMOUSLY APPROVED AS PRESENTED.

RECOGNITION OF STAFF

Executive Director Gosney recognized PDC staff by title and length of service.

SPDC STAFF	
Ashleigh Zincone - Senior Community Planner	26 years
Andy Wells- Director of Local Gov't Services	21 years
Sangi Cooper - Senior Community Planner	14 years
Chad Neese - Senior Planner/GIS Specialist	7 years
Erika Tanner - Community Planner I	4 years
Magen Long - Administrative Assistant	1 year
Leslie Kubasek- Finance Director/HR	1 year
Ann Taylor Wright - CTW Consulting LLC - Contract Staff	5 years

GUEST SPEAKER

Chair Tom Tanner introduced speaker William "Bill" Leighty and his message on "**Capitol Secrets: Leadership Wisdom from a Life of Public Service.**" Mr. Leighty served as Chief of Staff to Governors Warner and Kaine of Virginia. As Chief of Staff, Bill essentially served as the Chief Operating Officer of the Commonwealth. In 2005 and again in 2007, Governing Magazine named Virginia the Best Managed State in the Nation." In 2007, Governing Magazine named Bill one of the nine Public Officials of the Year nationally. Bill was the Director of the Virginia Retirement System for seven years, which led the agency to three consecutive US Senate Productivity Awards.

Upon retirement, Bill joined DecideSmart LLC consulting. In April 2008, he served as Senior Advisor to the Scottish Executive, advising the government on designing and implementing Scotland Performs, a national performance management system. In July 2008, Bill conducted a performance review of the United Nations Joint Staff Pension Fund, a \$52 billion pension system. In 2011, at the request of the National Governors Association, Bill led a five-person delegation to Nigeria to conduct a "new governors" seminar for newly elected governors. In 2014, Bill completed a manual on transition into office for the National Governors Association. Bill published *Capitol Secrets*, a book detailing his four decades of public service, including his service to twelve Virginia Governors, six Republicans and six Democrats. Bill serves as a senior strategic advisor to the Dean at the L Douglas Wilder School of Government and Public Affairs at Virginia Commonwealth University.

CLOSING COMMENTS AND ADJOURNMENT

In closing, Chair Tanner thanked Mr. Leighty for his interesting and informative presentation. Additionally, he thanked Mecklenburg County and the Town of South Hill for hosting the Annual Dinner Meeting and 313 Franklin for providing the meal.

The meeting adjourned at 8:30 p.m.

Tom Tanner, Chair



Deborah Gosney, Secretary

Annual Dinner Meeting Attendees October 10, 2024

Tom	Tanner	SPDC Commissioner (Chair)
George	Leonard	SPDC Commissioner (Vice Chair)
Leslie	Weddington	SPDC Commissioner (Treasurer)
Scott	Simpson	SPDC Commissioner
Kirk	Gravitt	SPDC Commissioner
Kim	Callis	SPDC Commissioner
Joe	Cappaert	SPDC Commissioner
Alfonzo	Seward	SPDC Commissioner
Taleisha	Seward	Guest
Jerry	Lovelace	SPDC Commissioner
Claudia	Lundy	SPSC Commissioner
Joseph	Chandler	SPDC Commissioner
Lillie	Feggins-Boone	SPDC Commissioner
Charlie	Simmons	SPDC Commissioner
Keith	McDowell	SPDC Commissioner
Daughter	McDowell	Guest
Deborah	Gosney	SPDC Executive Director
Andy	Wells	SPDC Director of Local Services
Leah	Wells	Guest
Magen	Long	SPDC Administrative Assistant
Ashleigh	Zincone	SPDC Senior Community Planner
Scott	Zincone	Guest
Chad	Neese	SPDC Senior Planner/GIS Specialist
Emily	Zincone	Guest
Leslie	Kubasek	SPDC Director of Finance/HR
Chuck	Kubasek	Guest
Erika	Tanner	SPDC Community Planner II
Dustin	Tanner	Guest
Sangi	Cooper	SPDC Senior Community Planner
Edward	Cooper	Guest
Alex	Gottschalk	Mecklenburg County Administrator
Keli	Reekes	South Hill Town Manager
Brentley	Morris	South Hill Business Development Manager
Tina	Morgan	Mecklenburg County Tourism Coordinator
Judy	Sheffield	Mecklenburg County Assistant County Administrator
James	Jennings	Mecklenburg County Board of Supervisors
Mike	Moody	South Hill Town Council
Sandra	Tanner	South Hill Chamber of Commerce Executive Director
Reggie	Owens	Brunswick County Board of Supervisors
Matt	Candland	South Boston Town Manager
Mayor Robert	Hayes	Alberta Town Mayor
Elizabeth	Crowder	Alberta Town Clerk
Dusty	Forbes	Chase City Town Manager
Dennis	Whitt	Halifax County Board Of Supervisors
Senator Tammy	Mulchi	Virginia Senate
Delegate Tommy	Wright	Virginia House of Delegates
Dr. Quentin	Johnson	SVCC President
Jamie	Jones	SVCC Institutional Advancement Executive Director

Annual Dinner Meeting October 10, 1024

Earl	Howerton	Southside Outreach Group Executive Director
Tameka	Vaden	HUD Housing Counselor/ Program Administrator
Brian	Brown	SERCAP Business Development Manager
Kim	Martin	Lawrenceville Special Projects Coordinator
Perry	Hickman	USDA Rural Development State Director
Laurette	Tucker	USDA – Rural Development Community Program Director
Gail	Moody	SPDC Past Executive Director
Andy	Moody	Guest
Joyce	French	SPDC Past Executive Director
Dwayne	Long	EMPOWER Chief Technical Officer
Tab	Deriso	MBC President & CEO
Emily	Deriso	Guest
Priscilla	Whirley	MEC and EMPOWER Manager of Communications and Marketing
David	Lipscomb	MEC VP Member and Energy Services
Tammy	Lipscomb	Guest
Amanda	Svard	First Citizens Bank Financial Sales Manager
Randy	Jones	B&B Consultants Civil Engineer & Project Manager
Sheldon	Barr	VCU Health CMH President
Chad	Patton	SVCC Dean of Career and Occupational Technology
Bill	Curtis	DHCD Assistant Director
Linda	Green	Southside VA Regional Alliance Economic Development Director
Lisa	Tharpe	Virginia Corp. Sr. Destination Development Manager
Joe	Hines	Timmons Group Economic Development Practice
Bryan	David	GOVA Region 3 Program Director
David	Denny	Virginia's Growth Alliance Executive Director
Hope	Cole	South Boston Planner/Zoning
Kaden	Gravitt	Delegate Wright's Assistant
Randy	Jones	B&B Consultants Project Manager

NOMINATING COMMITTEE

SOUTHSIDE PLANNING DISTRICT COMMISSION
Nominating Committee Meeting
April 25, 2024

A Nominating Committee Meeting of the Southside Planning District Commission (SPDC) was held on April 25, 2024, at the Commission's Conference Room, 200 South Mecklenburg Avenue, South Hill, Virginia.

CALL TO ORDER

Chair Tom Tanner called the meeting to order at 11:34 a.m. Director Gosney called the roll. With a total of four (4) Commissioners being present, a quorum was met for this meeting. The Roll Call is as follows:

	Present	Absent
Dr. Alfonzo Seward Brunswick County	X	
Scott Simpson Halifax County	X	
Charlie Simmons Mecklenburg County	X	
Joseph Chandler South Boston	X	
Lillie Feggins-Boone South Hill		X
TOTAL	4	1

Staff in Attendance:

Deborah Gosney, Executive Director
Magen Long, Administrative Assistant

Approval of the Agenda

Scott Simpson, Committee Chair, asked Committee members if there were any additions to the agenda. Hearing none, DR. ALFONSO SEWARD MADE A MOTION THAT THE AGENDA BE APPROVED AS PRESENTED, SECONDED BY JOSEPH CHANDLER, ALL COMMISSIONERS VOTED AFFIRMATIVELY.

APPROVAL OF MEETING MINUTES

Scott Simpson, Committee Chair, advised that the December 13, 2021, meeting minutes be presented to the full Commission Board for approval at the July PDC quarterly meeting as those present were not serving on the nominating committee in 2021.

ELECTION OF OFFICERS

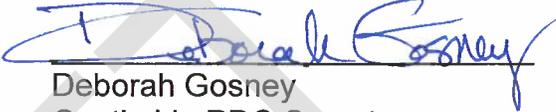
Director Gosney provided a brief overview of the current officers. On January 12, 2023, Tom Tanner was elected to serve the unexpired term of Glanzy Spain as Chair, which ended on January 31, 2024. Mr. Tanner is now eligible to serve two additional two-year

terms on the Commission as Chair. George Leonard's first term as Vice-Chair expired on January 31, 2024; Mr. Leonard is eligible to serve one additional term as Vice-Chair, effective April 2024 to January 31, 2026. DR. ALFONZO SEWARD MADE THE MOTION FOR RECOMMENDATION TO THE FULL COMMISSION THAT THE CURRENT CHAIR AND VICE-CHAIR CONTINUE TO SERVE AN ADDITIONAL TWO-YEAR TERM; THE MOTION WAS SECONDED BY CHARLIE SIMMONS AND UNANIMOUSLY APPROVED.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:39 a.m.

Scott Simpson
Southside PDC Committee Chair



Deborah Gosney
Southside PDC Secretary

DRAFT

TREASURER'S REPORT

SOUTHSIDE PLANNING DISTRICT COMMISSION
REGULAR QUARTERLY MEETING
January 30, 2025

TREASURER'S REPORT

THE DECEMBER 31, 2024 BALANCE SHEET DETAILS THE
FOLLOWING:

ASSETS	\$ 1,918,427.34
LIABILITIES	\$ 1,386,239.64
RETAINED EARNINGS	\$ 405,590.61
NET INCOME	\$ 229,954.72

YEAR-TO-DATE EXPENDITURES FOR THE PERIOD ENDING
DECEMBER 31, 2024 TOTALED \$ 558,260.83 WHICH WAS 48% OF THE
ANNUAL BUDGET. TOTAL EXPENDITURES ARE RIGHT ON TRACK
FOR THE FISCAL YEAR.

SOUTHSIDE PLANNING DISTRICT COMMISSION
PROFIT AND LOSS
December 2024

	FY25 BUDGET	December 2024	December YTD	BALANCE	ADJUSTED NOV YTD	FUNDING AGENCY/SOURCE
REVENUE						
Federal Funding:						
SPDC EDA FY25 Planning Grant	70,000.00	-	17,500.00	52,500.00	17,500.00	DOC-EDA-PG
SPDC Hazards Mitigation Plan Update	85,952.00	-	3,573.24	82,378.76	3,573.24	FEMA
SPDC SCRC LDD Cooperative Agreement	29,000.00	17,843.90	17,843.90	11,156.10	-	SCRC-LDD
SPDC Regional Fiber Broadband Project Pse 1	44,500.00	-	3,250.00	41,250.00	3,250.00	DHCD-VATI
Total Federal Funding	229,452.00	17,843.90	42,167.14	187,284.86	24,323.24	
State Funding:						
SPDC GO VA - FY24 Allocation (Balance Brought Forward)	56,330.92		34,694.10	21,636.82	34,694.10	DHCD-GO VA
SPDC GO VA - FY25 Allocation	27,669.08	5,914.06	5,914.06	21,755.02	-	DHCD-GO VA
SPDC GOVA-GO TEC Virginia 2025 Project	8,000.00	104.92	3,882.04	4,117.96	3,777.12	DHCD-GO VA
SDPC GOVA-P&HCC GO TEC Welding Instructor	809.00		419.68	389.32	419.68	DHCD-GO VA
SDPC GOVA-RISE Build to Scale Project	20,000.00	1,101.66	3,724.66	16,275.34	2,623.00	DHCD-GO VA
SPDC GOVA-Seed Innovation Hub Project	9,274.00	839.36	2,465.62	6,808.38	1,626.26	DHCD-GO VA
SPDC GOVA-SOVA Health Sciences Careers Planning Project	1,000.00		-	1,000.00	-	DHCD-GO VA
SPDC GOVA-SVCC GO TEC Mechatronics Instructor	863.00		472.14	390.86	472.14	DHCD-GO VA
SPDC GOVA-SVRA Regional Site Development Project		996.74	1,783.64	(1,783.64)	786.90	
SPDC GOVA-GO TEC Expansion			314.76	(314.76)	314.76	
SPDC GOVA-Amelia Cty Regional Due Diligence		104.92	104.92	(104.92)	-	DHCD-GO VA
SPDC GOVA-Amelia Site Suitability		419.68	996.74	(996.74)	577.06	DHCD-GO VA
SPDC GOVA-TPI Health Science		52.46	419.68	(419.68)	367.22	DHCD-GO VA
SPDC GOVA-VGA Site Development Project	643.00		1,678.72	(1,035.72)	1,678.72	DHCD-GO VA
SPDC DHCD FY25 Contract	89,871.00		57,485.00	32,386.00	57,485.00	DHCD
SPDC Regional Fiber Broadband Project Pse 2	56,000.00		35,000.00	21,000.00	35,000.00	DHCD-VATI
SPDC VDOT FY25 Rural Transportation Contract	58,000.00	-	8,033.88	49,966.12	8,033.88	VDOT
SPDC Hazards Mitigation Plan Update	9,048.00	-	397.02	8,650.98	397.02	VDEM
Total State Funding	337,508.00	9,533.80	157,786.66	179,721.34	148,252.86	
Private Funding						
SPDC Affordable Housing Development Program	30,000.00		1,496.90	28,503.10	1,496.90	VH
Total Private Funding	30,000.00	-	1,496.90	28,503.10	1,496.90	
Local Fundig:						
Boydton WWTP Improvement Project	3,000.00	-	6,033.34	(3,033.34)	6,033.34	EDA-PW
Brodnax Lead Service Inventory Project	75,000.00	38,500.00	106,000.00	(31,000.00)	67,500.00	VDH
Brodnax Town-wide Housing Rehab Planning Project	6,000.00	-	9,875.00	(3,875.00)	9,875.00	DHCD-PG
Brunswick County Chesnut Rd Scatterd Site Project	-	-	13,884.61	(13,884.61)	13,884.61	DHCD-CDBG
Brunswick County Stonewall Industrial Park	5,000.00	-	-	5,000.00	-	TRRC
Brunswick County Township Road Project	72,900.00		5,900.00	67,000.00	5,900.00	DHCD-CDBG
Brunswick County Sheriff's Office - GIS Contract	7,200.00		7,200.00	-	7,200.00	Local
Brunswick County-Online GIS Services	4,200.00		4,200.00	-	4,200.00	Local
Brunswick IDA Produce Project	30,000.00		-	30,000.00	-	EDA-PW
Brunswick IDASledge & Barkley Redevelopment Project	7,500.00		-	7,500.00	-	DHCD-IRF-ARPA
Chase City B Street Project-Pse 1	13,189.00	5,400.00	16,400.00	(3,211.00)	11,000.00	DHCD-CDBG
Chase City B Street Project - Pse 2	60,750.00	1,900.00	29,450.00	31,300.00	27,550.00	DHCD-CDBG
Chase City Lead Service Line Inventory	12,000.00		-	12,000.00	-	VDH
Chase City Lee Building Disaster Assistance	10,000.00		-	10,000.00	-	DHR
Chase City Town Wide Water Study Planning Project	2,500.00		-	2,500.00	-	VDH
Clarksville Cove Project	15,000.00	2,500.00	2,500.00	12,500.00	-	DCR
Clarksville Sewer Improvement Project	21,229.00	5,364.00	10,728.00	10,501.00	5,364.00	RD
Halifax County - GIS Contract	23,000.00		23,000.00	-	23,000.00	Local
Halifax County- VIR Water Supply Interconnection Project	30,000.00			30,000.00		EDA
Halifax Town Banister Town Housing Project - Pse 1	27,333.00		5,708.33	21,624.67	5,708.33	DHCD-CDBG
Halifax Town Exxon Redevelopment Project	10,000.00	7,000.00	7,000.00	3,000.00	-	DHCD-IRF-ARPA
La Crosse Lead Service Inventory Project	122,000.00		60,500.00	61,500.00	60,500.00	VDH
LaCrosse Pine St Phase 2	-		9,110.25	(9,110.25)	9,110.25	DHCD-CDBG
Lake Country Development Corporation Staff Services	25,000.00		-	25,000.00	-	Local
Lake Gaston 911 Task Force Dock Sign Management	2,500.00	-	4,375.00	(1,875.00)	4,375.00	Private
Lawrenceville Sharp Street Improvement Project	20,000.00		-	20,000.00	-	VDOT-MAP 21
Lawrenceville THT Connector Project	15,000.00		-	15,000.00	-	VDOT-MAP 21
Lunenburg County - GIS Contract	4,800.00		4,800.00	-	4,800.00	Local
Mecklenburg County - GIS Contract	27,000.00		27,000.00	-	27,000.00	Local
Mecklenburg County - Regional Housing Market Assessment	10,240.00		-	10,240.00	-	CDBG
Mecklenburg County Online GIS Site Hosting			3,600.00	(3,600.00)	3,600.00	Local
Mid Atlantic Broadband Middle Mile Project	24,100.00		-	24,100.00	-	EDA-PW
RRRT Tobacco Heritage Trail Maintenance Amenities Project	9,000.00		-	9,000.00	-	DCR
RRRT Tobacco Heritage Trail Management Services	7,500.00	3,750.00	3,750.00	3,750.00	-	Local
South Boston John Randolph Hotel project Street Project	7,500.00		-	7,500.00	-	DHCD-IRF
South Boston North Main Street Project	32,300.00	-	6,371.42	25,928.58	6,371.42	DHCD-CDBG
South Boston Westside Mobile Home Citizen Relocation	2,500.00		-	2,500.00	-	Local
South Boston Westside Mobile Home Redevelopment	27,750.00	-	10,050.00	17,700.00	10,050.00	DHCD-CDBG
South Hill Lead Service Line Inventory Project	10,000.00		-	10,000.00	-	VDH
South Hill Nicks Lane Neighborhood Project	35,000.00	-	17,880.00	17,120.00	17,880.00	DHCD-CDBG
South Hill Sycamore & Howerton Sewer Extension Project	7,500.00	-	-	7,500.00	-	DEQ

SOUTHSIDE PLANNING DISTRICT COMMISSION
PROFIT AND LOSS
December 2024

	FY25 BUDGET	December 2024	December YTD	BALANCE	ADJUSTED NOV YTD	FUNDING AGENCY/SOURCE
South Hill Zoning Services	4,000.00	-	3,593.22	406.78	3,593.22	Local
SOVA Innovation Hub Campus Project	30,934.00		-	30,934.00	-	EDA-PW
SPDC Member Jurisdiction Dues	148,300.00		148,300.80	(0.80)	148,300.80	Local
The Old Brunswick Circuit Foundation - Dromgoole House	7,000.00	-	3,000.00	4,000.00	3,000.00	DHR
Total Local Funding	1,015,725.00	64,414.00	550,209.97	465,515.03	485,795.97	
Other Funding:						
Misc Income	-	957.80	(752.04)	752.04	(1,709.84)	
Investment Income	53,868.00	6,425.72	37,306.92	16,561.08	30,881.20	
Total Other Funding	53,868.00	7,383.52	36,554.88	17,313.12	29,171.36	
TOTAL REVENUE	1,666,553.00	99,175.22	788,215.55	878,337.45	689,040.33	
EXPENDITURES						
DIRECT COSTS						
Direct Employee Costs						
Direct Employee Salaries	560,102.39	43,513.07	261,312.90	298,789.49	217,799.83	
Direct Employee Benefits	289,347.22	20,059.54	120,465.26	168,881.96	100,405.72	
Subtotal Direct Employee	849,449.61	63,572.61	381,778.16	467,671.45	318,205.55	
Direct Costs Federal						
Memberships Fees & Dues	3,000.00		-	3,000.00	-	
Travel, Lodging, Conferences	3,672.00		-	3,672.00	-	
Subtotal Direct Federal	6,672.00	0.00	0.00	6,672.00	-	
Direct Costs Non-Federal						
SPDC Contract Consultant	61,985.00	6,160.00	36,960.00	25,025.00	30,800.00	
Travel, Lodging, Conferences	4,481.00		83.34	4,397.66	83.34	
Staff Retreats/Meetings	600.00	132.93	260.69	339.31	127.76	
Project Related Expenses	4,347.00	(9,904.86)	(8,662.83)	13,009.83	1,242.03	
Misc Expenses	1,500.00	1.81	78.31	1,421.69	76.50	
Subtotal Direct Non-Federal	72,913.00	(3,610.12)	28,719.51	44,193.49	32,329.63	
TOTAL DIRECT COSTS	929,034.61	59,962.49	410,497.67	518,536.94	350,535.18	
INDIRECT COSTS						
Indirect Employee Costs						
Indirect Employee Salaries	111,490.61	9,119.02	54,479.62	57,010.99	45,360.60	
Indirect Employee Benefits	60,434.04	4,203.87	25,015.45	35,418.59	20,811.58	
Subtotal Indirect Employee	171,924.65	13,322.89	79,495.07	92,429.58	66,172.18	
Indirect Other Costs						
Office Expenses	40,000.00	1,014.75	11,266.65	28,733.35	10,251.90	
Utilities(Includes Telephone & Power Bills)	18,500.00	1,325.56	7,270.08	11,229.92	5,944.52	
Office Supplies	5,000.00	526.74	2,263.61	2,736.39	1,736.87	
Auditing	8,000.00		-	8,000.00	-	
PDC Meeting Expenses	12,500.00		5,793.50	6,706.50	5,793.50	
Equipment Lease Payments	15,000.00	399.44	3,840.57	11,159.43	3,441.13	
Insurance and Bonding	7,000.00		6,495.00	505.00	6,495.00	
Membership Dues & Fees	5,000.00		8,474.00	(3,474.00)	8,474.00	
Publications/Subscriptions	550.00	118.99	294.94	255.06	175.95	
Professional Printing	1,000.00		-	1,000.00	-	
Building Upkeep	9,000.00	4,475.00	12,735.76	(3,735.76)	8,260.76	
Travel, Lodging, Conferences	1,000.00	309.00	9,379.37	(8,379.37)	9,070.37	
Postage and Freight	2,500.00	541.99	1,129.48	1,370.52	587.49	
Auto Repairs/Maintenance/Gas	5,000.00	463.68	1,183.37	3,816.63	719.69	
Public Relations	1,000.00		250.00	750.00	250.00	
Legal Fees	5,000.00		423.00	4,577.00	423.00	
Subtotal Indirect Other	64,550.00	9,175.15	70,799.33	65,250.67	61,624.18	
TOTAL INDIRECT COSTS	236,474.65	22,498.04	150,294.40	157,680.25	127,796.36	
Subtotal Expenditures	1,165,509.26	82,460.53	560,792.07	676,217.19	478,331.54	
Employee Benefits Adjusted	-	6.28	(2,531.24)		(2,537.52)	
TOTAL EXPENDITURES	1,165,509.26	82,466.81	558,260.83	676,217.19	475,794.02	
NET BALANCE	501,043.74	16,708.41	229,954.72	202,120.26	213,246.31	
Employee Benefits						
Unemployment Taxes	417.60	-	-	417.60	-	
FICA Taxes	45,964.88	3,613.80	21,682.74	24,282.14	18,068.94	
Deferred Comp	8,230.42	677.34	3,611.70	4,618.72	2,934.36	
VRS Retirement/Life	146,237.27	11,458.08	68,749.16	77,488.11	57,291.08	
Long Term Disability	3,516.00	259.39	1,556.34	1,959.66	1,296.95	
Monthly Vacation Accrued	47,675.09	1,021.08	3,909.53	43,765.56	2,888.45	
Health Contribution	97,740.00	7,240.00	43,440.00	54,300.00	36,200.00	
TOTAL EMPLOYEE BENEFITS	349,781.26	24,269.69	142,949.47	206,831.79	118,679.78	
Employee Benefits Applied	(349,781.26)	(24,263.41)	(145,480.71)		(121,217.30)	
Employee Benefits Adjusted	-	6.28	(2,531.24)		(2,537.52)	

BUDGET UPDATE

FY 25 New Revenue

Project Name	Project Applicant	Funding Agency	Admin Amount
SPDC DHCD FY 25 Allocation - Additional Revenue	SPDC	DHCD	\$ 25,000
Chestnut Road Scattered Site Project	Brunswick County	DHCD-CDBG	\$ 80,000
Brunswick County Produce Project	Brunswick IDA	SCRC -SEID	\$ 10,000
Mecca Theatre Brownfield Restoration Project	Chase City	DEQ-VCWRLF	\$ 790
Pine Street Neighborhood Project-Phase 2	LaCrosse	DHCD-CDBG	\$ 15,110
Oak & Surface Road Housing Rehab Project	Mecklenburg Co	DHCD-CDBG	\$ 50,000
Regional Fiber Broadband Project - Phase 3	SPDC	DHCD-VATI	\$ 200,000
Halifax Exxon Redevelopment Project	Halifax County	DHCD-IRF & TRRC	\$ 12,500
Park View High School Redevelopment Project	Mecklenburg Co	VEDP-Brownfield	\$ 2,500
SVRA Regional Site Development	SPDC	GOVA	\$ 15,000
GO Tec Region 3 Expansion	SPDC	GOVA	\$ 5,690
Amelia County Regional Due Diligence	SPDC	GOVA	\$ 3,000
Amelia County Site Suitability Study	SPDC	GOVA	\$ 1,000
Health Sciences Careers Planning	SPDC	GOVA	\$ 2,000
Lunenburg County GIS	Lunenburg Co	Lunenburg Co	\$ 1,500
Mecklenburg County Online GIS Site Hosting	Mecklenburg Co	Mecklenburg Co	\$ 3,600
Lawrenceville Comp Plan Update	Lawrenceville	Lawrenceville	\$ 20,000
Riverdale Open Space Master Plan	South Boston	South Boston	\$ 9,360
Total New Revenue			\$ 457,050

FY24 AUDIT REPORT

**SOUTHSIDE PLANNING
DISTRICT COMMISSION**

**AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

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

SOUTHSIDE PLANNING DISTRICT COMMISSION

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INDEPENDENT AUDITOR'S REPORT

To the Commissioners
Southside Planning District Commission
South Hill, Virginia

Opinions

We have audited the accompanying financial statements of the governmental activities, the fiduciary activities, and the aggregate remaining fund information of the Southside Planning District Commission as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the fiduciary activities, and the aggregate remaining fund information of the Southside Planning District Commission as of June 30, 2024 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Southside Planning District Commission and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Southside Planning District Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Southside Planning District Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Southside Planning District Commission's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedule of changes in the Commission's net pension liability and related ratios, and the schedule of employer's contributions 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.

Supplementary 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 expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of changes in assets and liabilities – fiduciary funds on page 34 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January XX, 2025, 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 effectiveness of Southside Planning District Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southside Planning District Commission's internal control over financial reporting and compliance.

Certified Public Accountants
Chantilly, Virginia

January XX, 2025

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, 2024. We encourage readers to read this discussion and analysis in conjunction with the Commission's financial statements.

Financial Highlights for Fiscal Year 2024

Highlights for Government-Wide Financial Statements

- At the close of the current fiscal year, the net position of the Commission was \$447,921. This compares to the previous year when the net position was \$106,620. Of the current year amount, \$359,070 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 \$7,364,602, expenses amounted to \$7,370,945 and operating grants and contributions were \$238,078. General revenues for the year were \$57,888, and the GASB 68 expense adjustment, was \$51,678. The Commission's total net position increased by \$341,301.

Highlights for Fund Financial Statements

- As of June 30, 2024, the Commission's Governmental Funds reported combined fund balances of \$1,441,313, an increase of \$284,925 in comparison with the prior year amount of \$1,156,388. 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, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Assets		
Current and other assets	\$1,640,806	\$1,235,638
Capital assets (net)	<u>88,851</u>	<u>73,294</u>
Total Assets	<u>\$1,729,657</u>	<u>\$1,308,932</u>
 Deferred Outflows of Resources	 <u>\$ 162,703</u>	 <u>\$ 110,810</u>
 Liabilities		
Current liabilities	\$ 254,473	\$ 123,371
Net pension liability	<u>1,140,802</u>	<u>1,078,861</u>
Total Liabilities	<u>\$1,395,275</u>	<u>\$1,202,232</u>
 Deferred Inflows of Resources	 <u>\$ 49,614</u>	 <u>\$ 110,890</u>
 Net Position		
Net investment in capital assets	\$ 88,851	\$ 73,294
Unrestricted	<u>359,070</u>	<u>33,326</u>
Total Net Position	<u>\$ 447,921</u>	<u>\$ 106,620</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 \$447,921 at June 30, 2024. The largest portion of the reporting entity's assets, \$1,518,678, reflects cash and cash equivalents. The next largest portion of the reporting entity's net assets, \$122,128, reflects grants and contracts receivable. The largest portion of the Commission's liabilities is \$1,140,802 for the net pension liability.

Statement of Activities

The following table summarizes revenues and expenses from the Statement of Activities for the Commission for the years ending June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Revenues		
Federal Government		
Grants and Contributions	\$4,832,926	\$7,084,590
Commonwealth of Virginia		
State Dues	89,971	89,971
Grants and Contributions	1,645,091	-
Local Sources		
Grants and Contributions	886,585	605,111
Member Dues	148,107	148,554
General Revenues	57,888	41,801
GASB 68 Pension Adjustment	51,678	-
Total Revenues	<u>7,712,246</u>	<u>7,970,027</u>
Expenses		
General Government Administration	7,370,945	8,002,382
GASB 68 Pension Adjustment	-	43,162
Total Expenses	<u>7,370,945</u>	<u>8,045,544</u>
Change in Net Position	341,301	(75,517)
Beginning Net Position	<u>106,620</u>	<u>182,137</u>
Ending Net Position	<u>\$ 447,921</u>	<u>\$ 106,620</u>

Governmental activities increased the Commission's net position by \$341,301. Revenues from governmental activities totaled \$7,712,246 for the fiscal year ended June 30, 2024, compared to \$7,970,027 in fiscal year ended June 30, 2023. Revenue from federal grants comprise the largest source of these revenues, totaling \$4,832,926, or 63 percent, of all governmental activities' revenue.

The total cost of all governmental activities for the fiscal year ended June 30, 2024 was \$7,370,945 compared to \$8,002,382 for the fiscal year ended June 30, 2023. 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, 2024, the Commission’s Governmental Funds reported a combined ending fund balance of \$1,441,313 an increase of \$284,925 in comparison with the prior year. 100 percent of the fund balance 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 \$1,441,313, an increase of \$284,925 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 19.5 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, 2024 and 2023:

	<u>2024</u>			<u>2023</u>		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues						
Federal	\$ 195,000	\$ 290,500	\$4,832,926	\$ 215,500	\$ 297,500	\$7,084,590
State	159,971	169,971	1,735,062	89,971	89,971	89,971
Local Sources						
Member Dues and Programs	899,607	1,266,619	1,034,692	916,854	1,107,209	753,665
Other	<u>20,000</u>	<u>53,868</u>	<u>57,888</u>	<u>1,000</u>	<u>22,000</u>	<u>41,801</u>
Total	1,274,578	1,780,958	7,660,568	1,223,325	1,516,680	7,970,027
Expenditures	<u>1,191,098</u>	<u>1,191,098</u>	<u>7,370,945</u>	<u>1,050,997</u>	<u>1,095,557</u>	<u>8,002,382</u>
Excess of Revenues over Expenditures	<u>\$ 83,480</u>	<u>\$ 589,860</u>	<u>\$ 289,623</u>	<u>\$ 172,328</u>	<u>\$ 421,123</u>	<u>\$ (32,355)</u>

General Fund actual revenues were more than the final budget amounts by \$5,879,610, while actual expenditures were \$6,179,847 more than final budget amounts. Highlights of the comparison of final budget to actual figures for the fiscal year ended June 30, 2024 include the following:

General Fund

Total Federal Grants – the actual federal grant income was \$4,542,426 more than budgeted due to VATI grant revenues received for vendors, not included in the budget. Total state grant revenue exceeded the budget by \$1,565,091 as a result of Go Virginia pass-through contract payments not budgeted. The related expenditures resulted in actual direct grant expenditures exceeding the budgeted amounts by \$6,231,893.

Total Local and Program Income – the actual local and program income was \$231,927 less than budgeted due to administrative contracts being deferred to FY24 because of unexpected completion time of contracts.

CAPITAL ASSETS

As of June 30, 2024, the Commission's net investment in capital assets totals \$88,851, which is net capital assets less related debt. This is an increase of \$15,557 over the previous fiscal year due to current year acquisitions of \$28,670 less depreciation taken on the assets in the amount of \$13,113. There is no related debt on any capital assets at this time.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Presently, management of the Commission is not aware of any significant changes in conditions that would have a significant effect on the financial position of the Commission in the near future. The Commission has received increased funding for several projects in the next fiscal year.

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, 2024

ASSETS

Cash and cash equivalents	\$ 1,518,678
Grants and contracts receivable	122,128
Total Current Assets	<u>1,640,806</u>

Capital assets

Capital assets, net of accumulated depreciation	<u>88,851</u>
-------------------------------------------------	---------------

Total Assets	<u>1,729,657</u>
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DEFERRED OUTFLOWS OF RESOURCES

Differences between expected and actual experience	33,998
Pension contributions after the measurement date	128,705
Total Deferred Outflows of Resources	<u>162,703</u>

LIABILITIES

Accounts payable and accrued liabilities	79,536
Accrued leave	54,980
Deferred revenue	119,957
Net pension liability	<u>1,140,802</u>

Total Liabilities	<u>1,395,275</u>
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DEFERRED INFLOWS OF RESOURCES

Net difference between projected and actual earnings on plan investments	<u>49,164</u>
Total Deferred Inflows of Resources	<u>49,164</u>

NET POSITION

Net investment in capital assets	88,851
Unrestricted	<u>359,070</u>

Total Net Position	<u>\$ 447,921</u>
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See accompanying notes.

SOUTHSIDE PLANNING DISTRICT COMMISSION

BALANCE SHEET GOVERNMENTAL FUND JUNE 30, 2024

	<u>Total Governmental Fund</u>
ASSETS	
Cash and cash equivalents	\$ 1,518,678
Grants and contracts receivable	122,128
Total Current Assets	<u>1,640,806</u>
Total Assets	<u>\$ 1,640,806</u>
LIABILITIES	
Accounts payable and accrued liabilities	\$ 79,536
Deferred revenue	<u>119,957</u>
Total Liabilities	<u>199,493</u>
FUND BALANCE	
Unassigned	<u>1,441,313</u>
Total Fund Balance	<u>1,441,313</u>
Total Liabilities and Fund Balance	<u>\$ 1,640,806</u>
Reconciliation of fund balances on the balance sheet for governmental fund to net position of governmental activities on the statement of net position:	
Fund balances - total governmental fund	\$ 1,441,313
Amounts reported for governmental activities in the statement of net assets are different because:	
Long-term assets and liabilities and related deferred items are not due and payable in the current period and therefore are not reported in the funds	
Pension contributions after the measurement date	128,705
Compensated absences	(54,980)
Net pension liability	(1,140,802)
Differences between expected and actual experience	33,998
Net difference between projected and actual earnings on plan investments	(49,164)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>88,851</u>
Net Position of Governmental Activities	<u>\$ 447,921</u>

See accompanying notes.

SOUTHSIDE PLANNING DISTRICT COMMISSION

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUND FOR THE YEAR ENDED JUNE 30, 2024

REVENUE

Grants and appropriations:		\$ 4,832,926
Federal grants		1,735,062
State grants		1,034,692
Local and program income		57,888
Investment earnings		<u>7,660,568</u>
	TOTAL REVENUES	<u>7,660,568</u>

EXPENDITURES

Direct grant expenses		6,341,893
Salaries		502,910
Employee benefits and payroll taxes		371,629
Office expense		48,802
Capital outlay		28,670
Space, utilities and occupancy costs		26,719
Equipment rental, maintenance and use		12,950
Commissioner's expense		9,195
Legal and auditing		7,948
Insurance and bonding		6,864
Consumable supplies		6,201
Membership fees and dues		5,080
Auto operations and maintenance		3,019
Miscellaneous		1,983
Postage and freight		559
Publications and subscriptions		544
Officer's expense/stipend		500
Printing		177
	TOTAL EXPENDITURES	<u>7,375,643</u>

NET CHANGE IN FUND BALANCE 284,925

FUND BALANCE - Beginning of year 1,156,388

FUND BALANCE - End of year \$ 1,441,313

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 \$ 284,925

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. (10,859)

Change in deferred outflows 51,893

Change in deferred inflows 61,726

Change in net pension liability (61,941)

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. 15,557

Change in net position reported on the Statement of Activities \$ 341,301

SOUTHSIDE PLANNING DISTRICT COMMISSION

**STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024**

	Go Virginia Regional Council 3
ASSETS	
Cash and cash equivalents	\$ 66,563
Total Assets	<u>66,563</u>
LIABILITIES	
Amount held for others	<u>66,563</u>
Total Liabilities	<u>66,563</u>
NET POSITION	<u><u>\$ -</u></u>

See accompanying notes.

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, 2024, 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, 2024, 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, 2024, the Commission had an investment of \$30,546 in a mutual company as a result of the demutualization of an insurance policy, with a cost basis of \$8,686. 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, 2024 consisted of the following:

Interest and dividends	\$56,579
Gain on sale of investments	<u>1,309</u>
	<u>\$57,888</u>

NOTE 3 – Capital Assets

A summary of property and equipment as of June 30, 2024 is as follows:

	Balance <u>July 1, 2023</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>June 30, 2024</u>
Equipment	\$115,536	\$ -	\$ -	\$115,536
Leasehold Improvements	63,594	28,670	-	92,264
Accumulated Depreciation	<u>(105,836)</u>	<u>(13,113)</u>	-	<u>(118,949)</u>
Net	<u>\$ 73,294</u>	<u>\$ 15,557</u>	<u>\$ -</u>	<u>\$ 88,851</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 Commission 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 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>About Plan 1 Plan 1 is a defined benefit plan. The retirement benefit is based on a member’s age, service credit and average final compensation at retirement using a formula.</p>	<p>About Plan 2 Same as Plan 1.</p>	<p>About the Hybrid Retirement Plan The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan.</p> <ul style="list-style-type: none"> • The defined benefit is based on a member’s age, service credit and average final compensation at retirement using a formula. • 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. • 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.

SOUTHSIDE PLANNING DISTRICT COMMISSION

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

NOTE 4 – Pension Plan (Continued)

<p>Eligible Members 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>Hybrid Opt-In Election 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>Eligible Members 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>Hybrid Opt-In Election 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>Eligible Members 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"> • Political subdivision employees* • 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. <p>* Non-Eligible Members Some employees are not eligible to participate in the Hybrid Retirement Plan. They include:</p> <ul style="list-style-type: none"> • Political subdivision employees who are covered by enhanced benefits for hazardous duty employees. <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>Retirement Contributions Members contribute up to 5% of their compensation each month to their member contribution account through a pretax 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>Retirement Contributions Same as Plan 1.</p>	<p>Retirement Contributions 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>Service Credit Service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member’s total service credit 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>Service Credit Same as Plan 1.</p>	<p>Service Credit <u>Defined Benefit Component:</u> Under the defined benefit component of the plan, service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member’s total service credit 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><u>Defined Contributions Component:</u> Under the defined contribution component, service credit is used to determine vesting for the employer contribution portion of the plan.</p>
<p>Vesting 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 service credit. 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>Vesting Same as Plan 1.</p>	<p>Vesting <u>Defined Benefit Component:</u> 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 service credit. Plan 1 or Plan 2 members with at least five years (60 months) of service credit who opted into the Hybrid Plan remain vested in the defined benefit component.</p> <p><u>Defined Contributions Component:</u> 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>Vesting (continued)</p> <ul style="list-style-type: none"> • After two years, a member is 50% vested and may withdraw 50% of employer contributions. • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four years or more, a member is 100% vested and may withdraw 100% of employer contributions. <p>Distribution not required, except as governed by law.</p>
<p>Calculating the Benefit The basic benefit is determined using the average final compensation, service credit and plan multiplier. An early retirement reduction is applied to this amount if the member is retiring with a reduced benefit. In cases where the member has elected an optional form of retirement payment, an option factor specific to the option chosen is then applied.</p>	<p>Calculating the Benefit See definition under Plan 1.</p>	<p>Calculating the Benefit <u>Defined Benefit Component:</u> See definition under Plan 1.</p> <p><u>Defined Contribution Component:</u> 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>Average Final Compensation A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation A member's average final compensation is the average of the 60 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.</p>
<p>Service Retirement Multiplier VRS: 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>Sheriffs and regional jail superintendents: The retirement multiplier for sheriffs and regional jail superintendents is 1.85%.</p> <p>Political subdivision hazardous duty employees: 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>Service Retirement Multiplier VRS: 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 service credit earned, purchased or granted on or after January 1, 2013.</p> <p>Sheriffs and regional jail superintendents: Same as Plan 1.</p> <p>Political subdivision hazardous duty employees: Same as Plan 1.</p>	<p>Service Retirement Multiplier <u>Defined Benefit Component: VRS:</u> 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>Sheriffs and regional jail superintendents: Not applicable</p> <p>Political subdivision hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p>

SOUTHSIDE PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 – Pension Plan (Continued)

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

SOUTHSIDE PLANNING DISTRICT COMMISSION

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

NOTE 4 – Pension Plan (Continued)

Cost-of-Living Adjustment (COLA) in Retirement (continued)	Cost-of-Living Adjustment (COLA) in Retirement (continued)	Cost-of-Living Adjustment (COLA) in Retirement (continued)
<p>For members who retire with a reduced benefit and who have less than 20 years of service credit, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.</p> <p><u>Exceptions to COLA Effective Dates:</u> 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"> • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. • The member retires directly from short-term to long-term disability. • 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. • 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. 	<p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1.</p> <p align="center">DRAFT</p>	<p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1 and Plan 2.</p>
<p>Disability Coverage 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>Disability Coverage 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>Disability Coverage 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 an 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>Purchase of Prior Service Members may be eligible to purchase service from previous public employment, active duty military, an eligible period of leave or VRS refunded service as service credit in their plan. Prior service credit 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>Purchase of Prior Service Same as Plan 1.</p>	<p>Purchase of Prior Service <u>Defined Benefit Component:</u> Same as Plan 1, with the following exceptions: • Hybrid Retirement Plan members are ineligible for ported service.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p>
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Employees Covered by Benefit Terms

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Inactive Members or Their Beneficiaries Currently Receiving Benefits	6
Inactive Members	
Vested inactive members	6
Non-vested inactive members	8
Inactive members active elsewhere in VRS	5
Total Inactive Members	19
Active Members	8
Total covered employees	33

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The Commission’s contractually required contribution rate for the year ended June 30, 2024 was 20.51% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Commission were \$128,705 and \$110,810 for the years ended June 30, 2024 and June 30, 2023, respectively.

SOUTHSIDE PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 – Pension Plan (Continued)

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

Actuarial Assumptions – General Employees

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

Inflation	2.5%
Salary increases, including Inflation	3.5% – 5.35%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation*

Mortality rates:

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.

Mortality Improvement:

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

SOUTHSIDE PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 – Pension Plan (Continued)

Mortality rates (continued):

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.

Mortality Improvement:

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

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

Largest 10 – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy and disabled)	Updates to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/ Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

SOUTHSIDE PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 – Pension Plans (Continued)

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

Mortality Rates (Pre-retirement, post-retirement healthy and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/ Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS-Multi-Asset Public Strategies	4.00%	4.50%	0.18%
PIP-Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
	Inflation		2.50%
	* Expected arithmetic nominal return		8.25%

SOUTHSIDE PLANNING DISTRICT COMMISSION

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 – Pension Plans (Continued)

The above allocation provides a one-year expected return 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in FY2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2021, actuarial valuations, whichever was greater. From July 1, 2022 on, participating employers are assumed to continue 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, 2022	\$4,293,772	\$3,214,911	\$1,078,861
Changes for the year:			
Service cost	49,044	-	49,044
Interest	286,931	-	286,931
Changes of assumptions	-	-	-
Differences between expected and actual experience	69,412	-	(69,412)
Contributions – employer	-	111,160	(111,160)
Contributions – employee	-	26,845	(26,845)
Net investment income	-	207,417	207,417
Benefit payments, including refunds of employee contributions	(183,981)	(183,981)	-
Administrative expense	-	(2,060)	2,060
Other changes	-	84	(84)
Net changes	221,406	159,465	61,941
Balances at June 30, 2023	<u>\$4,515,178</u>	<u>\$3,374,376</u>	\$1,140,802

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 6.75%, 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 (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Commission’s Net Pension Liability	\$1,773,034	\$1,140,802	\$632,069

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

For the year ended June 30, 2024, the Commission recognized pension expense of \$77,377. At June 30, 2024, 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	\$ 33,998	\$ -
Change in assumptions	-	-
Net difference between projected and actual earnings on plan investments	-	49,164
Employer contributions subsequent to the Measurement Date	128,705	-
Total	\$162,703	\$49,164

\$128,705 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, 2025. 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,	
2025	\$ (905)
2026	(62,089)
2027	46,233
2028	1,595
2029	-
Thereafter	-

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2022 *Comprehensive Annual Financial Report (CAFR)*. A copy of the 2023 VRS CAFR may be downloaded from the VRS website at varetire.org/Pdf/Publications/2022-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 \$54,980 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, 2024 was calculated as follows:

Indirect costs	<u>\$320,978</u>	
Total direct salaries and fringe benefits	\$708,073	= 45.33%

The following indirect costs have been allocated to projects:

Salaries	\$102,896
Fringe benefits	74,429
Office expense	48,802
Space and occupancy costs	26,719
Depreciation	13,113
Equipment rental and maintenance	12,950
Commission member's expense	9,195
Audit and accounting	7,800
Insurance and bonding	6,864
Consumable supplies	6,201
Membership dues	5,080
Auto and travel	3,019
Miscellaneous	1,982
Printing and publications	721
Postage and freight	559
Officer's expense	500
Legal	<u>148</u>
Total Indirect Costs	<u>\$320,978</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, 2024 is calculated as follows:

Fringe benefit expense	<u>\$371,629</u>	
Total non-leave salaries	\$513,739	= 72.33%

Components of fringe benefit expense for the year ended June 30, 2024 are shown below:

Retirement	\$136,750
Employee leave	100,588
Health, disability and life insurance	92,097
Payroll taxes	<u>42,194</u>
Total Fringe Benefits	<u>\$371,629</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. No rent was charged for the year ended June 30, 2024.

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, 2024, 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 Virginia Risk Sharing Association amounting to \$60,000 was in force and expires June 30, 2024.

NOTE 11 – Evaluation of Subsequent Events

The Commission has evaluated subsequent events through January XX, 2025, 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, 2024**

	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE				
Grants and appropriations:				
Federal grants	\$ 195,000	\$ 290,500	\$ 4,832,926	\$ 4,542,426
State grants	159,971	169,971	1,735,062	1,565,091
Local and program income	899,607	1,266,619	1,034,692	(231,927)
Other revenue:				
Investment earnings	20,000	53,868	57,888	4,020
TOTAL REVENUES	<u>1,274,578</u>	<u>1,780,958</u>	<u>7,660,568</u>	<u>5,879,610</u>
EXPENDITURES				
Current Operating:				
Direct grant expenses	110,000	110,000	6,341,893	(6,231,893)
Salaries	533,479	533,479	513,769	19,710
Employee benefits and payroll taxes	379,619	379,619	371,629	7,990
Office expense	35,000	35,000	48,802	(13,802)
Space, utilities and occupancy costs	25,000	25,000	26,719	(1,719)
Depreciation	12,500	12,500	13,113	(613)
Equipment rental, maintenance and use	15,000	15,000	12,950	2,050
Commissioner's expense	10,000	10,000	9,195	805
Legal and auditing	23,500	23,500	7,948	15,552
Insurance and bonding	7,000	7,000	6,864	136
Consumable supplies	7,000	7,000	6,201	799
Membership fees and dues	5,000	5,000	4,998	2
Auto operations and maintenance	5,000	5,000	2,760	2,240
Miscellaneous	-	-	1,172	(1,172)
Public relations	1,000	1,000	811	189
Postage and freight	2,500	2,500	559	1,941
Publications and subscriptions	500	500	544	(44)
Officer's expense/stipend	500	500	500	-
Travel	500	500	259	241
Printing	2,500	2,500	177	2,323
Training, seminars, workshops and conferences	500	500	82	418
Contractual staff	15,000	15,000	-	15,000
TOTAL EXPENDITURES	<u>1,191,098</u>	<u>1,191,098</u>	<u>7,370,945</u>	<u>(6,179,847)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 83,480</u>	<u>\$ 589,860</u>	289,623	<u>\$ (300,237)</u>
NET POSITION - Beginning of year			106,620	
GASB 68 pension adjustment			<u>51,678</u>	
NET POSITION - End of year			<u> </u>	

SOUTHSIDE PLANNING DISTRICT COMMISSION

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2024**

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
GO VIRGINIA REGIONAL COUNCIL 3				
ASSETS				
Cash and cash equivalents	<u>\$ 41,122</u>	<u>\$ 1,509,582</u>	<u>\$ 1,484,141</u>	<u>\$ 66,563</u>
LIABILITIES				
Amount held for others	<u>\$ 41,122</u>	<u>\$ 1,509,582</u>	<u>\$ 1,484,141</u>	<u>\$ 66,563</u>

SOUTHSIDE PLANNING DISTRICT COMMISSION

SCHEDULE OF CHANGES IN THE COMMISSION'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE YEARS ENDED JUNE 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 49,044	\$ 46,151	\$ 47,090	\$ 48,044	\$ 45,896	\$ 38,098	\$ 45,474	\$ 42,499	\$ 46,077	\$ 45,495
Interest on total pension liability	286,931	279,745	249,096	248,533	243,679	234,461	228,653	221,928	212,995	202,971
Differences between expected and actual experience	69,412	(41,313)	144,187	(10,650)	46,850	(8,475)	(63,621)	(57,581)	(24,561)	-
Changes in assumptions	-	-	144,382	-	115,212	-	752	-	-	-
Benefit payments, including refunds of employee contributions	(183,981)	(178,047)	(175,661)	(379,519)	(122,059)	(142,751)	(113,803)	(107,753)	(106,035)	(104,509)
Net change in total pension liability	<u>221,406</u>	<u>106,536</u>	<u>409,094</u>	<u>(93,592)</u>	<u>329,578</u>	<u>121,333</u>	<u>97,455</u>	<u>99,093</u>	<u>128,476</u>	<u>143,957</u>
Total pension liability - beginning	<u>4,293,772</u>	<u>4,187,236</u>	<u>3,778,142</u>	<u>3,871,734</u>	<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>	<u>2,951,842</u>
Total pension liability - ending (a)	<u><u>\$ 4,515,178</u></u>	<u><u>\$ 4,293,772</u></u>	<u><u>\$ 4,187,236</u></u>	<u><u>\$ 3,778,142</u></u>	<u><u>\$ 3,871,734</u></u>	<u><u>\$ 3,542,156</u></u>	<u><u>\$ 3,420,823</u></u>	<u><u>\$ 3,323,368</u></u>	<u><u>\$ 3,224,275</u></u>	<u><u>\$ 3,095,799</u></u>
Plan fiduciary net position										
Contributions - employer	\$ 111,160	\$ 79,461	\$ 74,506	\$ 70,141	\$ 81,938	\$ 74,691	\$ 73,194	\$ 74,782	\$ 77,575	\$ 75,698
Contributions - employee	26,845	25,643	24,015	22,727	26,322	24,463	24,077	23,986	24,867	25,300
Net investment income	207,417	(3,432)	718,109	49,606	183,322	189,197	282,851	40,085	100,931	300,098
Benefits payments, including refunds of employee contributions	(183,981)	(178,047)	(175,661)	(379,519)	(122,059)	(142,751)	(113,803)	(107,753)	(106,035)	(104,509)
Administrative expense	(2,060)	(2,060)	(1,811)	(1,959)	(1,775)	(1,635)	(1,617)	(1,411)	(1,364)	(1,606)
Other	84	76	68	(60)	(115)	(388)	(529)	(17)	(21)	16
Net change in plan fiduciary net position	<u>159,465</u>	<u>(78,359)</u>	<u>639,226</u>	<u>(239,064)</u>	<u>167,633</u>	<u>143,577</u>	<u>264,173</u>	<u>29,672</u>	<u>95,953</u>	<u>294,997</u>
Plan fiduciary net position - beginning	<u>3,214,911</u>	<u>3,293,270</u>	<u>2,654,044</u>	<u>2,893,108</u>	<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>	<u>1,897,103</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 3,374,376</u></u>	<u><u>\$ 3,214,911</u></u>	<u><u>\$ 3,293,270</u></u>	<u><u>\$ 2,654,044</u></u>	<u><u>\$ 2,893,108</u></u>	<u><u>\$ 2,725,475</u></u>	<u><u>\$ 2,581,898</u></u>	<u><u>\$ 2,317,725</u></u>	<u><u>\$ 2,288,053</u></u>	<u><u>\$ 2,192,100</u></u>
Commission's Net Pension Liability - Ending (a)-(b)	<u><u>\$ 1,140,802</u></u>	<u><u>\$ 1,078,861</u></u>	<u><u>\$ 893,966</u></u>	<u><u>\$ 1,124,098</u></u>	<u><u>\$ 978,626</u></u>	<u><u>\$ 816,681</u></u>	<u><u>\$ 838,925</u></u>	<u><u>\$ 1,005,643</u></u>	<u><u>\$ 936,222</u></u>	<u><u>\$ 903,699</u></u>
Plan fiduciary net position as a percentage of the total pension liability	74.73%	74.87%	78.65%	70.25%	74.72%	76.94%	75.48%	69.74%	70.96%	70.81%
Covered - employee payroll	\$ 527,606	\$ 445,937	\$ 410,693	\$ 443,000	\$ 501,800	\$ 521,305	\$ 452,931	\$ 476,610	\$ 468,800	\$ 501,200
Commission's net pension liability as percentage of covered-employee payroll	216.22%	241.93%	217.67%	253.75%	195.02%	156.66%	185.22%	211.00%	199.71%	180.31%

See accompanying notes

SOUTHSIDE PLANNING DISTRICT COMMISSION

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEARS ENDED JUNE 30, 2015 THROUGH 2024**

<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>
2024	\$ 105,374	\$ 128,705	\$ (23,331)	\$ 513,769	25.05%
2023	\$ 108,212	\$ 110,810	\$ (2,598)	\$ 527,606	21.00%
2022	\$ 68,228	\$ 79,461	\$ (11,233)	\$ 445,937	17.82%
2021	\$ 62,836	\$ 74,506	\$ (11,670)	\$ 410,693	18.14%
2020	\$ 64,944	\$ 70,141	\$ (5,197)	\$ 443,000	15.83%
2019	\$ 75,722	\$ 81,938	\$ (6,216)	\$ 501,800	16.33%
2018	\$ 79,238	\$ 74,691	\$ 4,547	\$ 521,305	14.33%
2017	\$ 68,846	\$ 73,194	\$ (4,348)	\$ 452,931	16.16%
2016	\$ 74,589	\$ 74,782	\$ (193)	\$ 476,610	15.69%
2015	\$ 73,367	\$ 77,575	\$ (4,208)	\$ 468,800	16.55%

SOUTHSIDE PLANNING DISTRICT COMMISSION

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2024

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

Largest 10 – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

**SOUTHSIDE PLANNING DISTRICT COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024**

	FEDERAL ASSISTANCE LISTING	EXPENDITURES
Major Program		
Department of Treasury		
Pass through payment - Virginia Department of Housing and Community Development		
Coronavirus State and Local Fiscal Recovery Funds	21.027	\$ 4,700,462
 Other Federal Awards		
Department of Transportation		
Pass through payment - Virginia Department of Transportation		
Federal Highway Planning and Research	20.205	58,000
Department of Transportation		
Pass through payment - Virginia Department of Emergency Management		
FEMA-DR-4512-VA-0006	97.039	4,464
Economic Development Administration		
Partnership Planning	ED22PHI3020074	70,000
		70,000
 Total Expenditures of Federal Awards		\$ 4,832,926

DRAFT

NOTE 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Southside Planning District Commission. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts in, or used in the preparation of the basic financial statements.

NOTE 2 - Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – Indirect Cost Rate

The Southside Planning District Commission has elected not to use the 10% de minimus indirect cost rate allowed under Uniform Guidance.

**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; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of governmental activities, fiduciary activities and the aggregate remaining fund information of the Southside Planning District Commission as of and for the year ended June 30, 2024, 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 XX, 2025.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Certified Public Accountants
Chantilly, Virginia

January XX, 2025

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Commissioners
Southside Planning District Commission:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Southside Planning District Commission’s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Southside Planning District Commission’s major federal program for the year ended June 30, 2024. Southside Planning District Commission’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Southside Planning District Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance 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; the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responses under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Southside Planning District Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Southside Planning District Commission’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal controls over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Southside Planning District Commission’s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Southside Planning District Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Southside Planning District Commission's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Southside Planning District Commission's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of Southside Planning District Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion of the effectiveness of Southside Planning District Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Certified Public Accountants
Chantilly, Virginia

January XX, 2025

**SOUTHSIDE PLANNING DISTRICT COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting

- Material weakness(es) identified ___ Yes X No

- Significant deficiency(ies) identified ___ Yes X None Reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified ___ Yes X No

- Significant deficiency(ies) identified ___ Yes X None Reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? ___ Yes X No

Identification of major programs

CFDA Number	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? ___ Yes X No

Section II – Financial Statement Findings

No matters were reported

Section III – Federal Award Findings

No matters were reported

HOUSING SUMMIT



SOUTHSIDE REGIONAL HOUSING SUMMIT



**FEB
06
2025**

BRUNSWICK
HALIFAX
MECKLENBURG

ESTES CENTER

316 N Main Street
Chase City, VA



FOR TICKETS AND INFO VISIT WWW.SOUTHSIDEPDC.ORG

CEDS 5-YEAR UPDATE



MEMORANDUM

Prepared for: Southside Planning District Commissioners
Prepared by: Chad Neese, Senior Planner/GIS Specialist
Date: January 17, 2025
Subject: CEDS – SWOT Analysis

The SPDC is required to update the Community Economic Development Strategy (CEDS) every 5 years to retain our status as an Economic Development District (EDD) and to continue receiving funding assistance from the U.S. Economic Development Administration (EDA). The CEDS is a place-based, strategy-driven plan for regional economic development. It brings together community leaders, establishes an agreed upon blueprint for regional collaboration, and leverages the involvement of the private sector.

On January 13th the SPDC officially kicked off the CEDS update process for 2025. The meeting was well attended by community leaders from across the region and Douglas Jackson from the Department of Housing and Community Development led the group through an excellent SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats).

We Need Your Input! Please Review and Complete the Attached SWOT Worksheets.

As the CEDS will ultimately be adopted by you, the Commissioners, it is paramount to have your input included as well. Attached to this memorandum are a series of worksheets, with one for each element of the SWOT Analysis. The worksheet is broken into 4 different tiers: Highest, Middle, Lowest, and Questionable. The tiers are based on the consensus of the group, those listed as questionable didn't reach a consensus. If you feel something is missing for any of the SWOT elements, space is provided at the bottom of the sheet for new ideas to be included.

Please take a few minutes to review and complete the worksheets for each SWOT Analysis element. Your input would be greatly appreciated, as it will help finalize the SWOT Analysis section of the plan as well as help guide future discussions with the CEDS Committee concerning goals, objectives, and strategies for the region.

The worksheets will be collected at the SPDC Quarterly Meeting on January 30th.



Strengths

Place a check in the “Agree” or “Disagree” column for each listed Strength. If you have any comments, including if you think it should be on a different tier, note that in the “Comments” column.

Highest Tier	Agree	Disagree	Comments
Workforce Training			
Lake			

Middle Tier	Agree	Disagree	Comments
Transportation – Good Industrial Access			
SOVA Rise Collaborative			
Natural Resources			
Data Centers/IT			
Abundance of Water			
Outdoor Recreation			
Fiber Connections/Availability			
Rich History/Culture			
Dual Enrollment (SVCC/SVHEC)			

Lower Tier	Agree	Disagree	Comments
Land – Topography, price, etc.			
New Schools – with Trades/CTE			

If you have an opinion on any of the following listings for the Questionable Tier, please write “Pro” or “Con”.

Questionable Tier	Pro	Con	Pro/Con
Openness/Forward Thinking	Better than it was	Not where it needs to be	
Community/Leadership	Better than it was	Not where it needs to be	
Cheaper Taxes	Competitive selling point	Less funds to provide expected public services	
Abundance of Electric Power	Power available for development	Lack power for existing data center projects	
Quality of Healthcare	Quality healthcare available	Not across the region	

What “Strengths” Are Missing?	Comments/Justification



Weaknesses

Highest Tier	Agree	Disagree	Comments
Better Align Vision – Counties/Towns/IDAs/EDAs			
Diversity of Industry/Employers			
Lack of Housing – Types/Quality/Affordability			
Retention of Youth			

Middle Tier	Agree	Disagree	Comments
Lack of Childcare – Availability, \$			
Aging Workforce – Impacts to EMS and Leadership			
Transient Workforce			
Health Outcomes			
Developable Land – Blighted properties, Unwillingness to sell			

Lower Tier	Agree	Disagree	Comments
Lack of Transportation for Disadvantaged Populations			
Food Insecurity/Hunger			
Inequities in Wages/Salaries			
Lack of Activities			
Infrastructure - Water, Sewer, Power			
Marketing/Communications			

Questionable Tier	Pro	Con	Pro/Con
Openness/Forward Thinking	Better than it was	Not where it needs to be	
Community/Leadership	Better than it was	Not where it needs to be	
Cheaper Taxes	Competitive selling point	Less funds to provide expected public services	
Abundance of Electric Power	Power available for development	Lack power for existing data center projects	
Quality of Healthcare	Available	Not across the region	

What “Weaknesses” Are Missing?	Comments/Justification



Opportunities

Highest Tier	Agree	Disagree	Comments
Education Pipeline to Industry			
Growth in Career Path Education/Workforce			
Retention of Community			
Increase Industry Partnerships			

Middle Tier	Agree	Disagree	Comments
Development of new Economic Development Sites for Investment			
Diversity of Industry – i.e. Wood Industry			
Redevelopment of Existing Buildings			

Lower Tier	Agree	Disagree	Comments
Attraction of Peripheral Data Center Needs			
Scholarships/Loan Forgiveness			
Organization Involvement			
Aging Population			
Regional Collaboration			
Entrepreneurship			
Relationships with Developers			
Childcare			
Funding for Leadership Training/Tours			
Get AI Ready			

What “Opportunities” Are Missing?	Comments/Justification



Threats

Highest Tier	Agree	Disagree	Comments
Greater Opportunities Elsewhere			
Lack of Coordination/Collaboration /Trust			
Lack of Infrastructure			

Middle Tier	Agree	Disagree	Comments
Dismantling of Grant Funding Programs			
Resource Availability – Power, Rail, etc.			

Lower Tier	Agree	Disagree	Comments
Another Pandemic			
Rising Interest Rates			
Economic Recession			
Lack of State Funding for Community Colleges			
Political Turnover in Virginia			
Local Governments More “Reactive” than “Proactive”			
Population Numbers			
New Weather Patterns			
Data Center Threats/Cybersecurity/ Kerr Dam			
Lack of Civic Engagement/Volunteerism			
Misinformation			

What “Threats” Are Missing?	Comments/Justification

DIRECTOR'S REPORT



EXECUTIVE DIRECTOR'S REPORT JANUARY 30, 2025 QUARTERLY MEETING

Annual Dinner Meeting - The October Annual Dinner Meeting was held at The Dogwood in South Hill. The guest speaker was Bill Leighty, a consultant with DecideSmart, LLC. A total of 84 colleagues & guests attended.

PDC Opioid Study – The Opioid Study is complete. The Counties agreed to issue an RFP to encourage community feedback on funding suggestions for the expenditure of opioid abatement funds. The RFP was issued 01/22/25.

Commission on Electric Utility Regulation (CEUR) - The CEUR is seeking assistance from the PDC's across the state to prepare the energy plans as required for the Virginia Clean Economy Act (see attached). VAPDC responded to the CEUR by letter dated December 12, 2024 (see attached). There are shared concerns from the PDC's that more time is needed to prepare the plan and additional funds are needed to prepare the plan. I will continue to update you as additional information is received on how to proceed.

SPDC Financial Policy Manual - We are making updates to the SPDC Financial Policy Manual; we plan to have it available for adoption at the April meeting.

SPDC Office Building - The SPDC office building has been successfully transferred from Lake Country Development Corporation to Southside PDC.

Recent Project Activity – The Year-in-Review (emailed) details staff activity for FY25. A total six (6) project applications have been approved to date totaling \$5,386,546 in dollars received for the region. We currently have 13 additional applications that have been submitted which are pending review and approval. To date, staff is currently administering 56 projects that total \$148,636,583 in federal and state funds received throughout the three-county region. These details of these projects are listed in the Active Projects List which was sent to each of you in an email.

Conferences & Meetings – Andy and I attended: 1) Governor's Summit on Rural Prosperity held in Wytheville and the NADO Annual Training Conference in New Orleans.

I attended the 1) Virginia Housing Focus Group Statewide Strategic Plan Input Session, 2) Virginia Housing Rural Advisory Council Holiday Meeting in Richmond, 3) Tobacco Commission Strategic Input Session in Danville, and 4) VACo Local Government Day and Reception in Richmond.

SPDC Staff Changes – Magen Long, PDC Administrator Assistant, recently accepted a position at the VCU Care Center which aligned with her Health Administration education and background. We are in the process of reviewing resumes to fill the position.

Next PDC Meeting – The April meeting is our in-person meeting. It is scheduled for April 24th at noon. Lunch will be provided.



SOUTHSIDE
PLANNING DISTRICT COMMISSION

southsidepdc.org

What is the Virginia Clean Economy Act?

The VCEA is a piece of clean energy legislation that Governor Ralph Northam signed into law on April 11th, 2020. The Act is designed to spur clean energy job creation and reduce the state's carbon emissions primarily by expanding wind and solar power.

One of the most important parts of the Act is the establishment of a mandatory [renewable portfolio standard \(RPS\)](#), which sets Virginia on a path to reach 100 percent clean electricity by 2050. Virginia is by no means the first state to pass an ambitious clean energy target, but they are the first southern state to do so.

VCEA includes more than just clean energy targets, but some details are very technical and difficult to unpack. In addition to a mandatory RPS, here are a few key initiatives included in the bill:

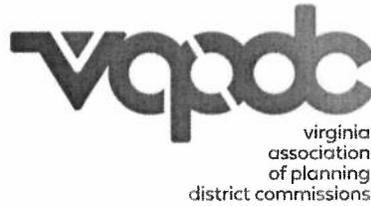
- Dominion Energy and Appalachian Power, two large investor-owned utility companies in the state, must retire their carbon-emitting electrical generation facilities. The dates by which they need to do so depend on the type of plant (i.e., whether they burn coal, natural gas or oil) and the size of the facility.
- The [net metering](#) cap for residential customers jumped from 20 kW to 25 kW; residential Dominion customers can also size their system to meet up to 150 percent of their annual electricity demand.
- The bill established specific megawatt (MW) targets for offshore wind, solar, and energy storage.
- There are new energy efficiency standards for utilities, including programs to support low-income populations.
- The RPS includes a solar carve-out for Dominion, mandating that at least one percent of its renewable energy generation must come from distributed solar panel systems less than one MW in size.

VCEA went into effect on July 1st, 2020.



SOUTHSIDE
PLANNING DISTRICT COMMISSION

southsidepdc.org



December 12, 2024

TO: Commission on Electric Utility Regulation

FROM: Virginia Association of Planning District Commissions
David C. Blount, Executive Director

RE: Policy Concept on Energy Facility Siting and Permitting

We appreciate Virginia's Planning District Commissions (PDCs) being considered for a role in development of energy plans for the Virginia Clean Economy Act (VCEA). Over the years, PDCs have had numerous partnerships with state agencies to conduct important studies or perform work on a variety of issues to further state and regional goals. While recognizing the challenges associated with the current proposal, we welcome the opportunity to explore this opportunity with you.

The Policy Concept on Energy Facility Siting and Permitting, which suggests that PDCs develop regional energy plans, raises concerns and additional questions that we would like to address. These center around the timeline for producing the plans, the amount of state resources proposed for such planning, elements necessary to include in the plans, and state/regional coordination in such planning.

- Timeline: The proposed July, 2026 deadline for the development of the plans is unworkable, as the scope of work and annual contribution to clean energy generation/efficiency/storage may not be clear until December, 2025, leaving a scant six months to convene stakeholders, engage communities and develop consensus plans that are acceptable to the State. Some PDCs represent many localities (the most is 21, while four others have 14 or more member governments), making coordination with multiple local governments and other stakeholders a costly and time-consuming process. It should be noted that PDCs are well-positioned to conduct this type of plan given the relationships held with local governments and state agencies. Based on extensive regional planning experience, we believe an 18-month timeline is more realistic. Perhaps a phased plan development process could yield specific state needs within six months, with a recognition that an additional 12-months would be necessary to deliver the full plan.

- State Resources: We do not know how the suggested \$4 million in resources was determined, but we are concerned that this amount (roughly \$190K per PDC) would be inadequate to cover PDC costs. While PDCs maintain the necessary relationships to engage and coordinate state and local interest holders, as well as the private and not for profit sectors in this type of high-impact, critical planning activity, the ability to coordinate all interests and develop meaningful, consensus-driven plans is highly dependent upon available resources. In addition to each PDC's internal resources needed to support a comprehensive planning process, production of a regional plan of this nature, especially if on a six-month timeline, would also likely necessitate the use of high-priced consultants to support the work. Determining a sufficient amount of resources is difficult without more specifics about the work itself and state expectations for the components of the plans. Further, if PDCs would be expected to review or update the plans on an annual or other periodic basis, there must be an ongoing/sustainable allocation of funds.
- Plan Elements: In order for the plans to meet state goals/requirements and to have consistency across the Commonwealth in doing so, there must be a state framework that has guidance/detail about elements to be included in the plans. This will help ensure that both the State and the PDCs are aligned on plan expectations. Such detail also would be helpful in determining time and resource needs for crafting the plans. We also suggest the State conduct an inventory/assessment of existing local/regional energy plans and their focus to inform the planning process.
- State/Regional Coordination: The role/relationship that PDCs would have with the State (Department of Energy?) in this planning process should be clearly defined, as well as the role of other state agencies, universities or public bodies that may be interacting with the PDCs to support this work.

While the PDCs are well-positioned to take on the envisioned role, we believe the concerns raised above must be adequately addressed for development of useful regional energy plans to be successful. While we are disappointed that PDCs were not included earlier in conversations about their possible role in this effort, we nonetheless are keenly interested in working with the legislature, state agencies, and relevant stakeholders to find a workable path for helping to plan for the Commonwealth's energy needs.