Work Session Agenda
Staunton City Council
Caucus Room
December 13, 2018
5:45 p.m.

Invocation/Moment of Silence—Mead

5:45 p.m.	**1.**	**Consideration of Work Session and Regular Meeting Agendas**
5:50 p.m.	**2. & B**	**Discussion of Non-Exclusive Franchise Ordinance to Place Natural Gas Transmission Facilities within the City Public Rights-of-Way**
6:00 p.m.	**3. & H**	**Discussion of Nine Ordinances to Amend Various Provisions of the Staunton City Code to Align with Changes to the Code of Virginia and to Formalize in Law Certain Policy Exemptions from Fees**
6:05 p.m.	**4. & I**	**Discussion of an Ordinance to Amend Provisions of the Staunton City Code to Formalize in Law Certain Policy Exemptions from Fees**
6:10 p.m.	**5. & J**	**Discussion of Four Ordinances to Amend Various Provisions of the Staunton City Code to Align with Changes to the Code of Virginia**
6:15 p.m.	**6. & A**	**Overview of the Comprehensive Annual Financial Report—FY2018**
6:30 p.m.		**Break**
6:45 p.m.	**7. & G**	**Discussion of a Request by the City of Staunton to Adopt New Design Guidelines for the City's Historic Districts**
7:00 p.m.	**8.**	**Closed Meeting for Discussion or Consideration of Possible Acquisition of Real Property for a Public Purpose**

Regular Meeting Agenda
Staunton City Council
Council Chambers
December 13, 2018
7:30 p.m.

Call to Order

Pledge of Allegiance

Mayor's Report

Additional Items by Members of Council

Approval of Minutes

Work Session and Regular Meeting of October 25, 2018

Special Called Meeting of November 1, 2018

Special Called Meeting of November 2, 2018

Work Session and Regular Meeting of November 8, 2018

REGULAR MEETING

A. Presentation of the Comprehensive Annual Financial Report—FY2018

B. Public Hearing and Consideration of Non-Exclusive Franchise Ordinance to Place Natural Gas Transmission Facilities within the City Public Rights-of-Way

C. Public Hearing and Consideration of a Request by Shenandoah Valley Pike LLC for a Special Use Permit to Allow Residential Use on the Ground Level at 29 Middlebrook Avenue

D. Public Hearing and Consideration of a Request by Draper Aden Associates on behalf of the School Board of the City of Staunton for a Special Use Permit to Permit Expansion/Renovation of a School at 1301 North Coalter Street

E. **Public Hearing and Consideration of a Request by Edward J. and Elaine D. Taetzsch for a Special Use Permit to Allow Living Quarters on the Ground Level at 409 North Augusta Street**

F. **Public Hearing and Consideration of a Request by GAE, LLC to Amend the City of Staunton, Virginia, Comprehensive Plan 2010–2030, Recommended Land Use Map, by Changing the Recommended Land Use Designation for 806 Hunter Avenue, Parcel #100767, from Medium Density Planned Residential to Recreation/Conservation/Open Space**

G. **Public Hearing and Consideration of a Request by the City of Staunton to Adopt New Design Guidelines for the City's Historic Districts**

H. **Consideration of Nine Ordinances to Amend Various Provisions of the Staunton City Code to Align with Changes to the Code of Virginia and to Formalize in Law Certain Policy Exemptions from Fees**

I. **Introduction, Public Hearing and Consideration of an Ordinance to Amend Provisions of the Staunton City Code to Formalize in Law Certain Policy Exemptions from Fees**

J. **Introduction, Public Hearing and Consideration of Four Ordinances to Amend Various Provisions of the Staunton City Code to Align with Changes to the Code of Virginia**

Matters from the City Manager

Matters from the Public

Adjournment

CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**City Council**
Item #	**1**	
Ordinance #		
Department:	**City Council**	
Subject:	**Work Session and Regular Meeting Agendas**	

Background: Consistent with Procedural Memorandum No. 3, attached are draft meeting agendas for City Council's consideration and for approval as Council prefers.

Suggested Motion: I move to approve the Work Session agenda and the Regular Meeting agenda [as presented] [with the following changes: as to the Work Session, the addition/deletion of _____; as to the Regular Session, the addition/deletion of _____].

City Manager: Stephen F. Owen

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Matters from the City Manager

Matters from the Public

Adjournment

CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Staff Member:** **Tom Sliwoski**
Item #	**2 & B**	
Ordinance #		
Department:	**Public Works**	
Council Vision:	**Resilience** **Responsive, Efficient Government**	
Subject:	**Non-Exclusive Franchise Ordinance to Place Natural Gas Transmission Facilities within the City Public Rights-of-Way**	

Background: The City has advertised and solicited bids (Attachment 1) for a potentially 25-year non-exclusive franchise to provide natural gas service, utilizing streets, alleys and public rights-of-way for the maintenance, distribution and transmission of natural gas within and through the City of Staunton, as detailed in the attached form of franchise ordinance (Attachment 2).

At Council's regular meeting, it is anticipated that, consistent with the provisions of Virginia Code §§ 15.2-2100, 15.2-2101 and 15.2-2102 (Attachment 3), the Mayor will open all bids, read them or a summary aloud, and conduct a public hearing, as properly noticed in *The News Leader* (Attachment 4). Council will then receive any preliminary recommendations from the staff relative to any bids. Bids will be further reviewed by staff subsequent to the regular meeting or as otherwise directed by Council. Council could adopt an ordinance, authorizing a franchise to the successful bidder, at the regular meeting or the next scheduled regular meeting.

City Manager's Recommendation: Recommend that, at the regular meeting, the Mayor (i) open all bids received for the natural gas franchise, (ii) read the bids or a summary of them, (iii) inquire if any other bids are offered, (iv) receive further bids if offered, (v) declare the bidding

closed, (vi) conduct a public hearing, and (vii) award the franchise if only one bid is received or, alternatively, if more than one bid is received, take the matter under advisement until Council's next meeting on January 10, 2019.

Alternative Motions (to be made after the public hearing):

If only one bid is received:

I move that City Council adopt the franchise ordinance, as presented, granting to _____ a non-exclusive franchise to provide natural gas service within the corporate limits of the City of Staunton, as set forth in the ordinance.

If more than one bid is received: I move that Council continue this matter until its January 10, 2019 regular meeting, with staff to review the matter further in the meantime for any other recommendations to Council to be made at that time when Council may adopt a proposed ordinance to grant the franchise under the conditions reflected in a finalized form of franchise agreement.

City Manager: Stephen F. Owen

The News Leader

Classified Ad Receipt
(For Info Only - NOT A BILL)

Customer: STAUNTON CITY OF

Address: 116 W BEVERLEY ST
STAUNTON VA 24401
USA

Ad No.: 0003250506
Pymt Method Invoice
Net Amt: $889.48

Run Times: 2

No. of Affidavits: 1

Run Dates: 11/27/18, 12/04/18

Text of Ad:

NOTICE OF INVITATION FOR AND PUBLIC OPENING OF BIDS AND
PUBLIC HEARING FOR GRANT OF A FRANCHISE
IN THE CITY OF STAUNTON
TO PLACE NATURAL GAS TRANSMISSION FACILITIES WITHIN THE
PUBLIC WAY

Notice is hereby given of the invitation for and the receipt and for the opening of bids and public hearing on the potentially 25-year, non-exclusive franchise to be granted by the following referenced ordinance to be considered by the Staunton City Council at its regular meeting, in the Council Chambers on December 13, 2018, at 7:30 p.m. After the Mayor or other presiding officer of City Council receives and opens and reads aloud such bids, the Council will proceed with the continued consideration of the granting of the proposed franchise in the mode prescribed by law and will conduct a public hearing.

All bids must be in writing and shall include reference to the City's preferred form of any proposed agreement. All bids must be submitted by not later than 5:00 p.m., local time, December 11, 2018, to the office of the Clerk of Council, 116 W. Beverley St., 1st Floor, Staunton, VA 24401. The right is hereby expressly reserved to reject any and all bids and to proceed as prescribed by law, as may be permitted by law. A descriptive notice of the proposed franchise ordinance, including the full text of this advertised notice, includes the foregoing and following:

AN ORDINANCE

To grant to _____, a company doing business in the Commonwealth of Virginia _____, its successors and assigns, upon the express written approval of the City of Staunton and pursuant to the Code of Virginia, a non-exclusive franchise to use the streets, alleys, and right--of-ways, of the City of Staunton, for the purposes of laying, constructing, operating, using, extending, repairing, replacing, renewing, and maintaining along and under the same, pipes, appurtenances, and such other facilities as may be necessary or desirable for the maintenance, distribution, and transmission of natural gas within that through the City of Staunton.

The proposed ordinance is authorized by, among other considerations, the Staunton City Charter, Chapter II, Section 11; Staunton City Code § 2.10.180; and by Virginia Code Sections §§ 15.2-2100 and 15.2-2101.

A true and complete copy of the proposed ordinance and form of agreement, including all of its terms and conditions, is on file and available for inspection during normal working hours at the office of the Clerk of Council.

All persons wishing to be heard at the public hearing are invited to attend. Persons with hearing loss or speech impairment desiring to attend the public hearing may contact the Clerk of Council by email at simmonssf@ci.staunton.va.us to request an interpreter.

Suzanne F. Simmons
Clerk of Council

0003250506-01

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Ordinance No. 2018 - _____

AN ORDINANCE

Granting to Columbia Gas of Virginia, Inc., a Virginia Corporation, ("Grantee"), its successors and assigns, upon the express written approval of the City of Staunton and pursuant to the Code of Virginia, a non-exclusive franchise to use the streets, alleys, and right-of-ways, of the City of Staunton, for the purposes of laying, constructing, operating, using, extending, repairing, replacing, renewing, and maintaining along and under the same, pipes, appurtenances, and such other facilities as may be necessary or desirable for the maintenance, distribution, and transmission of natural gas within and through the City of Staunton, Virginia.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA:

Section 1. Scope.

(a) A non-exclusive franchise ("Franchise") is hereby granted to Columbia Gas of Virginia, Inc., a corporation organized and existing under the laws of the Commonwealth of Virginia, its successors and assigns, to use and occupy the public rights-of-way meaning streets, alleys, roads, bridges, sidewalks, lanes, courts, ways and boulevards, including utility easements, waterways, or other public places actually used as public rights-of-ways dedicated to public use for travel (hereinafter, "Streets"/"Public Right-of-Way") in the City of Staunton, Virginia, (the "City") as now existing or hereafter extended (including by any annexation), for the construction, maintenance and operation, in, under, along and through said Streets of a system of pipes, mains, manholes, connections, meters and other equipment, facilities and appliances (collectively, the "Facilities") necessary or convenient for the transmission, distribution and sale of natural gas in, through, or to any part of the City upon the express written approval of the appropriate agency or

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authority within the City of Staunton. In addition, subject to the indemnification provision of Section 6 of this Franchise, Grantee shall have the right to use any City-owned utility easements which grant the City the right to lay and maintain facilities.

(b) Nothing in this Ordinance waives or releases the rights of the City in and to the Streets. The City is free to realign, re-grade, otherwise alter, close and/or vacate the Streets and require Grantee to alter its Facilities as a result, under the conditions set forth in Section 4 of this Ordinance.

(c) This Franchise does not grant to the Grantee use of City-owned structures or City-held fee property that is not part of the Streets. The terms and conditions of the Grantee's use of any City-owned Structure or property shall be set forth in a separate ordinance, agreement, lease or other document, as appropriate.

(d) Nothing in this Ordinance affects the right of the City to grant any other person a franchise to occupy and use the Streets to install, construct, maintain, upgrade, repair and remove such person's pipes, mains, manholes, connections, meters and other equipment, facilities and appliances for the purpose of providing natural gas distribution or to engage in any other activity in the Streets, provided that the exercise of such right will not require Grantee’s Facilities to be unreasonably interfered with or, except as otherwise provided by this Ordinance, by other law, or by agreement, relocated. Nothing in this Ordinance affects the right of the City to occupy and use the Streets to install, construct, maintain, operate, upgrade, repair and remove its water lines, sewer lines, storm water pipes, associated appurtenances, manholes, or to engage in any other activity in the Streets, provided that the exercise of such right will not require Grantee’s Facilities to be unreasonably interfered with or, except as otherwise provided by this Ordinance, by other law, or by agreement, relocated.

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Section 2. Legal Compliance.

(a) The materials to be used and the manner of construction and repair to be followed under this Franchise shall be such as are commonly used in comparable circumstances and shall conform substantially to the Minimum Federal Safety Standards for the Transportation of Natural and Other Gas by Pipeline, 49 Code of Federal Regulations Part 192.1 et seq, or successor regulations ("49 CFR 192").

(b) The Grantee shall comply with all local laws, rules, regulations, orders, or other directives of the City issued pursuant to this Ordinance or with respect to the City's management of its Streets or other exercises of its police power. The Grantee shall have the sole responsibility for obtaining all permits, licenses and other forms of approval or authorization necessary to install, maintain, upgrade, repair and remove Facilities within, on, over and under the Streets.

(c) This Franchise is granted under the express condition that the Grantee, its successors and assigns, shall maintain its system for the transmission, distribution and sale of natural gas in the City of Staunton subject to (a) the rules, regulations, orders and directives of the State Corporation Commission of the Commonwealth of Virginia, ("Commission"), (b) the rates, and general terms and conditions of service contained in the Grantee's tariff, as modified from time to time, on file with the Commission, and (3) the rules, regulations and orders of the City Council of the City of Staunton and its designee(s), including terms and conditions contained in written approvals given by the City Council for the construction, maintenance and operation of Grantee's Facilities. In addition, to avoid accidental damage to Grantee's Facilities, Grantee agrees promptly to comply with any request from the City, its agents, employees, or its contractors that Grantee locate the position of specific portion(s) of Grantee's Facilities in accordance with the Virginia Underground Utility Damage Prevention Act (Va Code §56-265.14)

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(d) This Franchise and the rights and privileges hereby granted and conferred are conditioned upon the Grantee maintaining or obtaining from the Commission such certificates of public convenience and necessity as may be requisite for operations hereunder.

Section 3. Safety.

(a) The work to be done under this Franchise shall be done in accordance with Virginia Code Section 56-265.14 et seq. (Virginia Underground Utility Damage Prevention Act, "Miss Utility Requirements") and in such manner as not to damage any other underground construction of any other entity holding a franchise from the City or any construction that complies with Miss Utility Requirements performed by the City itself, or unnecessarily interfere with the making of connections by the City or by the citizens thereof with water lines, sewer lines, or storm water pipes, which may now or hereafter be laid or constructed by the City or by any other entity holding a franchise from the City that comply with Miss Utility requirements. When the Streets are used for any underground construction, unless otherwise agreed to by the City, the surface thereof shall be restored within ten (10) business days from completion of the work to, as nearly as possible, the same condition as existed prior to such construction. All repair work will be done so as to have a one (1) year warranty on workmanship and materials. If workmanship and/or materials fail, corrective work will be accomplished within ten (10) business days of first report. For purposes of this Subsection 3(a), requests for extensions by the Grantee for more than 10 business days to complete work and restoration will not be unreasonably denied by the City. All work done under this Ordinance shall be done in such a manner as to not needlessly interfere with or impede free and proper use of the Streets by the public, or obstruct the travel thereof except with the advance, express permission of the City, which may be granted or withheld in the City's sole discretion, not to be unreasonably withheld, or in the case of an emergency related to the safety, health and welfare

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of the public. The Department of Fire and Rescue Chief or other officer in charge as designated by the City Manager, shall have the sole right to determine whether an emergency related to the safety, health and welfare of the public exists. For avoidance of doubt, Grantee may treat a situation as an emergency if the Department of Fire and Rescue Chief or other officer in charge or other designated representative has declared it to be an emergency.

(b) The locations of all mains, conduits, pipes and other appurtenances in the Streets that are laid or constructed pursuant to this Ordinance shall be subject to the approval of the Director of Public Works or other designated representative of the City of Staunton, not to be unreasonably withheld. Grantee shall, promptly after the award of this Franchise, develop a protocol with the City to provide the City with the opportunity to view complete mapping information of its distribution system, which shall be timely maintained to show all subsequent additions and/or deletions to such distribution system. Such mapping shall not be made available for public dissemination, except as otherwise required by law and with the prior consultation or approval of Grantee.

(c) The Grantee shall, at its own cost and expense, undertake to prevent accidents at its work sites in, at or on the Streets, including the placing and maintenance of proper guards, fences, barricades, flagmen and suitable and sufficient lighting, in accordance with federal, state and City laws. No excavations will be allowed to remain open, unless protected by steel plates or secured in another manner approved in advance by the city.

Section 4. Relocation.

(a) Whenever any of Grantee's Facilities shall unnecessarily interfere with public Street improvements or sidewalks actually being constructed in the City, whether such improvements be new or in the nature of changing any location of or repairing existing Streets, the City may, upon

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reasonable notice commensurate with the size of the project but in no case less than one-hundred twenty (120) days, require the Grantee at its cost to move so much of its Facilities as may unreasonably interfere with the progress of such improvements, and upon the failure of the Grantee to do so in a timely manner, the City may, after thirty (30) days' written notice to the Grantee, itself make or cause to be made such necessary changes in the Facilities of the Grantee at the cost and expense of the Grantee in accordance with the terms of Section 4 (c) below.

(b) Whenever the City or any of its departments, agencies, and/or agents, servants, or employees shall grade, re-grade, construct, reconstruct, widen, or alter any Street or shall construct, reconstruct, repair, maintain, or alter any other municipal public works therein (including but not limited to water lines, sewer lines, storm sewer pipes), and except where such reconstruction or alteration is for the exclusive benefit of a third party, it shall be the duty of the Grantee, when provided a notice to proceed by the City, within a reasonable time commensurate with the size of the project but in no case less than one-hundred twenty (120) days, to alter or relocate at Grantee's expense its Facilities in the Street so as to conform to the established grade or line of such Street so as not to unreasonably interfere with such municipal public works so constructed, reconstructed, or altered. The City shall reimburse the Grantee for the cost of alteration, relocation, removal or break through of Facilities to the extent and only in an amount required by the Code of Virginia, as amended; otherwise, Grantee shall bear the cost of such alteration, relocation, removal, or breakthrough. In the event the Grantee must relocate Facilities pursuant to this Section 4, the City shall make available, at no cost to Grantee, permits and alternative space in the Streets for such relocation of Facilities, provided that (i) such alternative space need not be in the exact same Streets but shall be in reasonable proximity to the previous location; and (ii) such alternative space is reasonably available elsewhere in the Streets.

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(c) If the Grantee neglects to alter or relocate Facilities within the time frame of the reasonable notice provided in section 4(a) or 4(b) above, the City shall send a second notice notifying Grantee that in thirty (30) days the City may elect to place on hold the issuing of all permits for the Grantee's work in the City, except permits required to address emergencies endangering public health, safety or welfare. The existence of an emergency shall be determined by the same parties and under the same criteria set out in section 3 (a) above.

(d) The Grantee shall be entitled to an apportioned amount of any state or federal funds made available to the City in conjunction with the relocation or protection of work, provided such funds, or a portion thereof, are designated for utility relocation costs. If two or more utility service providers in the City are eligible for relocation cost reimbursement, then available funds shall be shared by those eligible providers in the manner required by the state or federal fund-granting agency and, if that agency does not set forth requirements for sharing, then by prorating the reimbursement based on the total relocation costs of each provider.

(e) Quarterly, the City and Grantee shall meet to discuss the timing of future projects requiring coordination of construction work.

Section 5. Restoration of Right-of-Way.

The Grantee shall be liable, at its own cost and expense, to reasonably replace or repair, within a reasonable time not to exceed the same day for passable portions of Streets (unless otherwise agreed to by the City) and not to exceed ten (10) working/business days for all other replacements or repairs, and complete restoration of the site to the condition that existed prior to the commencement of Grantee's activities, any Street or structure thereon, thereunder or there over that may become disturbed or damaged as a direct result of the Grantee's activities (unless otherwise agreed to by the Director of Public Works, or designee). Restoration of hard surface Streets requires

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a comparable hard surface. All provisions of Staunton City Code Section 12.10.070 and successor provisions shall apply to all implicated new and restoration work. If Grantee does not commence such replacement or repair within such reasonable time period as aforementioned or otherwise agreed to by the parties and after notice by the City to the Grantee, the City may make such replacement or repair, and the Grantee shall pay the reasonable cost of the same. No acceptance of any payment by the City shall be construed as an accord and satisfaction that the amount paid is in fact the correct amount, nor shall such acceptance of any payment be construed as a release of any claim that the City may have for further or additional sums payable under the provisions of this Ordinance. Any damage done by the Grantee to any pavement, sidewalk, or pipe, to include water, sanitary sewer or storm sewer pipes, of the City, the Grantee shall immediately notify the Director of Public Works and promptly repair or replace the same at its own cost and expense in accordance with the provisions of the Staunton City Code and applicable engineering standards of the City.

Section 6. Indemnification.

By accepting this Ordinance and Franchise, the Grantee, its successors and assigns, hereby agrees to indemnify, defend and hold harmless the City of Staunton from any and all claims, damages, losses, costs, expenses, or judgments which may be awarded in any legal action, and to pay all expenses including, but not limited to, reasonable attorney's fees, reasonable investigative costs and court costs, due to personal injuries, property damage, or property right acquisition arising from the construction, operation or maintenance of the works herein authorized, the exercise of any right or privilege granted by this Franchise, or the performance of any duty hereby imposed, provided, Grantee has received actual notice of such claim or loss, or received lawful service of process in any legal action or proceeding for which Grantee may be obligated under the terms of this provision, and provided further that the Grantee has control of the defense of any such claim or

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suit. However, no provision of this Ordinance shall be construed to render the Grantee liable for the negligence or willful misconduct of the City, its agents or employees, its contractors, or any other persons. The Grantee, its successors and assigns, shall obtain and keep in full force and effect during the life of this Franchise a policy or policies of liability insurance issued by surplus lines insurer(s), in an adequate amount or amounts to be approved by the City (approval not to be unreasonably withheld) and file proof thereof in the office of the City Clerk. This indemnification provision shall survive the expiration or termination of this franchise.

Section 7. Taxation.

The right of the City to impose and collect any other lawful license, property or other tax upon the Franchise herein granted and upon properties constructed or installed by the Grantee hereunder shall not be deemed to be waived, abridged or in any way affected by this Ordinance.

Section 8. Bid Bond.

Any person, firm or corporation bidding for this Franchise shall deposit with the bid his or its certified check in the sum of $10,000.00, payable to the Treasurer of the City of Staunton, Virginia, which check, on the part of the Grantee awarded this Franchise, shall be security to the City that said Grantee will accept the Franchise within thirty (30) days after the adoption of the Ordinance granting the same. Such acceptance shall be in writing, signed by an officer of the Grantee duly authorized so to do. Upon the failure of the Grantee to accept this Franchise pursuant to the provisions of this section, such Grantee shall forfeit to the City the said sum of $10,000.00 required to be deposited with the bid. The checks of all other bidders shall be returned to them upon the award of this Franchise to the Grantee.

Section 9. Performance Guarantees.

(a) This Ordinance and the grant of the rights and privileges hereby conferred shall not

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become effective unless and until the Grantee shall file with the City Manager of the City of Staunton its written acceptance hereof in form satisfactory to the City, and enter into a bond in the initial sum of $50,000, with good and sufficient security and which shall be in such form as may be satisfactory to the City Attorney, with the condition that the Grantee will construct the works provided herein, which may be reasonably necessary for the exercise of the rights and privileges granted by this Franchise, will maintain the same in good order throughout the term of this grant, and will comply in all respects with the terms, provisions, and conditions of this Ordinance. Such acceptance and the said bond shall be filed within thirty (30) days from the passage of this Ordinance. Said bond shall not in any way be considered as the limit of Grantee's obligations or possible liabilities hereunder. The City may require Grantee, within thirty (30) days of written notice, to increase the amount of the Surety Bond by the percentage increase in the most recently published Consumer Price Index (CPI-U, all products) since the posting of the Surety Bond or any prior increase of the Surety Bond. Whenever the City draws upon the Surety Bond, Grantee shall replenish the bond within thirty (30) days thereafter. The City may use any lawful collection method to recover costs due to it under the terms of this Franchise. Grantee shall be liable to the City for all costs of collection, including a reasonable attorney's fee. This fee-shifting provision shall survive the expiration or termination of this Franchise.

(b) To the extent necessary to determine the Grantee's compliance with this Franchise or to carry out the City's authority to manage the Streets, the Grantee shall make available to the City for inspection, examination and/or audit within thirty (30) business days' notice to the Grantee, such complete and accurate books of account, records, documents and other information, as maintained by Grantee in accordance with Grantee's record retention policy, as the City may reasonably need with respect to the Facilities or the transmission, distribution and sale of gas in,

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through, or to any part of the City, including, without limitation, books of account, records, documents and other information adequate to enable the Grantee to demonstrate, at all times throughout the Term that it is, and has been, in compliance with each term and condition of this Franchise.

(c) The City may conduct compliance audits concerning Grantee's compliance with the terms and conditions of this Ordinance at any time during the Term, provided that the City gives the Grantee written notice thirty (30) days in advance of the commencement of compliance audits, and such audit has not taken place within the previous twelve (12) months. If the compliance audit finds underpayments or other non-performance not remedied within thirty (30) days of the date the payment or performance was due, Grantee shall reimburse the City the cost of performing the compliance audit upon presentation of an invoice for that expense.

Section 10. Term and Hold-over.

The privileges hereby granted shall continue for a period of ten (10) years from the date of the approval of this Ordinance ("Initial Term"). Upon the expiration of the Initial Term or any subsequent Additional Term(s) (as defined below), this Franchise shall be automatically renewed for additional five (5) year term(s) (each an "Additional Term") (for a total "Term," Initial Term plus any Additional Terms not to exceed twenty-five (25) years), unless either City or Grantee has submitted written notice of its intent to terminate this Franchise at least one-hundred twenty (120) days prior to the expiration of the then-current term. If the Grantee continues to use Facilities in the Streets after the Term, then the Grantee shall continue to comply with all applicable provisions of this Ordinance and other City laws and ordinances, throughout the period of such continued use, except as otherwise provided in Section 14 of this Ordinance.

Section 11. Effective Date.

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This Ordinance shall be in force from its passage.

Section 12. Provision of Service.

(a) In accordance with Grantee's Gas Tariff approved by the Commission, Grantee shall provide and maintain an adequate and efficient and safe service of natural gas for light, heat, power and fuel and other practical uses thereof at reasonable rates in the City, to said City and residents thereof, and shall maintain its properties, works and structures located in the said City in good order throughout the term for which the Franchise is granted, except when prevented from doing so by fire, flood, labor strike, or similar causes beyond its control, which may temporarily prevent the maintenance of such services and such conditions of the property, that Grantee shall stand ready at all times to make service connections for supplying gas for light, heat, power, and fuel and other practical uses and purposes at any point within the corporate limits of the said City, upon the proper applications therefore in accordance with the standard terms and conditions of Grantee as approved by the Commission and in effect at the time such application was made; provided that Grantee shall not be required to make service connections, extensions, across private property.

(b) The adequacy and efficiency and safety of service under this Franchise and the reasonableness of the rate of charge to the public therefore and the reasonableness of the rules and regulations affecting such service to the public are to be determined by the Commission, or by such other legally constituted regulatory body as may have jurisdiction under the laws of the State of Virginia to determine such matters and Grantee in accepting this Franchise expressly agrees that the said Commission or other body shall have jurisdiction to the full extent and in the manner now or hereafter, during the life of this Franchise provided by law to enforce the provisions of this Franchise to the full extent provided by law.

(c) The City may, at any time, in case of fire, disaster, or other emergency, as

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determined by the City in its sole reasonable discretion, request the immediate support of the Grantee to secure Facilities to protect public safety and in accordance with the Virginia Underground Utility Damage Prevention Act.

(d) As soon as practicable, the Grantee shall notify the City Manager or Public Works Director or their designee of any emergency related to the distribution or provision of natural gas, and as necessary to protect the public safety, Grantee shall coordinate its activities in responding to the emergency with the City Manager or Public Works Director or their designee. Except during emergency situations related to the safety, health and welfare of the public, the Grantee will secure, prior to commencing construction activities, all necessary permits and licenses in connection with the installation, maintenance, upgrade, repair and removal of Facilities within, on, over, or under the Streets. During emergency situations related to the safety, health and welfare of the public, the Grantee shall take all reasonable measures to restore service and alter its Facilities as necessary to ensure the safety, health and welfare of the citizens of the City. Nothing in this Ordinance waives any of the City's ordinances or regulations or the City's right to require the Grantee to secure appropriate permits or approvals for use of the Streets.

(e) Grantee agrees that any natural gas distributed to consumers through natural gas mains or natural gas services or used for domestic purposes, which does not naturally possess a distinctive odor to the extent that its presence in the atmosphere is readily detectable at concentrations well below that required to produce an explosive mixture, shall have an odorant added to make it detectable in accordance with 49 CFR Part 192.

(f) Whenever it is necessary to shut off service for the purpose of making repairs or installations, Grantee shall do so at such times as will cause the least amount of inconvenience to its customers, and unless such repairs are unforeseen and immediately necessary, it shall give

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reasonable notice thereof to the consumers to as to minimize any inconvenience.

Section 13. Remedies.

If City chooses to terminate this Ordinance pursuant to Section 20 herein and the termination has not been set aside by the Commission, then the City may exercise its right of eminent domain and thus acquire all of the interests and property of Grantee of every nature and description which constitutes the City gas system and those things incident thereto. Possession and fee simple ownership shall vest upon the payment by the City to Grantee of the award in condemnation or as otherwise permitted by law. In such a condemnation proceeding the Franchise shall not constitute an asset of the Grantee but in all other respects such proceeding shall be in accordance with eminent domain procedure in Virginia. The City may enforce any provision of this Franchise by an action for mandamus or injunction or as otherwise permitted by law. If the City obtains a writ of mandamus or an injunction or other order to enforce any provision of this Franchise, Grantee shall pay the City its cost of litigation, including reasonable attorney's fees and expenses and expert witness or other professional fees and expenses.

Section 14. Right to Purchase; Removal of Facilities.

(a) At the expiration of the life of this Franchise, the City of Staunton shall have the right, at its option, to purchase at a fair valuation, to be determined in the manner hereinafter provided, all the Facilities of Grantee, its successor and assigns, lying and being within the corporate limits of the City. Should the City desire to avail itself of the privilege herein reserved, then the value of said property of Grantee shall be ascertained and arrived at between the City and Grantee, its successors or assigns, by agreement if possible; but in the event that the value thereof cannot be agreed upon, then the City of Staunton shall select an appraiser, Grantee, it successors or assigns, shall select an appraiser, and the two persons so selected shall select a third appraiser, and

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the three persons so selected, or a majority of them, shall fix the value of Grantee's mains, pipes, conduits and other appurtenances lying and being within the corporate limits of the said City, which shall be accepted by the City of Staunton, and Grantee, its successors or assigns, as the correct value thereof, and if the City of Staunton then desires to purchase the property aforesaid at said valuation, it shall have the right to acquire the same at the price so fixed, and pay for the same at such time and in such manner and upon such terms and conditions as the City and Grantee, its successors or assigns, may agree upon.

(b) If the City declines to exercise its power to acquire the Facilities under this provision, then within a reasonable period of time not to exceed one hundred eighty (180) days after the City gives notice to Grantee of its choice not to purchase as discussed in Section 14(a) following termination of this Franchise, Grantee shall remove or abandon in place all of its Facilities from property of the City.

Section 15. Cost of Publication and Review and Negotiation.

Grantee shall assume the City's cost of publication and review and negotiation fees for this Franchise as such costs shall be presented to Grantee by the City Treasurer, upon Grantee's filing of acceptance and shall be paid at that time, not to exceed $5,000.00.

Section 16. Authority to Reject Bids.

The Council of the City of Staunton expressly reserves the right to reject any and all bids and to accept any bid as permitted by law.

Section 17. Assignment.

This Franchise shall not be transferred, assigned, or sub-let without the prior written consent of the City. Such consent shall not be unreasonably withheld. However, Grantee may assign the entire Franchise to any entity which is successor to Grantee, after prior written notice to the City

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provided such assignee is a public service company subject to regulation by the Commission. For purposes of this Ordinance, Grantee's "successor" is an entity which provides the same services in the service territory covered by this Franchise in place of Grantee.

Section 18. Other Ordinances. The rights and privileges granted herein to use the Public Rights-of-Way/Streets are expressly subject to the conditions, limitations, and provisions contained in the general ordinances of the City of Staunton, Virginia, in force, or that may be hereafter passed by the City, relative to the use of the Public Rights-of-Way so far as they may be applicable to the rights and privileges herein granted, provided such ordinances that may be passed will not place any unreasonable or impracticable burden exclusively upon the Grantee.

Section 19. Severability. The sections, paragraphs, sentences, clauses, and phrases contained in this Ordinance are severable, and if any section, paragraph, sentence, clause, or phrase of this Ordinance shall be declared unconstitutional or otherwise invalid by a valid judgment or decree of a court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining sections, paragraphs, sentences, clauses, or phrases of this Ordinance.

Section 20. Enforcement and Termination.

(a) In the event that the City believes that the Grantee has failed to perform any material obligations under this Ordinance and that such failure is not the result of circumstances beyond the Grantee's control, the City Council may hold a public hearing no less than thirty (30) days after providing written notice thereof to the Grantee. The written notice shall specify the nature of the alleged default. Witnesses shall testify under oath and shall be subject to cross examination. If, at the conclusion of such hearing, the City Council determines that the Grantee is in breach of this Ordinance, the City Clerk shall give written notice thereof to the Grantee, which shall thereupon have two (2) months in which to remedy the condition(s) which were the subject of such determination. In

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the event that the Grantee fails to remedy such condition(s) within the two-month period, the City Council may terminate this Ordinance and the Grantee shall have no further rights, privileges, or authority hereunder except as set forth in Section 13 herein; provided that a decision by the City Council to terminate the Ordinance shall be subject to Commission review.

(b) The availability of the remedy specified in Section 20(a) shall not preclude either party from seeking and enforcing a writ of mandamus in the Staunton Circuit Court pursuant to Section 15.2-2106 of the Code of Virginia, or any successor statute, or from bringing any other suit or action which such party would be entitled to bring at law or in equity, as provided by law.

(c) The failure of either party to at any time require performance by the other party of any provision hereof shall in no way affect the rights of such party thereafter to enforce the same. Nor shall the waiver by either party of any breach of any provision hereof be taken as a waiver of any succeeding breach of such provision or of the provision itself.

Section 21. No Joint Venture. Nothing herein shall be deemed to create a joint venture or principal-agent relationship between the parties, and neither party shall be authorized to act toward third persons or the public in any manner which would indicate any such relationship with the other.

Section 22. Immunity. Nothing herein shall be deemed to waive, compromise or limit any sovereign and other immunity of the City under then-existing Virginia law.

Section 23. Entire Agreement.

(a) This Ordinance represents the entire franchise agreement between the parties and supersedes all prior franchise agreements, including course of performance, course of dealing, and usage of trade.

(b) Should any provision of this Ordinance require interpretation or construction, it is agreed by the parties that the court interpreting or construing this Ordinance shall not apply a

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presumption that the provision be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party which itself or through its agents prepared the same, it being agreed that the parties hereto and their respective attorneys and agents have fully participated in the preparation of all provisions hereof.

Section 24. Notices. All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments, designations, or other direction or communication hereunder by any party to another shall be in writing sent to the following address:

CITY OF STAUNTON:

Staunton City Manager
P.O. Box 58
Staunton, Virginia 24402

and

Director of Public Works
City of Staunton
P.O. Box 58
Staunton, Virginia 24402

and

Staunton City Attorney
P.O. Box 58
Staunton, Virginia 24402

COLUMBIA GAS OF VIRGINIA, INC:

Karl Brack, Vice President of External & Customer Affairs
Columbia Gas of Virginia
1809 Coyote Drive
Chester, Virginia 23836

Section 25. Interpretation.

(a) Nothing in this Franchise is intended to interfere with any tariffs, contracts or other

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arrangements between the Grantee and a third party or between the City and a third party, or to create any third party beneficiary rights.

(b) This Ordinance embodies the entire understanding and agreement of the City and the Grantee with respect to the subject matter hereof and merges and supersedes all prior representations, agreements and understandings, whether oral or written, between the City and Grantee with respect to the subject matter hereof, including, without limitation, all prior drafts of this Ordinance and any and all written or oral statements or representations by any official, employee, agent, attorney, consultant or independent contractor of the City or the Grantee.

(c) This Ordinance shall be binding upon and inure to the benefit of the City and the Grantee and their respective permitted successors, transferees and assigns.

(d) The headings contained in this Ordinance are to facilitate reference only, do not form a part of this Ordinance, and shall not in any way affect the construction or interpretation hereof. Terms such as "hereby", "herein", "hereof", "hereinafter", "hereunder", and "hereto" refer to this Ordinance as a whole and not to the particular sentence or paragraph where they appear, unless the context otherwise requires. The term "may" is permissive; the terms "shall" and "will" are mandatory, not merely directive. All references to any gender shall be deemed to include all others, as the context may require. Terms used in the plural include the singular, and vice versa, unless the context otherwise requires.

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§ 15.2-2100. Restrictions on selling certain municipal public property and granting franchises

A. No rights of a city or town in and to its waterfront, wharf property, public landings, wharves, docks, streets, avenues, parks, bridges, or other public places, or its gas, water, or electric works shall be sold except by an ordinance passed by a recorded affirmative vote of three-fourths of all the members elected to the council, notwithstanding any contrary provision of law, general or special, and under such other restrictions as may be imposed by law. Notwithstanding any contrary provision of law, general or special, in case of a veto by the mayor of such an ordinance, it shall require a recorded affirmative vote of three-fourths of all the members elected to the council to override the veto.

B. No franchise, lease or right of any kind to use any such public property or any other public property or easement of any description, in a manner not permitted to the general public, shall be granted for a period longer than forty years, except for air rights together with easements for columns for support, which may be granted for a period not exceeding sixty years.

Before granting any such franchise or privilege for a term in excess of five years, except for a trunk railway, the city or town shall, after due advertisement, publicly receive bids therefor, in such manner as is provided by § 15.2-2102, and shall then act as may be required by law.

Such grant, and any contract in pursuance thereof, may provide that, upon the termination of the grant, the plant as well as the property, if any, of the grantee in the streets, avenues and other public places shall thereupon, without compensation to the grantee, or upon the payment of a fair valuation become the property of the city or town; but the grantee shall be entitled to no payment by reason of the value of the franchise. Any such plant or property acquired by a city or town may be sold or leased or, if authorized by general law, maintained, controlled, and operated by such city or town. Every such grant shall specify the mode of determining any valuation therein provided for and shall make adequate provisions by way of forfeiture of the grant, or otherwise, to secure efficiency of public service at reasonable rates and the maintenance of the property in good order throughout the term of the grant.

C. Any additional restriction now required in any existing municipal charter relating to the powers of cities and towns in selling or granting franchises or leasing any of their property is hereby superseded; however, nothing herein contained shall be construed as affecting the term of any existing franchise, lease or right. The requirement of an affirmative three-fourths vote of council shall apply only to the sale of the listed properties and not to their franchise, lease or use.

D. The provisions of this section shall only apply to cities or towns and shall not apply to counties or other political subdivisions.

Code 1950, § 15-727; 1962, c. 623, § 15.1-307; 1971, Ex. Sess., c. 64; 1997, c. 587; 2001, c. 498.

The chapters of the acts of assembly referenced in the historical citation at the end of this section may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

Code of Virginia
Title 15.2. Counties, Cities and Towns
Chapter 21. Franchises; Sale and Lease of Certain Municipal Public Property; Public Utilities

§ 15.2-2101. Ordinance proposing grant of franchise, etc., to be advertised

A. Before granting any franchise, privilege, lease or right of any kind to use any public property described in § 15.2-2100 or easement of any description, for a term in excess of five years, except in the case of and for a trunk railway, the city or town proposing to make the grant shall advertise a descriptive notice of the ordinance proposing to make the grant once a week for two successive weeks in a newspaper having general circulation in the city or town. The descriptive notice of the ordinance may also be advertised as many times in such other newspaper or newspapers, published outside the city, town or Commonwealth, as the council may determine. The advertisement shall include a statement that a copy of the full text of the ordinance is on file in the office of the clerk of the city or town council.

B. The advertisement shall invite bids for the franchise, privilege, lease or right proposed to be granted in the ordinance. The bids shall be in writing and delivered upon the day and hour named in the advertisement and shall be opened in public session and marked for identification by the person designated in the advertisement to receive such bids. The cost of the required advertisement shall be paid by the city or town which shall be reimbursed by the person to whom the grant is made. The city or town shall have the right to reject any and all bids and shall reserve this right in the advertisement.

Code 1950, §§ 15-728, 15-729; 1962, c. 623, §§ 15.1-308, 15.1-309; 1971, Ex. Sess., c. 64; 1983, c. 138; 1997, c. 587; 2001, c. 498.

The chapters of the acts of assembly referenced in the historical citation at the end of this section may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

§ 15.2-2102. How bids received and to whom franchise awarded

The presiding officer shall read aloud, or cause to be read aloud, a brief summary of each of the bids that have been received, for public information, and shall then inquire if any further bids are offered. If further bids are offered, they shall be received. The presiding officer shall thereafter declare the bidding closed. The presiding officer shall receive recommendations from the staff relative to any bids received in advance and staff's recommendations, if any, on any bids received at the advertised council meeting. After such other investigation as the council sees fit to make, the council shall accept the highest bid from a responsible bidder and shall adopt the ordinance as advertised, without substantial variation, except to insert the name of the accepted bidder. However, the council, by a recorded vote of a majority of the members elected to the council, may reject a higher bid and accept a lower bid from a responsible bidder and award the franchise, right, lease or privilege to the lower bidder, if, in its opinion, some reason affecting the interest of the city or town makes it advisable to do so, which reason shall be expressed in the body of the subsequent ordinance granting the franchise, right, lease or privilege. The process described in this section may run concurrently with any other advertisement or public ordinance requirements of this title, or such requirements as may be contained in charters of such cities or towns.

Code 1950, § 15-730; 1962, c. 623, § 15.1-310; 1997, c. 587; 2001, c. 498.

The chapters of the acts of assembly referenced in the historical citation at the end of this section may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

1-9-15-22-28

The News Leader 11/27/2018

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If you wish to place a classified advertisement, call our customer care...

Legal Notices

NOTICE OF INVITATION FOR AND PUBLIC OPENING OF BIDS AND PUBLIC HEARING FOR GRANT OF A FRANCHISE IN THE CITY OF STAUNTON TO PLACE NATURAL GAS TRANSMISSION FACILITIES WITHIN THE PUBLIC WAY

Notice is hereby given of the invitation for and the receipt and for the opening of bids and public hearing on the potentially 25-year, non-exclusive franchise to be granted by the following referenced ordinance to be considered by the Staunton City Council at its regular meeting, in the Council Chambers on December 13, 2018, at 7:30 p.m. After the Mayor or other presiding officer of City Council receives and opens and reads aloud such bids, the Council will proceed with the continued consideration of the granting of the proposed franchise in the mode prescribed by law and will conduct a public hearing.

All bids must be in writing and shall include reference to the City's preferred form of any proposed agreement. All bids must be submitted by not later than 5:00 p.m., local time, December 11, 2018, to the office of the Clerk of Council, 116 W. Beverley St., 1st Floor, Staunton, VA 24401. The right is hereby expressly reserved to reject any and all bids and to proceed as prescribed by law, as may be permitted by law. A descriptive notice of the proposed franchise ordinance, including the full text of this advertised notice, includes the foregoing and following:

AN ORDINANCE

To grant to _____, a company doing business in the Commonwealth of Virginia _____, its successors and assigns, upon the express written approval of the City of Staunton and pursuant to the Code of Virginia, a non-exclusive franchise to use the streets, alleys, and right-of-ways, of the City of Staunton, for the purposes of laying, constructing, operating, using, extending, repairing, replacing, renewing, and maintaining along and under the same, pipes, appurtenances, and such other facilities as may be necessary or desirable for the maintenance, distribution, and transmission of natural gas within that through the City of Staunton.

The proposed ordinance is authorized by, among other considerations, the Staunton City Charter, Chapter II, Section 11; Staunton City Code § 2.10.180; and by Virginia Code Sections §§ 15.2-2100 and 15.2-2101.

A true and complete copy of the proposed ordinance and form of agreement, including all of its terms and conditions, is on file and available for inspection during normal working hours at the office of the Clerk of Council.

All persons wishing to be heard at the public hearing are invited to attend. Persons with hearing loss or speech impairment desiring to attend the public hearing may contact the Clerk of Council by email at simmonssf@ci.staunton.va.us to request an interpreter.

Suzanne F. Simmons
Clerk of Council

0003250506-01

NOTICE OF PUBLIC HEARING ON PROPOSED TAX-EXEMPT BOND FINANCING OF THE VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

Notice is hereby given that the Virginia Small Business Financing Authority (the "Authority") will hold a public hearing on the application of Church Schools in the Diocese of Virginia, Inc., a Virginia nonstock corporation (the "Borrower"), whose address is 8727 River Road, Richmond, Virginia 23229, requesting the Authority to issue, pursuant to the Virginia Small Business Financing Act (the "Act"), up to $22,000,000 of the Authority's tax-exempt bonds (the "Bonds"), in one or more series from time to time. The Bonds are expected to be issued as qualified 501(c)(3) bonds as defined in Section 145 of the Internal Revenue Code of 1986, as amended. The Borrower operates six college preparatory schools in Virginia, including the schools described below.

The Authority will loan the proceeds of the Bonds to the Borrower:

(1) to finance and refinance various capital projects in and around St. Catherine's School, located at 6001 Grove Avenue in the City of Richmond, Virginia, and in and around the St. Catherine's School athletic fields, located at 12950 River Road in Goochland County, Virginia, including without limitation road, sidewalks, and parking improvements, demolition and removal of several structures, campus-wide HVAC and chiller improvements, improvements to the Lower School building and playgrounds, bus parking area in Goochland, design development of the new theater, fine and performing arts center;

(2) to finance and refinance various capital projects in and around St. Christopher's School, located at 711 St. Christopher's Road in the City of Richmond, Virginia, including without limitation, road and parking improvements, design and construction of a new recital hall project, improvements to the middle school and maintenance buildings;

(3) to finance and refinance various capital projects in and around Stuart Hall School, located at 235 West Frederick Street and at 107 West Beverley Street in the City of Staunton, Virginia, and at 74 Quicks Mill Road, Verona, Virginia, including without limitation design and renovation of 107 West Beverly Street, new passenger buses, design and renovation of the Stuart Hall Lower School campus in Verona (including parking, lighting and fencing), design and renovations to the main campus on West Frederick to include HVAC, plumbing, electrical, auditorium, chiller, sewers, library, dorms, furnishings, classrooms, and offices; and

(4) the financing of other capital projects at each of the schools named above and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Bonds.

The public hearing, which may be continued or adjourned, will be held at 12:00 o'clock p.m. on Tuesday, December 11, 2018, before the Authority

Once delivered, these apple stem cells have a powerful effect on human stem cells, helping them divide more actively and live much longer. In fact, a solution of 1% apple stem cells boosted human stem cell production by a phenomenal 80%.

This new PhytoCell-Tec™ stem cell therapy stimulates the formation of new hair follicles and new hair on bald patches... renews cells on the scalp... penetrates deep into hair roots to prevent hair loss... and delays aging of hair.

No wonder a leading hair loss clinic reports that fans of the apple extract includes such names as Michelle Obama, Jennifer Lopez and Helen Mirren.

Now, these rare apple stem cells are available to you thanks to a pioneering doctor from Florida, Al Sears, MD—founder and director of the Sears Institute for Anti-Aging Medicine—who's been using them to help his patients with hair loss. How? With a breakthrough topical hair regrowth formula called ***Re-Nourish***.

The "Holy Grail" For Reversing Hail Loss

Already, men and women using ***Re-Nourish*** are having great results.

"On week three, I noticed new growth right at the front of my hairline. This is where my hair is most damaged from highlights and hair irons," says Elizabeth G.

Nick T. adds, "My 40-year high school reunion is coming up, and I've been using ***Re-Nourish*** to help me with my thinning hair. What I've noticed since using it is, my hair looks full...

...that open... blood vessels scalp...improves tion to hair follic spurs new hair g

A trial study Forest School cine proved its regrow hair. For en suffering fro rious balding c called alopecia n this vitamin de or a placebo, in hair every day months.

The results? S In all, 69% of th en using this saw an increase growth compare 4% using the And women usin tamin sprouted r growth starting in days. Researcher this vitamin de for delivering a cant increase in of hair."

Nature's "H Regenerator" Hormone-Rel Hair Los

Re-Nourish als slow the most c cause of hair loss and women: "m female patterned ness." This is ca the hormone DHT collects on the of the scalp... a to hair follicles. shrinks them.

The good ne ***Re-Nourish*** includ other active ing that naturally DHT. In an eye ing Japanese stud active ingredient shown to promot regrowth when ha was caused by too DHT.

Thinning, Shed Hair Grows Th Again

What's more, doctors report tha

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NOTICE OF PUBLIC HEARING ON PROPOSED
TAX-EXEMPT BOND FINANCING OF THE
VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

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(2) to finance and refinance various capital projects in and around St. Christopher's School, located at 711 St. Christopher's Road in the City of Richmond, Virginia, including without limitation, road and parking improvements, design and construction of a new recital hall project, improvements to the middle school and maintenance buildings;

(3) to finance and refinance various capital projects in and around Stuart Hall School, located at 235 West Frederick Street and at 107 West Beverley Street in the City of Staunton, Virginia, and at 74 Quicks Mill Road, Verona, Virginia, including without limitation design and renovation of 107 West Beverly Street, new passenger buses, design and renovation of the Stuart Hall Lower School campus in Verona (including parking, lighting and fencing), design and renovations to the main campus on West Frederick to include HVAC, plumbing, electrical, auditorium, chiller, sewers, library, dorms, furnishings, classrooms, and offices; and

(4) the financing of other capital projects at each of the schools named above and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Bonds.

The public hearing, which may be continued or adjourned, will be held at 12:00 o'clock p.m. on Tuesday, December 11, 2018, before the Authority or its designee, at 101 N. 14th Street, 11th Floor, Richmond, Virginia 23219. As required by the Act, the Bonds will not pledge the faith and credit or the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the Authority, and will be payable solely from revenues derived from the Borrower and pledged therefor. Any person interested in the issuance of the Bonds or the projects to be financed or refinanced may appear and be heard. A copy of the Borrower's application materials may be inspected at the Authority's office, 101 N. 14th Street, 11th Floor, Richmond, Virginia 23219, during regular business hours.

Virginia Small Business Financing Authority

0003265685-01

NOTICE OF INVITATION FOR AND PUBLIC OPENING OF BIDS AND
PUBLIC HEARING FOR GRANT OF A FRANCHISE
IN THE CITY OF STAUNTON
TO PLACE NATURAL GAS TRANSMISSION FACILITIES WITHIN THE
PUBLIC WAY

Notice is hereby given of the invitation for and the receipt and for the opening of bids and public hearing on the potentially 25-year, non-exclusive franchise to be granted by the following referenced ordinance to be considered by the Staunton City Council at its regular meeting, in the Council Chambers on December 13, 2018, at 7:30 p.m. After the Mayor or other presiding officer of City Council receives and opens and reads aloud such bids, the Council will proceed with the continued consideration of the granting of the proposed franchise in the mode prescribed by law and will conduct a public hearing.

All bids must be in writing and shall include reference to the City's preferred form of any proposed agreement. All bids must be submitted by not later than 5:00 p.m., local time, December 11, 2018, to the office of the Clerk of Council, 116 W. Beverley St., 1st Floor, Staunton, VA 24401. The right is hereby expressly reserved to reject any and all bids and to proceed as prescribed by law, as may be permitted by law. A descriptive notice of the proposed franchise ordinance, including, the full text of this advertised notice, includes the foregoing and following:

AN ORDINANCE

To grant to _____, a company doing business in the Commonwealth of Virginia _____, its successors and assigns, upon the express written approval of the City of Staunton and pursuant to the Code of Virginia, a non-exclusive franchise to use the streets, alleys, and rights-of-ways, of the City of Staunton, for the purposes of laying, constructing, operating, using, extending, repairing, replacing, renewing, and maintaining along and under the same, pipes, appurtenances, and such other facilities as may be necessary or desirable for the maintenance, distribution, and transmission of natural gas within that through the City of Staunton.

The proposed ordinance is authorized by, among other considerations, the Staunton City Charter, Chapter II, Section 11; Staunton City Code § 2.10.180; and by Virginia Code Sections §§ 15.2-2100 and 15.2-2101.

A true and complete copy of the proposed ordinance and form of agreement, including all of its terms and conditions, is on file and available for inspection during normal working hours at the office of the Clerk of Council.

All persons wishing to be heard at the public hearing are invited to attend. Persons with hearing loss or speech impairment desiring to attend the public hearing may contact the Clerk of Council by email at simmonssf@ci.staunton.va.us to request an interpreter.

Suzanne F. Simmons
Clerk of Council

0003250506-01

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CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Doug Guynn City Attorney**
Item #	**3 & H**	
Ordinance #		
Department:	**City Attorney**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**Consideration of Nine Ordinances to Amend Various Provisions of the Staunton City Code to Align with Changes to the Code of Virginia and to Formalize in Law Certain Policy Exemptions from Fees**	

Background: The Virginia General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to update aspects of the Staunton City Code. At Council's meeting on November 8, 2018, Council was presented with nine ordinances to make these amendments. The proposed ordinances attached to this briefing reflect additional editorial changes highlighted in yellow made since the November 8, 2018 meeting; these very minor changes do not affect the substance of the ordinances.

Two of the proposed ordinances would explicitly have the City Code recognize exemptions for the City of Staunton, the School Board of the City of Staunton, and certain 501(c)(3) organizations from building permit fees, water and sewer connection fees, and facility fees. As a reminder, Council adopted a policy regarding fee exemptions for Habitat for Humanity at its August 12, 1992 meeting (excerpted minutes attached), but the policy appears not to have been codified. The City Attorney suggests that it promotes transparency to have all of these exemptions clearly stated in the City Code.

The other proposed ordinances concern various additional aspects of the City Code. These proposed ordinances are largely what might be called housekeeping ordinances, reflecting

changed provisions of the Virginia Code.

The attached table, entitled City Code Update Ordinances Summary, provides a description regarding the Title, Chapter, Section, and nature of the code changes for each ordinance. In the table, each such draft ordinance is identified for ease of reference by using Roman numerals I through IX.

The proposed amendments will affect Titles 3, 5, 6, 13, and 15 of the City Code. At the November 8, 2018 meeting, Council conducted four public hearings: one public hearing each for Title 3, 5, and 6 amendments, and one public hearing for the ordinances affecting Titles 13 and 15, as they are related and deal with the same subject matter.

Recommendation: Recommend ordinances identified as Roman numerals I through IX be adopted as presented, to include any editorial changes made since the November 8, 2018 Council meeting in four separate motions.

Suggested Motion: I move that Council adopt ordinances identified as Roman numerals I through IX, to include the additional editorial changes as highlighted since Council's November 8 meeting, to amend various provisions of the Staunton City Code to align with changes to the Code of Virginia and to formalize in law certain policy exemptions from fees..

City Code Update Ordinances
Summary

Ordinance	Title	Chapter	SCC Section(s) Affected	Nature of the Changes	Introduced 11/8/2018	Public Hearing 11/8/2018	Motion to Adopt
AGENDA ITEM H – Nine Ordinances to Amend Various Provisions of the Staunton City Code*							
	Title 3 Revenue and Finance						
I		3.10 Taxation Generally	3.10.015 Personal Property Tax Relief	Extends vehicle tax relief to qualified leased vehicles of U.S. military members.	✓	✓	
II		3.15 Real Estate Tax Exemption for Elderly and Disabled Persons	3.15.010 Definitions 3.15.030 General Eligibility Requirements	Expands through redefinition of "dwelling" real estate tax relief for elderly or disabled persons, and relaxes the income sources to be included in the eligibility.	✓	✓	
III		3.30 Tax on Purchasers of Utility Service	3.30.020 Electric Utility Consumer Tax Exemptions 3.30.030 Local Natural Gas Utility Consumer Exemptions 3.30.050 Consumer Use Tax Upon Telephone Service 3.30.111 Exemptions	Reorganizes in one place the utility tax exemption; and repeals the outdated provisions on the former local consumer tax on telephone service.	✓	✓	

*Ordinances I-IX reflect highlighted editorial changes that do not affect the substance of the ordinances.

Ordinance	Title	Chapter	SCC Section(s) Affected	Nature of the Changes	Introduced 11/8/2018	Public Hearing 11/8/2018	Motion to Adopt
	Title 3 Revenue and Finance (Con't)						
IV		3.75 Cigarette Tax	3.75.090 Display of Stamps - Seizure	Incorporates provisions requiring the agency seizing property to issue contemporaneously with the seizure, a receipt itemizing the property seized; and prohibits any agency seizing property or any other law enforcement agency to request, require, or induce a property owner to waive his interest in or rights to the property until an information has been filed.	✓	✓	
	Title 5 Business Licenses and Regulations						
V		5.05 Business, Professional, Occupation and Other License Taxes	5.05.180 Alcoholic Beverages	Revises annual licensing fees for those engaged in the manufacture, bottling, or selling of alcoholic beverages.	✓	✓	
	Title 6 Animals and Fowl						
VI		6.05 In General	6.05.010 Definitions	Expands the definition of "boarding establishment."	✓	✓	
VII		6.25 Hybrid Canines	6.25.010 Definitions 6.25.020 General	Clarifies the definition of "hybrid canine."	✓	✓	

*Ordinances I-IX reflect highlighted editorial changes that do not affect the substance of the ordinances.

Ordinance	Title	Chapter	SCC Section(s) Affected	Nature of the Changes	Introduced 11/8/2018	Public Hearing 11/8/2018	Motion To Adopt
	Title 13 Environment						
VIII		13.15 In General 13.40 Connections to City Sewer Systems	13.15.060 Connection Charges-Connection Fees (Water) 13.40.030 Connection and Facility Fees (Sewer)	Provides explicitly an exemption from water connection and facility fees and sewer connection and facility fees for projects of the City of Staunton, the School Board of the City of Staunton, and certain 501(c)(3) exempt organizations. Council adopted a policy at its August 12,1992 regarding exemptions for Habitat for Humanity but the policy was never codified.	✓	✓	
	Title 15 Buildings and Building Regulations						
IX		15.10 Building Code	15.10.120 Permit Fees	Provides explicitly an exemption from building permit fees for projects of the City of Staunton, the School Board of the City of Staunton, and certain 501(c)(3) exempt organizations. Council adopted a policy at its August 12,1992 regarding this exemption for Habitat for Humanity but the policy was never codified.	✓	✓	

*Ordinances I-IX reflect highlighted editorial changes that do not affect the substance of the ordinances.

Ordinance	Title	Chapter	SCC Section(s) Affected	Nature of the Changes	Introduced 12/13/2018	Public Hearing 12/13/2018	Motion To Adopt
AGENDA ITEM I – An Ordinance to Amend Provisions of the Staunton City Code regarding fee exemptions							
	Title 13 Environment						
X		13.05	13.05.050 Permit Application Procedures, Review Procedures, and Review Fees 13.05.060 Performance Bonds	Provides explicitly an exemption from Virginia Stormwater Management Program fees. Virginia Erosion and Sediment Control Program fees, and performance security bonds for projects of the City of Staunton and the School Board of the City of Staunton.			
AGENDA ITEM J – Four Ordinances to Amend Various Provisions of the Staunton City Code							
	Title 17 Subdivisions						
XI		17.10 Plats	17.10.020, Preliminary Layout – Required – Scale – Contents, of Chapter	Provides for the mandatory submission of preliminary subdivision plats for tentative approval for plats involving more than 50 lots. Plats involving 50 or fewer lots can be optionally submitted by the landowner for tentative approval.			
	Title 18 Zoning						
XII		18.95 A-1 Agricultural-Forestal District	18.95.030, Required and Permitted Uses	Protects certain activities at agricultural operations from local regulation in the absence of substantial impacts on the health, safety, or general welfare of the public.			
XIII		18.200	18.200.010 Board of Zoning Appeals	Requires the City to give consideration to the need for reasonable modifications in accordance with the Americans with Disabilities Act or state and federal fair housing laws when preparing a zoning ordinance. Also amends the standards by which a variance shall be granted.			

*Ordinances I-IX reflect highlighted editorial changes that do not affect the substance of the ordinances.

Ordinance	Title	Chapter	SCC Section(s) Affected	Nature of the Changes	Introduced 12/13/2018	Public Hearing 12/13/2018	Motion to Adopt
	Title 18 Zoning (Con't)						
XIV		18.215 Amendments	18.215.070 Conditional Zoning	Amends recodified statutory references to the Code of Virginia.			

DRAFT 10-30.18

I

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 3.10.015 PERSONAL PROPERTY TAX RELIEF, CHAPTER 3.10 TAXATION GENERALLY, OF TITLE 3, REVENUE AND FINANCE, OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted certain changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to personal property tax relief to align the Staunton City Code with the Code of Virginia;

WHEREAS, pursuant to Section 58.1-3524 of the Code of Virginia, and Staunton City Charter Section 11, Third, the City Council has the authority to amend Section 3.10.015 of the City Code;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the City Code provisions relating to personal property tax relief, consistent with the changes enacted to Section 58.1-3524 of the Code of Virginia;

WHEREAS, this matter has been properly advertised, heard, and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 3.10.015, Personal Property Tax Relief, Chapter 3.10 Taxation Generally, of Title 3, Revenue and Finance, of the Staunton City Code be and hereby ~~are~~is -amended as follows:

3.10.015 Personal property tax relief.

…

(3) Allocation of Relief Among Taxpayers

…

(d) Beginning with tax year 2016 any relief refunds provided to the City by the Commonwealth of Virginia will be applied to ensure that all of the tax attributable to the first $20,000 of value on each qualifying vehicle leased by an active duty member of the United States military, his spouse, or both, pursuant to a contract requiring him, his spouse, or both to pay the tangible personal property tax on such vehicle. This applies only to a vehicle that would not be taxed in Virginia if the vehicle were owned by such military member, his spouse, or both.

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In all other respects, the provisions of Section 3.10.015, Personal Property Tax Relief, Chapter 3.10 Taxation Generally, of Title 3, Revenue and Finance, of the Staunton City Code, remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons
Clerk of Council

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DRAFT 10-30-18

II

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTIONS 3.15.010, DEFINITIONS, AND 3.15.030, GENERAL ELIGIBILITY REQUIREMENTS, OF CHAPTER 3.15, REAL ESTATE TAX EXEMPTION FOR ELDERLY AND DISABLED PERSONS, OF TITLE 3, REVENUE AND FINANCE, OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to real estate tax exemptions for elderly and disabled persons to align the Staunton City Code with the Code of Virginia;

WHEREAS, pursuant to Sections 58.1-3210 and 58.1-3212 of the Code of Virginia and Staunton City Charter Section 11, Third, the City Council has the authority to enact and change provisions of the Staunton City Code regarding real estate tax exemptions for elderly and disabled persons;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the City Code provisions relating to real estate tax exemptions for elderly and disabled persons;

WHEREAS, this matter has been properly advertised, heard, and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Sections 3.15.010, Definitions, and Section 3.15.030, General Eligibility Requirements, of the Staunton City Code be and hereby are amended as follows:

3.15.010 Definitions.

For the purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section, unless another meaning shall clearly appear from the context:

"Affidavit" shall mean the real estate tax exemption affidavit provided for in this chapter.

"Dwelling" shall mean the sole residence of the person or persons claiming exemption under this chapter, and shall include any dwelling: held by an eligible person in conjunction with one or more other people as tenant or tenants for life or joint lives; held in a revocable inter vivos trust over which an eligible person with one or more other people hold the power of revocation; or held in an irrevocable trust under which an eligible person in conjunction with one or more other people possesses a life estate or an estate for joint lives or enjoys a continuing right of use or support.

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…

3.15.030 General eligibility requirements.

…

(4) The total combined income received from all sources during the preceding calendar year by (a) owners of the dwelling who use it as their principal residence, (b) owners' relatives who live in the dwelling, except for those relatives living in the dwelling and providing bona fide caregiving services to the owner whether such relatives are compensated or not, and (c) nonrelatives of the owner who live in the dwelling except for bona fide tenants or bona fide ~~paid~~ caregivers of the owner, whether compensated or not, does not exceed the sum of $30,000; provided, however, that the first $2,500 of income of each relative, other than the spouse of the owner, who is living in such dwelling shall not be included in such total.

(5) The net combined financial worth, including equitable interests, as of December 31st of the immediately preceding calendar year, of the owner and of the spouse of the owner, excluding the value of the dwelling and the land, not exceeding one acre, upon which it is situated, does not exceed $62,500.

In all other respects, the provisions of Chapter 3.15, Real Estate Tax Exemption for Elderly and Disabled Persons, of Title 3, Revenue and Finance, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

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DRAFT 10-30-18

III

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING, AND REORDAINING SECTIONS 3.30.020, ELECTRIC UTILITY CONSUMER TAX EXEMPTIONS, AND 3.30.030, LOCAL NATURAL GAS UTILITY CONSUMER EXEMPTIONS; REPEALING SECTIONS 3.30.050, CONSUMER USE TAX UPON TELEPHONE SERVICE AND 3.30.060, COLLECTION OF TAX; AND ADDING SECTION 3.30.111, EXEMPTIONS, CHAPTER 3.30, TAX ON PURCHASERS OF UTILITY SERVICE, OF TITLE 3, REVENUE AND FINANCE, OF THE STAUNTON CITY CODE TO ALIGN WITH VARIOUS CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to consumer taxes to align the Staunton City Code with the Code of Virginia;

WHEREAS, pursuant to Section 58.1-3814 of the Code of Virginia, the City has the authority and has continued to impose various taxes on purchases of utility-related services;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend Sections 3.30.020 and 3.30.030; repeal Sections 3.30.050 and 3.30.060; and to add a new section, 3.30.111, Exemptions, to reflect changes to the Code of Virginia regarding exemptions from taxes on purchases of utility services and the repeal of the consumer use tax upon telecommunications services;

WHEREAS, this matter has been properly advertised, heard, and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Sections 3.30.020 and 3.30.030 be and hereby are amended and restated; Sections 3.30.050 and 3.30.060 are repealed; and Section 3.30.111 is added, ~~of~~ to Chapter 3.30, Tax on Purchasers of Utility Service, of the Staunton City Code, as follows:

3.30.020 Electric utility consumer tax.

…

~~(2) Exemptions. The following consumers of electricity are exempt from the tax imposed by this section:~~

~~(a) The United States of America, the commonwealth and the political subdivisions thereof, including this jurisdiction.~~

…

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3.30.030 Local natural gas utility consumer tax.

…

~~(2) Exemptions. The following consumers of natural gas shall be exempt from the tax imposed by this section:~~

~~(a) The United States of America, the commonwealth and the political subdivisions thereof, including this jurisdiction.~~

…

3.30.050 ~~Consumer use tax upon telephone service.~~ ***Repealed.***

~~(1) There is hereby imposed and levied by the city a tax on all taxable purchases by a consumer of local telecommunications service, if the consumer's service address is located within the city in the amount of 20 percent of the monthly gross charge, exclusive of any federal tax thereon, made by the seller or service provider with respect to such purchase; provided, however, that such tax shall not exceed $2.00 per month for residential users, or $20.00 per month for commercial or industrial users.~~

~~(2) There is hereby imposed and levied a tax on all taxable purchases by a consumer of local mobile telecommunications service at a rate equal to 10 percent of the monthly gross charge, exclusive of any federal tax thereon, to a consumer of local mobile telecommunications service and shall not be applicable to any amount so charged in excess of $30.00 per month for each mobile telecommunications service number billed to a mobile service consumer, but in no case more than $3.00 per month.~~

~~(3) Terms used in this section and the succeeding SCC 3.30.060 through and including SCC 3.30.090 shall have the meanings ascribed to them by Section 58.1-3812 of the Code of Virginia, 1950, as amended. Said definitions shall be applicable unless the context of this chapter clearly indicates to the contrary.~~

~~(4) Exemptions. The United States of America, the state and the political subdivisions, boards, commissions and authorities thereof are hereby exempted from the payment of the tax imposed and levied by this chapter with respect to the purchase of utility services used by such governmental agencies.~~

3.30.060 ~~**Collection of tax.**~~ ***Repealed.***

~~(1) A service provider of local telecommunication services shall collect the tax from the consumer by adding the tax to the monthly gross charge for such services. The tax shall, when collected, be stated as a distinct item separate and apart from the monthly gross charge. Until the consumer pays the tax to the service provider, the tax shall constitute a debt of the consumer to the city of Staunton. If any consumer refuses to pay the tax, the service provider shall notify the commissioner of the revenue. After the consumer pays the tax to the service provider, the taxes collected shall be deemed to be held in trust by the service provider until remitted to the commissioner of the revenue.~~

~~(2) The commissioner of the revenue shall be responsible for collecting the tax imposed in SCC 3.30.050. The commissioner shall have the authority to adopt appropriate regulations and procedures to facilitate and expedite the collection of said taxes. All such regulations and procedures shall be consistent with state law and other provisions of this code.~~

3.30.111 Exemptions.

The taxes authorized by this chapter shall not apply to:

(1) The United States of America, the Commonwealth and the political subdivisions, boards, commissions and authorities thereof are hereby exempted from the payment of the tax imposed and levied by this chapter with respect to the purchase of utility services used by such governmental agencies;

(2) Utility sales of products used as motor vehicle fuels; and

(3) Natural gas used to generate electricity by a public utility as defined in Section 56-265.1 of the Code of Virginia, or an electric cooperative as defined in Section 56-231.15 of the Code of Virginia.

In all other respects, the provisions of Chapter 3.30, Tax on Purchasers of Utility Service, of Title 3, Revenue and Finance, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

_____
Carolyn W, Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

DRAFT

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 3.75.090, DISPLAY OF STAMPS - SEIZURE, CHAPTER 3.75 CIGARETTE TAX, OF TITLE 3, REVENUE AND FINANCE, OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to the seizure of property to align the Staunton City Code with the Code of Virginia;

WHEREAS, pursuant to Section 19.2-386.2 of the Code of Virginia, Staunton and City Charter Section 11, Third, the City Council has the authority to amend Section 3.75.090 of the City Code;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the City Code provisions relating to the seizure of property, consistent with the changes enacted to Section 19.2-386.2 of the Code of Virginia;

WHEREAS, this matter has been properly advertised, heard, and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 3.75.090, Display of Stamps - Seizure, of Chapter 3.75, Cigarette Tax, Title 3, Revenue and Finance, of the Staunton City Code be and hereby ~~are~~ is amended as follows:

3.75.090 Display of stamps – Seizure.

…

(9) An inventory of the property seized pursuant to a violation of this section shall be prepared and a copy shall be provided to the owner of the seized property as soon as practicable.

(10) When any property is seized for the purposes of forfeiture and an information naming that property has not been filed, neither the agency seizing the property nor any other law-enforcement agency may request, require, or in any manner induce any person who asserts ownership, lawful possession, or any lawful right to the property to waive his interest in or rights to the property until an information has been filed.

In all other respects, the provisions of Section 3.75.090, Display of Stamps - Seizure, of Chapter 3.75, Cigarette Tax, Title 3, Revenue and Finance, of the Staunton City Code, remain the same and are hereby restated, confirmed and reordained.

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Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons
Clerk of Council

DRAFT

DRAFT 10.30.18
V

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 5.05.180, ALCOHOLIC BEVERAGES, CHAPTER 5.05 BUSINESS, PROFESSIONAL, OCCUPATION AND OTHER LICENSE TAXES, ARTICLE III, OTHER LICENSES AND TAXES, OF TITLE 5, BUSINESS LICENSES AND REGULATIONS, OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to the annual license tax for the manufacturing, bottling, or selling~~-~~ ~~selling~~ ~~-~~of alcohol to align the Staunton City Code with the Code of Virginia;

WHEREAS, pursuant to Section 4.1-233 of the Code of Virginia, Staunton and City Charter Section 11, Third, the City Council has the authority to amend Section 5.05.180 of the City Code;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the City Code provisions relating to the annual license tax for the manufacturing, bottling, or selling of alcohol, pursuant to the changes enacted to Section 4.1-233 of the Code of Virginia;

WHEREAS, this matter has been properly advertised, heard, and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 5.05.180, Alcoholic Beverages, Chapter 5.05 Business, Professional, Occupation and Other License Taxes, Article III, Other Licenses and Taxes, of Title 5, Business Licenses and Regulations, of the Staunton City Code be and hereby ~~are~~is ~~-~~amended as follows:

5.05.180 Alcoholic beverages.

1) Every person engaged in the manufacture, bottling, or selling of alcoholic beverages within the city shall pay for the privilege an annual license tax as follows:

(a) Alcoholic Beverages. For each:

(i) Distiller's license: if more than 5,000 gallons but not more than 36,000 gallons manufactured during such year, $750; if more than 36,000 gallons manufactured during such year, $1,000; and no local license shall be required for any person who manufactures not more than 5,000 gallons of alcohol or spirits, or both, during such license year;

…

(b) Beer. For each:

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(i) Brewery license: ~~$250.00;~~ if not more than 500 barrels of beer manufactured during the year in which the license is granted, $250, and if more than 500 barrels of beer manufactured during the year in which the license is granted, $1,000;

…

(iv) Retail on-premises beer license for a hotel, restaurant, ~~or~~ club or other person and for each retail off-premises beer license: $100.00; and

…

(d) Wine and Beer. For each:

…

(vii) Historic cinema house license, $20;

…

(e) Mixed Beverages. For each:

…

(iii) Mixed beverage caterer's license: $~~100.00~~500.00;

…

(f) Annual mixed beverage performing arts facility license, $300.

In all other respects, the provisions of Section 5.05.180, Alcoholic Beverages, of Chapter 5.05, Business, Professional, Occupation and Other License Taxes, Article 111, Other Licenses and Taxes, of Title 5, Business Licenses and Regulations, of the Staunton City Code, remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons
Clerk of Council

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DRAFT 10-30-18
VI

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 6.05.010, DEFINITIONS, OF CHAPTER 6.05, IN GENERAL, OF TITLE 6, ANIMALS AND FOWL, OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to the definition~~s~~ of "boarding establishment," to align the Staunton City Code with the Code of Virginia related to companion animals;

WHEREAS, pursuant to Staunton City Charter Section 11, Third, and Section 3.2-6543 of the Code of Virginia, the City Council has the authority to amend provisions of Title 6, Animals and Fowl, of the City Code;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the Staunton City Code provisions relating to the definition~~s~~ of "boarding establishment" consistent with the changes enacted to Section 3.2-6500 of the Code of Virginia;

WHEREAS, this matter has been properly advertised, heard, and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 6.05.010, Definitions, of the Staunton City Code be and hereby ~~are~~is amended as follows:

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6.05.010 Definitions.

The following words and phrases shall, as used in this title, have the following meanings:

…

"Boarding establishment" means a place or establishment other than a ~~pound or~~public or private animal shelter where companion animals not owned by the proprietor are sheltered, fed, and watered in exchange for a fee. "Boarding establishment" shall not include any private residential dwelling that shelters, feeds, and waters fewer than five companion animals not owned by the proprietor.

…

In all other respects, the provisions of Chapter 6.05, In General, of Title 6, Animals and Fowl, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018

Adopted: , 2018

Effective Date: , 2018

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

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Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTIONS 6.25.010, DEFINITIONS, OF CHAPTER 6.25, HYBRID CANINES, OF TITLE 6, ANIMALS AND FOWL, OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly of Virginia has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to hybrid canines to align the City Code with the Code of Virginia;

WHEREAS, pursuant to Section 3.2-6582 of the Code of Virginia and Staunton City Charter Section 11, Third, the City Council has the authority to enact provisions and changes to the Staunton City Code regarding animal control in this regard;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the City Code provisions relating to hybrid canines consistent with the changes enacted to Section 3.2-6581 of the Code of Virginia regarding definitions applicable to hybrid canines and their confinement and responsible ownership;

WHEREAS, this matter has been properly advertised, heard, and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section~~s~~ 6.25.010, Definitions, of the Staunton City Code be and hereby ~~are~~ is amended as follows:

6.25.010 Definitions.
As used in this chapter:

(1) "Adequate confinement" means that, while on the property of its owner and not under the direct supervision and control of the owner or custodian, a hybrid canine shall be confined in a humane manner in a securely enclosed and locked structure of sufficient height and design to (a) prevent the animal's escape; or if the hybrid canine is determined to be a dangerous dog pursuant to ~~SCC6.10.26~~ Section 3.2-6540 of the Code of Virginia, the structure shall prevent direct contact with any person or animal not authorized by the owner to be in direct contact with the hybrid canine; and (b) provide a minimum of 100 square feet of floor space for each adult animal. Tethering of a hybrid canine not under the direct supervision and control of the owner or custodian shall not be considered adequate confinement.

(2) "Hybrid canine" means any animal ~~which~~ that is or can be demonstrated to be a hybrid of the domestic dog and any other species of the Canidae family; that at any time

has been permitted, registered, licensed, or advertised as such; or that at any time has been ~~or is permitted, registered, licensed, advertised or otherwise~~ described, represented, or ~~represented as a hybrid canine, wolf or coyote~~ reported as such by its owner to a licensed veterinarian, law-enforcement officer, animal control officer, humane investigator, official of the Department of Health, or ~~compliance officer who is under the direction of the~~ State Veterinarian's representative.

…

In all other respects, the provisions of Chapter 6.25, Hybrid Canines, of Title 6, Animals and Fowl, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

DRAFT

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING, AND REORDAINING SECTION 13.15.060, CONNECTION CHARGES – CONNECTION FEES, OF CHAPTER 13.15, IN GENERAL, OF DIVISION II. WATER SUPPLY; AND SECTION 13.40.030, CONNECTION AND FACILITY FEES, OF CHAPTER 13.40, CONNECTIONS TO CITY SEWER SYSTEMS, OF DIVISION III. SEWERS AND SEWAGE DISPOSAL, OF TITLE 13, ENVIRONMENT, OF THE STAUNTON CITY CODE TO EXEMPT PROJECTS OF THE CITY OF STAUNTON, VIRGINIA AND THE SCHOOL BOARD OF THE CITY OF STAUNTON, VIRGINIA; AND CERTAIN 501(C)(3) ORGANIZATIONS FROM WATER FACILITY AND CONNECTION FEES, AND SEWER FACILITY AND CONNECTION FEES

WHEREAS, it has been ascertained that Sections 13.15.060 and 13.40.030 of the Staunton City Code merit updating to reflect explicitly an exemption from water facility and connection fees, and sewer facility and connection fees imposed by the City of Staunton, respectively, for building and construction projects of the City of Staunton, Virginia, the School Board of the City of Staunton, Virginia, and certain 501(c)(3) organizations;

WHEREAS, pursuant to Section 15.2-2119 of the Code of Virginia, and Staunton City Charter, Section 11, Third, City Council has the authority to enact and change provisions of the Staunton City Code regarding water and sewer facility and connection fees;

WHEREAS, the Public Works Department of the City generally has a policy by practice of not imposing building utility connection and facility fees for any projects of the City of Staunton, Virginia, or of the School Board of the City of Staunton, and City Council has a policy, adopted August 12, 1992 but never codified, to exempt or waive building related permit fees and utility connection and facility fees for property being developed by Habitat for Humanity;

WHEREAS, it would serve the best interest of the City and its citizens to recognize explicitly the utility fee exemptions;

WHEREAS, this matter has been properly advertised, heard and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Sections 13.15.060 and 13.40.030 of Title 13, Environment, be and are hereby amended as follows:

13.15.060 Water Connection charges – Connection fees.

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…

(1) Connection Fees

…

(c) Projects on property owned and operated by the City of Staunton, Virginia or the School Board of the City of Staunton, Virginia shall be exempt from water connection fees.

(d) Single-family residential projects in the City of Staunton that meet all of the following criteria may also be considered for exemption from water connection fees; however, organizations must submit a request for exemption from water connection fees which will then be considered by Staunton City Council on a case-by-case basis using these criteria:

(i) the project is on property in the City of Staunton, is owned by the organization, and the organization has a 501(c)(3) exemption recognized by the Internal Revenue Service;

(ii) the project provides home ownership to residents within the City of Staunton, classified as low-and-moderate income individuals, as defined by current HUD Section 8 Income standards; and

(iii) the organization administering the program requires the homeowner(s) to contribute a minimum of 200 hours in the construction of the subject single-family residence or being constructed by the organization for others.

…

(2) Water Off-Site Facilities Fee.

…

(g) Projects on property owned and operated by the City of Staunton, Virginia or the School Board of the City of Staunton, Virginia shall be exempt from water facility fees.

(h) Single-family residential projects which meet all of the following criteria may also be considered for exemption from water facility fees; however, organizations must submit a request for exemption from water facility fees which will then be considered by Staunton City Council on a case-by-case basis using these criteria:

(i) the project is on property in the City of Staunton, is owned by the organization, and the organization has a 501(c)(3) exemption recognized by the Internal Revenue Service;

(ii) the project provides home ownership to residents within the City of Staunton, classified as low-and-moderate income individuals, as defined by current HUD Section 8 Income standards; and

(iii) the organization administering the program requires the homeowner(s) to contribute a minimum of 200 hours in the construction of the subject single-family residence or being constructed by the organization for others.

(~~g~~i) Schedule of Water Facilities Fees.

…

(~~h~~j) Total Connection and Facilities Fee.

(i) The total fee due by the owner to the city shall be the appropriate facilities fee based on meter size and the connection fee. A connection fee shall be due for new connections only. Facilities fees shall be due for both new structures and additions to existing structures which add one-half equivalent dwelling units (EDU) or more to an existing structure.

The EDU, as set forth herein, shall be considered the same as the equivalent dwelling connection (EDC) as defined and derived in the latest Virginia Health Department Waterworks Regulations.

The facilities fee due shall be determined, first, by establishing the EDU demand on the system, and second, by the meter size set forth in subsection (2)(~~h~~i) of this section, which will accommodate such demand. Such fee is due regardless of need for change to an existing water meter.

…

13.40.030 Sewer Connection and facilities fees.

(1) Connection Fees.

…

(c) Projects on property owned and operated by the City of Staunton, Virginia or of the School Board of the City of Staunton, Virginia shall be exempt from sewer connection fees.

(d) Single-family residential projects which meet all of the following criteria may also be considered for exemption from sewer connection fees; however, organizations must submit a request for exemption from sewer connection fees which will then be considered by Staunton City Council on a case-by-case basis using these criteria:

(i) the project is on property in the City of Staunton, is owned by the organization, and the organization has a 501(c)(3) exemption recognized by the Internal Revenue Service;

(ii) the project provides home ownership to residents within the City of Staunton, classified as low-and-moderate income individuals, as defined by current HUD Section 8 Income standards; and

(iii) the organization administering the program requires the homeowner(s) to contribute a minimum of 200 hours in the construction of the subject single-family residence or being constructed by the organization for others.

…

(2) Sewer Off-Site Facilities Fee.

…

(g) Projects on property owned and operated by the City of Staunton, Virginia or of the School Board of the City of Staunton, Virginia shall be exempt from sewer facility fees.

(h) Single-family residential projects which meet all of the following criteria may also be considered for exemption from sewer sewer facility fees; however, organizations must submit a request for exemption from sewer facility fees which will then be considered by Staunton City Council on a case-by-case basis using these criteria:

(i) the project is on property in the City of Staunton, is owned by the organization, and the organization has a 501(c)(3) exemption recognized by the Internal Revenue Service;

(ii) the project provides home ownership to residents within the City of Staunton, classified as low-and-moderate income individuals, as defined by current HUD Section 8 Income standards; and

(iii) the organization administering the program requires the homeowner(s) to contribute a minimum of 200 hours in the construction of the subject single-family residence or being constructed by the organization for others.

(~~g~~i) Schedule of Sewer Facilities Fees.

…

(i) The total fee due by the owner to the city shall be the appropriate facilities fee and the connection fee. A connection fee shall be due for new connections only. Facilities fees shall be due for both new structures and additions to existing structures which add one-half equivalent dwelling units (EDU) or more to an existing structure.

The EDU, as set forth herein, shall be considered the same as the equivalent dwelling connection (EDC) as defined and derived in the latest Virginia Health Department Waterworks Regulations.

The facilities fee due shall be determined, first, by establishing the EDU demand on the system, and second, by the meter size set forth in subsection (~~g~~i) of this section, which will accommodate such demand. Such fee is due regardless of need for change to an existing water meter.

…

In all other respects, the provisions of 13.15.060 and 13.40.030 of Title 13, Environment, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced:
Adopted:
Effective Date:

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons
Clerk of Council

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Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING, AND REORDAINING SECTION 15.10.120, PERMIT FEES, OF CHAPTER 15.10, BUILDING CODE, OF TITLE 15, BUILDINGS AND BUILDING REGULATIONS, OF THE STAUNTON CITY CODE TO EXEMPT PROJECTS OF THE CITY OF STAUNTON, VIRGINIA AND THE SCHOOL BOARD OF THE CITY OF STAUNTON, VIRGINIA; AND CERTAIN 501(C)(3) ORGANIZATIONS FROM BUILDING PERMIT FEES

WHEREAS, it has been ascertained that Section 15.10.120 of the Staunton City Code merits updating to reflect explicitly an exemption from permit fees imposed by the City of Staunton for building and construction projects of the City of Staunton, Virginia and the School Board of the City of Staunton, Virginia, and certain 501(c)(3) organizations;

WHEREAS, pursuant to Virginia Code Section 36-105, local building departments are responsible for the enforcement of the provisions of the Virginia Uniform Statewide Building Code and the issuance of permits;

WHEREAS, the Building Services Division of the Community Development Department of the City generally has a policy by practice of not imposing building permit fees for any projects of the City of Staunton, Virginia, or of the School Board of the City of Staunton, and City Council has a policy, adopted August 12, 1992 but never codified, to exempt or waive building related permit fees and utility connection and facility fees for property being developed by Habitat for Humanity;

WHEREAS, it would serve the best interest of the City and its citizens to recognize explicitly the building fee exemptions;

WHEREAS, this matter has been properly advertised, heard and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 15.10.120 be and is hereby amended as follows:

15.10.120 Permit fees.

…

(2) Projects on property owned and operated by the City of Staunton, Virginia or the School Board of the City of Staunton, Virginia shall be exempt from such building permit fees.

(3) Single-family residential projects which meet all of the following criteria may also be considered for exemption from building permit fees; however, organizations must submit

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a request for exemption from building permit fees which will then be considered by Staunton City Council on a case-by-case basis using these criteria:

(a) The project is on property in the City of Staunton, is owned by the organization, and the organization has a 501(c)(3) exemption recognized by the Internal Revenue Service;

(b) The project provides home ownership to residents within the City of Staunton, classified as low-and-moderate income individuals, as defined by current HUD Section 8 Income standards; and

(c) The organization administering the program requires the homeowner(s) to contribute a minimum of 200 hours in the construction of the subject single-family residence or being constructed by the organization for others.

…

In all other respects, the provisions of Section 15.10.120, Permit fees, of Chapter 15.10, Building Code, of Title 15, Buildings and Building Regulations, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced:
Adopted:
Effective Date:

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons
Clerk of Council

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CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Doug Guynn City Attorney**
Item #	**4 & I**	
Ordinance #		
Department:	**City Attorney**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**Introduction, Public Hearing, and Consideration of an Ordinance to Amend Provisions of the Staunton City Code to Formalize in Law Certain Policy Exemptions from Fees**	

Background: The proposed ordinance would explicitly have the City Code recognize exemptions for the City of Staunton and for the School Board of the City of Staunton from the City's Virginia Stormwater Management Program fees, Virginia Erosion and Sediment Control fees, and performance security bonds. While the City, through the Engineering Division of the Community Development Department, has a policy by practice of not imposing these fees for any projects of the City of Staunton, or the School Board of the City of Staunton, the City Attorney suggests that it promotes transparency to have all of these exemptions clearly stated in the City Code.

The attached table, entitled City Code Update Ordinances Summary, provides a description regarding the Title, Chapter, Section, and nature of the code changes for the ordinance. This particular ordinance is identified as Roman numeral X on the table. The proposed amendment will affect Title 13 of the City Code.

Recommendation: Recommend Council open, conduct, and close a public hearing on the proposed ordinance and adopt the proposed ordinance as presented.

Suggested Motion (to be made after the public hearing is conducted): I move that Council adopt the proposed ordinance identified as Roman numeral X to amend various provisions of the Staunton City Code to formalize in law certain policy exemptions from fees.

DISCUSSION DRAFT 11.27.18

X

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING, AND REORDAINING SECTION 13.05.050, PERMIT APPLICATION PROCEDURES, REVIEW PROCEDURES, AND REVIEW FEES, OF CHAPTER 13.05, IN GENERAL, AND SECTION 13.05.060, PERFORMANCE BONDS, OF TITLE 13, ENVIRONMENT, OF THE STAUNTON CITY CODE TO EXEMPT PROJECTS OF THE CITY OF STAUNTON, VIRGINIA, AND THE SCHOOL BOARD OF THE CITY OF STAUNTON, VIRGINIA, FROM VIRGINIA EROSION AND SEDIMENT CONTROL PROGRAM FEES, STORMWATER MANAGEMENT PROGRAM FEES, AND PERFORMANCE SECURITY BONDS

WHEREAS, it has been ascertained that Sections 13.05.050 and 13.05.060 of the Staunton City Code merit updating to reflect explicitly an exemption from Virginia Stormwater Management Program fees, Virginia Erosion and Sediment Control Program fees, and performance security bonds for projects of the City of Staunton or of the School Board of the City of Staunton;

WHEREAS, pursuant to Staunton City Charter Section 11, Third, the City Council has the authority to amend Sections 13.05.050 and 13.05.060 of the Staunton City Code;

WHEREAS, the City, through the Engineering Division of the Community Development Department, generally has a policy by practice of not imposing Virginia Stormwater Management Program fees, Virginia Erosion and Sediment Control Program fees, or performance security bonds for any projects of the City of Staunton, Virginia, or of the School Board of the City of Staunton;

WHEREAS, it would serve the best interest of the City and its citizens to recognize explicitly the fee exemptions;

WHEREAS, this matter has been properly advertised, heard and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Sections 13.05.050 and 13.05.060 be and are hereby amended as follows:

13.05.050 Permit application procedures, review procedures and review fees.

…

(2) Permit Fees.

…

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(i) Projects on property owned and operated by the City of Staunton, Virginia or the School Board of the City of Staunton, Virginia shall be exempt from such City of Staunton Virginia Stormwater Management Program fees and Virginia Erosion and Sediment Control Program fees.

…

13.05.060 Performance bonds.

…

(8) Projects on property owned and operated by the City of Staunton, Virginia or the School Board of the City of Staunton, Virginia shall be exempt from such performance bond requirements.

In all other respects, the provisions of Sections 13.05.050 and 13.05.060, of Chapter 13.05, In General, of Title 13, Environment, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced:
Adopted:
Effective Date:

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons
Clerk of Council

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CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Doug Guynn City Attorney**
Item #	**5 & J**	
Ordinance #		
Department:	**City Attorney**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**Introduction, Public Hearing, and Consideration of <u>Four Ordinances</u> to Amend Various Provisions of the Staunton City Code to Align with Changes to the Code of Virginia**	

Background: The Virginia General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to update aspects of the Staunton City Code.

The attached table, entitled City Code Update Ordinances Summary, provides a description regarding the Title, Chapter, Section, and nature of the code changes for each ordinance. Each such draft ordinance is identified for ease of reference by using Roman numerals XI through XIV. The proposed ordinances address changes that would affect Title 17, Subdivisions, and Title 18, Zoning, of the Staunton City Code.

At the meeting of the Planning Commission on December 5, 2018, the Commission was presented with four proposed ordinances to make these amendments. The Planning Commission held a public hearing on the four proposed ordinances and recommends approval of the ordinances to amend various provisions of the Staunton City Code to align with the Code of Virginia.

Planning Commission Recommendation: At the Planning Commission public hearing, on December 5, 2018, the Commission voted unanimously, 4-0, to recommend adoption of the

ordinances.
Recommendation: Recommend Council open, conduct, and close a public hearing on the proposed ordinances and adopt the proposed ordinances as presented, as recommended by the Planning Commission.

Suggested Motion (to be made after the public hearing is conducted): I move that Council adopt ordinances identified as Roman numerals XI through XIV to amend various provisions of the Staunton City Code to align with changes to the Code of Virginia.

DRAFT 11-27-18

XI

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 17.10.020, PRELIMINARY LAYOUT – REQUIRED – SCALE – CONTENTS, OF CHAPTER 17.10, PLATS, OF TITLE 17, SUBDIVISIONS OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to the submission of preliminary subdivision plats;

WHEREAS, pursuant Section 15.2-2240 of the Code of Virginia and Staunton City Charter Section 11, Third, the City Council has the authority enact and change provisions of the Staunton City Code regarding the subdivision of land and its development;

WHEREAS, the Planning Commission recommends this proposed ordinance to City Council, pursuant to the requirements of Section 15.2-2285(B) of the Code of Virginia;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the Staunton City Code provisions relating to the submission of preliminary subdivision plats consistent with the changes enacted to Section 15.2-2260 of the Code of Virginia by the General Assembly;

WHEREAS, this matter has been properly advertised, heard and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 17.10.020, Preliminary Layout – Required – Scale – Contents, of the Staunton City Code be and hereby is amended as follows:

17.10.020 Preliminary layout – Required – Scale – Contents.

Whenever any subdivision of land is proposed involving more than 50 lots, and before any permit for the erection of a structure shall be granted, the subdivider or agent shall apply in writing to the planning commission for approval of the subdivision plat and submit the required number of paper copies and a digital copy of the preliminary subdivision plat lot, street and utilities layout. For any subdivision of land involving 50 or fewer lots, a preliminary subdivision plat conforming to the requirements of this section may be submitted for tentative approval at the option of the landowner. The preliminary plat layout shall be at a scale of not more than 100 feet to the inch and shall show the following:

…

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In all other respects, the provisions of Chapter 17.10, Plats, of Title 17, Subdivisions, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

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Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

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DRAFT 11-27-18

XII

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 18.95.030, REQUIRED AND PERMITTED USES, OF CHAPTER 18.95, A-1 AGRICULTURAL-FORESTAL DISTRICT, OF TITLE 18, ZONING, OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted certain changes to the Code of Virginia which merit amendments to the Staunton City Code relating to the permitted activities of agricultural operations;

WHEREAS, pursuant Sections 15.2-2280 and 15.2-4303 of the Code of Virginia and Staunton City Charter Section 11, Third, the City Council has the authority to enact and change provisions of the Staunton City Code;

WHEREAS, the Planning Commission recommends this proposed ordinance to City Council pursuant to the requirements of Section 15.2-2285(B) of the Code of Virginia;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the Staunton City Code provisions relating to the permitted activities of agricultural operations pursuant to the changes enacted to Section 15.2-2288.6 of the Code of Virginia;

WHEREAS, this matter has been properly advertised, heard and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 18.95.030, Required and Permitted Uses, of the Staunton City Code be and hereby amended as follows:

18.95.030 Required and permitted uses.

(1) Required Uses. Land included within the districts under this chapter shall be used solely for agricultural products, agricultural productions, forestal products, and forestal production, except as otherwise specifically limited or permitted, and shall continuously be so used to manifest active, bona fide agricultural and forestal production of a significant nature and degree. By July 1st of each year, each owner of land in a district shall file with the assessor for the city of Staunton an affidavit, in a form specified by the assessor, that verifies the use of the land within the district satisfies these conditions. Absent timely filing of a properly completed affidavit, land included in a district shall be regarded as suspended from inclusion in the district for the following calendar year for purposes of qualification for an agricultural or forestal use-value assessment pursuant to Article 4 (Section 58.1-3229 et seq.) of Chapter 32 of Title 58.1 of the Virginia Code.

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(2) Other Permitted Uses. Construction and placement of dwellings for persons who earn a substantial part of their livelihood from farm or forestry operations on the same property, or for members of the immediate family of the owner, and divisions of parcels for dwellings of such immediate family members shall be permitted subject to the following limitations and regulations:

(a) Any new dwelling permitted hereunder must be located on a platted lot approved in accordance with the provisions of SCC 17.10.070, Minor subdivision plats.

(b) Minimum lot area: one acre.

(c) Maximum lot coverage: 10 percent.

(d) Lots must abut at least 30 feet on a public or private street.

(e) All buildings on a lot must be set back at least 100 feet from the front lot line, 50 feet from the rear lot line, and 50 feet from the side lot lines.

(f) Dwellings shall not exceed 35 feet or two and one-half stories, whichever is greater. All other buildings or structures, unless exempted by Chapter 18.115 SCC, shall not exceed one story or 15 feet, whichever is greater.

(3) Nothing herein shall prohibit the carrying out of agritourism activities, as defined in Section 3.2-6400 of the Code of Virginia, or other activities in accordance with Section 15.2-2288.6 of the Code of Virginia, on the land within these districts, except to the extent such activities substantially impact the health, safety, or general welfare of the public as further identified by the City Council in this code, or constitute a nuisance as defined in this code or in § 15.2-900 of the Code of Virginia.

In all other respects, the provisions of Chapter 18.95, A-1 Agricultural-Forestal District, of Title 18, Zoning, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

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DRAFT 11-27-18

XIII

Ordinance No. 2018 - __

AN ORDINANCE
AMENDING, RESTATING AND REORDAINING
SECTION 18.200.010 OF CHAPTER 18.200, BOARD OF ZONING APPEALS
OF TITLE 18, ZONING, OF THE STAUNTON CITY CODE
TO ALIGN WITH CHANGES TO THE VIRGINIA CODE AS ENACTED BY
THE GENERAL ASSEMBLY

WHEREAS, the General Assembly of Virginia has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to variances;

WHEREAS, pursuant Section 15.2-2280 of the Code of Virginia and Staunton City Charter Section 11, Third, the City Council has the authority to enact and change provisions of the Staunton City Code regarding zoning;

WHEREAS, the Planning Commission recommends this proposed ordinance to City Council, pursuant to the requirements of Section 15.2-2285(B) of the Code of Virginia;

WHEREAS, this matter has been properly advertised, heard and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 18.200.010 of Title 18, Zoning, be and hereby is amended as follows:

18.200.010 Variances.

(1) A variance from the Staunton City Code may be granted to allow, in accordance with the Code of Virginia, certain reasonable deviations from those provisions of the ordinance regulating the shape or area of a lot or parcel of land or the size, height, area, bulk, or location of a building or restrict the utilization of the property, and such need for a variance would not be shared generally by other properties, and provided such variance is not contrary to the purpose of the ordinance.

(2) Standards for Variances. The applicant for a variance has the burden of proof to prove by a preponderance of the evidence that the application meets the standards for a variance set forth in the Code of Virginia, and a variance permit shall be granted if the evidence shows that all of the following criteria are met:

(a) The strict application of the terms of the zoning code would unreasonably restrict the utilization of the property or the granting of the variance would alleviate a hardship due to a physical condition relating to the property or improvements thereon at the time of the effective date of the zoning code; ~~and~~ or alleviate a hardship by granting a reasonable modification to a property or

improvements thereon requested by, or on behalf of, a person with a disability; and

…

(k) Any variance granted to provide a reasonable modification to a property or improvements thereon requested by, or on behalf of, a person with a disability may expire when the person benefited by it is no longer in need of the modification to such property or improvements provided by the variance, subject to the provisions of state and federal fair housing laws, or the Americans with Disabilities Act of 1990 (42 U.S.C. § 12131 et seq.), as applicable. If a request for a reasonable modification is made and is appropriate under the provisions of state and federal fair housing laws, or the Americans with Disabilities Act of 1990 (42 U.S.C. § 12131 et seq.), as applicable, such request shall be granted unless a variance from the board of zoning appeals under this section is required in order for such request to be granted.

…

In all other respects, the provisions of Chapter 18.200, Board of Zoning Appeals, of Title 18, Zoning, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced:
Adopted:
Effective Date:

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

DRAFT 11-27-18

XIV

Ordinance No. 2018 - __

**AN ORDINANCE TO AMEND
SECTION 18.215.070, CONDITIONAL ZONING,
OF CHAPTER 18.215, AMENDMENTS, OF TITLE 18, ZONING,
OF THE STAUNTON CITY CODE
TO SUBSTITUTE "15.2-2286 THROUGH 15.2-2311"
FOR "15.1-491 THROUGH 15.1-496.1"
TO UPDATE RECODIFIED REFERENCES TO THE CODE OF VIRGINIA**

WHEREAS, it has been ascertained that Section 18.215.070 of the Staunton City Code refers to Sections "15.1-491 through 15.1-496.1" of the Code of Virginia that have since been recodified to Sections "15.2-296 through 15.2-2303.4";

WHEREAS, editorial correction is merited to avoid misunderstanding or misapprehension, correcting the Virginia Code statutory references;

WHEREAS, the Planning Commission of the City of Staunton, Virginia recommends this proposed ordinance to the Council of the City of Staunton;

WHEREAS, this matter has been properly advertised, heard, and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 18.215.070 of Title 18, Zoning, of the Staunton City Code be and is hereby amended as follows:

18.215.070 Conditional zoning.

An application for conditional zoning shall be considered and administered in accordance with ~~Sections~~ 15.1-491 ~~through~~ 15.1-496.1 Sections 15.2-2296 through 15.2-2303.4 of the Code of Virginia, 1950, as amended, and said sections are incorporated herein as a part hereof to the same extent and purpose as though such sections were herein set out in full. The administrator is hereby vested with all necessary authority to administer and enforce such conditions and restrictions.

In all other respects, the provisions of Section 18.215.070, Conditional Zoning, of Chapter 18.215, Amendments, of Title 18, Zoning, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced:
Adopted:
Effective Date:

DRAFT

Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons
Clerk of Council

DRAFT

DRAFT 11-27-18

XI

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 17.10.020, PRELIMINARY LAYOUT – REQUIRED – SCALE – CONTENTS, OF CHAPTER 17.10, PLATS, OF TITLE 17, SUBDIVISIONS OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to the submission of preliminary subdivision plats;

WHEREAS, pursuant Section 15.2-2240 of the Code of Virginia and Staunton City Charter Section 11, Third, the City Council has the authority enact and change provisions of the Staunton City Code regarding the subdivision of land and its development;

WHEREAS, the Planning Commission recommends this proposed ordinance to City Council, pursuant to the requirements of Section 15.2-2285(B) of the Code of Virginia;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the Staunton City Code provisions relating to the submission of preliminary subdivision plats consistent with the changes enacted to Section 15.2-2260 of the Code of Virginia by the General Assembly;

WHEREAS, this matter has been properly advertised, heard and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 17.10.020, Preliminary Layout – Required – Scale – Contents, of the Staunton City Code be and hereby is amended as follows:

17.10.020 Preliminary layout – Required – Scale – Contents.

Whenever any subdivision of land is proposed involving more than 50 lots, and before any permit for the erection of a structure shall be granted, the subdivider or agent shall apply in writing to the planning commission for approval of the subdivision plat and submit the required number of paper copies and a digital copy of the preliminary subdivision plat lot, street and utilities layout. For any subdivision of land involving 50 or fewer lots, a preliminary subdivision plat conforming to the requirements of this section may be submitted for tentative approval at the option of the landowner. The preliminary plat layout shall be at a scale of not more than 100 feet to the inch and shall show the following:

…

DRAFT

In all other respects, the provisions of Chapter 17.10, Plats, of Title 17, Subdivisions, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

DRAFT

DRAFT 11-27-18

XII

Ordinance No. 2018 - __

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 18.95.030, REQUIRED AND PERMITTED USES, OF CHAPTER 18.95, A-1 AGRICULTURAL-FORESTAL DISTRICT, OF TITLE 18, ZONING, OF THE STAUNTON CITY CODE TO ALIGN WITH CHANGES TO THE CODE OF VIRGINIA AS ENACTED BY THE GENERAL ASSEMBLY

WHEREAS, the General Assembly has enacted certain changes to the Code of Virginia which merit amendments to the Staunton City Code relating to the permitted activities of agricultural operations;

WHEREAS, pursuant Sections 15.2-2280 and 15.2-4303 of the Code of Virginia and Staunton City Charter Section 11, Third, the City Council has the authority to enact and change provisions of the Staunton City Code;

WHEREAS, the Planning Commission recommends this proposed ordinance to City Council pursuant to the requirements of Section 15.2-2285(B) of the Code of Virginia;

WHEREAS, the City Council finds that it is in the interest of the City and its citizens to amend the Staunton City Code provisions relating to the permitted activities of agricultural operations pursuant to the changes enacted to Section 15.2-2288.6 of the Code of Virginia;

WHEREAS, this matter has been properly advertised, heard and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 18.95.030, Required and Permitted Uses, of the Staunton City Code be and hereby amended as follows:

18.95.030 Required and permitted uses.

(1) Required Uses. Land included within the districts under this chapter shall be used solely for agricultural products, agricultural productions, forestal products, and forestal production, except as otherwise specifically limited or permitted, and shall continuously be so used to manifest active, bona fide agricultural and forestal production of a significant nature and degree. By July 1st of each year, each owner of land in a district shall file with the assessor for the city of Staunton an affidavit, in a form specified by the assessor, that verifies the use of the land within the district satisfies these conditions. Absent timely filing of a properly completed affidavit, land included in a district shall be regarded as suspended from inclusion in the district for the following calendar year for purposes of qualification for an agricultural or forestal use-value assessment pursuant to Article 4 (Section 58.1-3229 et seq.) of Chapter 32 of Title 58.1 of the Virginia Code.

DRAFT

(2) Other Permitted Uses. Construction and placement of dwellings for persons who earn a substantial part of their livelihood from farm or forestry operations on the same property, or for members of the immediate family of the owner, and divisions of parcels for dwellings of such immediate family members shall be permitted subject to the following limitations and regulations:

(a) Any new dwelling permitted hereunder must be located on a platted lot approved in accordance with the provisions of SCC 17.10.070, Minor subdivision plats.

(b) Minimum lot area: one acre.

(c) Maximum lot coverage: 10 percent.

(d) Lots must abut at least 30 feet on a public or private street.

(e) All buildings on a lot must be set back at least 100 feet from the front lot line, 50 feet from the rear lot line, and 50 feet from the side lot lines.

(f) Dwellings shall not exceed 35 feet or two and one-half stories, whichever is greater. All other buildings or structures, unless exempted by Chapter 18.115 SCC, shall not exceed one story or 15 feet, whichever is greater.

(3) Nothing herein shall prohibit the carrying out of agritourism activities, as defined in Section 3.2-6400 of the Code of Virginia, or other activities in accordance with Section 15.2-2288.6 of the Code of Virginia, on the land within these districts, except to the extent such activities substantially impact the health, safety, or general welfare of the public as further identified by the City Council in this code, or constitute a nuisance as defined in this code or in § 15.2-900 of the Code of Virginia.

In all other respects, the provisions of Chapter 18.95, A-1 Agricultural-Forestal District, of Title 18, Zoning, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: , 2018
Adopted: , 2018
Effective Date: , 2018

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

DRAFT

DRAFT 11-27-18

XIII

Ordinance No. 2018 - __

AN ORDINANCE
AMENDING, RESTATING AND REORDAINING
SECTION 18.200.010 OF CHAPTER 18.200, BOARD OF ZONING APPEALS
OF TITLE 18, ZONING, OF THE STAUNTON CITY CODE
TO ALIGN WITH CHANGES TO THE VIRGINIA CODE AS ENACTED BY
THE GENERAL ASSEMBLY

WHEREAS, the General Assembly of Virginia has enacted changes at various times to the Code of Virginia which merit amendments to the Staunton City Code relating to variances;

WHEREAS, pursuant Section 15.2-2280 of the Code of Virginia and Staunton City Charter Section 11, Third, the City Council has the authority to enact and change provisions of the Staunton City Code regarding zoning;

WHEREAS, the Planning Commission recommends this proposed ordinance to City Council, pursuant to the requirements of Section 15.2-2285(B) of the Code of Virginia;

WHEREAS, this matter has been properly advertised, heard and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 18.200.010 of Title 18, Zoning, be and hereby is amended as follows:

18.200.010 Variances.

(1) A variance from the Staunton City Code may be granted to allow, in accordance with the Code of Virginia, certain reasonable deviations from those provisions of the ordinance regulating the shape or area of a lot or parcel of land or the size, height, area, bulk, or location of a building or restrict the utilization of the property, and such need for a variance would not be shared generally by other properties, and provided such variance is not contrary to the purpose of the ordinance.

(2) Standards for Variances. The applicant for a variance has the burden of proof to prove by a preponderance of the evidence that the application meets the standards for a variance set forth in the Code of Virginia, and a variance permit shall be granted if the evidence shows that all of the following criteria are met:

(a) The strict application of the terms of the zoning code would unreasonably restrict the utilization of the property or the granting of the variance would alleviate a hardship due to a physical condition relating to the property or improvements thereon at the time of the effective date of the zoning code; ~~and~~ or alleviate a hardship by granting a reasonable modification to a property or

improvements thereon requested by, or on behalf of, a person with a disability; and

…

(k) Any variance granted to provide a reasonable modification to a property or improvements thereon requested by, or on behalf of, a person with a disability may expire when the person benefited by it is no longer in need of the modification to such property or improvements provided by the variance, subject to the provisions of state and federal fair housing laws, or the Americans with Disabilities Act of 1990 (42 U.S.C. § 12131 et seq.), as applicable. If a request for a reasonable modification is made and is appropriate under the provisions of state and federal fair housing laws, or the Americans with Disabilities Act of 1990 (42 U.S.C. § 12131 et seq.), as applicable, such request shall be granted unless a variance from the board of zoning appeals under this section is required in order for such request to be granted.

…

In all other respects, the provisions of Chapter 18.200, Board of Zoning Appeals, of Title 18, Zoning, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced:
Adopted:
Effective Date:

_____
Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons, Clerk of Council

DRAFT 11-27-18

XIV

Ordinance No. 2018 - __

**AN ORDINANCE TO AMEND
SECTION 18.215.070, CONDITIONAL ZONING,
OF CHAPTER 18.215, AMENDMENTS, OF TITLE 18, ZONING,
OF THE STAUNTON CITY CODE
TO SUBSTITUTE "15.2-2286 THROUGH 15.2-2311"
FOR "15.1-491 THROUGH 15.1-496.1"
TO UPDATE RECODIFIED REFERENCES TO THE CODE OF VIRGINIA**

WHEREAS, it has been ascertained that Section 18.215.070 of the Staunton City Code refers to Sections "15.1-491 through 15.1-496.1" of the Code of Virginia that have since been recodified to Sections "15.2-296 through 15.2-2303.4";

WHEREAS, editorial correction is merited to avoid misunderstanding or misapprehension, correcting the Virginia Code statutory references;

WHEREAS, the Planning Commission of the City of Staunton, Virginia recommends this proposed ordinance to the Council of the City of Staunton;

WHEREAS, this matter has been properly advertised, heard, and considered; and

WHEREAS, these recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 18.215.070 of Title 18, Zoning, of the Staunton City Code be and is hereby amended as follows:

18.215.070 Conditional zoning.

An application for conditional zoning shall be considered and administered in accordance with ~~Sections~~ 15.1-491 ~~through~~ 15.1-496.1 Sections 15.2-2296 through 15.2-2303.4 of the Code of Virginia, 1950, as amended, and said sections are incorporated herein as a part hereof to the same extent and purpose as though such sections were herein set out in full. The administrator is hereby vested with all necessary authority to administer and enforce such conditions and restrictions.

In all other respects, the provisions of Section 18.215.070, Conditional Zoning, of Chapter 18.215, Amendments, of Title 18, Zoning, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced:
Adopted:
Effective Date:

DRAFT

Carolyn W. Dull, Mayor

ATTEST:_____
Suzanne F. Simmons
Clerk of Council

DRAFT

CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Staff Members:** **Jeanne Colvin** **Cindy Fitzgerald** **Cameron McCormick**
Item #	**6 & A**	
Ordinance #		
Department:	**Finance**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**FY 2018 Audit Presentation** **Attachments (4):** **PDF FY2018 Comprehensive Annual Financial Report** **PDF Auditor's Comments on Internal Controls and Other Suggestions Report** **PDF Auditor's Communication/Management Representation Letter** **PDF Statement to Auditor of Public Accounts**	

Background: Brown, Edwards & Company, L.L.P., the City's auditor, will present the FY2018 Comprehensive Annual Financial Report (CAFR) and findings to City Council at the regular session.

Cameron McCormick, Interim Director of Finance, will present an overview of FY2018 CAFR at the work session.

Attached are the FY2018 final audit documents:

1. the FY2018 Comprehensive Annual Financial Report, which is also available online at www.staunton.va.us at the Finance Department's departmental webpage;

2. the Auditor's Comments on Internal Controls and Other Suggestions Report;

3. the Auditor's communication/management representation letter; and

4. Notarized statement to the Commonwealth of Virginia Auditor of Public Accounts.

The Auditor's Comments on Internal Controls and Other Suggestions Report includes a summary of the upcoming financial statement requirements from the Governmental Accounting Standards Board (GASB), that will require more reporting in the CAFR to satisfy those requirements. Some of these additional requirements will increase the costs to the City, due to both additional audit costs and the costs of the preparation by financial consultants of actuarial studies for the Finance Department necessary to achieve compliance with the additional requirements. These GASB accounting statements are effective for fiscal years 2019-2021, and include:

1. GASB Statement No. 81—Irrevocable Split-Interest Agreements;
2. GASB Statement No. 83—Certain Asset Retirement Obligations;
3. GASB Statement No. 84—Fiduciary Activities;
4. GASB Statement No. 85—Omnibus 2017 (financial reporting for a variety of issues, including OPEB, component units, real estate and money market investments);
5. GASB Statement No. 86—Certain Debt Extinguishment Issues (reporting defeasance of debt); and
6. GASB Statement No. 87—Leases (financial reporting for leases).

The CAFR is prepared by the Finance Department and opined by the auditor. The auditor expressed an unmodified opinion on the financial statements for FY2018. An unmodified opinion means that the City's CAFR is materially correct in accordance with generally accepted accounting principles and may be relied upon by the users of the financial statements.

The CAFR is divided into four sections: (1) Introductory Section, (2) Financial Section, (3) Statistical Section, and (4) Compliance Section.

The Financial Section contains the Management's Discussion and Analysis of the City's financial performance during FY2018 with some comparisons to FY2017. This analysis summarizes financial statements of the City's general operating funds and the enterprise funds for the year.

Statement of Activities

The Statement of Activities is presented on pages 6 and 7 of the CAFR. The statement displays all of the operating revenues and expenditures for the entire City government. For Governmental Activities, education expenditures required the highest local tax revenue support at $16,478,966, public safety expenditures were second at $10,140,908, and recreation, parks, and cultural expenditures were third at $2,790,230.

The Compliance Section contains the report on internal controls, compliance matters, and schedules of findings and questioned costs starting on page 177.

In the auditor's report on compliance and internal control matters in the CAFR, the following was noted:

a) The auditor's report expresses an unmodified opinion on the financial statements;
b) No significant deficiencies relating to the audit are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other

Matters based on an audit of the financial statements performed in accordance with Government Auditing Standards;

c) No instances of noncompliance material to the financial statements were disclosed;
d) No significant deficiencies relating to the audit of the major federal award programs were reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance required by the Uniform Guidance;
e) The auditor's report on compliance for the major federal award programs expresses an unmodified opinion; and
f) No audit findings relating to major programs.

Schedule of Findings and Questioned Costs, page 182:

a) Financial Statement Audit—none.
b) Major Federal Award Programs Audit—none.
c) Commonwealth of Virginia—none.

City Manager's Recommendation: Accept the FY2018 CAFR, as presented.

Suggested Motion: I move that City Council accept the Fiscal Year 2018 Comprehensive Annual Financial Report, as presented.

City Manager: Stephen F. Owen

CITY OF STAUNTON, VIRGINIA

Comprehensive Annual Financial Report

Fiscal Year July 1, 2017 – June 30, 2018

BIRTHPLACE OF THE COUNCIL-MANAGER FORM OF GOVERNMENT – 1908

CITY OF STAUNTON, VIRGINIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2018

Prepared By:
Department of Finance

CITY OF STAUNTON, VIRGINIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended June 30, 2018

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INTRODUCTORY SECTION

CITY OF STAUNTON, VIRGINIA

COUNCIL, OFFICIALS, AND SCHOOL BOARD

COUNCIL

Carolyn W. Dull, Mayor

Ophie A. Kier, Vice-Mayor	R. Terry Holmes
Andrea W. Oakes	James J. Harrington
Erik D. Curren	Walter J. Obenschain

OFFICIALS

Stephen F. Owen	City Manager
Jeanne R. Colvin	Chief Financial Officer
Richard R. Johnson	City Treasurer
Douglas L. Guynn	City Attorney
Margaret (Maggie) A. Ragon	Commissioner of Revenue
Anita Harris	Director of Social Services
Thomas E. Roberts	Clerk of Circuit Court
Dr. Garett Smith	Superintendent of Schools

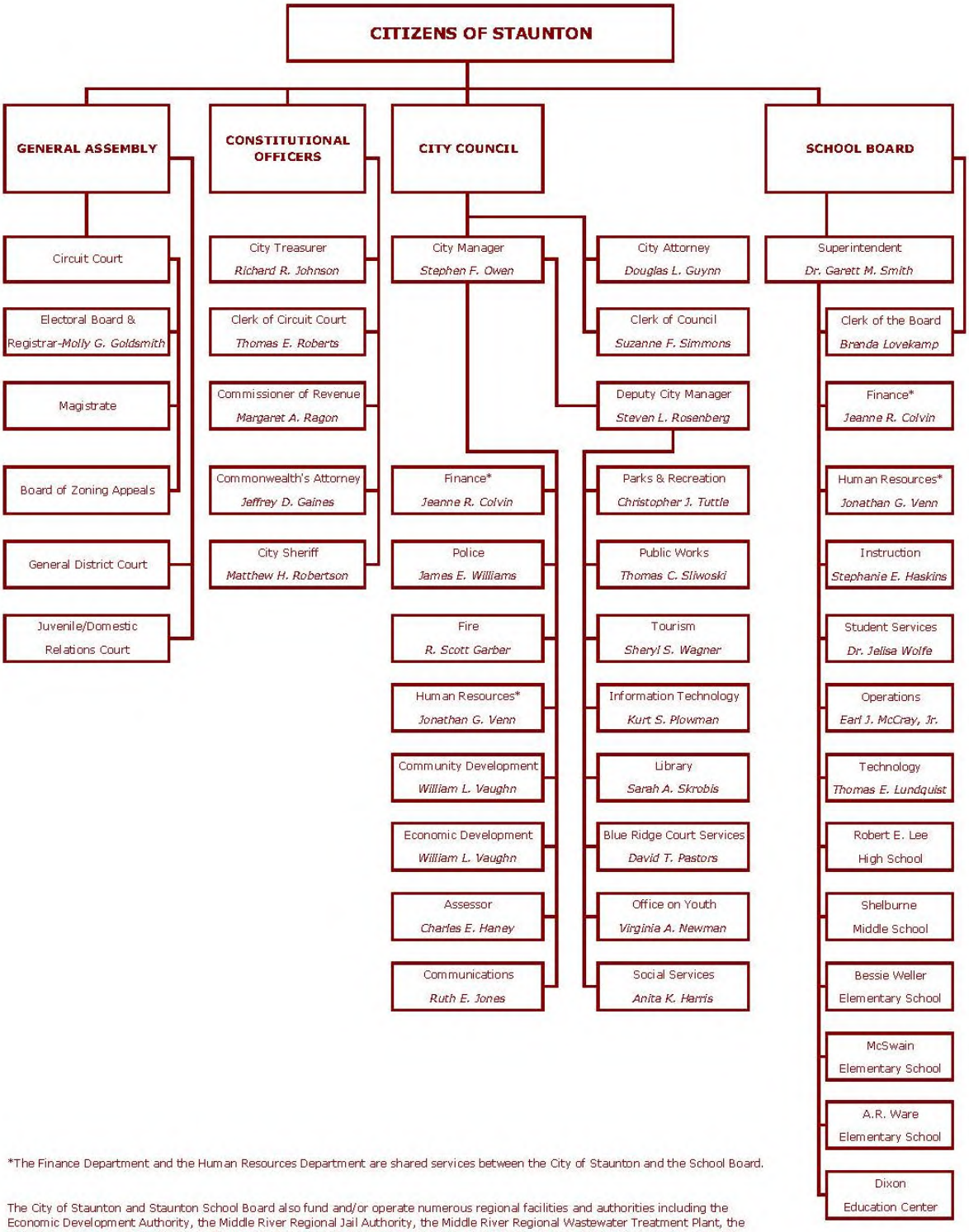
SCHOOL BOARD

William Lobb, Chair
Robert Boyle, Vice-Chair

Ronald Ramsey	Amy G. Darby
Laura Kleiner	Natasha McCurdy

City of Staunton, Virginia

Organization Chart



*The Finance Department and the Human Resources Department are shared services between the City of Staunton and the School Board.

The City of Staunton and Staunton School Board also fund and/or operate numerous regional facilities and authorities including the Economic Development Authority, the Middle River Regional Jail Authority, the Middle River Regional Wastewater Treatment Plant, the Staunton, Augusta, Waynesboro Landfill, Health Department, Community Services Board, Valley Career & Technical Center, GENESIS Alternative School, Shenandoah Valley Governor's School, and the Shenandoah Valley Regional Program.

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Staunton

Virginia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

STAUNTON VIRGINIA

DEPARTMENT OF FINANCE

November 30, 2018

To the Honorable Mayor, Members of City Council, and the Citizens of the City of Staunton, Virginia:

We are pleased to submit the City of Staunton's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. This report has been prepared by the City's Finance Department. The report provides full disclosure of all financial information necessary to enable the reader to gain an understanding of the government's financial activities.

Management assumes full responsibility for the completeness and reliability of the information contained in their report, based upon a comprehensive framework of internal control that it has established for their purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The government is required to undergo an annual single audit in conformity with the provisions of the U.S. Office of Management and Budget *Uniform Guidance.* The Code of Virginia requires the City to have an annual audit conducted by an independent certified public accountant.

Brown Edwards & Company, LLP, Certified Public Accountants, has issued an unmodified opinion for the City of Staunton for fiscal year ending June 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

The City's management discussion and analysis (MD&A) immediately follows the independent auditor's report. The MD&A provides for a narrative introduction, overview, and analysis of the City's basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The City of Staunton was founded in 1747 and later chartered as a town by the Virginia General Assembly in 1761. The City was named for Lady Rebecca Stanton, wife of colonial Governor Sir William Gooch. Staunton was incorporated as a city in 1871. Staunton is the birthplace of the city manager form of government. Staunton appointed its first city manager, and the nation's first city manager, Charles E. Ashburner, in April 1908.

The City is governed by seven members of City Council for policymaking and legislative issues. Council members are elected at large for four-year terms. Council members elect the mayor. The city manager is appointed by City Council and is responsible for the general operations of the City and administering the policies and ordinances enacted by City Council. The city manager appoints all department directors for the various operating departments.

The Staunton City School Board is comprised of six members elected at large for four-year terms with the responsibility of the operation of the City school system. The School Board appoints a superintendent to administer the operations, policies, and procedures of the School Board. The local share of funding for the school system is appropriated through the budget process by City Council and provided through a transfer from the General Fund to the Education Fund.

Staunton is an independent city with local government taxing power providing the full range of municipal services. These services include public safety, recreation, parks and culture, education, health and social services, public works and utilities, sanitation, planning and zoning, community development, judicial administration, and general and financial administration services.

Staunton is located at the intersection of I-81 and I-64 in the Shenandoah Valley of Virginia. The City is 90 miles west of Richmond, 85 miles north of Roanoke, and just 150 miles southwest of Washington D.C. The City encompasses an area of 19.98 square miles with a population of approximately 24,363.

The City is located within 35 minutes of eleven colleges and universities: University of Virginia, James Madison University, Washington & Lee University, Virginia Military Institute, Mary Baldwin University, Bridgewater College, Eastern Mennonite University, Blue Ridge Community College, Piedmont Virginia Community College, Old Dominion University at the Blue Ridge Community College campus, and American National University at the Charlottesville and Harrisonburg campuses. The area also has several other specialized education centers: Shenandoah Valley Governor's School, four private high schools, and Valley Career and Technical Center for occupational trades/industrial education and training.

BUDGET PROCESS AND CONTROLS

Per City Code, the Chief Finance Officer serves as the budgetary control officer and shall assist the City Manager in developing and assembling the necessary information and planning and prioritizing financial commitments for the preparation of the annual budget. The City adopts a balanced budget for all funds. The *Code of Virginia* requires the City to adopt a balanced budget by May 15 for the School's Education Fund budget and June 30 for all other City funds. Budget control is maintained at the fund level. The City Manager, or designee, is authorized to transfer appropriations from any line item within each fund as needed to sufficiently fund any expenditure. All departments have on-line, real-time access to all line items within their operating budgets. Purchase orders for materials, supplies, and services are not released until adequate appropriations are available. Open encumbrances are reported as assigned or committed fund balances at the end of each fiscal year. City Council adopts an ordinance to approve budget amendments that require increased or decreased appropriations to the total adopted budget.

The City's budget team consists of the City Manager, Deputy City Manager, and Chief Finance Officer (CFO). The City Manager and the CFO review the current status of the economy and develop budget guidelines based on City Council's long-term financial and strategic plan, three-year priorities, and other factors for the upcoming fiscal year. City Council's three-year priorities for the future of Staunton are summarized below;

- Economic Development-to provide and support economic vitality through tourism and business development to provide employment and revenue growth,
- Education- to recruit and retain the best teachers and provide superb facilities,
- Culture-to promote and retain arts, performing arts, music, galleries, and museums,
- Inclusiveness- to develop a strategy to achieve more citizen engagement and promote a diverse society to enhance civic pride and ownership to improve Staunton's quality of life,
- Resilience-to protect the City's natural environmental resources and provide financial resources to safeguard the City's future,
- Responsive, Efficient Government-to include professional administration, prudent financial management, and the efficient and effective delivery of core services,
- Built Environment- to study changes to the City's land use policies and ordinances to enable more mixed-use development and to develop a long-term financing strategy for public facilities and infrastructure.

The CFO prepares the guidelines, instructions, and the forms for departments to submit their expenditure budget requests. The CFO is responsible for preparing all governmental and proprietary revenue estimates for tax revenues, state and federal revenues, proprietary fund revenues, and other revenues. After meeting with all departments and prioritizing all budget requests for new personnel, new operating expenditures, and capital requests, the CFO prepares the revenue and expenditure budget and submits the preliminary budget to the City Manager for review. The City Manager is responsible for submitting the proposed budget to City Council for review and discussion.

By a resolution adopted by City Council on May 24, 2012, the City Finance Department provides comprehensive financial management and support services to the School Board, and is responsible for all financial processes, budget, and the annual audit for the City and Staunton City Schools. The CFO works directly with the City Manager and the Superintendent of Schools to prepare the annual budget. The Chief Finance Officer is appointed by the City Manager.

The City of Staunton and Staunton City Schools also share the City's Human Resources Department for recruitment and all personnel related processes and activities. The Chief Human Resources Officer serves as the department head of the human resources department for the Schools and the City. The Chief Human Resources Officer assists the budget team for the City and Schools with personnel budget requests relating to changes in staff requirements and employee pay increases. The Chief Human Resources Officer is appointed by the City Manager.

The City's CAFR includes all funds, and component unit agencies, boards and commissions for which the City is financially accountable. Financial accountability is defined as appointment of a voting majority of such an entity's Board, and either (a) the ability to impose its will, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City. Based on the foregoing criteria, the financial activities of the Staunton City School Board and the Staunton Economic Development Authority are included in the financial statements for the reason indicated:

> The Staunton City School Board was created as a separate legal entity by the City to oversee the operation and management of its publicly funded primary and secondary schools. The School Board creates a financial burden on the General Fund requiring approximately 24% of its funding for school operations and the issuance of all general obligation bonds. All members of the Board are elected by the City voters. City Council has the ability to impose its will upon the Board.
>
> The Staunton Economic Development Authority was created as a separate legal entity by the City to promote economic development within the City. All members of the Board are appointed by City Council. The Economic Development Authority imposes a financial burden on the City.

LOCAL ECONOMY

The City's overall financial health is determined by several economic factors based on retail sales volume, consumer-based taxes, new residential and commercial construction permits, and property values and transactions. Other financial factors include state revenues, population trends, the unemployment rate, and the local tourism industry. The 2018 total taxable real estate assessed values increased .82%. Other local consumer-based tax revenue sources increased from 2017. Meals tax on prepared foods increased from 6% to 7%, as well as a general increase in economic activity resulted in increases in meals, lodging and consumer sales taxes. The local unemployment rate for June 2018 was 3.2%, which is well below the national average of 4.2% and slightly below the statewide average of 3.3%. The City relies on its diverse property tax base consisting of manufacturing facilities, distribution centers, a fairly stable retail base, a large government workforce within the area, and a successful tourism market for the economic stability of the City.

LONG-TERM FINANCIAL PLANNING

Staunton City Council's Vision for 2025, revised on April 28, 2015, focuses on seven major principles; *Economic Development* to provide and support economic vitality through tourism, small business development, and commercial development to provide employment growth and revenue growth for the City; *Education* by recruiting and retaining the best teachers and providing superb facilities; *Culture* by promoting and retaining a vibrant, exciting, and welcoming community for the arts, performing arts, music, galleries, and museums; *Inclusiveness* for all citizens by developing a strategy to achieve more citizen engagement, promote a diverse society to enhance civic pride, and instill ownership to improve Staunton's quality of life; *Resilience* by protecting the City's natural environmental resources, and providing financial resources to safeguard the City's future; *Responsive, Efficient Government* to include professional administration, prudent fiscal management, and the efficient and effective delivery of core services; *Built Environment* to study changes to the City's land use policies and ordinances to enable more mixed use development within the City, and develop a long term financing strategy for public facilities and infrastructure.

Economic Strategy – The City's long-range economic strategy is to attract new commercial, manufacturing, and retail businesses and expand existing businesses. This strategy will strengthen, diversify, provide employment growth, increase the median household income level, and sustain and increase the local tax revenue base to provide quality governmental services to the citizens of Staunton.

City Safety Net Reserve – The City's fund balance fiscal policy, as revised by City Council, now requires a reservation of 15% of the City's total general fund operating budget as a cash safety net reserve, reported as committed fund balance in the general fund. The primary government reserve is currently $8,489,250. These funds can be used only for major catastrophic events that would affect the public safety or major infrastructure of the City, or imposition of mandates by Federal and State governments. The City also adopted a policy to establish and maintain a contingency reserve in the amount of $250,000, reported as unassigned fund balance in the general fund, to provide for unexpected declines in budgeted revenues or unanticipated emergency expenditures.

Capital Improvement Plan – The City approves a multi-year capital improvement plan and budget each year. The approved CIP plan and budget includes the City CIP and the School CIP plan. The City and School CIP budgets are appropriated each year by Council. The CIP funds are designated as multi-year funds in the accounting system and automatically carry forward the project balances to the next fiscal year for completion of the projects. Council is not required to re-appropriate funds each year for the balance of the same project appropriation.

The CIP plan is a five-year capital plan updated annually to account for project estimate updates, new and revised projects, and completed projects. The annual update to the CIP plan begins in October each year. The plan is presented to City Council and the Planning Commission in December each year. The plan is adopted in February during the budget process. The draft CIP plan is presented to City Council and the Planning Commission for review and suggestions. The Planning Commission will make recommendations and accept the CIP Plan based on the City's Comprehensive Plan. City Council approves the CIP after the Planning Commission's recommendations, and any other changes The CIP plan includes the funding sources for the proposed capital projects each year of the five-year plan. Funding sources are based on a five-year financial analysis of revenues and expenditures.

Once a project is completed, the balance of any remaining appropriated funds for the project is transferred to the CIP Undesignated Account to be held as contingency for other projects. Council approves the transfer of funds. Any transfer of appropriated funds from one project to another requires approval from City Council.

The City collaborates with the School Board to incorporate the School CIP plan and develop financing plans to pay for major improvements or renovations to school facilities.

The City prefers to finance capital projects with cash, or 'pay-as-you-go' funds, and federal and state grants. The City may use debt financing for projects by issuing general obligation or revenue bonds to finance projects. Any project requiring debt financing shall have a useful life equal to the term of the bond and adhere to the City's Debt Policy ratios and guidelines.

Debt Policy- Provides guidance and criteria for the issuance of debt so the City will not exceed affordable levels of indebtedness. This policy is intended to ensure debt is issued and managed prudently in order to maintain a sound fiscal position and protect the City's credit quality:

1. The City will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues except when approved justification is provided.

2. When the City finances capital improvements or other projects by issuing bonds, or entering into capital leases, it will repay the debt within a period not-to-exceed the expected useful life of the project.

3. When feasible, the City will explore the usage of special assessment, revenue, or other self-supporting bonds instead of general obligation bonds.

4. The City will retire tax anticipation debt, if any, annually, and will retire bond anticipation debt within six months after completion of the project.

The following debt ratios will be measured annually and will be measured as part of the debt issuance process. If the issuance of new debt causes the City to be out of compliance with one or more of the policies, staff must request an exception from City Council stating the justification and expected duration of the policy exception:

1. Direct net debt as a percentage of estimated assessed value of taxable property should not exceed four percent (4.0%). "Direct net debt" is defined as any and all debt that is tax-supported.

2. The ratio of debt service expenditures as a percent of total governmental fund expenditures should not exceed fifteen percent (15%).

3. Payout of aggregate outstanding tax-supported debt principal shall be no less than fifty percent (50%) repaid in 10 years.

MAJOR INITIATIVES

FY2018 Budget

City Council's commitment to prudent fiscal management has provided the framework for the City to prepare and adopt budgets in response to the economic conditions of the local, state, and national economies. The total fiscal year 2018 budget was adopted at $110.5 million, an increase of 4.0% or $ 4.3 million from the previous year. The real estate tax rate remained $.97, the personal property tax rate was increased from $2.75 to $2.90, and the meals tax on prepared food was increased from 6% to 7%. The general fund budget increased 4.0% over the previous year. Property tax revenues were projected to increase by $1.0 million, or 4.5%, and other local tax revenues were projected to increase 6.4% over the previous year's budget. The general fund budget increased its transfer to the education fund by 3.1%.

Economic Development

Staunton Crossing Development Park

Staunton Crossing, located at U.S. 250 and the interchange of Interstate Highways 81 and 64, is planned for a mix of corporate and professional offices, retail stores, restaurants, and lodging facilities. The project will be the largest business development property to support both office and retail development in the Shenandoah Valley region of the I-81 corridor through Virginia.

In September, 2016 the EDA sold approximately 25 acres of the Staunton Crossing development property for $1.25 million. Construction began on the first phase of the development site in November, 2016. The development includes a Marriott Fairfield Inn and Suites and a Tru by Hilton hotel. Both hotels were on track to open by November 2018. Multiple food options, a grocery center, and a fuel and convenience store center are all possibilities at the sight. The City will gain additional jobs and approximately $1.0 million annually from property, meals, sales, and lodging tax revenues when the first phase is completed.

The City plans to demolish the existing vacant hospital buildings on the property by October 2019. Demolition is expected to cost $1.8 million. The demolition will allow the property to compete nationally for major industrial development for jobs and an increase the City's tax base.

The City was awarded $8.7 million from the Virginia Department of Highways in November 2018 to complete the road extension from the entrance to provide access to the entire 275 acres at Staunton crossing. The road construction is expected to begin in 2020.

Frontier Center

Frontier Center is near the intersection of Interstates 81 and 64 and the first phase of the development, including construction for the road and infrastructure improvements, was completed in June 2018. Aldi, Bojangles, Chick-fil-A, and McDonalds opened during the summer of 2018. The City has an agreement with the developer to start the second phase of development for a 200,000 square foot retail space.

Villages at Staunton

The Blackburn Inn and Spa was completed in June 2018. The $6 million renovation project included historic preservation of the existing building into an upscale 49 room boutique hotel.

The Villages also renovated and completed a 39-unit apartment building on the site in 2017 which is valued at approximately $6 million.

AWARDS AND ACKNOWLEDGEMENTS

Economic Development

Economic strength, resilience, and attractiveness to future investment is built around a thoughtful, holistic strategy that weaves together economic development, placemaking, and livability. Winning high praise for decades of urban revitalization from everyone from the National Trust for Historic Preservation to Virginia Living magazine, Staunton continues to garner rankings and acclaim:

- "Charming Main Streets in Each State" – *USA Today*
- "The 8 Small Southern Towns to Visit in 2018" – *U.S. News & World Report*
- "20 Most Beautiful Main Streets in America" – *Reader's Digest*

Parks and Recreation

Staunton Parks and Recreation earned a state award in November 2018 from the Virginia Recreation and Park Society (VRPS) for NatureRidge, a natural playground in Montgomery Hall Park. In April 2018, the department won the 2018 Governor's Environmental Excellence Award for NatureRidge.

The Horticulture Division of the Department of Parks and Recreation received a Tree City USA award from the National Arbor Day Foundation. Thanks to the City's efforts to make the care and planning of trees a priority, this is the 22nd year the City has achieved this award recognizing municipalities with active tree care and replacement programs.

Montgomery Hall Park was added to the National Register of Historic Places, an official list of the nation's historic places worthy of preservation. The National Park Service approved the addition to the National Register in February 2018. It's the second historical designation for Montgomery Hall Park, as it was added to the Virginia Landmarks Register last summer.

Public Safety

The Staunton Police Department received the 10th consecutive national accreditation award from the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA) in May, 2016. The department received its first accreditation award in 1985 as one of the first ten law enforcement agencies in the world accredited by CALEA. Accreditation ensures that police departments operate under a set of nationally accepted standards that are designed to provide citizens with professional law enforcement services. Citizens of the City of Staunton benefit from the accreditation process with the assurance that the police department maintains procedures to encourage, listen and respond to citizen requests, needs, complaints and inquiries. The Department goes through the accreditation process every three years.

Public Works

The City's drinking water consistently meets all water quality standards and regulations. In the most recent Water Quality Report, Staunton's Water Treatment Plant achieved the Silver award through the VDH Office of Drinking Water Virginia Optimization Program. This program recognizes those who provide quality water that exceeds minimum regulatory standards and operate water systems in an exemplary manner.

Finance Department

Risk Management

The Risk Management Division of the Finance Department successfully completed 100% of the Virginia Municipal League's Insurance Program for risk management guidelines for the City and Staunton City Schools. These guidelines ensure the City and School's commitment to safety for its citizens and employees. As a result of completing the guidelines, the City and Staunton City Schools received a 5% discount on the liability and workers compensation insurance premiums for the fiscal year.

Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Distinguished Budget Presentation Award to the City of Staunton, Virginia, for its FY 2018 budget.

The GFOA established the Distinguished Budget Presentation Awards Program (Budget Awards Program) in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal.

Documents submitted to the Budget Awards Program are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector budgeting.

This was the first year that the City applied for the award.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Staunton, Virginia, for its Comprehensive Annual Financial Report for the fiscal years ended June 30, 1985 through 2017. A Certificate of Achievement for Excellence is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis was accomplished with efficient and dedicated services of the Finance Department. I would also like to thank the City Manager and the City Council for their interest and support in applying for both the Certificate of Achievement for Excellence in Financial Reporting as well as the Distinguished Budget Presentation Award.

Respectfully submitted,

Cameron S. McCormick
Interim Director of Finance

FINANCIAL SECTION

BROWNEDWARDS
certified public accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of City Council
City of Staunton, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Staunton, Virginia (the "City"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Augusta Regional Landfill. The City's share of this undivided interest represents 56%, 48%, and 20%, respectively, of the assets, net position, and revenues of the Environmental Fund. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Augusta Regional Landfill, is based on the report of the other auditors.

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 Counties, Cities, and Towns* and the *Specifications for Audits of Authorities, Boards, and Commissions,* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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Auditor's Responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Staunton, Virginia, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 21 to the financial statements, in 2018, the City adopted new accounting guidance, *GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions.* Our opinion is not modified with respect to this matter

Other Matters

Required Supplementary Information

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

Other Matters (Continued)

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the other supplementary information, and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis 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* (Uniform Guidance), and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditor in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated November 30, 2018 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
November 30, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Staunton's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended June 30, 2018. The MD&A is in addition to the transmittal letter, located on pages iv-xi of this report. Readers are encouraged to review the information presented in the MD&A and the letter oftransmittal to provide the user a more comprehensive view of the City's financial condition. The MD&A presentsinformation for the government-wide financial statements and the fund financial statements. The MD&A provides the userwith a narrative introduction, overview, and analysis of the basic financial statements for the City's financial performance as
a whole.

FINANCIAL HIGHLIGHTS

Highlights for Government-wide Financial Statements

- The City's total net position of governmental activities was $51.7 million at June 30, 2018. Net position of the City's business-type activities was $70.5 million.

- Total revenues of governmental activities exceeded total expenses by $3.4 million.

- General revenues, charges for services, operating grants and contributions, and capital grants and contributions of the City's governmental activities were $63 million for FY 2018. Revenues of the City's business-type activities were $13.1 million.

- Expenses were $58.5 million for governmental activities and expenses for the business-type activities were $12.2 million for FY 2018.

- The City's total general obligation bond and loans payable at June 30, 2018 was $49.2 million, a net decrease of $2.6 million from FY 2017 due to normal scheduled debt reduction.

- At June 30, 2018, the total fund balance for all governmental funds was $26.1 million with the General Fund comprising $15.5 million of that total.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis is intended to serve as an introduction to the City of Staunton's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements including budgetary comparisons.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. One of the most important questions asked about the City's finances is, "Is the City as a whole better or worse as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities report the City's net position and changes in net position. One can think of the City's net position – the difference between assets, liabilities, and deferred inflows/outflows of resources – as a way to measure the City's financial health, or financial position. Over time, increases or decreases in net position help determine whether the City's financial position is improving or deteriorating.

The government-wide financial statements of the City are divided into three categories:

Governmental activities – Most of the City's basic services are included here, such as the police, fire, public works, parks and recreation, health and welfare, and general administration. Property taxes, other local taxes, and intergovernmental revenue are the primary sources that finance these activities.

Business-type activities – The City's golf, water, sewer, storm water, parking, and environmental management activities are reported here. The City charges fees to customers to fund all or most of the cost of services provided by these activities.

Component units –The City also includes two separate legal entities in its report – the Staunton City Schools and the Staunton Economic Development Authority. While these represent legally separate entities, their operational or financial relationship with the City makes the City financially accountable.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate fiscal accountability. As described below, the City uses governmental, proprietary, and fiduciary fund financial statements to provide detailed information regarding its funds.

Governmental funds – Governmental funds report most of the City's basic services. The funds focus on cash and other financial resources that can be readily converted to cash flows in and out, and balances left at year-end that are available for future spending. Consequently, the governmental funds statements provide a near or short-term view of the City's finances that helps the reader determine whether there are greater or fewer financial resources available in the near future to finance City programs. Because this information does not encompass the long-term focus of the government-wide statements, additional information is provided at the bottom of the governmental funds statements to explain the relationship (or differences) between them.

Proprietary funds – Proprietary funds report the same functions that are presented as business-type activities in the government-wide financial statements. Proprietary funds are classified as enterprise or internal service funds. An enterprise fund reports any activity for which fees are charged to external users for goods or services. Internal service funds account for goods and services provided on a cost reimbursement basis from activities within the government. The City maintains six enterprise funds to report on activities for golf, water, sewer, storm water, environmental management and parking operations; and two internal service funds. The Inventory fund accounts for the City's inventory which provides supplies for the City's operations. The Health insurance fund accounts for the City and School's self-insured health plans and employer and employee health care costs. Because both funds predominately benefit governmental rather than business-type functions, the internal service funds are reported with governmental activities in the government-wide financial statements.

Fiduciary funds – Fiduciary funds are used to report assets held in a trustee or agency capacity for others outside the government. Fiduciary funds are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations. The primary government and the Component Unit School Board both maintain fiduciary funds.

Notes to the Financial Statements – The Notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligations to provide pension benefits and other post-employment benefits to its employees.

The combining and individual fund statements and schedules for all nonmajor funds include the special revenue and debt service funds. Budget to actual statements are provided for governmental and special revenue funds with legally adopted budgets.

Other Supplementary Information for the City and Schools' includes a Statistical Section and Schedule of Expenditures of Federal Awards.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position-The following table reflects condensed information for the City's net position.

City of Staunton
Summary Statements of Net Position
June 30, 2018 and 2017

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Assets:						
Current and other assets	$ 57,897,796	$ 55,744,260	$ 21,753,715	$ 19,635,281	$ 79,651,511	$ 75,379,541
Capital assets	54,791,075	58,144,852	74,816,816	74,372,111	129,607,891	132,516,963
Total assets	112,688,871	113,889,112	96,570,531	94,007,392	209,259,402	207,896,504
Total deferred outflows of resources	2,678,363	3,307,311	455,766	466,332	3,134,129	3,773,643
Liabilities:						
Long-term liabilities	50,095,129	55,459,240	22,705,219	22,533,260	72,800,348	77,992,500
Other liabilities	6,823,154	7,980,059	3,449,448	3,249,297	10,272,602	11,229,356
Total liabilities	56,918,283	63,439,299	26,154,667	25,782,557	83,072,950	89,221,856
Total deferred inflows of resources	6,798,784	5,461,184	358,962	139,433	7,157,746	5,600,617
Net Position:						
Invested in capital assets	43,232,721	45,372,360	57,260,173	55,688,479	100,492,897	101,060,839
Restricted	31,265	41,469	-	-	31,265	41,469
Unrestricted	8,386,181	2,882,111	13,252,492	12,863,255	21,638,673	15,745,366
Total net position	$ 51,650,167	$ 48,295,940	$ 70,512,668	$ 68,551,734	$ 122,162,835	$ 116,847,674

The City's total net position of $122.2 million increased by 4.6%, or $5.3 million, from FY 2017. This change is due to changes in deferred inflows and outflows related to the pension and OPEB liabilities and a net decrease in long term liabilities due to scheduled debt reduction.

The largest component of the City's net position ($100.5 million or 82.2%) is the investment in capital assets (e.g. facilities, equipment, and infrastructure), net of any outstanding related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources need to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Current year decrease of $.5 million is mainly due to changes in long term liabilities related to those assets. Net investment in capital assets for business-type activities represents, for the most part, the assets of the water, sewer, and storm water utilities. Please refer to Notes 5 and 6 of this report and the MD&A's capital assets and long-term debt section.

Less than 1% of the City's net position is restricted. The remaining balance of unrestricted net position ($21.6 million or 17.7%) is used to finance day-to-day operations.

As of June 30, 2018, the City reported positive balances in net position for the City as a whole for the governmental activities and the business-type activities. The same situation held true for the prior fiscal year.

The following tables summarize the City's change in net position for the current and previous year.

City of Staunton
Changes in Net Position
For the Years Ended June 30, 2018 and 2017

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Revenues:						
Program Revenues						
Charges for services	$ 6,743,237	$ 6,905,408	$ 12,224,998	$ 11,892,822	$ 18,968,235	$ 18,798,230
Operating grants and contributions	11,748,393	11,227,647	6,092	9,704	11,754,485	11,237,351
Capital grants and contributions	1,356,628	2,215,355	785,443	252,436	2,142,071	2,467,791
General revenues						
Property taxes	25,335,057	24,281,660	-	-	25,335,057	24,281,660
Other taxes	14,715,307	13,673,932	-	-	14,715,307	13,673,932
Unrestricted intergovernmental	2,881,272	2,862,470	-	-	2,881,272	2,862,470
Interest and investment earnings	155,183	133,649	92,181	36,455	247,364	170,104
Other	18,684	57,572	-	-	18,684	57,572
Total revenues	62,953,761	61,357,693	13,108,714	12,191,417	76,062,475	73,549,110
Expenses:						
General government	8,613,523	10,188,101	-	-	8,613,523	10,188,101
Judicial administration	1,844,938	2,474,333	-	-	1,844,938	2,474,333
Public safety	11,829,002	14,492,139	-	-	11,829,002	14.492.139
Public works	6,647,903	8,585,586	-	-	6,647,903	8,585,586
Health and welfare	7,051,987	6,236,892	-	-	7,051,987	6,236,892
Education (includes payment to Schools)	16,566,371	12,895,304	-	-	16,566,371	12,792,065
Parks, recreation and culture	3,420,386	4,074,107	-	-	3,420,386	4,074,107
Community Development	1,541,098	2,499,330	-	-	1,541,098	2,499,330
Interest on long-term debt	1,017,723	1,111,334	-	-	1,017,723	1,111,334
Water	-	-	3,886,966	3,958,812	3,886,966	3,958,812
Sewer	-	-	3,917,693	3,597,562	3,917,693	3,597,562
Storm Water	-	-	966,907	844,826	966,907	844,826
Environmental	-	-	2,790,626	2,774,425	2,790,626	2,774,425
Golf	-	-	146,068	179,522	146,068	179,522
Parking	-	-	506,123	460,136	506,123	460,136
Total expenses	58,532,931	62,557,126	12,214,383	11,815,283	70,747,314	74,372,409
Increase in net position before transfers	4,420,830	(1,199,433)	894,331	376,314	5,315,161	(823,299)
Transfers	(1,066,603)	(1,041,073)	1,066,603	1,041,073	-	-
Increase in net position	3,354,227	(2,240,506)	1,960,934	1,417,207	5,315,161	(823,299)
Net position - beginning of year	48,295,940	50,536,446	68,551,734	67,134,527	116,847,674	117,670,973
Net position - end of year	$ 51,650,167	$ 48,295,940	$ 70,512,668	$ 68,551,734	$ 122,162,835	$ 116,847,674

Governmental Activities - Revenues

- The City's total revenues from governmental activities were $63 million for the fiscal year ended June 30, 2018, an increase of $1.6 million over the previous year.

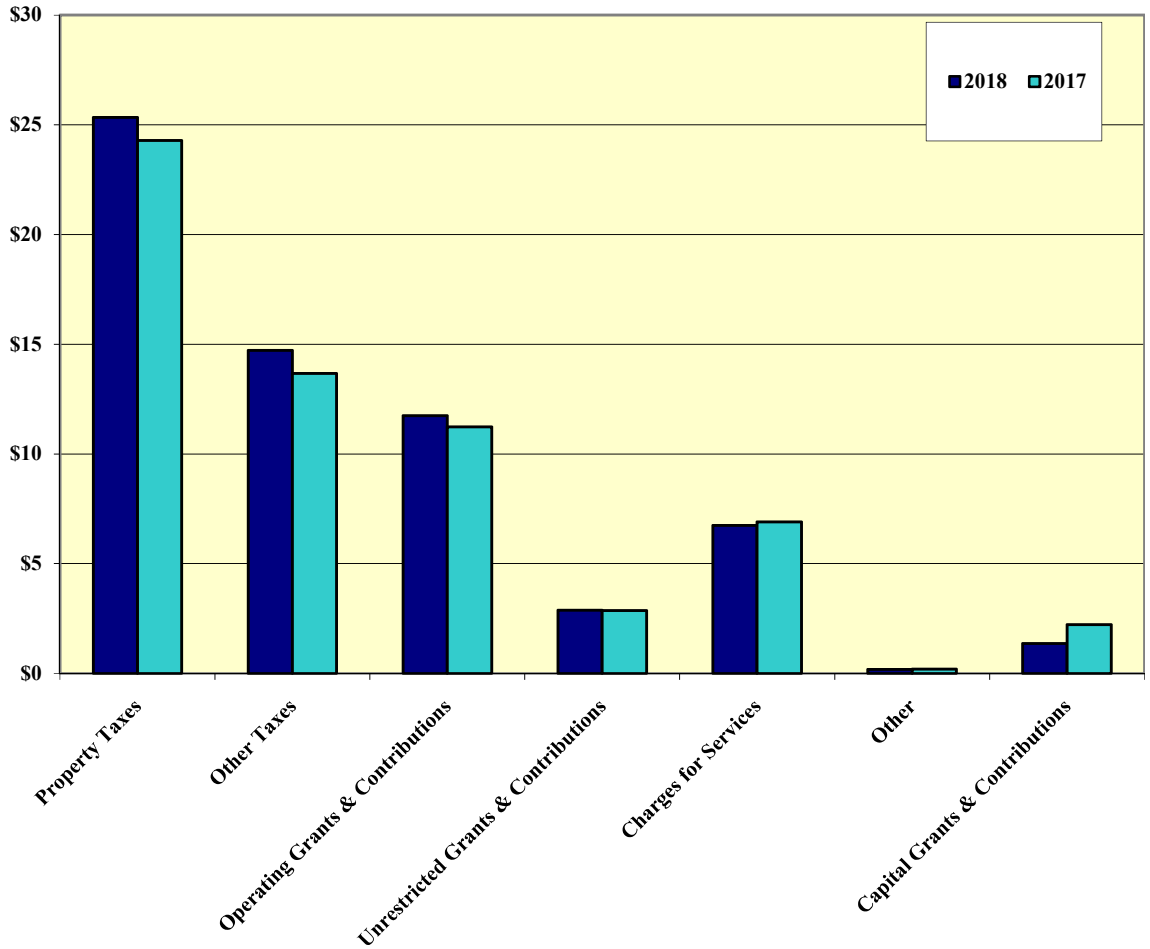
- Property taxes, the largest source of general revenue, accounted for $25.3 million or 40.2% of revenue in 2018. Property tax revenues increased $1.1 million over 2017 due to an increase in personal property tax rates and an increase in assessed values. Real estate rates were .97 per $100 of assessed value. Personal property taxes were $2.90 per $100 of assessed value.

- Operating grants and contributions increased $.5 million from FY 2017 due to an increase in public safety grants (SAFER fire grant) and health and welfare state and federal programs.

- Capital grants and contributions decreased $.9 million from FY 2017 due a decrease in public works related capital grants.

Governmental Activities - Revenues by Source

Fiscal Years Ended June 30, 2018 and 2017
($ In Millions)



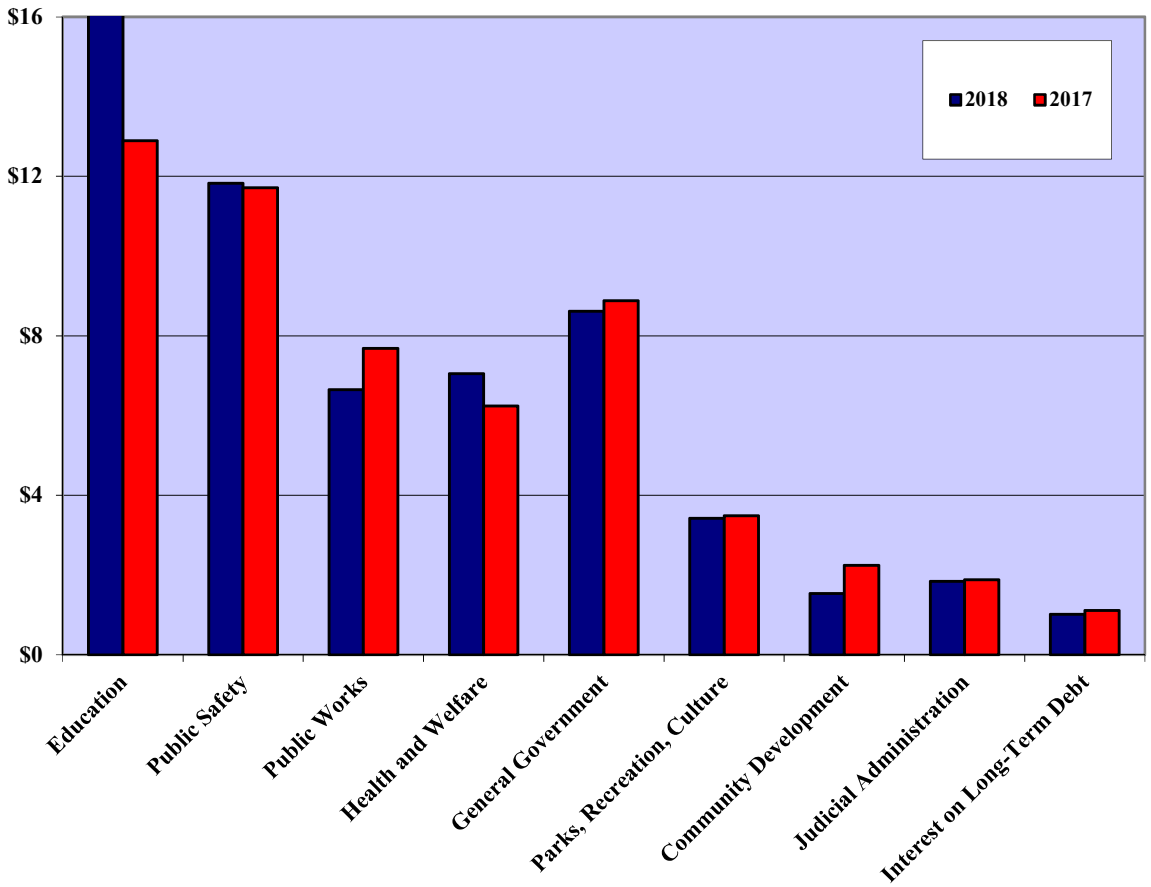
Governmental Activities - Expenses

- The total expenses from governmental activities were $58.5 million for the year, an increase of $2.4 million over FY 2017.
- Education is the largest expense for the City at $16.6 million or 28.4% of the total governmental activities. Education expense increased $3.7 million over FY 2017 from the transfer back of the net book value of Shelburne Middle School due to the payoff of the debt associated with the school.
- Community Development decreased $.7 million from FY 2017 due to not having the Commonwealth Opportunity fund grant and decreases in other grants to the EDA.
- Public Works decreased from FY 2017 due to decrease in maintenance paving and pension costs.

Governmental Activities - Expenses by Function

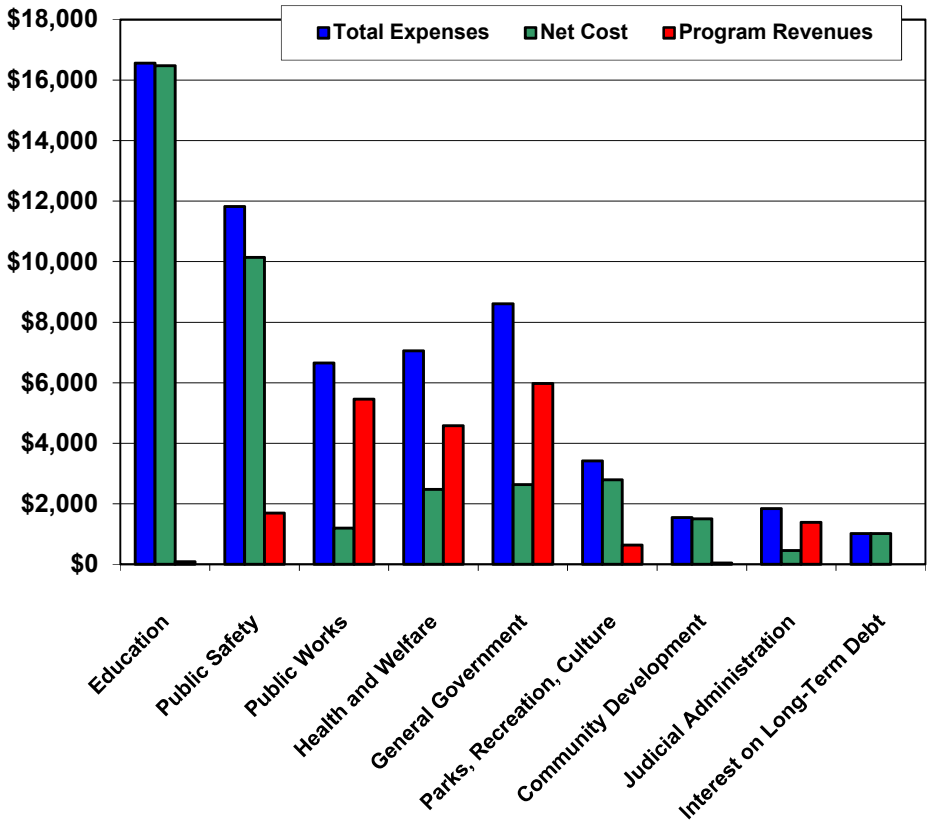
Fiscal Years Ended June 30, 2018 and 2017

($ In Millions)



Governmental Activities - Expenses, Net Costs, and Program Revenues

($ In Thousands)



Program revenues are those revenues directly related to the individual expense functions such as user fees and charges, restricted grants, and contributions. Program revenues for FY 2018 totaled $19.8 million and general revenues totaled $43.1 million.

The net cost of services represents the amount of tax or other revenue required to support these functions. The Education function requires the largest amount of general revenue support at 28.7%, an increase of $3.6 million from FY 2017. Health and Welfare net cost of service increased $.3 million due to an increase in social service costs.

Net Cost of the City of Staunton's Governmental Activities

	2018		2017	
	Total Cost	**Net Cost**	**Total Cost**	**Net Cost**
Education	$ 16,566,371	$ 16,478,966	$ 12,895,304	$ 12,804,904
Public Safety	11,829,002	10,140,908	11,718,559	9,913,194
Public Works	6,647,903	1,191,291	7,688,195	1,646,406
Health and Welfare	7,051,987	2,471,031	6,236,892	2,150,956
General Government	8,613,523	2,637,590	8,881,755	2,738,713
Parks, Recreation, Culture	3,420,386	2,790,230	3,488,880	2,869,235
Community Development	1,541,098	1,497,361	2,243,574	1,958,779
Judicial Administration	1,844,938	459,573	1,882,696	605,258
Interest on Long-Term Debt	1,017,723	1,017,723	1,111,334	1,111,334
	$ 58,532,931	**$ 38,684,673**	**$ 56,147,189**	**$ 35,798,779**

Business-Type Activities

- Total revenues of the City's business-type activities were $13.1 million for FY 2018. Charges for services including golf, water, sewer, storm water, environmental, and parking fees make up the largest source of revenues at $12.2 million or 93.1% of total revenues for business-type activities.

- Overall expenses of business-type activities increased slightly by $.3 million over FY 2017.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

Governmental funds include the general fund, special revenue funds, the debt service fund and the capital projects fund. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

For FY 2018, the City's governmental funds reported combined ending fund balances of $26.1 million, an increase of $2.1 million over FY 2017. Of that amount $.2 million was nonspendable, $8.5 million was committed, $12.8 million was assigned, and $4.6 million was unassigned. The general fund's increase in fund balance was $1.7 million. The other governmental funds and capital project fund's increase in fund balance was $.4 million.

General Fund

The General Fund reported $15.5 million in fund balance at year end. Of the total General Fund balance, $4.6 million is unassigned, $8.5 million is committed for specific purposes, and $2.2 million is assigned.

In total, FY 2018 revenues increased $3.6 million over FY 2017. Property tax revenues increased $1.8 million, due to increased assessment and tax rate. Other local taxes increased $1 million due to an increase in the meals tax rate coupled with increase in sales on which the meals, lodging and hotel taxes are based. Intergovernmental revenues increased $.7 million due to an increase in state and federal revenues.

General Fund actual expenditures were $50 million versus the revised budget totaling $51 million. The contribution to the Component Unit School Board was the largest expense at $12.8 million. Expenditure savings of $1 million was spread fairly level through each governmental function and was due mainly to decreases in personnel costs due to vacancies and overall reduction in operating costs.

Capital Projects Fund

The City's Capital Improvements Fund, which includes the Bond construction fund, is used to report transactions related to the financing resources and expenditures for the acquisition or construction of capital facilities for the General Fund. Proprietary capital projects are reported in the appropriate proprietary fund. The City uses annual operating revenues of the General Fund, fund balance transfers from the General Fund, bond proceeds, or grants as resources to fund capital projects. With the exception of grant resources, the General Fund transfers funds to the Capital Improvements Fund when appropriated by the governing body. The General Fund transferred $.8 million in FY 2018 to the City Capital Improvement Fund for projects still in progress. The City updates the capital improvements plan on an annual basis.

Capital projects in progress at June 30, 2018:

PROJECT	REVISED BUDGET - PROJECT TO DATE	FY2018 EXPENDITURES	TOTAL PROJECT EXPENDITURES TO DATE	PROJECT BALANCE
FINANCIAL SOFTWARE	$ 1,332,482	$ -	$ 1,229,729	$ 102,753
COMPUTER NETWORK EQUIPMENT	195,137	-	182,804	12,333
E911 CALL HANDLING EQUIPMENT	102,273	51,384	97,299	4,974
E911 RECORDING EQUIPMENT	150,000	61,554	150,011	(11)
FIRE TRUCK RESERVE	1,254,383	-	886,973	367,410
RADIO NARROWBAND	500,000	-	438,947	61,053
REGIONAL JAIL RESERVE	5,376,286	-	5,057,286	319,000
REGIONAL ANIMAL SHELTER	125,000	82,192	82,192	42,808
STREET IMPROVEMENT PROJECTS	1,205,250	-	985,999	219,251
URBAN STREET CONSTRUCTION 2% MATCH	836,478	-	465,395	371,083
STATLER/RICHMOND RD PROJ	50,000	-	-	50,000
RICHMOND RD/GREENVILLE AVE	35,000	-	-	35,000
CENTRAL AVE STREETSCAPE	1,708,349	83,324	195,402	1,512,947
STATE ROUTE 1426	2,110,000	2,969	1,789,303	320,697
NEW SIDEWALKS	500,000	-	-	500,000
BESSIE WELLER SAFE ROUTE TO SCHOOL	459,838	-	1,192	458,646
RICHMOND RD/COCHRAN PARKWAY	2,883,747	1,438,860	2,860,887	22,860
BRICK SIDEWALK PROJECTS	300,000	-	85,162	214,838
VDOT PRIMARY EXT PAVING	455,673	-	455,664	9
MLK MEMORIAL SIGN	41,450	-	40,940	510
PUBLIC WORKS EQUIPMENT RESERVE	200,000	-	-	200,000
RT 11/ RT 262 INTERSECTION TRUCK LANE IMPROVEMENTS	50,000	-	-	50,000
FIRE STATION ROOF	845,000	-	185,035	659,965
PUBLIC SAFETY BUILDING	40,000	15,000	39,339	661
PUBLIC WORKS BUILDING MAINTENANCE RESERVE	200,000	-	50,500	149,500
BLUE RIDGE COMMUNITY COLLEGE	427,598	41,048	427,592	6
LEE HIGH SCHOOL PROJECT	1,300,000	-	-	1,300,000
BOOKER T BUILDING	266,818	-	262,603	4,215
GHP BANDSTAND PROJECT	30,000	3,029	30,000	-
MONTGOMERY HALL SOCCER FIELDS	166,272	-	165,878	394
GHP POOL RENOVATIONS	500,000	-	492,565	7,435
MHP BATHROOM/WATER PARK	275,000	-	274,317	683
BETSY BELL PICNIC SHELTER	75,000	-	-	75,000
GREENWAYS PROJECT	200,000	-	-	200,000
FOOTBALL STADIUM ADA IMPROVEMENTS	100,000	-	-	100,000
CORRIDOR OVERLAY INCENTIVES	25,000	-	1,350	23,650
COUNTY COURTS PROJECT	127,453	-	99,060	28,393
ECONOMIC DEVELOPMENT RESERVE	1,243,811	1,128	1,219,609	24,202
ENTERPRISE ZONE PROGRAM	360,521	-	262,834	97,687
STAUNTON CROSSING DEVELOPMENT	1,025,000	-	800,689	224,311
FRONTIER CULTURE PROJECT	100,000	-	88,051	11,949
HIGH SCHOOL RENOVATION PROJECT	40,000,000	330,601	330,601	39,669,399
COMPLETED PROJECTS	5,520,138	-	5,520,519	(381)
TOTALS	$ 72,698,957	$ 2,111,089	$ 25,255,727	$ 47,443,230

General Fund Budgetary Highlights

City Council revised the total FY 2018 City Budget two times during the year which included two amendments to the General Fund budget. These budget amendments included:

- Budget Amendment Number 1 - $565,777. This amendment appropriated $216,783 from prior year funds for the balance of grant programs, restricted donations and mandated state program carry-over funds for programs not completed at the end of FY 2017. This amendment also included additional appropriations of $235,675 for additional grant funds, donations and recovered costs. The amendment also included an appropriation of $70,680 for the payment of development agreement expenses.

- Budget Amendment Number 2 - $425,334. This amendment appropriated $350,000 from the prior year unassigned fund balance to be transferred to the Capital Improvements Fund for projects approved in the CIP plan. The amendment also included additional appropriations of $75,334 made up of $8,754 in additional grant funds, $2,000 in donations, $42,580 in recovered costs, and $ 22,000 for payment of development agreement expenses.

CAPITAL ASSETS

The City of Staunton's investment in capital assets for its governmental activities and business-type activities as of June 30, 2018 amounts to $129.6 million (net of depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges. Total net capital assets are $54.8 million for the governmental activities, and $74.8 million for the business-type activities.

Major capital asset events (other than normal depreciation costs) during the current fiscal year included the following for governmental activities:

- Addition of $2.9 million for infrastructure, including bridge improvements and the road addition at Frontier Center. A decrease of $6.2 million for buildings due to the transfer back to the component unit school board, Shelburne Middle School, as a result of the pay-off of debt related to that school building.

Major capital asset events (other than normal depreciation costs) during the current fiscal year included the following for business-type activities:

- Addition of $2.7 million of utility lines and equipment were added to capital assets.

Additional information regarding capital assets can be found in Note 5 in the notes to the financial statements.

City of Staunton Capital Assets Net of Depreciation

	2018			2017		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	$ 4,737,487	$ 1,961,788	$ 6,699,275	$ 4,737,487	$ 2,014,863	$ 6,752,350
Landfill	-	1,352,857	1,352,857	-	1,421,469	1,421,469
Buildings	21,367,031	27,652,912	49,019,943	25,391,882	28,600,064	53,991,946
Improvements	1,734,892	1,891,245	3,626,137	1,725,535	1,894,408	3,619,943
Equipment	4,720,533	5,086,849	9,807,382	4,633,846	4,575,332	9,209,178
Infrastructure	21,688,565	35,754,075	57,442,640	19,995,324	35,404,934	55,400,258
Construction in Progress	542,567	1,117,090	1,659,657	1,660,778	461,041	2,121,819
Total	$ 54,791,075	$ 74,816,816	$ 129,607,891	$ 58,144,852	$ 74,372,111	$ 132,516,963

DEBT ADMINISTRATION

- The City of Staunton maintains an Aa2 bond rating from Moody's Investor Service, affirmed December 2006, and AA from Standard and Poor's affirmed September 2018.

- The *Code of Virginia* limits the amount of general obligation debt the City may issue to ten percent of its total assessed taxable value of real estate which is $187.8 million for the City. The City currently has net bonded debt payable of $49.2 million. The current legal margin for creating additional debt for the City of Staunton is $138.5 million.

- Additional information regarding outstanding debt can be found in Note 6 in the notes to the financial statements.

City of Staunton Outstanding Debt

	2018			2017		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
General Obligation Bonds	$ 21,161,511	$ 540,047	$ 21,701,558	$ 23,080,231	$ 772,426	$ 23,852,657
Virginia Revolving Loan	-	18,441,805	18,441,805	-	17,897,090	17,897,090
Literary Loans	9,050,000	-	9,050,000	10,000,000	-	10,000,000
Total	**$ 30,211,511**	**$ 18,981,852**	**$ 49,193,363**	**$ 33,080,231**	**$ 18,669,516**	**$ 51,749,747**

ECONOMIC FACTOR AND NEXT YEAR'S BUDGET AND RATES

- The FY 2019 general fund budget was adopted at $56.6 million, an increase of $2.3 million over the $54.3 million budget for FY 2018.

- The Real Estate tax rate is $.97/$100 of assessed value. The January 1, 2018 taxable real estate assessment reflected an increase of .82%, or $17.5 million in market value for the City's taxable real estate base. The Personal property tax rate is $2.90/$100 of assessed value and personal property taxes are projected to generate an additional $237,500 million in revenue for 2019.

- Funding from the Commonwealth constitutes 21.1% of the total general fund budget and is projected to increase $180,901 over 2018, from $11,743,665 to $11,924,566. The largest categories of state funding are health and welfare, children's services act and street and highway maintenance.

- A 3% cost of living adjustment for all full-time and part-time employees will be effective the first payroll of October, 2018. The General Fund increase for wages and benefits for FY 2019 is $1.5 million. The City added a total of 14 positions in the FY 2019 General Fund budget. Five for the transfer of the combined City and School Human resources office to the City; one in the police department, six in the fire department resulting from the SAFER federal grant, one in horticulture, and one for golf resulting from the reversion of golf activities to the general fund. The total FTE count for the City is 305 full-time employees, a net increase of 13 positions.

- The General Fund budgeted transfer to the City Capital Improvement Fund is $691,050 for FY 2019, an increase of $250,000 from FY 2018.

- The General Fund transfer to the Debt Service Fund increased over FY 2018 to $4,822,750. The City will reduce its total outstanding debt by $6 million in 2019.

- The General Fund transfer to the Education Fund increased 3.53%, or $450,000, to help fund an average 3% pay increase for school employees which will be effective with the October 2018 pay check.

- As of September 2018, the unemployment rate for the City of Staunton was 2.6%. Staunton's rate is slightly lower than the state's average unemployment rate of 2.7% and well below the national average of 3.6%.

All these factors were considered in preparing the FY 2019 budget to finance the cost of programs and services provided to citizens.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the Finance Department, City of Staunton, 116 E. Beverley Street, Staunton, Virginia 24401, 540-332-3809, or at mccormickcs@ci.staunton.va.us .

BASIC FINANCIAL STATEMENTS

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CITY OF STAUNTON, VIRGINIA

STATEMENT OF NET POSITION
June 30, 2018

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	School Board	Economic Development Authority
ASSETS					
Cash and cash equivalents (Note 2)	$ 28,610,823	$ 5,213,728	$ 33,824,551	$ 5,309,320	$ 153,155
Investments (Note 2)	4,243,020	7,377,775	11,620,795	-	-
Receivable (net of allowances for uncollectibles):					
Taxes, including penalties (Note 14)	4,807,036	-	4,807,036	-	-
Accounts	864,287	2,021,407	2,885,694	197,580	16,667
Interest	13,809	23,654	37,463	-	-
Internal balances (Note 4)	39,080	(39,080)	-	-	-
Due from other governments (Note 3)	6,198,051	-	6,198,051	1,725,096	-
Due from component unit (Note 18)	12,750,000	-	12,750,000	-	-
Inventory (Note 1, 18)	246,604	-	246,604	-	12,970,053
Prepaid items	118,086	2,716	120,802	2,001	-
Restricted assets: (Notes 2, 15)					
Cash and cash equivalents	7,000	4,814,801	4,821,801	-	-
Due from other governments (Note 3)	-	2,338,714	2,338,714	-	-
Capital assets: (Note 5)					
Nondepreciable	5,280,054	3,078,878	8,358,932	236,000	793,946
Depreciable, net	49,511,021	71,737,938	121,248,959	10,342,316	6,604,216
Total assets	112,688,871	96,570,531	209,259,402	17,812,313	20,538,037
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outlflows related to pensions (Notes 8, 9, and 12)	1,809,082	284,461	2,093,543	3,489,662	-
Deferred outflows related to OPEB (Notes 10, 11, and 12)	568,709	86,687	655,396	563,707	-
Deferred charges on refunding	300,572	84,618	385,190	-	-
Total deferred outflows of resources	2,678,363	455,766	3,134,129	4,053,369	-
LIABILITIES					
Accounts payable	1,342,813	657,277	2,000,090	289,609	136,038
Retainage payable	28,609	18,815	47,424	-	-
Accrued liabilities	1,113,781	232,726	1,346,507	1,578,980	-
Due to primary government (Note 18)	-	-	-	-	12,750,000
Unearned revenue (Note 1)	7,562	39,573	47,135	1,000	-
Amounts held for others	13,525	-	13,525	2,703	-
Deposits payable	7,000	316,770	323,770	-	-
Noncurrent liabilities:					
Net OPEB liability (Notes 10, 11, and 12)	6,900,294	1,089,251	7,989,545	7,565,641	-
Net pension liability (Notes 8, 9, and 12)	14,736,494	2,254,513	16,991,007	26,200,724	-
Due within one year (Note 6)	4,309,864	2,184,287	6,494,151	238,515	-
Due in more than one year (Note 6)	28,458,341	19,361,455	47,819,796	318,881	-
Total liabilities	56,918,283	26,154,667	83,072,950	36,196,053	12,886,038
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions (Notes 8, 9, and 12)	2,161,653	339,549	2,501,202	3,718,300	-
Deferred inflows related to OPEB (Notes 10, 11, and 12)	120,736	19,413	140,149	267,625	-
Property taxes (Note 14)	4,516,395	-	4,516,395	-	-
Total deferred inflows of resources	6,798,784	358,962	7,157,746	3,985,925	-
NET POSITION					
Net investment in capital assets	43,232,721	57,260,176	100,492,897	10,578,316	7,398,162
Restricted for:					
Programs	16,046	-	16,046	10,405	-
Donor purposes	15,219	-	15,219	11,379	-
Unrestricted	8,386,181	13,252,492	21,638,673	(28,916,396)	253,837
Total net position	$ 51,650,167	$ 70,512,668	$ 122,162,835	$ (18,316,296)	$ 7,651,999

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA
STATEMENT OF ACTIVITIES
Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	$ 8,613,523	$ 5,680,546	$ 295,387	$ -
Judicial administration	1,844,938	194,110	1,171,867	19,388
Public safety	11,829,002	425,342	1,249,696	13,056
Public works	6,647,903	-	4,132,678	1,323,934
Health and welfare	7,051,987	-	4,580,956	-
Education	16,566,371	-	87,405	-
Parks, recreation, and culture	3,420,386	421,828	208,078	250
Community development	1,541,098	21,411	22,326	-
Interest on long-term debt	1,017,723	-	-	-
Total governmental activities	58,532,931	6,743,237	11,748,393	1,356,628
Business-type activities:				
Water	3,886,966	4,285,464	-	501,012
Sewer	3,917,693	3,976,558	-	171,120
Storm Water	966,907	767,497	-	113,311
Environmental	2,790,626	2,660,459	6,092	-
Golf	146,068	90,398	-	-
Parking	506,123	444,622	-	-
Total business-type activities	12,214,383	12,224,998	6,092	785,443
Total primary government	$ 70,747,314	$ 18,968,235	$ 11,754,485	$ 2,142,071
Component Units:				
School Board	$ 34,270,832	$ 1,358,920	$ 11,537,140	$ 95,266
Economic Development Authority	417,103	31,000	176,228	-
Total component units	$ 34,687,935	$ 1,389,920	$ 11,713,368	$ 95,266
General revenues:				
Property taxes				
Sales tax				
Hotel and meals tax				
Business license				
Utility taxes				
Local communication tax				
Other taxes				
Unrestricted investment earnings				
Grants and contributions not restricted to a specific program				
Miscellaneous				
Net payment from City - unrestricted				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning of year, as restated (Note 21)				
Net position - end of year				

The Notes to Financial Statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position			Component Units	
Primary Government				
Governmental Activities	Business-Type Activities	Total	School Board	Economic Development Authority
$ (2,637,590)		$ (2,637,590)		
(459,573)		(459,573)		
(10,140,908)		(10,140,908)		
(1,191,291)		(1,191,291)		
(2,471,031)		(2,471,031)		
(16,478,966)		(16,478,966)		
(2,790,230)		(2,790,230)		
(1,497,361)		(1,497,361)		
(1,017,723)		(1,017,723)		
(38,684,673)		(38,684,673)		
-	$ 899,510	899,510		
-	229,985	229,985		
-	(86,099)	(86,099)		
-	(124,075)	(124,075)		
-	(55,670)	(55,670)		
-	(61,501)	(61,501)		
-	802,150	802,150		
(38,684,673)	802,150	(37,882,523)		
			$ (21,279,506)	$ -
			-	(209,875)
			(21,279,506)	(209,875)
25,335,057	-	25,335,057	-	-
4,123,862	-	4,123,862	-	-
4,796,184	-	4,796,184	-	-
2,216,754	-	2,216,754	-	-
1,164,277	-	1,164,277	-	-
1,278,401	-	1,278,401	-	-
1,135,829	-	1,135,829	-	-
155,183	92,181	247,364	8,944	-
2,881,272	-	2,881,272	9,893,921	-
18,684	-	18,684	-	-
-	-	-	16,031,766	-
(1,066,603)	1,066,603	-	-	-
42,038,900	1,158,784	43,197,684	25,934,631	-
3,354,227	1,960,934	5,315,161	4,655,125	(209,875)
48,295,940	68,551,734	116,847,674	(22,971,421)	7,861,874
$ 51,650,167	$ 70,512,668	$ 122,162,835	$ (18,316,296)	$ 7,651,999

CITY OF STAUNTON, VIRGINIA

BALANCE SHEET –
GOVERNMENTAL FUNDS
June 30, 2018

	General	Capital Projects Fund: Capital Improvements	Nonmajor Governmental	Total Governmental
Assets				
Cash and cash equivalents	$ 12,215,733	$ 7,010,598	$ 3,934,264	$ 23,160,595
Investments	4,243,020	-	-	4,243,020
Receivables (net of allowances for uncollectibles):				
Taxes	4,807,036	-	-	4,807,036
Accounts	801,427	-	43,643	845,070
Interest	13,809	-	-	13,809
Due from other governments	6,178,024	3,193	16,834	6,198,051
Due from other funds	99,954	-	-	99,954
Prepaid items	98,536	-	3,617	102,153
Restricted assets:				
Cash and cash equivalents	7,000	-	-	7,000
Total assets	$ 28,464,539	$ 7,013,791	$ 3,998,358	$ 39,476,688
Liabilities				
Accounts payable	$ 992,157	$ 309,422	$ 12,619	$ 1,314,198
Retainage payable	-	28,609	-	28,609
Accrued liabilities	651,032	-	23,245	674,277
Due to other funds	-	44,040	16,834	60,874
Unearned revenue	7,562	-	-	7,562
Amounts held for others	13,525	-	-	13,525
Deposits payable	7,000	-	-	7,000
Total liabilities	1,671,276	382,071	52,698	2,106,045
Deferred Inflows of Resources				
Unavailable revenue	11,263,322	-	-	11,263,322
Fund Balances				
Nonspendable	198,490	-	3,617	202,107
Restricted	15,219	-	16,046	31,265
Committed	8,489,250	-	-	8,489,250
Assigned	2,221,017	6,631,720	3,925,997	12,778,734
Unassigned	4,605,965	-	-	4,605,965
Total fund balances	15,529,941	6,631,720	3,945,660	26,107,321
Total liabilities, deferred inflows of resources and fund balances	$ 28,464,539	$ 7,013,791	$ 3,998,358	$ 39,476,688

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

June 30, 2018

Total Fund Balances - Governmental Funds			$ 26,107,321
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the funds.			
Governmental capital assets		$ 123,585,238	
Less: accumulated depreciation		(68,794,163)	
			54,791,075
Deferred gain on refunding, discounts and premiums are reported as expenditures or revenues in the governmental funds, but are amortized over the life of the debt obligation in the statement of net position:			
Bond discounts (to be amortized as interest expense)		$ 82,979	
Deferred amount on refunding (to be amortized as interest expense)		300,572	383,551
Internal service funds are used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.			5,003,367
Receivables that are not available to pay for current-period expenditures are deferred or not reported in the funds.			
	Due from EDA	$ 12,750,000	
	Hotel rent	16,667	
	Interest	13,809	
	Miscellaneous reimbursement	22,167	
	Jail buy in	4,314,239	
	Real estate taxes	2,380,045	19,496,927
Financial statement elements related to pensions are applicable to future periods and, therefore, are not reported in the funds.			
Deferred outflows		$ 1,809,082	
Deferred inflows		(2,161,653)	
Net pension liability		(14,736,494)	(15,089,065)
Financial statement elements related to other postemployment benefits (OPEB) are applicable to future periods and, therefore, are not reported in the funds.			
Deferred outflows		$ 568,709	
Deferred inflows		(120,736)	
Net OPEB liability		(6,900,294)	(6,452,321)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		$ (21,244,490)	
Literary fund loans		(9,050,000)	
Accrued interest payable		(491,969)	
Claims payable		(251,051)	
Compensated absences		(1,553,178)	(32,590,688)
Total Net Position - Governmental Activities			$ 51,650,167

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
Year Ended June 30, 2018

	General	Capital Projects	Nonmajor Governmental	Total Governmental
Revenues				
General property taxes	$ 25,439,640	$ -	$ -	$ 25,439,640
Other local taxes	14,715,307	-	-	14,715,307
Permits, privilege fees, and regulatory licenses	287,878	-	-	287,878
Fines and forfeitures	134,887	-	-	134,887
Revenues from use of money and property	198,538	1,109	163	199,810
Charges for services	1,799,686	-	146,686	1,946,372
Miscellaneous	77,362	-	94,238	171,600
Recovered costs	923,212	924,665	-	1,847,877
Intergovernmental:				
Federal	1,276,171	81,659	17,115	1,374,945
Commonwealth	12,103,565	368,994	708,037	13,180,596
City of Staunton School Board	-	-	50,000	50,000
Total revenues	56,956,246	1,376,427	1,016,239	59,348,912
Expenditures				
Current:				
General government administration	5,491,832	-	-	5,491,832
Judicial administration	1,986,549	-	-	1,986,549
Public safety	10,946,015	-	1,042,414	11,988,429
Public works	6,768,337	15,000	-	6,783,337
Health and welfare	6,973,721	-	-	6,973,721
Education	12,758,000	41,048	-	12,799,048
Parks, recreation, and cultural	3,459,705	3,029	-	3,462,734
Community development	1,600,106	1,128	-	1,601,234
Capital projects	-	2,050,884	-	2,050,884
Debt service:				
Principal retirement	-	-	2,877,922	2,877,922
Interest and fiscal charges	-	-	1,024,272	1,024,272
Total expenditures	49,984,265	2,111,089	4,944,608	57,039,962
Excess (deficiency) of revenues over expenditures	6,971,981	(734,662)	(3,928,369)	2,308,950
Other financing sources (uses)				
Transfers in	-	791,050	4,274,200	5,065,250
Transfers out	(5,229,550)	-	-	(5,229,550)
Total other financing sources (uses)	(5,229,550)	791,050	4,274,200	(164,300)
Net change in fund balance	1,742,431	56,388	345,831	2,144,650
Fund balance - beginning of year	13,787,510	6,575,332	3,599,829	23,962,671
Fund balance - end of year	$ 15,529,941	$ 6,631,720	$ 3,945,660	$ 26,107,321

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2018

Net changes in fund balances - Governmental Funds			$ 2,144,650
Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:			
Governmental funds report the cost of capital assets acquired as current expenditures while the statement of activities reports depreciation expense to allocate those expenditures over the life of the assets.			
	Depreciation	$ (3,038,592)	
	Capital expenditures	3,024,938	
	Transfer asset back to schools	(3,331,766)	
	Contributed Capital	13,025	(3,332,395)
In the statement of activities, only the gain or loss on the disposal of capital assets is reported, while in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital asset.			(17,984)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
	Property taxes	$ (104,583)	
	Interest	1,777	
	Other operating revenues	3,603	(99,203)
Payments on loans receivable are revenues in the governmental funds, but decrease long term assets in the statement of position	Jail buy in	(565,083)	(565,083)
Debt proceeds provide current financial resources to governmental funds, but debt issuances increase long term liabilities in the statement of net position. Principal repayments are expenditures in governmental funds, but reduce long term liabilities in the statement of net position.			
	GO bond and literary loan payments		2,877,922
Governmental funds report interest on long term debt as expenditures when payments are made, while the statement of activities reports interest expense on the accrual basis.			49,083
Governmental funds report employer contributions to other postemployment benefit as expenditures. However, in the statement of activities the cost of other postemployment benefits earned net of employee contributions is reported as OPEB expense.			
	Employer OPEB contributions	581,649	
	OPEB expense	(624,033)	(42,384)
Governmental funds report employer pension contributions as expenditures. However, in the statement of activities the cost of pension benefits earned net of employee contributions is reported as pension expense.			
	Employer pension contributions	2,082,997	
	Pension expense	(586,509)	1,496,488
Some expenses reported in the statement of activities do not require the use of current resources, and therefore are not reported as expenditures in governmental funds.			
	Compensated absences and claims payable	$ (228,586)	
	Amortization of bond discount and deferred amount	(42,534)	(271,120)
The net income of internal service funds is reported within governmental activities on the statement of activities.			1,114,253
Change in net position - Governmental Activities			$ 3,354,227

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA

STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2018

	Business-Type Activities – Enterprise Funds						Governmental Activities – Internal Service
	Water	Sewer	Stormwater	Environmental	Nonmajor	Total	
Assets							
Current assets:							
Cash and cash equivalents	$ 1,497,552	$ 1,174,937	$ 1,884,333	$ 85,315	$ 571,591	$ 5,213,728	$ 5,450,228
Investments	3,317,480	2,454,061	-	1,606,234	-	7,377,775	-
Receivable:							
Accounts (net of allowance for uncollectibles)	703,803	736,765	118,845	444,427	17,567	2,021,407	19,217
Interest	11,145	7,493	-	5,016	-	23,654	-
Inventory	-	-	-	-	-	-	246,604
Prepaid items	-	-	-	2,716	-	2,716	15,933
Restricted assets:							
Cash and cash equivalents	202,320	-	110,000	2,337,510	2,164,971	4,814,801	-
Due from other governments	-	218,055	-	-	-	218,055	-
Total current assets	5,732,300	4,591,311	2,113,178	4,481,218	2,754,129	19,672,136	5,731,982
Noncurrent assets:							
Restricted assets:							
Due from other governments	-	2,120,659	-	-	-	2,120,659	-
Capital assets:							
Nondepreciable	555,041	170,018	163,775	540,736	1,649,308	3,078,878	-
Depreciable, net	21,787,740	34,073,798	8,993,158	2,922,729	3,960,513	71,737,938	57,268
Total capital assets, net	22,342,781	34,243,816	9,156,933	3,463,465	5,609,821	74,816,816	57,268
Total noncurrent assets	22,342,781	36,364,475	9,156,933	3,463,465	5,609,821	76,937,475	57,268
Total assets	28,075,081	40,955,786	11,270,111	7,944,683	8,363,950	96,609,611	5,789,250
Deferred outflows of resources							
Deferred outflows related to pensions	151,434	18,122	9,582	97,824	7,499	284,461	-
Deferred outflows related to other postemployment benefits	47,267	5,585	3,425	28,054	2,356	86,687	-
Deferred charge on refunding	64,694	19,924	-	-	-	84,618	-
Total deferred outflows of resources	263,395	43,631	13,007	125,878	9,855	455,766	-
Liabilities							
Current liabilities:							
Accounts payable	110,040	246,976	23,372	210,405	66,484	657,277	28,615
Claims payable	-	-	-	-	-	-	700,000
Retainage payable	-	-	-	-	18,815	18,815	-
Accrued liabilities	98,973	81,469	2,516	27,356	22,412	232,726	-
Unearned revenue	35,140	-	-	-	4,433	39,573	-
Deposits payable	202,320	-	110,000	-	4,450	316,770	-
Due to other funds	-	-	-	23,434	15,646	39,080	-
Debt, current	722,463	1,125,312	-	-	142,939	1,990,714	-
Landfill closure/postclosure	-	-	-	48,644	-	48,644	-
Compensated absences	74,526	1,454	13,837	55,112	-	144,929	-
Total current liabilities	1,243,462	1,455,211	149,725	364,951	275,179	3,488,528	728,615
Noncurrent liabilities:							
Net OPEB Liability	573,557	67,825	41,436	377,845	28,588	1,089,251	-
Net pension liability	1,233,556	147,619	78,052	734,202	61,084	2,254,513	-
Debt	4,723,824	9,688,309	-	-	2,579,005	16,991,138	-
Landfill closure/postclosure	-	-	-	2,269,329	-	2,269,329	-
Compensated absences	67,634	-	-	33,354	-	100,988	-
Total noncurrent liabilities	6,598,571	9,903,753	119,488	3,414,730	2,668,677	22,705,219	-
Total liabilities	7,842,033	11,358,964	269,213	3,779,681	2,943,856	26,193,747	728,615
Deferred Inflows of Resources							
Deferred inflows related to pensions	180,947	21,654	11,449	116,539	8,960	339,549	-
Deferred inflows related to other post employment benefits	10,064	1,223	653	6,973	500	19,413	-
	191,011	22,877	12,102	123,512	9,460	358,962	-
Net Position							
Net investment in capital assets	16,173,895	23,392,578	9,182,936	3,463,465	5,047,302	57,260,176	57,268
Unrestricted	4,131,537	6,224,998	1,818,867	703,903	373,187	13,252,492	5,003,367
Total net position	$ 20,305,432	$ 29,617,576	$ 11,001,803	$ 4,167,368	$ 5,420,489	$ 70,512,668	$ 5,060,635

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
Year Ended June 30, 2018

	Business-Type Activities – Enterprise Funds						Governmental Activities –
	Water	Sewer	Stormwater	Environmental	Nonmajor	Total	Internal Service
OPERATING REVENUES							
Parking fines	$ -	$ -	$ -	$ -	$ 67,150	$ 67,150	$ -
Charges for services	4,178,608	3,975,650	767,497	2,646,751	460,563	12,029,069	8,157,908
Rental of property	71,372	-	-	-	4,167	75,539	-
Operating grants	-	-	-	6,092	-	6,092	-
Miscellaneous	15,927	908	-	624	3,140	20,599	7,730
Total operating revenues	4,265,907	3,976,558	767,497	2,653,467	535,020	12,198,449	8,165,638
OPERATING EXPENSES							
Personal services	877,392	652,556	94,910	1,290,658	202,382	3,117,898	-
Claims paid	-	-	-	-	-	-	5,080,605
Rental of property	3,846	1,805	-	-	7,706	13,357	3,732
Administrative fees	-	-	-	-	-	-	361,729
Stop loss fees	-	-	-	-	-	-	786,204
Repairs and maintenance	457,788	28,089	-	29,037	100	515,014	-
Contractual services	472,698	1,407,017	32,722	439,617	18,549	2,370,603	17,946
Materials and supplies	203,605	124,196	111,013	118,748	14,957	572,519	28,098
Depreciation	995,093	1,219,218	470,503	383,569	172,587	3,240,970	3,398
Utilities	170,741	6,944	-	2,356	31,036	211,077	770,464
Other expenses	493,041	216,703	257,759	313,993	118,413	1,399,909	-
Landfill closure/post-closure	-	-	-	212,648	-	212,648	-
Total operating expenses	3,674,204	3,656,528	966,907	2,790,626	565,730	11,653,995	7,052,176
Operating income (loss)	591,703	320,030	(199,410)	(137,159)	(30,710)	544,454	1,113,462
NONOPERATING REVENUES (EXPENSES)							
Interest income	27,772	19,805	318	43,023	1,263	92,181	791
Debt issuance costs	(32,937)	(13,882)	-	-	(47,972)	(94,791)	-
Interest and fiscal charges	(179,825)	(312,605)	-	-	(38,489)	(530,919)	-
Gain on disposal of assets	19,557	-	-	13,084	-	32,641	-
Debt service recovery	-	65,322	-	-	-	65,322	-
Total nonoperating revenues (expenses)	(165,433)	(241,360)	318	56,107	(85,198)	(435,566)	791
Income (loss) before transfers and capital contributions	426,270	78,670	(199,092)	(81,052)	(115,908)	108,888	1,114,253
Capital Contributed-Developer	501,012	171,120	113,311	-	-	785,443	-
Capital Contributed from fund activities Governmental funds	299,688	131,548	396,067	-	75,000	902,303	-
Transfers in	-	-	-	-	164,300	164,300	-
Change in net position	1,226,970	381,338	310,286	(81,052)	123,392	1,960,934	1,114,253
Total net position - beginning of year, as restated, (Note 21)	19,078,462	29,236,238	10,691,517	4,248,420	5,297,097	68,551,734	3,946,382
Total net position - end of year	$ 20,305,432	$ 29,617,576	$ 11,001,803	$ 4,167,368	$ 5,420,489	$ 70,512,668	$ 5,060,635

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA

STATEMENT OF CASH FLOWS –
PROPRIETARY FUNDS
Year Ended June 30, 2018

	Business-Type Activities – Enterprise Funds						Governmental Activities –
	Water	Sewer	Stormwater	Environmental	Nonmajor	Total	Internal Service
OPERATING ACTIVITIES							
Cash received from customers and users	$ 4,255,038	$ 3,942,687	$ 738,162	$ 2,621,341	$ 545,002	$ 12,102,230	$ 8,172,762
Cash paid to suppliers	(1,785,783)	(1,773,719)	(296,445)	(932,811)	(195,438)	(4,984,196)	(866,477)
Cash paid to employees	(878,831)	(609,948)	(98,698)	(1,283,322)	(210,172)	(3,080,971)	-
Claims paid	-	-	-	-	-	-	(5,080,605)
Administrative and stop loss fees	-	-	-	-	-	-	(1,143,674)
Operating grants received	-	-	-	6,092	-	6,092	-
Net cash provided by operating activities	1,590,424	1,559,020	343,019	411,300	139,392	4,043,155	1,082,006
NONCAPITAL FINANCING ACTIVITIES							
Transfers to/from other funds	-	-	-	-	164,300	164,300	-
Interfund borrowing	-	-	-	(69,375)	3,584	(65,791)	-
Net cash provided by (used in) noncapital financing activities	-	-	-	(69,375)	167,884	98,509	-
CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition and construction of capital assets	(958,900)	(281,693)	-	(249,429)	(465,214)	(1,955,236)	-
Principal paid on long-term debt	(604,015)	(1,068,091)	-	-	(232,893)	(1,904,999)	-
Interest paid on long-term debt	(247,986)	(273,716)	-	-	(30,412)	(552,114)	-
Proceeds from sale of capital assets	19,557	-	-	13,084	-	32,641	-
Collection of loans receivable	-	212,072	-	-	-	212,072	-
Proceed from debt issuance	3,292,770	1,387,783	-	-	2,133,925	6,814,478	-
Payment to refunding escrow agent	(3,291,944)	(1,387,436)	-	-	-	(4,679,380)	-
Net cash provided by (used in) capital and related financing activities	(1,790,518)	(1,411,081)	-	(236,345)	1,405,406	(2,032,538)	-
INVESTING ACTIVITIES							
Interest received	317	252	318	24,868	1,263	27,018	791
Net cash provided by investing activities	317	252	318	24,868	1,263	27,018	791
Net increase (decrease) in cash and cash equivalents	(199,777)	148,191	343,337	130,448	1,713,945	2,136,144	1,082,797
CASH AND CASH EQUIVALENTS							
Beginning of year	1,899,649	1,026,746	1,650,996	2,292,377	1,022,617	7,892,385	4,367,431
End of year	$ 1,699,872	$ 1,174,937	$ 1,994,333	$ 2,422,825	$ 2,736,562	$ 10,028,529	$ 5,450,228
Cash and cash equivalents at end of year is composed of the following:							
Cash and cash equivalents	$ 1,497,552	$ 1,174,937	$ 1,884,333	$ 85,315	$ 571,591	$ 5,213,728	$ 5,450,228
Restricted cash and cash equivalents	202,320	-	110,000	2,337,510	2,164,971	4,814,801	-
Total	$ 1,699,872	$ 1,174,937	$ 1,994,333	$ 2,422,825	$ 2,736,562	$ 10,028,529	$ 5,450,228

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA

STATEMENT OF CASH FLOWS –
PROPRIETARY FUNDS
Year Ended June 30, 2018

	Business-Type Activities – Enterprise Funds						Governmental Activities –
	Water	Sewer	Stormwater	Environmental	Nonmajor	Total	Internal Service
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating income (loss)	$ 591,703	$ 320,030	$ (199,410)	$ (137,159)	$ (30,710)	$ 544,454	$ 1,113,462
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:							
Depreciation	995,093	1,219,218	470,503	383,569	172,587	3,240,970	3,398
Pension and OPEB expense net of employer contrib	(20,575)	40,031	(6,729)	3,166	-	15,893	-
Expense of previous construction in progress	-	1,844	107,300	-	(7,212)	101,932	-
Change in assets and liabilities:							
(Increase) decrease in accounts receivable	(9,942)	(33,871)	(7,085)	(26,034)	13,387	(63,545)	7,124
(Increase) decrease in prepaid items	-	-	-	137	-	137	(3,768)
Increase in inventory	-	-	-	-	-	-	(60,096)
Increase (decrease) in accounts payable	15,936	9,191	(2,251)	19,447	(4,677)	37,646	21,886
Increase (decrease) in accrued liabilities	1,009	1,915	(10)	592	(578)	2,928	-
Increase (decrease) in unearned revenue	831	-	-	-	(3,200)	(2,369)	-
Decrease in deposits payable	(1,758)	-	(22,250)	-	(205)	(24,213)	-
Increase in compensated absences	18,127	662	2,951	3,578	-	25,318	-
Increase in landfill closure/postclosure liabilities	-	-	-	164,004	-	164,004	-
Net cash provided by operating activities	$ 1,590,424	$ 1,559,020	$ 343,019	$ 411,300	$ 139,392	$ 4,043,155	$ 1,082,006
Noncash investing, capital, and financing activities:							
Contributions of capital assets from developers	$ 501,012	$ 171,120	$ 113,311	$ -	$ -	$ 785,443	$ -
Contributions of capital assets from other funds	299,688	131,548	396,067	-	75,000	902,303	-
Capital assets purchased on account	31,645	56,799	21,211	-	64,070	173,725	-
Total noncash activities	$ 832,345	$ 359,467	$ 530,589	$ -	$ 139,070	$ 1,861,471	$ -

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2018

	OPEB Trust Fund
ASSETS	
Assets held in trust, at fair value	
Investment in pooled funds	$ 2,537,931
Total assets	2,537,931
NET POSITION	
Held in trust for other post-employment benefits	2,537,931
Total net position restricted for OPEB	$ 2,537,931

The Notes to Financial Statements are an integral part of this statement.

CITY OF STAUNTON, VIRGINIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2018

	OPEB Trust Fund
ADDITIONS	
Contributions:	
Employer	$ 829,640
Plan members	187,319
Total contributions	1,016,959
Investment income (loss)	
Net increase in fair value of investments	194,088
Investment expenses	(2,725)
Net increase in fair value of investments	191,363
Total additions	1,208,322
DEDUCTIONS	
Benefit payments	696,959
Total deductions	696,959
Change in net position	511,363
Total Net Position Held in Trust for Other Post-employment Benefits - beginning of year	2,026,568
Total Net Position Held in Trust for Other Post-employment Benefits - end of year	$ 2,537,931

The Notes to Financial Statements are an integral part of this statement.

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Note 1. Summary of Significant Accounting Policies

The City of Staunton, Virginia (the "City"), is named for Lady Stanton, wife of Governor Gooch. The City was initially established as a town in 1761, and later incorporated as a city by an act of the Virginia General Assembly in 1871. The City has an area of 19.98 square miles and a population of approximately 24,350. The City provides a full range of municipal services, including general government administration, public safety and judicial administration, education, health and welfare services, recreation, planning and community development, and water, sewer, and refuse utilities. The City is a political subdivision of the Commonwealth of Virginia and operates under the Council-Manager form of government. Staunton was the first city in the United States to utilize this form of government.

A. The Financial Reporting Entity

Discretely Presented Component Units: Discretely presented component units are entities that are legally separate from the City, but for which the City is financially accountable, or whose relationship with the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. They are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City.

City of Staunton School Board

The City of Staunton School Board (School Board) was created as a separate legal entity by the City to oversee the operation and management of its publicly funded primary and secondary schools. The members of the School Board are elected by the voters. The School Board does not have the authority to levy taxes and is fiscally dependent on the City to provide the significant funding to operate and maintain the public school system. In addition, the City has final approval of the school budget and must approve any debt issues related to the schools.

The component unit School Board is governmental in nature. The Schools have several funds. As a result, the complete activity of the School Board is included in the discretely presented component unit column of the government-wide financial statements. Individual fund statements are included as supplementary information. Separate financial statements of the School Board are not available.

Staunton Economic Development Authority

The Staunton Economic Development Authority (EDA) was established under the Industrial Development and Revenue Bond Act of the *Code of Virginia* and has the responsibility to promote industry and develop trade by inducing manufacturing, industrial, and other commercial enterprises to locate or remain in the City. The City appoints all seven members of the EDA's Board of Directors. In addition, the City has incurred debt to provide capital grants and other property to the EDA. As a result, the EDA imposes a financial burden on the City. Separate financial statements of the EDA are not available.

Note 1. Summary of Significant Accounting Policies (Continued)

A. The Financial Reporting Entity (Continued)

Related organizations:

The City also participates in the following entities:

Augusta Regional Landfill

The City, along with the City of Waynesboro and County of Augusta, participates in the Augusta Regional Landfill (the "Landfill"). The Landfill is a hybrid undivided/joint interest venture formed to develop regional refuse disposal, including the development of facilities and systems for recycling, waste reduction, and disposal alternatives with the ultimate goal of acquiring, financing, constructing, and operating/maintaining regional solid waste disposal areas, systems, and facilities. The City's share of revenues, expenses, assets, and liabilities are reported in the City's Environmental fund.

Middle River Regional Jail Authority

The City, in conjunction with the City of Waynesboro and the County of Augusta, participates in the Middle River Regional Jail Authority. Capital and operating costs are allocated annually based on the percentage of prisoners from each member jurisdiction over the previous three calendar years. In accordance with the service agreement, the Authority has divided its charges to member jurisdictions into an operating component and a debt service component. The City paid the Authority $1,556,911 for the current year. This entity is not included in the City's financial statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements consist of a statement of net position and a statement of activities that report information on all the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements, as well as the proprietary fund financial statements, report all their activities using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Agency funds, a type of fiduciary fund, report only assets and liabilities; therefore, they do not have a measurement focus. Agency funds use the accrual basis of accounting to recognize assets and liabilities.

Governmental fund financial statements use the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they become both measurable and available. Accordingly, real and personal property taxes are recorded as deferred revenue and receivables when levied, net of allowances for uncollectible amounts. Real and personal property taxes recorded at June 30 and received within the first 45 days after year-end are included in tax revenues, with the related amount reduced from deferred revenues. Sales and utility taxes, which are collected by the State or utility companies and subsequently remitted to the City, are recognized as revenues and amounts receivable when the underlying exchange transaction occurs, which is generally one or two months preceding receipt by the City. Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of Federal, State and other grants for the purpose of specific funding are recognized when earned or at the time of the specific reimbursable expenditure. Revenues from general-purpose grants are recognized in the period in which the grant applies. Investment earnings are recorded when earned, as are unbilled accounts receivable in the enterprise funds. All other revenue items are considered to be measurable and available only when the government receives cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The City reports the following major governmental funds:

The ***General Fund*** is the City's primary operating fund and is used to account for and report all financial resources not accounted for and reported in another fund.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The City has established the Capital Improvements Fund for this purpose.

Additionally, the City reports the following individual non-major governmental funds:

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The City has established the following non-major special revenue funds: Blue Ridge Court Services Fund, Community Development Fund and the State and Federal Grants Fund.

Debt Service Funds are used to account for resources and payments made for principal and interest on long-term general obligation debt of governmental funds. The City has established the Debt Service Fund for this purpose.

Proprietary Funds are used to account for the City's ongoing activities similar to those found in the private sector. The City reports the following major proprietary funds:

The ***Water Fund*** accounts for the operations of the City's water distribution system.
The ***Sewer Fund*** accounts for the operations of the City's wastewater collection system.
The ***Stormwater Fund*** accounts for the operation of the City's storm water system.
The ***Environmental Fund*** accounts for the operations of the City's refuse collection and participation in a regional landfill operation.

Additionally, the City reports the following individual non-major proprietary funds:

The ***Parking Fund*** accounts for the operations of the City's parking garage and lot system.
The ***Golf Fund*** accounts for the operations of the City's Gypsy Hill Golf Course.

Internal Service Funds are used to account for employee health benefits and goods and services provided to other departments on a cost reimbursement basis and they derive their funding from charges assessed to the user departments and employees. The City has established the ***Health Insurance Fund and the Inventory Fund*** for these purposes. These funds are included in the governmental activities for government-wide reporting purposes. The excess revenues or expenses for the funds are allocated to the appropriate functional activity.

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent for individuals, other governmental units, or other funds. ***The OPEB Trust Fund*** accounts for the assets held for, and costs of, other post-employment benefits (OPEB). It is accounted for in the same manner as a proprietary fund type. Measurement focus is upon determination of the change in net position.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's proprietary funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues for the City's enterprise funds and internal service fund consist of charges to customers for goods and services. Operating expenses for these funds include the costs of sales and service, administrative expenses and depreciation of capital assets. Any revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

Cash and Cash Equivalents

The City maintains an internal cash management pool in which the primary government and component units share. Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments are stated at fair value. The reported value of the state-sponsored investment pool is the same as the fair value of the pooled shares and is reported within the guidelines of GASB 79.

Receivables and Allowance for Uncollectible Accounts

All trade and property tax receivables are shown net of an allowance for uncollectibles. The allowance for uncollectible accounts is calculated using historical collection data, specific account analysis and management's judgment. The allowance at June 30 consisted of the following:

General Fund (property taxes)	$	645,363
General Fund (other local taxes)		3,247
Water Fund (charges for services)		37,903
Sewer Fund (charges for services)		52,402
Stormwater Fund (charges for services)		20,420
Parking Fund (charges for services)		10,440
Environmental Fund (charges for services)		31,644
	$	801,419

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)

Inventory

Inventory is generally recorded at the lower of cost (weighted average method) or market. Inventory in the internal service fund consists of expendable supplies held for consumption. The costs are recorded as expenditures or expenses when consumed rather than when purchased.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads and bridges) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of $5,000 or more and an estimated useful life of at least 3 years (2 years for component unit school board). All capital assets are valued at historical cost or estimated historical cost, if actual cost was not available. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are completed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives. No depreciation is taken in the year of acquisition for infrastructure assets. For constructed assets, all associated costs necessary to bring such assets to the condition and location necessary for their intended use are initially capitalized as construction in progress and are transferred to the appropriate asset class when the assets are substantially complete and ready for use.

ASSETS	Estimated Useful Life
Buildings/building improvements	10-50 years
Land improvements	10-50 years
Infrastructure	20-50 years
Utility transmission lines and mains	50 years
Furniture and equipment	3-10 years
Vehicles	3-10 years

Depreciation of landfill cell development and site costs is recorded based on remaining units of capacity.

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statements that present financial position report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditures) until then. The government has several items that qualify for reporting in this category. The first is the deferred charge on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunded debt. The second consists of contributions subsequent to the measurement date for pensions and OPEB; these amounts will be applied to the net pension and net OPEB liability in the next fiscal year. Lastly are various components of outflows for pensions and OPEB, which may include the net difference between projected and actual earnings on pension or OPEB plan investments, changes in proportion and differences between employer contributions and the proportionate share of employer contributions, changes in assumptions, and the net difference between expected and actual experience in the pension and OPEB plans. These items will be recognized in pension or OPEB expense over a closed five-year period.

In addition to liabilities, the statements that present financial position report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has several items that qualify for reporting in this category. The first item occurs only under the modified accrual basis of accounting; this item, *unavailable revenue*, is reported only on the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes and other receivables not collected within 45 days of year end. These unavailable revenue amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Also reported as deferred inflows are various components of inflows for pensions and OPEB, which may include the net difference between projected and actual earnings on pension or OPEB plan investments, changes in proportion and differences between employer contributions and the proportionate share of employer contributions, changes in assumptions, and the net difference between expected and actual experience in the pension and OPEB plans. These items will be recognized in pension or OPEB expense over a closed five-year period.

Compensated Absences

City employees earn general leave based on length of service. In the event of resignation or retirement, a City employee is compensated for accumulated general leave, up to a 480 hour maximum (640 hour maximum for fire personnel) at his or her then current rate of pay. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service.

School Board employees on twelve-month contracts earn vacation leave based on length of service and are entitled to compensation for such upon resignation or retirement. Twelve-month personnel can carry over an unlimited number of accumulated vacation leave days to a succeeding fiscal year. Upon termination, an employee shall receive payment at their current rate of pay for the total hours in the vacation leave account, not to exceed 480 hours.

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)

Additionally, all School Board employees may accrue unlimited days of sick leave at the rate of one day per month of employment. Upon retirement, VRS Plan 1 and 2 employees with at least ten years of service, with the previous five consecutive years having been with the School Board, and that are qualified to retire under the terms of the Virginia Retirement System, are compensated for all days of accumulated sick leave at the rate of $20.00 per day. VRS hybrid employees with at least ten years of service, with the previous five consecutive years having been with the School Board, and that are qualified to retire under the terms of the Virginia Retirement System, are compensated for a maximum of 90 days at $20 per day. Accumulated vacation and sick leave amounts individually or combined that total $15,000 or greater will be paid directly into the 403b plan.

All liabilities for compensated absences are accrued when incurred in the government-wide and proprietary financial statements. In governmental funds a liability for these amounts is reported only if they have matured; for example, as a result of employee resignations and retirements.

Unearned Revenue

In the Golf Fund, unearned revenue consists of membership fees which apply to subsequent periods.

In the Water fund, unearned revenue consists of cell tower rental fees which apply to subsequent periods.

In the General fund, unearned revenue consists of cell tower rental fees which apply to subsequent periods.

In the School Board component unit, unearned revenue consists of summer school fees which apply to subsequent periods.

Long-Term Obligations

In the government-wide financial statements (and proprietary fund types in the fund financial statements), long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method or bonds outstanding method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period but not as long-term liabilities. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Repayments and issuance costs are reported as debt service expenditures.

Pensions

The Virginia Retirement System (VRS) Political Subdivision and School Division Non-professional Retirement Plan is a multi-employer, agent plan. The Virginia Retirement System (VRS) Teacher employee Retirement Plan is a multiple employer, cost-sharing 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 and School Division's Retirement Plan and the Teacher Employee Retirement Plan, as well as the additions to/deductions from both 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.

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)

Pensions (Continued)

contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Health Insurance Credit Program

The Political Subdivision Health Insurance Credit Program is a multiple-employer, agent defined benefit plan. The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit Program is a multiple-employer, cost-sharing plan. Both plans provide a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers and for retired teachers. The Health Insurance Credit Programs were established pursuant to §51.1-1400 et seq. of the *Code of Virginia*, as amended, and which provides the authority under which benefit terms are established or may be amended. For purposes of measuring the net Health Insurance Credit Programs OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Programs OPEB, and OPEB expense, information about the fiduciary net position of the Programs; including and the additions to/deductions from the Program's net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Group Life Insurance

The Virginia Retirement System (VRS) Group Life Insurance Program is a multiple employer, cost sharing plan. It provides coverage to state employees, teachers, and employees of participating political subdivisions. The Group Life Insurance Program was established pursuant to §51.1-500 et seq. of the *Code of Virginia*, as amended, and which provides the authority under which benefit terms are established or may be amended. The Group Life Insurance Program is a defined benefit plan that provides a basic group life insurance benefit for employees of participating employers. For purposes of measuring the net Group Life Insurance Program OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Group Life Insurance Program OPEB, and Group Life Insurance Program OPEB expense, information about the fiduciary net position of the Virginia Retirement System (VRS) Group Life Insurance program OPEB and the additions to/deductions from the VRS Group Life Insurance Program OPEB's net fiduciary position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Encumbrances

The City uses encumbrance accounting, wherein purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign that portion of fund balance.

Net Position

Net position in the government-wide and proprietary financial statements is classified as net investment in capital assets; restricted; and unrestricted. Net position is reported as restricted when there are limitations imposed on its use through enabling legislation or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations. Restricted net position arose from contributions and grants required to be used for specific purposes.

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)

Net Position (Continued)

The golf fund had negative net position totaling $189,316 at June 30, 2018 as a result of costs exceeding fees charged and recognition of the net pension liability. The Golf fund was closed as of July 1, 2018 and operations reverted to the General Fund.

The component unit school board had a negative net position totaling $18,316,296 at June 30, 2018 as a result of recognizing the net pension liability. This deficit is not expected to be recovered in the near term.

Fund Balance Policies

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

Nonspendable Fund Balance: includes amounts that cannot be spent because they are either not in spendable form such as inventories, property acquired for resale, prepaid amounts, or amounts that are legally or contractually required to remain intact.

Restricted Fund Balance: includes amounts that have constraints placed on their use by external sources such as creditors (debt covenants), grantors, contributors, or laws or other regulations of other governments. Restricted fund balance can also be imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance: includes amounts that can only be used for specific purposes determined by a formal action of City Council. City Council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned Fund Balance: includes amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the finance director to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

Unassigned Fund Balance: includes amounts not assigned to other funds, or restricted, committed or assigned within the same fund. Unassigned fund balance includes all spendable amounts not contained in the other classifications and is technically available for any purpose.

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Note 1. Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position (Continued)

Fund Balance Policies (Continued)

Stabilization Arrangement:
City Council has formally adopted by resolution a requirement to establish and maintain a safety net reserve equal to a minimum of 15% of the subsequent fiscal year's adopted expenditure budget for the general fund and all other major operating funds, including water, sewer, storm water, and environmental. In the adopted resolution, the safety net reserve is to be reported as committed fund balance. The safety net reserve at June 30, 2018 for the general fund is $8,489,250. Circumstances allowing the use of the safety net reserve include:

1. Damage from unanticipated natural disasters or unseen infrastructure damage such as water or sewer system deterioration, bridge repair, etc. exceeding $100,000 in damages.
2. Imposition of mandates by Federal and State governments such as water, sewer, and landfill regulations, construction of court and jail facilities, etc. exceeding $100,000 in costs.
3. Court decisions resulting in unbudgeted expenditures, in excess of $100,000.
4. Acts of terrorism against the City destroying the City's infrastructure or causing a financial hardship to provide services to citizens, in excess of $100,000.

Funds to be used from the safety net reserve must be appropriated through the annual budget ordinance or by a budget amendment ordinance approved and adopted by City Council.

City council also formally adopted by resolution a requirement to establish and maintain a general contingency amount of $250,000 in the General Fund, categorized as unassigned fund balance.

Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities, and reported revenues, expenditures, and expenses. Actual results could differ from those estimates.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and are described as follows.

- Level 1 inputs are quoted prices in active markets for identical assets;
- Level 2 inputs are significant other observable inputs;
- Level 3 inputs are significant unobservable inputs.

Note 2. Deposits and Investments

Deposits:

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

Investments:

Investment policy

In accordance with the *Code of Virginia* and other applicable law, including regulations, the City's investment policy (Policy) permits investments in U.S. Treasury Securities, U.S. agency securities, prime quality commercial paper, non-negotiable certificates of deposit and time deposits of Virginia banks, negotiable certificates of deposit of domestic banks, banker's acceptances with domestic banks, Commonwealth of Virginia and Virginia Local Government Obligations, obligations of states other than Virginia, obligations of World Bank, the Asian and African Development Banks, corporate notes or bonds rated in the AAA or AA category, money market funds regulated by the SEC, repurchase agreements collateralized by the U. S. Treasury/Agency securities, the Virginia State Non-Arbitrage Program or other authorized Arbitrage Investment Management programs, and the State Treasurer's Local Government Investment Pool (the Virginia LGIP).

Pursuant to Sec. 2.1-234.7 of the *Code of Virginia*, the Treasury Board of the Commonwealth sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the Treasury Board at their regularly scheduled monthly meetings and the carrying value of the position in LGIP is the same as the value of the pool shares (i.e., the LGIP maintains a stable net asset value of $1 per share) in accordance with GASB 79.

The Policy limits investment maturities to five years maximum maturity for any investment, unless specifically disclosed in writing to City Council.

Note 2. Deposits and Investments (Continued)

Investment policy (Continued)

As of June 30, the City's investments consisted of the following:

Investment Type	Fair Value	S & P Credit Rating
Primary Government		
Money Market Funds	$ 578,956	Not Rated
Federal Agency Bonds and Notes	9,646,786	AA+
Corporate Bonds/Notes	1,395,053	AA- to AAA
VA State Non-Arbitrage Program	2,160,521	AAAm
Local Government Investment Pool (LGIP)	1,392,973	AAAm
Total primary government	15,174,289	
Component Unit School Board		
Local Government Investment Pool (LGIP)	586,373	AAAm
Total Component Unit School Board	586,373	
Grand total	$ 15,760,662	

Credit Risk:

As required by state statute or by the City, the Policy requires that commercial paper have a short-term debt rating of no less than "A-1" (or its equivalent) from at least two of the following: Moody's Investors Service, Standard & Poor's, and Fitch Investor's Service, provided that the issuing corporation has a net worth of at least $50 million and its long-term debt is rated "A" or better by Moody's and Standard & Poor's. Banker's acceptances and certificates of deposit maturing in less than one year must have a short-term debt rating of at least "A-1" by Standard & Poor's and "P-1" by Moody's Investor Service.

Concentration of Credit Risk:

The City had the following investments at June 30 that exceeded 5 percent of the total investment balance. These investments were not considered by management to represent a risk to the City.

Issuer	Percent of Total Portfolio
Federal Farm Credit Bank	7.34%
Federal Home Loan Bank	22.88%
Federal Home Loan Mortgage Corp	23.90%
Federal National Mortgage Association	7.08%

Note 2. Deposits and Investments (Continued)

Interest Rate Risk: In accordance with the City's investment policy, the City manages its exposure to declines in fair value by limiting the average maturity of its investment portfolio to less than 3 years.

The carrying values and weighted average maturity of investments were as follows:

Investment Type	Fair Value	Weighted Average Maturity (years)
Money Market Funds	$ 578,956	N/A
Federal Agency Notes and Bonds	9,646,786	.60
Corporate Bonds/Notes	1,395,053	1.05
VA State Non-Arbitrage Program	2,160,521	N/A
Local Government Investment Pool (LGIP)	1,979,346	N/A
	$ 15,760,662	

The above items are reflected in the financial statements as follows:

	Primary Government	Component Units: School Board	Component Units: EDA
Deposits and investments:			
Cash on hand	$ 9,042	$ -	$ -
Deposits	35,083,816	4,722,947	153,155
Investments	15,174,289	586,373	-
	$ 50,267,147	$ 5,309,320	$ 153,155
Statement of net position:			
Cash and cash equivalents	$ 33,824,551	$ 5,309,320	$ 153,155
Investments	11,620,795	-	-
Restricted-cash and cash equivalents	4,821,801	-	-
	$ 50,267,147	$ 5,309,320	$ 153,155

Fair Value:

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The City has the following recurring fair value measurements as of June 30, 2018:

	Level 2
Debt securities	
U.S. Agency securities	$ 9,646,786
Corporate bonds	1,395,053
	$ 11,041,839

Debt securities classified in Level 2 of the fair value hierarchy are valued with significant other observable inputs, which include matrix pricing by a service, which is widely accepted as industry practice.

Note 3. Due From Other Governmental Units

Amounts due from other governments at June 30 were as follows:

	Primary Government		Component Unit
	Governmental Activities	Business-type Activities-	School Board
Various state and federal grants	$ 1,883,812	$ -	$ 1,725,096
Virginia revolving loans	-	2,338,714	-
Regional jail buy-in	4,314,239	-	-
	$ 6,198,051	$ 2,338,714	$ 1,725,096

Virginia Revolving Loans:

The City's Sewer fund reports loans receivable for the Augusta County Service Authority's share of the Middle River Wastewater Treatment Plant Virginia Revolving Loans. The Service Authority reimburses the City for its share of the debt service on these loans as each loan payment is due.

At June 30, principal amounts and related interest outstanding on each loan were as follows:

	Principal	Interest
Amount receivable within 1 year	$ 218,055	$ 59,338
Amount receivable within 2 to 5 years	793,211	177,659
Amount receivable beyond 5 years	1,327,448	128,845
	$ 2,338,714	$ 365,842

Regional Jail Buy-in

Effective July 1, 2015, the City entered into an agreement with the Counties of Augusta and Rockingham and the Cities of Waynesboro and Harrisonburg, where the County of Rockingham and City of Harrisonburg agreed to "buy-in" to the Middle River Regional Jail Authority. The total purchase price was $21,543,588. The purchase price was determined pursuant to an arm's length negotiation and calculated based in part upon the original replacement cost of the jail and an assumed usage of 250 beds by the buyers.

The City's share of the purchase price was $31.17% or $6,715,136. The purchase price is to be paid to the City over the next 10 years in equal annual installments of $670,964, which includes interest calculated at 2.17% per annum.

	Principal	Interest
Amount receivable within 1 year	$ 577,345	$ 93,619
Amount receivable within 2 to 5 years	2,437,414	246,444
Amount receivable beyond 5 years	1,299,480	42,449
	$ 4,314,239	$ 382,512

Note 4. Interfund Transfers and Obligations

Primary Government:

Transfers Out	Transfers In			
	Capital Projects Fund	Nonmajor Governmental Funds	Nonmajor Business-Type Funds	Total
General Fund	$ 791,050	$ 4,274,200	$ 164,300	$ 5,229,550
Total	$ 791,050	$ 4,274,200	$ 164,300	$ 5,229,550

Transfers between the general fund and other nonmajor governmental and proprietary funds were primarily to support debt service, capital projects, and operating costs.

The CIP fund had transfers out to the enterprise funds for utility lines replaced as part of the Frontier Center project and for parking lot improvements. The assets were paid for by the CIP Fund. The transfers are not recorded in the CIP fund statement of revenues, expenditures, and changes in fund balance, but are included as reconciling items and are shown as part of the transfer total in the government-wide statement of governmental activities. The transfers are recorded as contributed capital in the enterprise funds.

	Transfers
Water	$ 299,688
Sewer	131,548
Storm water	396,067
Parking	75,000
	$ 902,303

Component Unit School Board:

Transfers Out	Transfers In		
	Education Fund	Nonmajor Governmental Funds	Total
Education fund	$ -	$ 657,691	$ 657,691
Nonmajor governmental funds	53,913	-	53,913
Total	$ 53,913	$ 657,691	$ 711,604

All transfer activities of the School Board component unit were made to support current operations.

Note 4. Interfund Transfers and Obligations (Continued)

Interfund Advances:

The General Fund has receivables in the amount of $16,834 from the State and Federal Grants Fund, $23,434 from the Environmental Fund, and $15,646 from the Golf Fund and $44,040 from the CIP fund for advances to cover cash deficits. These advances are expected to be collected in the subsequent year, except for the Golf fund, which closed July 1, 2018 and reverted to the General Fund.

In the School Board Component Unit, the Education Fund has a receivable in the amount of $616,504 from the State Operated Programs Fund for an advance to cover a cash deficit. The advance is expected to be collected in the subsequent year when grant reimbursements are received.

Note 5. Capital Assets

Primary Government:

Capital asset activity for the primary government is as follows:

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Governmental activities:				
Capital assets, not depreciated:				
Land (including easements)	$ 4,737,487	$ -	$ -	$ 4,737,487
Construction in progress	1,660,778	338,925	1,457,136	542,567
Total capital assets, not depreciated	6,398,265	338,925	1,457,136	5,280,054
Capital assets, depreciated:				
Buildings	13,151,266	82,192	-	13,233,458
Improvements	3,781,171	119,700	-	3,900,871
School assets*	28,585,080	-	6,211,116	22,373,964
Equipment	15,647,594	1,048,320	278,593	16,417,321
Infrastructure	59,473,608	2,905,962	-	62,379,570
Total capital assets, depreciated	120,638,719	4,156,174	6,489,709	118,305,184
Less accumulated depreciation for:				
Buildings	6,428,513	300,305	-	6,728,818
Improvements	2,223,699	99,749	-	2,323,448
School assets*	9,747,897	485,557	2,879,350	7,354,104
Equipment	11,013,739	943,658	260,609	11,696,788
Infrastructure	39,478,284	1,212,721	-	40,691,005
Total accumulated depreciation	68,892,132	3,041,990	3,139,959	68,794,163
Total capital assets, depreciated, net	51,746,587	1,114,184	3,349,750	49,511,021
Total capital assets, net, governmental activities	$ 58,144,852	$ 1,453,109	$ 4,806,886	$ 54,791,075

Additions to the accumulated depreciation of governmental activities differ from depreciation expense for governmental activities due to internal service fund depreciation in the amount of $3,398.

*School Board capital assets are jointly owned by the City (primary government) and the Component Unit – School Board. The City reports the School Board capital assets as long as debt is owed on such assets by the City. When debt is completely paid off, the entire capital asset balance less accumulated depreciation reverts to the school board. The City reports depreciation on its share of these assets as an element of its share of the costs of the public school system. During FY2018, the City transferred back asset with a net book value of $3,331,766 because the debt was fully paid during the year.

Note 5. Capital Assets (Continued)

Primary Government: (Continued)

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Business-type activities:				
Capital assets, not depreciated:				
Land (including easements)	$ 2,014,863	$ -	$ 53,075	$ 1,961,788
Construction in progress	461,041	744,032	87,983	1,117,090
Total capital assets, not depreciated	2,475,904	744,032	141,058	3,078,878
Capital assets, depreciated:				
Landfill	3,463,303	166,687	-	3,629,990
Buildings	42,382,054	-	-	42,382,054
Improvements	3,405,292	75,000	-	3,480,292
Equipment	12,930,379	1,094,666	223,762	13,801,283
Utility lines	61,590,089	1,849,356	-	63,439,445
Total capital assets, depreciated	123,771,117	3,185,709	223,762	126,733,064
Less accumulated depreciation				
Landfill	2,041,834	132,291	(103,008)	2,277,133
Buildings	13,781,990	947,152	-	14,729,142
Improvements	1,510,884	78,163	-	1,589,047
Equipment	8,355,047	583,149	223,762	8,714,434
Utility lines	26,185,155	1,500,215	-	27,685,370
Total accumulated depreciation	51,874,910	3,240,970	120,754	54,995,126
Total capital assets, depreciated, net	71,896,207	(55,261)	103,008	71,737,938
Total capital assets, net, business-type activities	$ 74,372,111	$ 688,771	$ 244,066	$ 74,816,816

Note 5. Capital Assets (Continued)

Component Unit – School Board

Capital asset activity for the Component Unit – School Board is as follows:

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Component Unit – School Board:				
Capital assets, not depreciated:				
Land	$ 236,000	$ -	$ -	$ 236,000
Total capital assets, not depreciated	236,000	-	-	236,000
Buildings	40,337,761	107,318	-	40,445,079
Improvements	744,579	16,500	-	761,079
School assets allocated to the City*	(28,585,080)	-	(6,211,116)	(22,373,964)
Equipment	6,952,954	287,455	67,922	7,172,487
Total capital assets, depreciated	19,450,214	411,273	(6,143,194)	26,004,681
Less accumulated depreciation				
Buildings	16,017,357	905,469	-	16,922,826
Improvements	428,478	23,805	-	452,283
School assets allocated to the City*	(9,747,897)	(485,557)	(2,879,350)	(7,354,104)
Equipment	5,403,554	305,728	67,922	5,641,360
Total accumulated depreciation	12,101,492	749,445	(2,811,428)	15,662,365
Total capital assets, depreciated, net	7,348,722	(338,172)	(3,331,766)	10,342,316
Total capital assets, net	$ 7,584,722	$ (338,172)	$ (3,331,766)	$ 10,587,316

*School Board capital assets are jointly owned by the City (primary government) and the Component Unit – School Board. The City reports the School Board capital assets as long as debt is owed on such assets by the City. When debt is completely paid off, the entire capital asset balance less accumulated depreciation reverts to the school board. The City reports depreciation on its share of these assets as an element of its share of the costs of the public school system. During FY2018, the City transferred back asset with a net book value of $3,331,766 because the debt was fully paid during the year.

Note 5. Capital Assets (Continued)

Component Unit – EDA

Capital asset activity for the Component Unit – EDA is as follows:

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Component Unit – EDA:				
Capital assets, not depreciated:				
Land	$ 793,946	$ -	$ -	$ 793,946
Total capital assets, not depreciated	793,946	-	-	793,946
Capital assets, depreciated:				
Buildings	8,305,640	-	-	8,305,640
Equipment	1,990,831	-	-	1,990,831
Total capital assets, depreciated	10,296,471	-	-	10,296,471
Less accumulated depreciation				
Buildings	2,004,118	164,746	-	2,168,864
Equipment	1,458,917	64,474	-	1,523,391
Total accumulated depreciation	3,463,035	229,220	-	3,692,255
Total capital assets, depreciated, net	6,833,436	(229,220)	-	6,604,216
Total capital assets, net	$ 7,627,382	$ (229,220)	$ -	$ 7,398,162

Note 5. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government administration	$	173,188
Judicial administration		21,182
Public safety		413,401
Public works		1,622,254
Health and welfare		19,038
Education		485,557
Parks, recreation, and culture		297,121
Community development		6,851
Total depreciation expense – governmental	$	3,038,592

Business-type activities:

Water	$	995,093
Sewer		1,219,218
Storm water		470,503
Environmental		383,569
Golf		32,138
Parking		140,449
Total depreciation expense – business-type	$	3,240,970

Depreciation expense was charged to functions/programs of the Component Unit – School Board as follows:

Instruction	$	593,118
Administration, attendance and health		802
Pupil transportation		103,263
School food service		13,736
Operation and maintenance		38,526
Total depreciation expense – School Board	$	749,445

Depreciation expense was charged to functions/programs of the Component Unit – EDA as follows:

Community Development	$	229,220

Note 6. Long-Term Liabilities

The following is a summary of long-term liability transactions (including current amounts):

Primary Government:

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018	Due Within One Year
Governmental activities:					
General obligation debt:					
General obligation bonds	$ 23,172,412	$ -	$ 1,927,922	$ 21,244,490	$ 1,627,366
Literary fund loans	10,000,000	-	950,000	9,050,000	950,000
	33,172,412	-	2,877,922	30,294,490	2,577,366
Less unamortized discount	(92,181)	-	(9,202)	(82,979)	(8,809)
Total general obligation debt	33,080,231	-	2,868,720	30,211,511	2,568,557
Other liabilities:					
Compensated absences	1,503,814	1,065,523	966,525	1,602,812	966,526
Claims payable	792,273	5,316,995	5,155,386	953,882	774,781
Total other liabilities	2,296,087	6,382,518	6,121,911	2,556,694	1,741,307
Total governmental activities long-term liabilities	$ 35,376,318	$ 6,382,518	$ 8,990,631	$ 32,768,205	$ 4,309,864

In governmental activities of the primary government, compensated absences and worker compensation claims payable are generally liquidated by the General Fund. Health insurance claims payable are liquidated by the Health insurance fund.

Note 6. Long-Term Liabilities (Continued)

Primary Government (Continued):

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018	Due Within One Year
Business-type activities:					
Bonds payable:					
Virginia revolving loans	$ 17,382,466	$ 5,895,000	$ 5,977,105	$ 17,300,361	$ 1,736,532
General obligation bonds	777,538	-	232,893	544,645	129,645
	18,160,004	5,895,000	6,209,998	17,845,006	1,866,177
Plus unamortized premium	538,328	1,044,347	407,791	1,174,884	130,867
Less unamortized discount	(28,816)	(30,078)	(20,856)	(38,038)	(6,330)
Total bonds and loans payable	18,669,516	6,909,269	6,596,933	18,981,852	1,990,714
Other liabilities:					
Landfill closure/post closure liability	2,153,969	212,649	48,645	2,317,973	48,644
Compensated absences	220,599	182,712	157,394	245,917	144,929
Total other liabilities	2,374,568	395,361	206,039	2,563,890	193,573
Total business-type activities long-term liabilities	$ 21,044,084	$ 7,304,630	$ 6,802,972	$ 21,545,742	$ 2,184,287
Component Unit – School Board					
Other liabilities:					
Compensated absences	$ 686,254	$ 198,148	$ 327,006	$ 557,396	$ 238,515
Total Component Unit School Board long-term liabilities	$ 686,254	$ 198,148	$ 327,006	$ 557,396	$ 238,515

Note 6. Long-Term liabilities (Continued)

Details of long-term indebtedness are as follows:

	Interest Rates	Date Issued	Final Maturity Date	Amount of Original Issue	Governmental Activities	Business-Type Activities
General Obligation Bonds:						
2005 CIP Bonds (City and School Improvement projects)	3.43%	06/2005	02/2025	$ 4,600,000	$ 2,044,490	$ -
2007 GO Refunding & CIP Bonds (Refunding Hotel GO bonds and golf course improvements)	3.50-4.25%	01/2007	02/2034	10,600,000	8,145,000	435,000
1998 Parking Garage Bonds (New Street Parking Garage)	4.20%	12/1998	06/2019	3,000,000	-	109,645
2012 GO Bonds (Staunton Crossing)	2.21%	10/2012	10/2027	10,000,000	7,516,000	-
2013 GO Bonds (Staunton Crossing)	2.58%	01/2013	01/2028	5,000,000	3,539,000	-
					$ 21,244,490	$ 544,645
Literary Fund Loans:						
2002 Bessie Weller Elem renovations	4.00%	02/2002	03/2022	4,000,000	$ 800,000	$ -
2008 McSwain Elem renovations	3.00%	08/2008	08/2028	7,500,000	4,125,000	-
2008 Ware Elem renovations	3.00%	08/2008	08/2028	7,500,000	4,125,000	-
					$ 9,050,000	$ -
Virginia Revolving Loan Funds:						
Middle River Wastewater Phase II improvements	3.50%	09/1999	03/2021	6,411,399	-	1,288,705
Middle River Wastewater Phase IIIA improvements	3.00%	01/2008	03/2030	9,309,033	-	6,283,564
Middle River Wastewater Phase IIIB improvements	3.00%	09/2008	03/2030	2,066,747	-	1,396,833
2009A Refunding Bonds-Water Treatment Plant	1.125%-5.125%	06/2009	10/2021	4,150,000	-	1,330,000
2010A VRA Water and Sewer CIP projects	2.78%-5.2%	06/2010	10/2030	7,080,000	-	955,000
New Hope Road Industrial Park Sewer Lines	3.85%	03/2002	09/2021	629,734	-	151,529
2017C Water and Sewer Refunding Bonds	4.829-5.125%	11/2017	10/2030	3,940,000	-	3,940,000
2018A VRA Parking Bonds-renovation of parking garages	3.125-5.125%	5/2018	10/2033	1,955,000	-	1,955,000
					$ -	$ 17,300,631

Note 6. Long-Term liabilities (Continued)

Annual debt service requirements to maturity are as follows:

	Governmental Activities			
Year Ending	General Obligation Bonds		Literary Fund Loans	
June 30,	Principal	Interest	Principal	Interest
2019	$ 1,627,366	$ 658,164	$ 950,000	$ 279,500
2020	1,674,399	610,107	950,000	249,000
2021	1,722,743	561,516	950,000	218,500
2022	1,772,407	511,444	950,000	188,000
2023	1,826,402	459,856	750,000	157,500
2024-2028	8,936,173	1,492,396	3,750,000	450,000
2029-2033	3,010,000	535,057	750,000	22,500
2034-2038	675,000	28,688	-	-
	$ 21,244,490	$ 4,857,228	$ 9,050,000	$ 1,565,000

	Business-Type Activities			
Year Ending	General Obligation Bonds		Virginia Revolving Loan	
June 30,	Principal	Interest	Principal	Interest
2019	$ 129,645	$ 20,401	$ 1,736,532	$ 606,750
2020	20,000	17,206	1,896,866	543,542
2021	20,000	16,406	1,963,134	471,801
2022	25,000	15,606	1,036,815	412,642
2023	25,000	14,606	1,044,140	376,948
2024-2028	130,000	57,562	5,827,354	1,284,578
2029-2033	160,000	28,364	3,620,520	258,089
2034-2038	35,000	1,488	175,000	2,844
	$ 544,645	$ 171,639	$ 17,300,361	$ 3,957,194

Note 7. Advanced Refunding of Debt

On November 1, 2017, the City issued $3.9 million in taxable VRA Bonds with an average interest rate of 2% to advance refund $4.3 million of outstanding 2010A VRA bonds with an average interest rate of 3.8%. The net proceeds of $4.7 million (after payment of $67,500 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2010 Series bonds. As a result, the 2010 Series bonds are considered to be defeased and the liability for those bonds has been removed from the balance sheet

The City in effect reduced its aggregate debt service payments by $542,734 over the next 13 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of $455,805.

Note 8. Defined Benefit Pension Plan

Plan Description

All full-time, salaried permanent employees of the City of Staunton (the "Political Subdivision") and permanent non-professional employees (non-teachers) of the City of Staunton (the "School Division") are automatically covered by VRS Retirement Plan upon employment. This plan is an agent multiple-employer plan administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. The *Code of Virginia*, as amended, assigns the authority to establish and amend benefit provisions to the Virginia General Assembly. 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 School Division (School) is the fiscal agent for a separate legal entity, the Shenandoah Valley Regional Alternative Education Program - Genesis ("Genesis"). Genesis participates in VRS through inclusion in the School's pension plan. This participation is considered a cost sharing relationship for Genesis. As a result, the proportionate share of the Genesis' participation in the School's pension plan is excluded from the School's pension related balances.

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 is as follows:

Plan 1 – Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service, and average final compensation at retirement using a formula. Employees are eligible for Plan 1 if their membership date is before July 1, 2010, they were vested as of January 1, 2013, and they have not taken a refund.

- **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. The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan. 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.
- **Retirement Contributions –** Employees contribute 5.00% of their compensation each month to their member contribution account through a pre-tax salary reduction. Member contributions are tax-deferred until they are withdrawn as part of a 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.
- **Creditable Service –** Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.

Note 8. Defined Benefit Pension Plan (Continued)

Plan Description (Continued)

Plan 1 (Continued)

- **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 creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund. Members are always 100% vested in the contributions that they make.
- **Calculating the Benefit –** The Basic Benefit is calculated based on a formula using the member's average final compensation, a retirement multiplier, and total service credit at retirement. It is one of the benefit payout options available to a member at retirement. An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.
- **Average Final Compensation –** A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.
- **Service Retirement Multiplier –** 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%. The retirement multiplier for sheriffs and regional jail superintendents is 1.85%. 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.
- **Normal Retirement Age –** Age 65 or age 60 for hazardous duty employees.
- **Earliest Unreduced Retirement Eligibility –** Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service. Age 60 with at least five years of creditable service or age 50 with at least 25 years of creditable service for hazardous duty employees.
- **Earliest Reduced Retirement Eligibility –** Age 55 with at least five years (60 months) of creditable service or age 50 with at least 10 years of creditable service. Age 50 with at least five years of creditable service for hazardous duty employees.
- **Cost-of-Living Adjustment (COLA) in Retirement –** The Cost-of-Living Adjustment (COLA) matches the first 3.00% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4.00%) up to a maximum COLA of 5.00%.

Note 8. Defined Benefit Pension Plan (Continued)

Plan Description (Continued)

Plan 1 (Continued)

- **Cost-of-Living Adjustment (COLA) in Retirement (Continued)**
  - **Eligibility** – For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date. For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.
  - **Exceptions to COLA Effective Dates** – The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:
    - 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 or long-term disability under the Virginia Sickness and Disability Program (VSDP).
    - 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.
- **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.
- **Purchase of Prior Service** – Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.

Note 8. Defined Benefit Pension Plan (Continued)

Plan Description (Continued)

Plan 2 – Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service, and average final compensation at retirement using a formula. Employees are eligible for 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.

- **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. The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan. 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.
- **Retirement Contributions –** Employees contribute 5.00% of their compensation each month to their member contribution account through a pre-tax salary reduction.
- **Creditable Service –** Same as Plan 1.
- **Vesting –** Same as Plan 1.
- **Calculating the Benefit –** See definition under Plan 1.
- **Average Final Compensation –** A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.
- **Service Retirement Multiplier –** Same as Plan 1 for service earned, purchased, or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for creditable service earned, purchased, or granted on or after January 1, 2013. Sheriffs, regional jail superintendents, and hazardous duty employees are same as Plan 1.
- **Normal Retirement Age –** Normal Social Security retirement age. Hazardous duty employees are the same as Plan 1.
- **Earliest Unreduced Retirement Eligibility –** Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90. Hazardous duty employees are the same as Plan 1.
- **Earliest Reduced Retirement Eligibility –** Age 60 with at least five years (60 months) of creditable service. Hazardous duty employees are the same as Plan 1.
- **Cost-of-Living Adjustment (COLA) in Retirement –** The Cost-of-Living Adjustment (COLA) matches the first 2.00% increase in the CPI-U and half of any additional increase (up to 2.00%), for a maximum COLA of 3.00%.
- **Eligibility** – Same as Plan 1.

Note 8. Defined Benefit Pension Plan (Continued)

Plan Description (Continued)

Plan 2 (Continued)

- **Cost-of-Living Adjustment (COLA) in Retirement (Continued)**
  - **Exceptions to COLA Effective Dates** – Same as Plan 1.
- **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.
- **Purchase of Prior Service –** Same as Plan 1.

Hybrid Retirement Plan – The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. Most members hired on or after January 1, 2014 are in this plan, as well as Plan 1 and Plan 2 members who were eligible and opted into the plan during a special election window. The defined benefit is based on a member's age, creditable service, 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.

- **Eligible Members –** Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes political subdivision employees; members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1 through April 30, 2014; the plan's effective date for opt-in members was July 1, 2014.
- **Non-Eligible Members –** Some employees are not eligible to participate in the Hybrid Retirement Plan. They include political subdivision employees who are covered by enhanced benefits for hazardous duty employees. 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.
- **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.

Note 8. Defined Benefit Pension Plan (Continued)

Plan Description (Continued)

Hybrid Retirement Plan (Continued)

- **Creditable Service –**
  - **Defined Benefit Component –** Under the defined benefit component of the plan, creditable service includes active service. Members earn credible service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional credible service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.
  - **Defined Contributions Component –** Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.
- **Vesting –**
  - **Defined Benefit Component –** Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.
  - **Defined Contributions Component –** 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. Members are always 100% vested in the contributions that they make. 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. 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 or more years, a member is 100% vested and may withdraw 100% of employer contributions. Distribution is not required by law until age 70½.
- **Calculating the Benefit –**
  - **Defined Benefit Component –** See definition under Plan 1.
  - **Defined Contribution Component –** 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.

Average Final Compensation – Same as Plan 2 for the defined benefit component of the plan.

Note 8. Defined Benefit Pension Plan (Continued)

Plan Description (Continued)

Hybrid Retirement Plan (Continued)

- **Service Retirement Multiplier –** The retirement multiplier for the defined benefit component is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans. This is not applicable to sheriffs, regional jail superintendents, or hazardous duty employees.
- **Normal Retirement Age –**
  - **Defined Benefit Component –** Same as Plan 2, however, not applicable for hazardous duty employees.
  - **Defined Contribution Component –** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
- **Earliest Unreduced Retirement Eligibility –**
  - **Defined Benefit Component –** Normal Social Security retirement age and have at least five years (60 months) of creditable service or when their age and service equal 90. This is not applicable to hazardous duty employees.
  - **Defined Contribution Component –** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
- **Earliest Reduced Retirement Eligibility –**
  - **Defined Benefit Component –** Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of creditable service. This is not applicable to hazardous duty employees.
  - **Defined Contribution Component –** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
- **Cost-of-Living Adjustment (COLA) in Retirement –**
  - **Defined Benefit Component –** Same as Plan 2.
  - **Defined Contribution Component –** Not Applicable.
  - **Eligibility –** Same as Plan 1 and 2.

Exceptions to COLA Effective Dates – Same as Plan 1 and 2.

Note 8. Defined Benefit Pension Plan (Continued)

Plan Description (Continued)

Hybrid Retirement Plan (Continued)

- **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. 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.
- **Purchase of Prior Service –**
  - **Defined Benefit Component** – Same as Plan 1, with the following exceptions:
    - Hybrid Retirement Plan members are ineligible for ported service.
  - **Defined Contribution Component** – Not Applicable.

Employees Covered by Benefit Terms

As of the June 30, 2016 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	City
Inactive members or their beneficiaries currently receiving benefits	274
Inactive members:	
Vested inactive members	42
Non-vested inactive members	62
Inactive members active elsewhere in VRS	107
Total inactive members	211
Active members	275
Total covered employees	760

Note 8. Defined Benefit Pension Plan (Continued)

	School Non-Professional*
Inactive members or their beneficiaries currently receiving benefits	47
Inactive members:	
Vested inactive members	6
Non-vested inactive members	29
Inactive members active elsewhere in VRS	11
Total inactive members	46
Active members	49
Total covered employees	142

*excludes Genesis

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 political subdivision's and school division's contractually required contribution rate for the year ended June 30, 2018 was 14.9% and 8.32%, respectively, of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2015.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the political subdivision were $2,082,997 and $1,980,734 for the years ended June 30, 2018 and June 30, 2017, respectively. Contributions to the pension plan from the school division were $91,000 and $87,226 for the years ended June 30, 2018 and June 30, 2017, respectively.

Net Pension Liability

The political subdivision's net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2016, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2017.

Note 8. Defined Benefit Pension Plan (Continued)

Actuarial Assumptions

The total pension liability for General Employees in the Political Subdivision's Retirement Plan was based on an actuarial valuation as of June 30, 2016, 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, 2017.

Inflation	2.50%
General Employees - Salary increases, including inflation	3.50 – 5.35%
Public Safety Employees - Salary increases, including inflation	3.50 – 4.75%
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

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

Mortality rates:

General employees – Largest 10 – 20% of deaths are assumed to be service related. All Others (Non 10 Largest) – 15% of deaths are assumed to be service related

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

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

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

Public Safety Employees – Largest 10 - 70% of deaths are assumed to be service related. All Others (Non 10 Largest) – 45% of deaths are assumed to be service related.

Pre-Retirement:

RP-2014Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 90% of rates; females set forward 1 year.

Note 8. Defined Benefit Pension Plan (Continued)

Actuarial Assumptions (Continued)

Post-Retirement:
RP-2014Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 1 year, 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:
RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

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

General Employees - Largest 10 – Non-LEOS and all Others (Non 10 Largest): Update to a more current mortality table RP-2014 projected to 2020; lowered retirement rates at older ages and changed final retirement from 70 to 75; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; lowered disability rates; increased line of duty disability rate from 14% to 20/15%.

Public Safety Employees – Largest 10 – Non-LEOS and all Others (Non 10 Largest): Update to a more current mortality table RP-2014 projected to 2020; lowered retirement rates at older ages; adjusted withdrawal rates to better fit experience; increased disability rates, increased line of duty disability rate from 60% to 70/45%.

Note 8. Defined Benefit Pension Plan (Continued)

Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	40.00 %	4.54 %	1.82 %
Fixed Income	15.00	.69	.10
Credit Strategies	15.00	3.96	.59
Real Assets	15.00	5.76	.86
Private Equity	15.00	9.53	1.43
Total	100.00 %		4.80 %
		Inflation	2.50 %
	*Expected arithmetic nominal return		7.30 %

* The above allocation provides a one-year return of 7.30%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.83%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2019, the rate contributed by the employer for the Political Subdivision Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2019 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Note 8. Defined Benefit Pension Plan (Continued)

Changes in Net Pension Liability-City

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) – (b)**
Balances at June 30, 2016	$ 75,562,781	$ 54,411,596	$ 21,151,185
Changes for the year:			
Service cost	1,469,762	-	1,469,762
Interest	5,157,439	-	5,157,439
Changes in assumptions	(140,647)	-	(140,647)
Differences between expected and actual experience	(1,483,949)	-	(1,483,949)
Contributions – employer	-	1,956,240	(1,956,240)
Contributions – employee	-	688,105	(688,105)
Net investment income	-	6,585,902	(6,585,902)
Benefit payments, including refunds of employee contributions	(3,770,176)	(3,770,176)	-
Administrative expenses	-	(38,364)	38,364
Other changes	-	(5,847)	5,847
Net changes	1,232,429	5,415,860	(4,183,431)
Balances at June 30, 2017	$ 76,795,210	$ 59,827,456	$ 16,967,754
Add Net Pension Liability from Landfill			23,253
Total Net Pension Liability at June 30, 2017			$ 16,991,007

Note 8. Defined Benefit Pension Plan (Continued)

Changes in Net Pension Liability-School Nonprofessionals (excluding Genesis)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at June 30, 2016	$ 4,391,563	$ 3,787,569	$ 603,994
Changes for the year:			
Change in Genesis %	62	-	62
Service cost	102,400	-	102,400
Interest	295,498	-	295,498
Changes in assumptions	3,268	-	3,268
Differences between expected and actual experience	(15,763)	-	(15,763)
Contributions – employer	-	82,788	(82,788)
Contributions – employee	-	49,531	(49,531)
Net investment income	-	448,101	(448,101)
Benefit payments, including refunds of employee contributions	(342,985)	(342,985)	-
Administrative expenses	-	(2,735)	2,735
Other changes	-	(393)	393
Net changes	42,480	234,307	(191,827)
Balances at June 30, 2017	$ 4,434,043	$ 4,021,876	$ 412,167

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

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

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
City's net pension liability	$ 26,352,234	$ 16,967,754	$ 9,128,908
School nonprofessional employees net pension liability	$ 842,063	$ 412,167	$ 44,163

Note 8. Defined Benefit Pension Plan (Continued)

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

For the year ended June 30, 2018, the City recognized pension expense of $531,295. At June 30, 2018, the City 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	$ -	$ 1,531,090
Change in assumptions	-	96,418
Net difference between projected and actual earnings on pension plan investments	-	861,442
Employer contributions subsequent to the measurement date	2,082,997	-
Total	$ 2,082,997	$ 2,488,950
Add Deferred outflows and inflows from the landfill*	10,546	12,252
Total	$ 2,093,543	$ 2,501,202

*The City's share of deferred outflows and inflows of the Augusta Regional Landfill, a hybrid undivided/joint interest venture.

For the year ended June 30, 2018, the school division recognized pension expense of $57,518 for nonprofessional employees. At June 30, 2018, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (excludes Genesis):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,724	$ 9,303
Change in assumptions	1,929	-
Net difference between projected and actual earnings on pension plan investments	-	53,283
Employer contributions subsequent to the measurement date	91,000	-
Total	$ 101,653	$ 62,586

Note 8. Defined Benefit Pension Plan (Continued)

The $2,082,997 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. 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,	Increase (Reduction) to Pension Expense
2019	$ (1,467,126)
2020	(365,834)
2021	(92,381)
2022	(563,609)
2023	-
Thereafter	-

The $91,000 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (excludes Genesis):

Year Ending June 30,	Increase (Reduction) to Pension Expense
2019	$ (35,210)
2020	18,857
2021	2,492
2022	(38,072)
Thereafter	-

Pension Plan Data

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

Payables to the Pension Plan-City

At June 30, 2018, approximately $230,804 was payable to the Virginia Retirement System for the legally required contributions related to June 2018 payroll.

Note 8. Defined Benefit Pension Plan (Continued)

Payables to the Pension Plan-School Division

At June 30, 2018, approximately $7,684 was payable to the Virginia Retirement System for the legally required contributions related to June 2018 payroll.

Note 9. Defined Benefit Pension Plan – Teacher Cost Sharing Pool

General Information about the Teacher Cost Sharing Plan

Plan Description

All full-time, salaried permanent (professional) employees of Virginia public school divisions, including City of Staunton, (the "School Division"), are automatically covered by the VRS Teacher 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 employers pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously funded service.

The System administers three different benefit structures for covered employees in the VRS Teacher Retirement Plan – Plan 1, Plan 2, and Hybrid. The provisions and features of the plans, as well as all actuarial assumptions, are substantially the same as those described in Note 8.

Data in this note excludes Genesis Regional Alternative Education Program.

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 provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

Each school division's contractually required contribution rate for the year ended June 30, 2018 was 16.32% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2015 and reflects the transfer in June 2015 of $192,884,000 as an accelerated payback of the deferred contribution in the 2010-12 biennium.

The actuarially determined 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 school division were $ 2,745,601 and $2,427,393 for the years ended June 30, 2018 and June 30, 2017, respectively.

Note 9. Defined Benefit Pension Plan – Teacher Cost Sharing Plan (Continued)

General Information about the Teacher Cost Sharing Plan (Continued)

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

At June 30, 2018, the school division reported a liability of $25,788,557 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The school division's proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2017 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2017, the school division's proportion was .21545% as compared .22048% at June 30, 2016.

For the year ended June 30, 2018, the school division recognized pension expense of $1,639,037. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions.

At June 30, 2018, the school division 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	$ -	$ 1,825,910
Change in assumptions	376,697	-
Net difference between projected and actual earnings on pension plan investments	-	937,288
Changes in proportion and differences between Employer contributions and proportionate share of contributions	265,711	892,516
Employer contributions subsequent to the measurement date	2,745,601	-
Total	$ 3,388,009	$ 3,655,714

Note 9. Defined Benefit Pension Plan – Teacher Cost Sharing Plan (Continued)

General Information about the Teacher Cost Sharing Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The $2,745,601 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. 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,	Increase (Reduction) to Pension Expense
2019	$ (1,276,970)
2020	(231,645)
2021	(378,614)
2021	(961,620)
2022	(164,457)
Thereafter	-

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2017, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	Teacher Employee Retirement Plan
Total Pension Liability	$ 45,417,520
Plan Fiduciary Net Position	33,119,545
Employers' Net Pension Liability (Asset)	$ 12,297,975
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.92%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System's notes to the financial statements and required supplementary information.

Note 9. Defined Benefit Pension Plan – Teacher Cost Sharing Plan (Continued)

General Information about the Teacher Cost Sharing Plan (Continued)

Sensitivity of the School Division's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
School division's proportionate share of the VRS Teacher Employee Retirement plan net pension liability	$ 30,073,023	$ 25,788,557	$ 38,510,61

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2017 Comprehensive Annual Financial Report (CAFR). A copy of the 2017 VRS CAFR may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2017-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Payables to the Teacher Cost Sharing Pension Plan

At June 30, 2018, approximately $89,539 was payable to the Virginia Retirement System for the legally required contributions related to June 2018 payroll.

Note 10. Other Post-Employment Benefits

The City and School Board provide OPEB for retirees through a single-employer defined benefit plan. The City has established a joint trust fund with the School Board to fund the cost of OPEB. The joint trust fund was established by the City and School Board with the Virginia Pooled OPEB Trust Fund (Trust), sponsored by the Virginia Municipal League and the Virginia Association of Counties. The Trust is established as an investment vehicle for participating employers to accumulate assets to fund OPEB. Plans are segregated and restricted in a trust, in which (a) contributions to the plan are irrevocable, (b) assets are dedicated to providing benefits to retirees and their beneficiaries, and (c) assets are legally protected from creditors of the employer or plan administrator, for the payment of benefits in accordance with terms of the plan.

Note 10. Other Post-Employment Benefits (Continued)

Trust Fund Investments

Investment decisions for the fund's assets are made by the Board of Trustees. The Board of Trustees established investment objectives, risk tolerance and asset allocation policies in light of the investment policy, market and economic conditions, and generally prevailing prudent investment practices. The Board of Trustees also monitors the investments to ensure adherence to the adopted policies and guidelines. In addition, the Trustees review, monitor, and evaluate the performance of the investments and its investment advisors in light of available investment opportunities, market conditions and publicly available indices for the generally accepted evaluation and measurement of such performance. The investment objective of the Fund is to maximize total long-term rate of return with reasonable risk by seeking capital appreciation and, secondarily, principal protection.

The long-term expected rate of return on OPEB investments was determined using an arithmetic model in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB 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
Equities	59.00 %	11.85 %	8.37 %
Fixed Income	21.00	6.40	2.92
Diversified Hedge Funds	10.00	8.77	5.29
Real Assets	10.00	8.52	5.04
Total	100.00 %		21.62 %
		Inflation	3.48 %

Note 10. Other Post-Employment Benefits (Continued)

Concentrations. There are no investments in any one organization that represent 5 percent or more of the OPEB Trust's fiduciary net position.

Rate of return. For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was +9.52 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Additional investment information for the Trust can be obtained by writing to VML/VACo Finance Program, 1108 East Main Street, Richmond, Virginia 23219.

Plan Description

Medical insurance benefits are available to eligible City retirees, their spouses and dependents. Retirees are eligible to participate in the City's health insurance plan if they: a) meet VRS requirements for service retirement or disability retirement and will immediately be receiving a retirement annuity from VRS, b) currently participate in the City's health insurance program, and c) are under age 65 and not eligible for Medicare.

Plan Membership-City

Inactive members or their beneficiaries currently receiving benefits	47
Active members	278
Total covered employees	325

Medical insurance benefits are available to eligible School Board retirees, their spouses and dependents. Retirees are eligible to participate in the Board's health insurance plan if they: a) are eligible for VRS retirement with at least 10 years VRS experience, the last 5 years of which are with the Staunton City School Board, b) have participated in the Board's health insurance program for all of the 5 years immediately preceding retirement, and c) are under age 65.

Plan Membership-School Board

Inactive members or their beneficiaries currently receiving benefits	30
Active members	423
Total covered employees	453

Current year health insurance claims are paid out of current City and School Board funds. The difference between the actuarial calculated annual required contribution and the current year claims is contributed to the trust.

Note 10. Other Post-Employment Benefits (Continued)

Funding Policy

Current year health insurance claims are paid out of current City and School Board funds. The difference between the actuarial calculated annual required contribution and the current year claims is contributed to the trust.

City

The contribution requirements of the City healthcare plan members and City are established and may be amended by the City Council. During fiscal year 2018, the City paid an average of 84% for the various types of health insurance coverage. The retiree is required to pay the remaining amount.

For the fiscal year ended June 30, 2018, the City contributed $570,000 to the City's healthcare plan for health insurance and contributed $146,000 to the Virginia Pooled OPEB Trust. The contribution to the trust and the City contributions to the healthcare plan combine to fully fund the annual required contribution (ARC) of $716,000 for fiscal year 2018. It is the City's intent to fully fund the ARC each year.

School Board

The contribution requirements of the School Board healthcare plan members and School Board are established and may be amended by the School Board. During fiscal year 2018, the School Board paid approximately 71% of the existing rate for subscriber only coverage and the retiree paid the remaining 29% plus any additional premium for spouse or dependent coverage.

For the fiscal year ended June 30, 2018, the School Board contributed $299,000 to the School Board's healthcare plan for health insurance and contributed $174,000 to the Virginia Pooled OPEB Trust. The contribution to the trust and contributions to the healthcare plan combine to over fund the annual required contribution of $473,000 for fiscal year 2017. It is the School Board's intent to fully fund the annual required contribution each year.

Net OPEB Liability

The City and School Board's total net OPEB liability of $6,855,000 and $3,274,000, respectively, was measured as of July 1, 2017 and was determined by an actuarial valuation performed as of July 1, 2017.

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases, including inflation	2.5%
Healthcare cost trend rates	7.0% for fiscal year end 2018, decreasing .25% per year to an ultimate rate of 4.5%
Investment rate of return	7.5%
Mortality rates	RP-2014 Fully Generational Mortality table, with base year 2006, using two-dimensional improvement scale MP-2017

Note 10. Other Post-Employment Benefits (Continued)

Discount Rate

For both the City and the School Board, the discount rate used was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB 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 OPEB liability.

Changes in Net OPEB Liability-City

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at June 30, 2016	$ 7,686,000	$ 774,000	$ 6,912,000
Changes for the year:			
Service cost	184,000	-	184,000
Interest	571,000	-	571,000
Contributions – employer	-	712,000	(712,000)
Net investment income	-	100,000	(100,000)
Benefit payments	(513,000)	(513,000)	-
Net changes	242,000	299,000	(57,000)
Balances at June 30, 2017	$ 7,928,000	$ 1,073,000	$ 6,855,000

Changes in Net OPEB Liability-Schools

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at June 30, 2016	$ 4,055,000	$ 694,000	$ 3,361,000
Changes for the year:			
Service cost	132,000	-	132,000
Interest	304,000	-	304,000
Contributions – employer	-	433,000	(433,000)
Net investment income	-	90,000	(90,000)
Benefit payments	(263,000)	(263,000)	-
Net changes	173,000	260,000	(87,000)
Balances at June 30, 2017	$ 4,228,000	$ 954,000	$ 3,274,000

Note 10. Other Post-Employment Benefits (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability using the discount rate of 7.5%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

	1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00% Increase (8.5%)
City's net OPEB liability	$ 7,565,00	$ 6,855,000	$ 6,226,000
School Board net OPEB liability	$ 3,662,000	$ 3,274,000	$ 2,927,000

Sensitivity of the Net OPEB Liability to Changes in the healthcare cost trends

The following presents the net OPEB liability using the healthcare cost trends rate of 7.0%, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	1.00% Decrease (6.0%)	Current Healthcare Cost Trend Rates Rate (7.0%)	1.00% Increase (8.0%)
City's net OPEB liability	$ 6,137,000	$ 6,855,000	$ 7,689,000
School Board net OPEB liability	$ 2,857,000	$ 3,274,000	$ 3,758,000

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the City recognized OPEB expense of $693,000. At June 30, 2018, the political subdivision reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to the measurement date	$ 581,649	$ -
Total	$ 581,649	$ -

Note 10. Other Post-Employment Benefits (Continued)

The $581,649 reported as deferred outflows of resources related to OPEB resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019.

For the year ended June 30, 2018, the School Board recognized OPEB expense of $378,000. At June 30, 2018, the political subdivision reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to the measurement date	$ 247,991	$ -
Total	$ 247,991	$ -

The $247,991 reported as deferred outflows of resources related to OPEB resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019.

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans

In addition to their participation in the pension plans offered through the Virginia Retirement System (VRS), the City of Staunton (the "Political Subdivision" and the City of Staunton School Board (the School Division") also participate in various cost-sharing and agent multi-employer other postemployment benefit plans, described as follows.

Plan Descriptions

Group Life Insurance Program

All full-time teachers and employees of political subdivisions and public school divisions are automatically covered by the VRS Group Life Insurance (GLI) Program upon employment.

In addition to the Basic Group Life Insurance Benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance Program. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI Program OPEB.

Specific information for the GLI is available at https://www.varetire.org/members/benefits/life-insurance/basic-group-life-insurance.asp.

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Teacher Employee Health Insurance Credit Program

All full time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee Health Insurance Credit (HIC) Program. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

Specific information about the Teacher HIC is available at
https://www.varetire.org/retirees/insurance/healthinscredit/index.asp

The GLI and Teacher HIC are administered by the VRS along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Both of these plans are considered multiple employer, cost sharing plans.

General Employee Health Insurance Credit Program – School Division

The General Employee Health Insurance Credit Program (HIC) is available for all full time, salaried employees of local government entities other than Teachers. The General Employee HIC provides all the same benefits as the Teacher HIC, except that this plan is considered a multi-employer agent plan. The School division non-professional employees are covered in this plan, but the political subdivision employees are not.

As of the June 30, 2016 actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	Number
Inactive members or their beneficiaries currently receiving benefits	20
Inactive members:	
Vested inactive members	1
Non-vested inactive members	-
Inactive members active elsewhere in VRS	-
Total inactive members	21
Active members	49
Total covered employees	70

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Contributions

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2015. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

Group Life Insurance Program-City

Governed by:	*Code of Virginia* 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.31% of covered employee compensation. Rate allocated 60/40; 0.79% employee and 0.52% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2018 Contribution	$72,824
June 30, 2017 Contribution	$69,220

Group Life Insurance Program-School Division

Governed by:	*Code of Virginia* 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.31% of covered employee compensation. Rate allocated 60/40; 0.79% employee and 0.52% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2018 Contribution	$95,777
June 30, 2017 Contribution	$94,376

Teacher Health Insurance Credit Program

Governed by:	*Code of Virginia* 51.1-1401(E) and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	1.23% of covered employee compensation.
June 30, 2018 Contribution	$212,605
June 30, 2017 Contribution	$188,978

General Employee Health Insurance Credit Program – School Division

Governed by:	*Code of Virginia* 51.1-1402(E) and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly.
Total rate:	.66% of covered employee compensation.
June 30, 2018 Contribution	$7,334
June 30, 2017 Contribution	$7,031

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

The net OPEB liabilities were measured as of June 30, 2017 and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by actuarial valuations as of that date. The covered employer's proportion of the net OPEB liabilities were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2017 relative to the total of the actuarially determined employer contributions for all participating employers.

Group Life Insurance Program-City

June 30, 2018 proportionate share of liability	$1,086,000
June 30, 2017 proportion	.07217%
June 30, 2016 proportion	.07338%
June 30, 2018 expense	$9,000

Group Life Insurance Program-School Division Professional employees

June 30, 2018 proportionate share of liability	$1,394,000
June 30, 2017 proportion	.09260%
June 30, 2016 proportion	.09362%
June 30, 2018 expense	$13,000

Group Life Insurance Program-School Division Non-professional employees

June 30, 2018 proportionate share of liability	$87,000
June 30, 2017 proportion	.00579%
June 30, 2016 proportion	.00579%
June 30, 2018 expense	$1,000

Teacher Health Insurance Credit Program

June 30, 2018 proportionate share of liability	$2,737,000
June 30, 2017 proportion	.21573%
June 30, 2016 proportion	.22046%
June 30, 2018 expense	$215,000

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Since there was a change in proportionate share between measurement dates, a portion of the OPEB expense above was related to deferred amount from changes in proportion.

General Employee Health Insurance Credit Program – School Division

Changes in net OPEB liability of the General Employee Health Insurance Credit Program were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	**Plan Fiduciary Net Position (b)**	**Net OPEB Liability (a) – (b)**
Balances at June 30, 2016	$ 102,533	$ 25,676	$ 76,857
Changes for the year:			
Service cost	2,087	-	2,087
Interest	6,865	-	6,865
Benefit changes	-	-	-
Differences between expected and actual experience	-	-	-
Assumption changes	(2,243)	-	(2,243)
Contributions – employer	-	7,031	(7,031)
Net investment income	-	2,786	(2,786)
Benefit payments, including refunds of employee contribution	(8,899)	(8,899)	-
Administrative expenses	-	(41)	41
Other changes	-	149	(149)
Net changes	(2,190)	1,026	(3,216)
Balances at June 30, 2017	$ 100,343	$ 26,702	$ 73,641

The School Division recognized OPEB expense of $6,440 related to the General Employee Health Insurance Credit Program.

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

At June 30, 2018, the City and School Division reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

Group Life Insurance Program- City

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 24,000
Change in assumptions	-	56,000
Net difference between projected and actual earnings on OPEB plan investments	-	41,000
Changes in proportion	-	18,000
Employer contributions subsequent to the measurement date	72,824	-
Total	$ 72,824	$ 139,000

Group Life Insurance Program-School Division

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 34,000
Change in assumptions	-	76,000
Net difference between projected and actual earnings on OPEB plan investments	-	55,000
Changes in proportion	-	15,000
Employer contributions subsequent to the measurement date	95,777	-
Total	$ 95,777	$ 180,000

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Teacher Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Change in assumptions	-	28,000
Net difference between projected and actual earnings on OPEB plan investments	-	5,000
Changes in proportion	-	52,000
Employer contributions subsequent to the measurement date	212,605	-
Total	$ 212,605	$ 85,000

General Employee Health Insurance Credit Program – School Division

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Change in assumptions	-	1,784
Net difference between projected and actual earnings on		
Changes in proportion	-	-
OPEB plan investments	-	841
Employer contributions subsequent to the measurement date	7,334	-
Total	$ 7,334	$ 2,625

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

The deferred outflows of resources related to OPEB resulting from the political subdivision and school division's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Group Life Insurance Program-City

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2019	$ (28,000)
2020	(28,000)
2021	(28,000)
2022	(28,000)
2023	(18,000)
Thereafter	(9,000)

Group Life Insurance Program-School Division

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2019	$ (37,000)
2020	(37,000)
2021	(37,000)
2022	(37,000)
2023	(23,000)
Thereafter	(9,000)

Teacher Health Insurance Credit Program

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2019	$ (14,100)
2020	(14,100)
2021	(14,100)
2022	(14,089)
2023	(10,922)
Thereafter	(17,689)

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

General Employee Health Insurance Credit Program

Year Ending June 30,	Increase (Reduction) to OPEB Expense
2019	$ (669)
2020	(669)
2021	(669)
2022	(618)
2023	-
Thereafter	-

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2016, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2017:

Inflation	2.5%
Salary increases, including inflation:	
• Locality- general employees	3.5 – 5.35%
• Locality – hazardous duty employees	3.5 – 4.75%
• Teachers	3.5 – 5.95%
Healthcare cost trend rates:	
• Under age 65	7.75 – 5.00%
• Ages 65 and older	5.75 – 5.00%
Investment rate of return, net of expenses, including inflation*	GLI & HIC: 7.0%; LODA 3.56%

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

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail at Note 8.

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

Net OPEB Liabilities

The net OPEB liabilities represent each program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2017, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	Group Life Insurance Program	Teacher Employee HIC OPEB Plan
Total OPEB Liability	$ 2,942,426	$ 1,364,702
Plan fiduciary net position	1,437,586	96,091
Employers' net OPEB liability (asset)	$ 1,504,840	$ 1,268,611
Plan fiduciary net position as a percentage of total OPEB liability	48.86%	7.04%

The total liability is calculated by the VRS actuary and each plan's fiduciary net position is reported in the VRS financial statements. The net OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the VRS notes to the financial statements and required supplementary information.

Long-Term Expected Rate of Return

Group Life Insurance and Health Insurance Credit Programs

The long-term expected rate of return on VRS 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 OPEB investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

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

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

* The above allocation provides for a one-year return of 7.30%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.83%, including expected inflation of 2.5%.

Discount Rate

The discount rate used to measure the GLI and HIC OPEB liabilities was 7.00%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Guidance 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. Through the fiscal year ending June 30, 2019, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2019 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' 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 OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liabilities of the political subdivision and school division, as well as what the political subdivision and school division's net OPEB liabilities would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
GLI Net OPEB liability-political subdivision	$ 1,405,000	$ 1,086,000	$ 828,000
GLI Net OPEB liability-School division nonprofessional	$ 113,000	$ 87,000	$ 66,000
GLI Net OPEB liability-School division professional	$ 1,802,000	$ 1,394,000	$ 1,062,000
Teacher HIC Net OPEB liability	$ 3,054,000	$ 2,737,000	$ 2,467,000
General Employee HIC Net OPEB liability – School Division	$ 82,067	$ 73,641	$ 66,309

Note 11. Other Postemployment Benefits Liability – Virginia Retirement System Plans (Continued)

OPEB Plan Fiduciary Net Position

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2017 Comprehensive Annual Financial Report (CAFR). A copy of the 2017 VRS CAFR may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2017-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Payables to the OPEB Plan

At June 30, 2018, the following amounts were payable to the Virginia Retirement System for the legally required contributions related to June 2018 payroll.

• Group Life Insurance-political subdivision	$ 6,167
• Group Life Insurance-school division	2,560
• Teacher Employee Health Insurance Credit	5,291
• General Employee Health Insurance Credit	410

Note 12. Summary of Pension and other Postemployment Benefit Elements

A summary of pension and other postemployment benefit (OPEB) related financial statement elements is as follows:

	Governmental Activities	Business-Type Activities	Total Primary Government	Component Unit (School Board)
Deferred outflows of resources – Related To Pensions				
VRS-Political Subdivision	$ 1,809,082	$ 273,915	$ 2,082,997	$ -
Net deferred outflow from Augusta County Service	-	10,546	10,546	-
VRS-School Non-professional	-	-	-	101,653
RS-School Professional	-	-	-	3,388,009
Total deferred outflow of resources - Pensions	$ 1,809,082	$ 284,461	$ 2,093,543	$ 3,489,662
Deferred outflows of resources - OPEB				
OPEB Local Health plan	$ 505,453	$ 76,196	$ 581,649	$ 247,991
Net OPEB outflow from Augusta Regional Landfill	-	923	923	-
VRS Group Life plan	63,256	9,568	72,824	95,777
VRS Health insurance credit plan - Professional	-	-	-	212,605
VRS Health insurance credit play - Non-professional	-	-	-	7,334
Total deferred outflow of resources - OPEB	$ 568,709	$ 86,687	$ 655,396	$ 563,707
Net pension liability				
VRS-Political Subdivision	$ 14,736,494	$ 2,231,260	$ 16,967,754	$ -
Net Pension liability from Augusta County Service Authority	-	23,253	23,253	-
VRS-School Non-professional	-	-	-	412,167
VRS-School Professional	-	-	-	25,788,557
Total net pension liability	$ 14,736,494	$ 2,254,513	$ 16,991,007	$ 26,200,724
Net OPEB Liability				
OPEB Local Health plan	$ 5,956,994	$ 898,006	$ 6,855,000	$ 3,274,000
Net OPEB Liability from Augusta Regional Landfill	-	48,545	48,545	-
VRS Group Life plan	943,300	142,700	1,086,000	1,481,000
VRS Health insurance credit plan - Professional	-	-	-	2,737,000
VRS Health insurance credit plan - Non-professional	-	-	-	73,641
Total net OPEB Liability	$ 6,900,294	$ 1,089,251	$ 7,989,545	$ 7,565,641
Deferred inflows of resources – Related to Pension				
VRS-Political Subdivision	$ 2,161,653	$ 327,297	$ 2,488,950	$ -
Net deferred inflow from Augusta County Service Authority	-	12,252	12,252	-
VRS-School Non-professional	-	-	-	62,586
VRS-School Professional	-	-	-	3,655,714
Total deferred inflow of Resources - Pensions	$ 2,161,653	$ 339,549	$ 2,501,202	$ 3,718,300
Deferred inflows of resources - OPEB				
Net OPEB inflow from Augusta Regional Landfill	$ -	$ 1,149	$ 1,149	$ -
VRS Group Life plan	120,736	18,264	139,000	180,000
VRS Health insurance credit plan - Professional	-	-	-	85,000
VRS Health insurance credit play - Non-professional	-	-	-	2,625
Total deferred inflow of resources - OPEB	$ 120,736	$ 19,413	$ 140,149	$ 267,625

Note 13. Commitments and Contingencies

State and Federal Programs:

The City is the recipient of Federal and State grants which are subject to audit to determine compliance with their requirements. City management believes that any required refunds will be immaterial.

Legal Matters:

The City is a potential defendant in litigation involving claims for damages of various types. City officials estimate that any ultimate liability not covered by insurance will be immaterial.

EDA Commitments

In June 2014, the EDA entered into an agreement with a developer concerning the property at the intersection of US Route 250, Cochran Parkway, and South Frontier Drive. This agreement included an economic development grant equal to a percentage share of the incremental increase in taxes generated for sixteen fiscal years commencing with the beginning of the fiscal year in which the City approves the first occupancy permit for new building construction on the property. To fund this grant, the EDA entered into a contribution agreement with the City evidencing the City's conditional obligation to provide the Authority sums to fund the Grant portion of the development agreement. The source of City funds shall be incremental taxes generated by the development of the property.

Commonwealth Opportunity Fund

In May 2016, the City and EDA were notified of the award of a Commonwealth Opportunity Grant in the amount of $250,000. The funds were received and disbursed to the related local business during FY2017. The required local match for the grant is $282,100. Local enterprise zone grants from the City, through the EDA, for 5 years are expected to serve as the required local match. If the enterprise zone grants do not equal the required match at the end of 5 years, the City, through the EDA, will pay the necessary amounts to the local business to meet the match requirements.

Construction and Other Significant Commitments including Encumbrances

The City has entered into construction contracts, which include several water, sewer and storm water related projects as well as street related projects. As of June 30, the City had outstanding construction contracts totaling $3,769,729 that will be financed from operating funds and bond issue proceeds. Other significant commitments include the encumbrances outstanding for the general fund and nonmajor funds as shown below.

	Construction Commitments	Encumbrances
Water fund	$ 6,425	$ -
Sewer fund	1,764	-
Parking fund	1,546,869	-
General fund	-	668,315
Capital Improvements Fund	2,214,671	24,201
Nonmajor funds	-	6,657
	$ 3,769,729	$ 699,173

Note 14. General Property Taxes

The City levies real estate taxes on all real estate within its boundaries, except that exempted by statute. These levies are assessed biannually as of January 1 on the estimated market value of the property. January 1 is also the date an enforceable, legal claim to the receivable applies. The City reassesses all property biannually. Public utility property is assessed by the Commonwealth.

Real estate taxes are billed in semiannual installments, 75% due June 20 and 25% due December 5. For the current fiscal year, the real estate taxes budgeted for and reported as revenue in the fund financial statements include those assessed as of January 1, 2017 and due December 5, 2017 as well as the portion of the January 1, 2018 assessment due June 20, 2018, less an allowance for uncollectibles and less taxes not collected within 45 days of year end plus collections of previously delinquent taxes. The tax rates for the January 1, 2017 and 2018 levies were $.97 per $100 of assessed value. Real estate taxes receivable, assessed as of January 1, 2018 and due December 5, 2018, are reflected in the accompanying financial statements as a receivable and are offset by deferred inflows of resources, in the amount of $2,074,943, which is consistent with the City's budget ordinance. Real estate taxes paid in advance as of June 30, 2018 are also included in deferred inflows of resources, in the amount of $2,441,452 since they are not intended to finance the current fiscal year.

The City levies personal property taxes on motor vehicles and tangible personal business property. These levies are assessed as of January 1 and are due December 5. During fiscal year 2018, the personal property taxes budgeted for and reported as revenue in the fund financial statements include the January 1, 2017 assessment due December 5, 2017, less an allowance for uncollectibles, plus collections on previously delinquent taxes. The 2017 tax rate for machinery and tools was $1.24 per $100 of assessed value. The 2017 tax rate for all other personal property was $2.90 per $100 of assessed value.

Note 15. Restricted Assets

Restricted assets as of June 30 consist of cash and cash equivalents and amounts due from other governments that are restricted for certain purposes as follows:

	Governmental Activities	Business Type Activities
Customer deposits	$ 7,000	$ 316,770
Receivable for share of debt	-	2,338,714
Unspent bond proceeds	-	2,160,521
Landfill sinking fund	-	2,337,510
Total	$ 7,000	$ 7,153,515

Note 16. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for all risks of loss including property, theft, auto liability, general liability, and construction insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage for each of the past three years. There was no reduction in insurance coverage during 201. In addition, the City provides various surety bond coverage as required under regulations and at industry-recommended levels.

Note 16. Risk Management (Continued)

Through the Virginia Municipal League, the City and School Board have joined together with other Virginia public bodies in the Virginia Municipal League Insurance programs pools currently operating as a common risk management and insurance programs for members in Virginia. The City and School Board pay an annual premium to VML Insurance Programs for its workers' compensation and employer's liability, general liability, excess property, crime, and automobile coverage. The agreement for formation of the VML Insurance Programs Pool provides that it will be self-sustaining through member premiums. Workers' compensation coverage provides the benefits as set forth in the Virginia Workers' Compensation Act. VML Insurance programs will reinsure through commercial insurance companies for claims in excess of $5 million for general liability, and $5 million for automotive liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

As of June 1, 2003, the City discontinued its self-insured worker's compensation arrangement and began insurance coverage with the Virginia Municipal League. As of June 30, 2018, the City still retains a liability related to workers compensation claims outstanding at the time of the policy change. The City reimburses VML as needed for claims payments on these old outstanding claims in excess of any reinsurance amounts. The City has not established a separately funded reserve for such claims. The portion currently due and payable is $2,831 and is reported in the General Fund. The long-term liability is estimated to be $251,051.

As of January 1, 2015, the City and School system established a self-insured health insurance program. Premiums are developed based upon estimates from the claims processor that should cover administrative expenses, stop loss insurance premiums, and claims. Stop loss provisions limit catastrophic claims in excess of $150,000. At June 30, incurred but not reported claims for the City and Schools are estimated to be $700,000.

Changes in the claims liability amount in fiscal years 2016, 2017 and 2018 were as follows:

Year Ended June 30,	Beginning Liability	Claims and Changes in Estimates	Claim Payments	Ending Liability
2016	$ 609,325	$ 6,974,969	$ 6,519,212	$ 1,065,083
2017	$ 1,065,083	$ 5,380,675	$ 5,653,485	$ 792,273
2018	$ 792,273	$ 5,316,995	$ 5,155,386	$ 953,882

Note 17. Landfill Closure and Post-closure Care Costs

The City and two other localities share the costs of landfill operations through undivided interests in the Augusta Regional Landfill. The City and the County of Augusta share the costs of an old landfill operation (Permit 21), which was closed in 2003. The costs of a second landfill operation (Permit 585), which was begun in fiscal year 1999, are shared between the cities of Staunton and Waynesboro and the County of Augusta.

State and federal laws and regulations require the Augusta Regional Landfill to place a final cover or cap on a landfill cell when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Under the cost sharing agreement, the City will bear 39.67% of such costs for Permit 21 and 25.43% of such costs for Permit 585. The cost sharing percentage of Permit 585 is adjusted each year based on usage by each locality. The remainder of the Permit 585 costs will be borne by the County and the City of Waynesboro. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each fiscal year ending date.

Note 17. Landfill Closure and Post-closure Care Costs (Continued)

The $1,349,742 reported as landfill closure liability at June 30, 2018 represents the cumulative amount reported to date based on the use of 97.9% of the estimated capacity of the Permit #585 (Phases 1-3) landfill, 14.8% of the estimated capacity of the Permit #585 Phase 4 landfill and the stockpile financial assurance liability. The $968,231 reported as post-closure monitoring liability at June 30, 2018, represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the Permit #21 landfill and 97.9% of the estimated capacity of the Permit #585 (Phases 1-3) landfill and 14.8% of the estimated capacity of the Permit #585 Phase 4 landfill. Total closure and post-closure care costs and post-closure monitoring costs accrued at June 30, 2017 for both joint ventures are $2,317,973.

The City will recognize the majority of the remaining estimated cost of closure and post-closure care and post-closure monitoring of $33,794 for Permit #585 (phases 1-3) landfill as the remaining estimated capacity is filled over the next 18 to 24 months and $684,828 for the newly constructed Phase 4 cell as the remaining estimated capacity is filled over the next 6 to 8 years.

The City uses the financial test method of demonstrating assurance for closure and post-closure care. The amount for the Permit #21 landfill is based on what it would have cost to perform all post-closure care in 2004 and has been inflated annually at the DEQ-approved inflation rate. The amounts for the Permit #585 landfill were re-evaluated in March 2008 based on what it would cost to perform all closure and post-closure care in 2008 and approved by the Virginia Department of Environmental Quality as part of a permit to expand the landfill beyond the first three phases. These costs have been inflated at the DEQ-approved inflation rate since 2009. Actual costs for both permitted landfills may be different due to actual inflation or deflation, changes in technology, or changes in laws or regulations.

Each participating locality is required to submit to the Virginia Department of Environmental Quality by December 30 of each year financial assurance they can meet their allocated financial responsibility for the Augusta Regional Landfill (see Note 1). Each locality met this requirement for calendar year 2017.

Note 18. Community Development

Staunton Crossing:

In November 2009, the City and the EDA entered into an agreement with the Commonwealth of Virginia to purchase approximately 278 acres of land owned by the Commonwealth, known as the Western State Hospital (WSH) campus, for $15 million. The EDA also agreed to deed approximately 66 acres of EDA land to the Commonwealth to re-locate and build a new mental health hospital.

The WSH campus land was transferred to the EDA during fiscal year 2010 for development. The EDA intends to contract with and sell the land to developers to develop the multi-use site into commercial, retail, and office property. Any proceeds from the land's disposition will be paid to the City to reduce the City's debt related to the project.

In October 2012 and January 2013, the City issued $10 million and $5 million, respectively, in bank qualified debt to pay for the property.

The land was recorded as inventory by the EDA at its estimated fair value of $14,000,000 at the time of its acquisition. As a result of a partial sale of property during fiscal year 2017, the adjusted inventory value was reported at $12,970,053 as of June 30, 2017 and remains the same as of June 30, 2018.

In fiscal year 2018, the City's management concluded that no material declines in the property's value had occurred and the amount due back to the City is still valued at $12,750,000.

Note 18. Community Development

The property is strategically located at the interchange of Interstate 81 and Interstate 64 in the City. While owned by the State, the WSH campus produced no tax revenue to the City. City officials believe that the private development of this site will increase the City's tax base and generate significant local real estate, meals, lodging, and sales taxes.

Frontier Center:

In March, 2016, the City entered into an agreement with the developer intending to develop real estate at the intersections of US Route 250, George Cochran Parkway and South Frontier Drive. The developer has committed to make public improvements which include water lines, sewer lines and storm drainage facilities and road improvements. The total estimated costs of these improvements were $2,883,747. The City was awarded a $1,000,000 revenue sharing grant for road improvements. The developer contributed the remaining amount of $1,883,747. The project was 100% complete as of June 30, 2018. The actual cost of the project was $2,860,887, therefore, $22,860 was returned to the developer and $0 is reported as unearned revenue in the financial statements.

Note 19. Operating Lease

In August 2013, the City, as a lessee, entered into an operating lease for certain office facilities. A summary of future minimum lease payments under such operating leases is as follows:

Year Ending June 30,	
2019	$ 43,398
2020	44,266
2021	45,151
2022	46,054
2023	46,975
2024-2027	197,486
Total	$ 423,330

Note 20. Fund Balance

The following schedule provides details for the categories of fund balance for governmental funds as of June 30, 2018:

	General	Capital Improvements Fund	Nonmajor governmental	School Board Component Unit
Nonspendable				
Prepaids	$ 98,536	$ -	$ 3,617	$ 2,001
Interfund advances	99,954	-	-	616,504
Total Nonspendable	$ 198,490	$ -	$ 3,617	$ 618,505
Restricted:				
Donor purposes	$ 15,219	$ -	$ 16,046	$ 11,379
Programs	-	-	-	10,405
Total restricted	$ 15,219	$ -	$ 16,046	$ 21,784
Committed:				
Stabilization arrangement	$ 8,489,250	$ -	$ -	$ -
Assigned:				
Accrued leave	$ 1,553,178	$ -	$ -	$ -
Capital projects	-	4,392,848	-	1,736,160
Debt service	-	-	3,453,242	-
General government administration	251,991	-	-	-
Judicial administration	2,363	-	-	-
Public safety	62,437	-	211,524	-
Public works	188,362	24,990	-	-
Parks and recreation	140,951	81,132	-	-
Community development	21,735	24,202	261,231	-
Education	-	2,108,548	-	1,750,476
Textbooks	-	-	-	744,730
Food service	-	-	-	326,796
Total assigned	$ 2,221,017	$ 6,631,720	$ 3,925,997	$ 4,558,162
Unassigned	$ 4,605,965	$ -	$ -	$ -

Note 21. Adoption of New Standard and Prior Period Adjustment

In the current year, the City adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* This Statement replaces the requirements of Statements No. 45 and No. 57 and establishes new accounting requirements for OPEB plans. The statement improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. Comparative prior year information, to the extent presented, has not been restated because the necessary information is not available.

The following is a summary of the restatements to fund balance and net position, as applicable, resulting from the adoption of GASB Statement No. 75:

	Governmental Activities	Business Type Activities	Component Unit School Board
Balance, as previously reported, June 30, 2017	$ 54,705,877	$ 69,530,878	$ (15,753,949)
Recognition of OPB related liabilities and deferred outflows in accordance with GASB No. 75	(6,409,937)	(979,144)	(7,217,472)
Balance, as restated, June 30, 2017	$ 48,295,940	$ 68,551,734	$ (22,971,421)

Note 22. Subsequent Events

As of July 1, 2018, the Golf fund was closed and balances reverted to the General fund.

Note 23. New Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following Statements which are not yet effective.

The GASB issued **Statement No. 83**, *Certain Asset Retirement Obligations* in November 2016. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The requirements of this Statement are effective for periods beginning after June 15, 2018.

The GASB issued **Statement No. 84**, *Fiduciary Activities* in January 2017. This Statement establishes standards of accounting and financial reporting for fiduciary activities. The requirements of this Statement are effective for periods beginning after December 15, 2018.

The GASB issued **Statement No. 87**, *Leases* in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for periods beginning after December 15, 2019.

Note 23. New Accounting Standards (Continued)

The GASB issued **Statement No. 88**, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* in March 2018. This Statement improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowing and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this Statement are effective for periods beginning after June 15, 2018.

The GASB issued **Statement No. 90**, *Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61* in August 2018. This Statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

The requirements of this Statement are effective for periods beginning after December 15, 2018.The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a
component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

Management has not determined the effects these new GASB Statements may have on prospective financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF STAUNTON, VIRGINIA

BUDGETARY COMPARISON SCHEDULE –
GENERAL FUND
Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
General property taxes	$ 24,141,700	$ 24,219,655	$ 25,439,640	$ 1,219,985
Other local taxes	14,113,917	14,128,642	14,715,307	586,665
Permits, privilege fees, and regulatory licenses	311,100	311,100	287,878	(23,222)
Fines and forfeitures	95,000	95,000	134,887	39,887
Revenue from use of money and property	202,000	202,000	198,538	(3,462)
Charges for services	1,672,247	1,672,247	1,799,686	127,439
Miscellaneous	28,000	30,800	77,362	46,562
Recovered costs	831,081	916,300	923,212	6,912
Intergovernmental:				
Federal	1,111,290	1,246,722	1,276,171	29,449
Commonwealth	11,743,665	11,851,862	12,103,565	251,703
Total revenues	54,250,000	54,674,328	56,956,246	2,281,918
EXPENDITURES				
Current:				
General government administration	5,728,938	5,808,812	5,491,832	316,980
Judicial administration	1,956,996	2,009,486	1,986,549	22,937
Public safety	10,764,409	11,175,402	10,946,015	229,387
Public works	6,381,929	6,976,330	6,768,337	207,993
Health and welfare	6,658,612	6,974,012	6,973,721	291
Education	12,758,000	12,758,000	12,758,000	-
Parks, recreation, and cultural	3,550,021	3,638,284	3,459,705	178,579
Community development	1,571,545	1,694,928	1,600,106	94,822
Total expenditures	49,370,450	51,035,254	49,984,265	1,050,989
Excess of revenues over expenditures	4,879,550	3,639,074	6,971,981	3,332,907
OTHER FINANCING SOURCES (USES)				
Appropriation of prior year reserves/encumbrances	-	1,590,476	-	(1,590,476)
Transfers out	(4,879,550)	(5,229,550)	(5,229,550)	-
Total other financing sources (uses)	(4,879,550)	(3,639,074)	(5,229,550)	(1,590,476)
Net change in fund balance	$ -	$ -	$ 1,742,431	$ 1,742,431

See Note to Required Supplementary Information.

EXHIBIT 11

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
PRIMARY GOVERNMENT
Year Ended June 30, 2018

	Plan Year			
	2014	2015	2016	2017
Total Pension Liability				
Service cost	$ 1,379,588	$ 1,417,990	$ 1,428,109	$ 1,469,762
Interest on total pension liability	4,740,682	4,916,956	5,029,018	5,157,439
Difference between expected and actual experience	-	(1,160,922)	(946,229)	(1,483,949)
Changes in assumptions	-	-	-	(140,647)
Benefit payments, including refunds of employee contributions	(3,640,294)	(3,563,843)	(3,582,452)	(3,770,176)
Net change in total pension liability	2,479,976	1,610,181	1,928,446	1,232,429
Total pension liability - beginning	69,544,178	72,024,154	73,634,335	75,562,781
Total pension liability - ending	72,024,154	73,634,335	75,562,781	76,795,210
Plan Fiduciary Net Position				
Contributions - employer	2,180,741	2,260,879	2,349,913	1,956,240
Contributions - employee	632,939	636,054	655,097	688,105
Net investment income	7,195,341	2,383,649	947,931	6,585,902
Benefit payments, including refunds of employee contributions	(3,640,294)	(3,563,843)	(3,582,452)	(3,770,176)
Administrative expenses	(39,137)	(32,790)	(33,522)	(38,364)
Other	379	(504)	(399)	(5,847)
Net change in plan fiduciary net position	6,329,969	1,683,445	336,568	5,415,860
Plan fiduciary net position - beginning	46,061,614	52,391,583	54,075,028	54,411,596
Plan fiduciary net position - ending	52,391,583	54,075,028	54,411,596	59,827,456
Net pension liability - ending	$ 19,632,571	$ 19,559,307	$ 21,151,185	$ 16,967,754
Add Net Pension Liability from Augusta Regional landfill	23,723	29,260	48,902	23,253
Total Net pension liability - ending	$ 19,656,294	$ 19,588,567	$ 21,200,087	$ 16,991,007
Plan fiduciary net position as a percentage of total pension liability	73%	73%	72%	78%
Covered payroll of the plan year	$ 12,343,202	$ 12,625,654	$ 13,175,660	$ 13,293,478
Net pension liability as a percentage of covered payroll	159%	155%	161%	128%

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year - i.e., plan year 2014 information was presented in the entity's fiscal year 2015 financial report.

This schedule is intended to show information for 10 years. Additional years will be included as they become available.

EXHIBIT 12

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
COMPONENT UNIT-SCHOOL NONPROFESSIONAL
Year Ended June 30, 2018

	Plan Year			
	2014	2015	2016	2017
Total Pension Liability				
Service cost	$ 88,093	$ 79,198	$ 101,429	$ 102,400
Interest on total pension liability	289,866	290,196	289,147	295,498
Other changes	-	-	-	62
Difference between expected and actual experience	-	(60,971)	33,649	(15,763)
Changes in assumptions	-	-	-	3,268
Benefit payments, including refunds of employee contributions	(282,780)	(323,637)	(324,923)	(342,985)
Net change in total pension liability	95,179	(15,214)	99,302	42,480
Total pension liability - beginning	4,282,336	4,377,515	4,292,261	4,391,563
Adjustment to remove Genesis	-	(70,040)	-	-
Total pension liability - ending	4,377,515	4,292,261	4,391,563	4,434,043
Plan Fiduciary Net Position				
Contributions - employer	102,300	102,963	115,259	82,788
Contributions - employee	41,269	44,375	49,030	49,531
Net investment income	547,950	173,171	63,623	448,101
Benefit payments, including refunds of employee contributions	(282,780)	(323,637)	(324,922)	(342,985)
Administrative expenses	(3,047)	(2,510)	(2,465)	(2,735)
Other	29	(36)	(28)	(393)
Net change in plan fiduciary net position	405,721	(5,674)	(99,503)	234,307
Plan fiduciary net position - beginning	3,550,322	3,956,043	3,887,072	3,787,569
Adjustment to remove Genesis	-	(63,297)	-	-
Plan fiduciary net position - ending	3,956,043	3,887,072	3,787,569	4,021,876
Net pension liability - ending	$ 421,472	$ 405,189	$ 603,994	$ 412,167
Plan fiduciary net position as a percentage of total pension liability	90%	91%	86%	91%
Covered payroll for the plan year	$ 828,365	$ 921,127	$ 1,041,460	$ 1,048,417
Net pension liability as a percentage of covered payrol	51%	44%	58%	39%

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year - i.e., plan year 2014 information was presented in the entity's fiscal year 2015 financial report.

This schedule is intended to show information for 10 years. Additional years will be included as they become available.

Does not include Genesis

See Note to Required Supplementary Information

EXHIBIT 13

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
Year Ended June 30, 2018

Entity Fiscal Year Ended June 30	Actuarially Determined Contribution*	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Primary Government					
2018	$ 2,082,997	$ 2,082,997	$ -	$ 13,979,807	14.90%
2017	1,980,734	1,980,734	-	13,293,478	14.90%
2016	2,363,713	2,363,713	-	13,175,660	17.94%
2015	2,265,042	2,265,042	-	12,625,654	17.94%
Schools - Nonprofessional Employees					
2018	$ 91,000	$ 91,000	$ -	$ 1,093,747	8.32%
2017	87,226	87,226	-	1,048,417	8.32%
2016	119,455	119,455	-	1,041,460	11.47%
2015	112,193	112,193	-	921,127	12.18%

Schedule is intended to show information for 10 years. Additional years will be included as they come available

*Does not include regional landfill or Genesis

EXHIBIT 14

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
VRS TEACHER RETIREMENT PLAN
Year Ended June 30, 2018

Plan Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll-Plan year	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	0.21545%	$ 25,788,557	$ 16,558,204	155.74%	72.92%
2016	0.22048%	30,051,395	16,313,392	184.21%	68.28%
2015	0.21775%	26,647,826	15,705,288	169.67%	70.68%
2014	0.21711%	25,560,457	15,304,922	167.01%	70.88%

Schedule is intended to show information for 10 years. Additional years will be included as they become available.

The covered payroll amounts above are for the measurement period, which is the twelve months prior to the school division's fiscal year.

Does not include Genesis

EXHIBIT 15

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
VRS TEACHER RETIREMENT PLAN
Year Ended June 30, 2018

Entity Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	$ 2,745,601	$ 2,745,601	$ -	$ 16,823,514	16.32%
2017	2,427,393	2,427,393	-	16,558,204	14.66%
2016	2,293,663	2,293,663	-	16,313,392	14.06%
2015	2,277,267	2,277,267	-	15,705,288	14.50%

Schedule is intended to show information for 10 years. Since 2015 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.

Does not include Genesis

EXHIBIT 16

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
PRIMARY GOVERNMENT
Year Ended June 30, 2018

	Local Plan	
	2016	**2017**
Total OPEB Liability		
Service cost	$ 1,621,000	$ 184,000
Interest	-	571,000
Benefit payments, including refunds of employee contributions	(507,000)	(513,000)
Net change in total pension liability	1,114,000	242,000
Total OPEB liability - beginning	6,306,000	7,420,000
Adjustment to beginning balance	-	266,000
Total OPEB liability - ending	7,420,000	7,928,000
Plan Fiduciary Net Position		
Contributions - employer	648,000	712,000
Net investment income	(2,730)	100,000
Benefit payments, including refunds of employee contributions	(507,000)	(513,000)
Administrative expenses	(1,000)	-
Net change in plan fiduciary net position	137,270	299,000
Plan fiduciary net position - beginning	636,680	773,950
Adjustment to beginning balance	-	50
Plan fiduciary net position - ending	773,950	1,073,000
Total Net OPEB liability - ending	$ 6,646,050	$ 6,855,000
Plan fiduciary net position as a percentage of total OPEB liability	10.43%	13.53%
Covered employee payroll	$ 11,179,000	$ 13,046,000
Net OPEB liability as a percentage of covered employee payroll	59.45%	52.54%
Annual money-weighted rate of return, net of investment expense	13.04%	11.57%

This schedule is intended to show information for 10 years. Additional years will be included as they become available.

The plan year above is reported in the entity's financial statements in the fiscal year following the plan year - i.e., plan year 2016 information is presented in the entity's fiscal year 2017 financial report.

EXHIBIT 17

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
SCHOOL BOARD COMPONENT UNIT
Year Ended June 30, 2018

	2016	2017	
	Local Plan	Local Plan	VRS Health Insurance-School Non professional
Total OPEB Liability			
Service cost	$ 1,384,000	$ 132,000	$ 2,087
Interest	1,000	304,000	6,865
Changes in assumptions/adjustments	(1,000)	-	(2,243)
Benefit payments, including refunds of employee contributions	(275,000)	(263,000)	(8,899)
Net change in total pension liability	1,109,000	173,000	(2,190)
Total OPEB liability - beginning	3,010,000	4,119,000	102,533
Adjustment to beginning balance	-	(64,000)	-
Total OPEB liability - ending	4,119,000	4,228,000	100,343
Plan Fiduciary Net Position			
Contributions - employer	339,000	433,000	7,031
Net investment income (loss)	(2,719)	90,000	2,786
Benefit payments, including refunds of employee contributions	(275,000)	(263,000)	(8,899)
Administrative expenses	(995)	-	(41)
Other changes	-	-	149
Net change in plan fiduciary net position	60,286	260,000	1,026
Plan fiduciary net position - beginning	634,029	694,315	25,676
Adjustment to beginning balance	-	(315)	-
Plan fiduciary net position - ending	694,315	954,000	26,702
Total Net OPEB liability - ending	$ 3,424,685	$ 3,274,000	$ 73,641
Plan fiduciary net position as a percentage of total OPEB liability	16.86%	22.56%	26.61%
Covered employee payroll	$ 12,820,000	$ 18,550,000	$ 1,065,247
Net OPEB liability as a percentage of covered employee payroll	26.71%	17.65%	6.91%
Annual money-weighted rate of return, net of investment expense	13.04%	11.69%	na

This schedule is intended to show information for 10 years. Additional years will be included as they become available.

The plan year above is reported in the entity's financial statements in the fiscal year following the plan year - i.e., plan year 2016 information is presented in the entity's fiscal year 2017 financial report.

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS
Year Ended June 30, 2018

Entity Fiscal Year Ended June 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
Primary Government					
Local Plan:					
2018	$ 581,649	$ 581,649	$ -	$ 13,046,000	4.46%
School Board Component Unit					
Local Plan:					
2018	$ 247,991	$ 247,991	$ -	$ 16,645,000	1.49%
VRS Health Insurance Credit Non-Professional					
2018	7,334	7,334	$ -	$ 1,111,195	0.66%

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.

The covered payroll amounts above are for the entity's fiscal year - i.e. the covered payroll on which required contributions were based for the same year.

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB LIABILITY - VRS PLANS
June 30, 2018

Plan Year	Employer's Proportion of the Net OPEB Liability (Asset)	Employer's Proportionate Share of the Net OPEB Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
Primary Government					
Virginia Retirement System - Group Life Insurance - General Employees					
2017	0.07217%	$ 1,086,000	$ 13,311,529	8.16%	48.86%
School Board Component Unit					
Virginia Retirement System - Health Insurance Credit - Teachers					
2017	0.21573%	$ 2,737,000	$ 17,025,052	16.08%	7.04%
Virginia Retirement System - Group Life Insurance - Schools					
2017	0.09260%	$ 1,481,000	$ 18,149,297	8.16%	48.86%

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.

CITY OF STAUNTON, VIRGINIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS - VRS PLANS
June 30, 2018

Entity Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
Primary Government					
Virginia Retirement System - Group Life Insurance - General Employees					
2018	$ 72,824	$ 72,824	$ -	$ 14,004,555	0.52%
School Board Component Unit					
Virginia Retirement System - Health Insurance Credit - Teachers					
2018	$ 212,605	$ 212,605	$ -	$ 17,285,216	1.23%
Virginia Retirement System - Group Life Insurance - Schools					
2018	$ 95,777	$ 95,777	$ -	$ 18,418,733	0.52%

Schedule is intended to show information for 10 years. Since 2018 is the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.

The covered payroll amounts above are for the entity's fiscal year - i.e. the covered payroll on which required contributions were based for the same year.

CITY OF STAUNTON, VIRGINIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2018

Note 1. Budgetary Comparison Schedule – General Fund

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in the process of establishing the annual operating budgets for states and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. The City and many other governments revise their original budgets over the course of the year for a variety of reasons.

Prior to April 1, the City Manager submits to the Council a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain citizen comments. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.

The Appropriations Resolution places legal restrictions on expenditures at the fund level. Only the Council can revise the appropriation for each fund. The City Manager is authorized, within the Appropriations Resolution, to transfer budgeted amounts within any City fund and the School Board is authorized to transfer budgeted amounts within the school system's budget. Appropriations lapse on June 30, for all City funds, except for carry-forward requests approved by Council and project balances in the Capital Improvements Fund.

Appropriated annual budgets are legally adopted and budgetary integration is employed as a management control device during the year for all governmental funds. The budgetary data, as presented in the Required Supplementary Information for all major funds with annual budgets, compares the expenditures with the amended budgets. All budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP) and are presented on the modified accrual basis of accounting. All governmental funds have legally adopted annual budgets, except the CIP fund, which operates with project length budgets.

Accordingly, the Budgetary Comparison Schedule for the General Fund present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with legally adopted budgets as amended. Original, final budget, actual revenue and expenditures, and variances between final budget and actual for the General Fund are presented on Exhibit 10.

Note 2. Schedules of Changes in Net Pension Liability and Pension Contributions and Net OPEB liability and OPEB contributions VRS plans

Changes of Benefit Terms

Pension

There have been no actuarially material changes to the Virginia Retirement System (System) benefit provisions since the prior actuarial valuation. The 2014 valuation includes Hybrid Retirement Plan members for the first time. The hybrid plan applies to most new employees hired on or after January 1, 2014 and not covered by enhanced hazardous duty benefits. Because this was a new benefit and the number of participants was relatively small, the impact on the liabilities as of the measurement date of June 30, 2017 are not material.

Other Postemployment Benefits (OPEB)

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

Changes of Assumptions

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

Largest 10 – Non-Hazardous Duty:
- Update mortality table
- Lowered in rates of service retirement
- Update withdrawal rates to better fit experience
- Lowered in rates of disability retirement
- No changes to salary rates
- Applicable to: Pension, GLI OPEB, and HIC OPEB

Largest 10 –Hazardous Duty/Public Safety Employees:
- Update mortality table
- Lowered rates of retirement at older ages
- Update withdrawal rates to better fit experience
- Increased disability rates
- No changes to salary rates
- Applicable to: Pension and GLI OPEB

All Others (Non 10 Largest) – Non-Hazardous Duty:
- Update mortality table
- Lowered rates of retirement at older ages and changed final retirement from 70 to 75
- Update withdrawal rates to better fit experience
- Lowered disability rates
- No changes to salary rates
- Applicable to: Pension and GLI OPEB

Note 2. Schedules of Changes in Net Pension Liability and Pension Contributions and Net OPEB liability and OPEB contributions VRS plans (Continued)

All Others (Non 10 Largest) – Hazardous Duty/Public Safety Employees:

- Update mortality table
- Increased retirement rate at age 50 and lowered rates at older ages
- Update withdrawal rates to better fit experience
- Update disability rates to better fit experience
- No changes to salary rates
- Applicable to: Pension and GLI OPEB

Teacher cost-sharing pool

- Update mortality table
- Lowered retirement rates at older ages and changed final retirement from 70 to 75
- Update withdrawal rates to better fit experience
- Update disability rates to better fit experience
- No changes to salary rates
- Applicable to: Pension, GLI OPEB, and HIC OPEB
-

Note 3. Schedules of Changes in Net OPEB Liability and OPEB Contributions

Changes of Assumptions

The last valuation for both the City and School Board was performed as of July 1, 2015. The following items have changed since the previous valuation performed as of July 1, 2013:

- The Claim costs have been updated to reflect the most recent premium rates.
- The termination and retirement tables have been updated to be consistent with the June 30, 2014 VRS Pension Plan valuation.
- The mortality table has been updated to the ROP-2000 Combined Mortality Table projected to 2020.

Changes of Benefit Terms

Plan provision clarifications and Changes to the Actuarial Model for the City are as follows:

- Spouses are able to elect to continue medical coverage upon the death of the retiree, until the spouse reaches Medicare eligibility; changes were made to reflect this clarification.
- The distinction between retiree contribution rates pre-7/1/10 versus post-/1/2010 has been eliminate; changes to the actuarial model were made to reflect this revision.
- Eligibility assumptions were updated to also reflect VRS retirement eligibility requirements.

Plan provision clarifications and Changes to the Actuarial Model for the School Board are as follows:

- Spouses are able to elect to continue medical coverage upon the death of the retiree, until the spouse reaches Medicare eligibility; changes were made to reflect this clarification.

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OTHER SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Blue Ridge Court Services Fund – This fund accounts for the activities of Blue Ridge Court services, which provides parole and probation services. Financing is provided by charges for services and state and federal funds.

Grants Fund – This fund accounts for state and federal grant programs of the City. Financing is provided by state and federal funds, along with local matching funds. These funds may be used only for specific purposes.

Community Development Fund – This fund is used to account for the proceeds of federal Community Development grants and other federal and state source revenue for community development. Expenditures are restricted by terms of the grants to community development activities. Community Development Block Grants (CDBG) for general government purposes are also reported in this fund.

Debt Service Fund is used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

CITY OF STAUNTON, VIRGINIA

COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

	Special Revenue Funds			Debt Service Fund	Total
	Blue Ridge Court Services	Grants	Community Development	Debt Service	Nonmajor Governmental
Assets					
Cash and cash equivalents	$ 219,791	$ -	$ 261,231	$ 3,453,242	$ 3,934,264
Receivables, net	43,643	-	-	-	43,643
Due from other governmental units	-	16,834	-	-	16,834
Prepaid items	3,617	-	-	-	3,617
Total assets	$ 267,051	$ 16,834	$ 261,231	$ 3,453,242	$ 3,998,358
Liabilities					
Liabilities:					
Accounts payable	$ 12,619	$ -	$ -	$ -	$ 12,619
Accrued liabilities	23,245	-	-	-	23,245
Due to other funds	-	16,834	-	-	16,834
Total liabilities	35,864	16,834	-	-	52,698
Fund balances					
Nonspendable	3,617	-	-	-	3,617
Restricted	16,046	-	-	-	16,046
Assigned	211,524	-	261,231	3,453,242	3,925,997
Total fund balances	231,187	-	261,231	3,453,242	3,945,660
Total liabilities and fund balances	$ 267,051	$ 16,834	$ 261,231	$ 3,453,242	$ 3,998,358

CITY OF STAUNTON, VIRGINIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2018

	Special Revenue Funds			Debt Service Fund	Total
	Blue Ridge Court Services	Grants	Community Development	Debt Service	Nonmajor Governmental
REVENUES					
Revenues from use of money and property	$ 35	$ -	$ 42	$ 86	$ 163
Charges for services	146,686	-	-	-	146,686
Miscellaneous	91,738	2,500	-	-	94,238
Intergovernmental:					
Federal	-	17,115	-	-	17,115
Commonwealth	708,037	-	-	-	708,037
City of Staunton School Board	-	-	-	50,000	50,000
Total revenues	946,496	19,615	42	50,086	1,016,239
EXPENDITURES					
Current:					
Public safety	1,022,799	19,615	-	-	1,042,414
Debt service:					
Principal retirement	-	-	-	2,877,922	2,877,922
Interest and fiscal charges	-	-	-	1,024,272	1,024,272
Total expenditures	1,022,799	19,615	-	3,902,194	4,944,608
Excess (deficiency) of revenues over expenditures	(76,303)	-	42	(3,852,108)	(3,928,369)
OTHER FINANCING SOURCES					
Transfers in	-	-	-	4,274,200	4,274,200
Total other financing sources	-	-	-	4,274,200	4,274,200
Net change in fund balance	(76,303)	-	42	422,092	345,831
Fund balances - beginning of year	307,490	-	261,189	3,031,150	3,599,829
Fund balances - ending of year	$ 231,187	$ -	$ 261,231	$ 3,453,242	$ 3,945,660

CITY OF STAUNTON, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
BLUE RIDGE COURT SERVICES FUND
Year Ended June 30, 2018

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Revenue from use of money and property	$ -	$ 35	$ 35
Charges for services	263,867	146,686	(117,181)
Miscellaneous	82,250	91,738	9,488
Intergovernmental:			
Commonwealth	685,537	708,037	22,500
Total revenues	1,031,654	946,496	(85,158)
EXPENDITURES			
Current:			
Public safety	1,032,135	1,022,799	9,336
Total expenditures	1,032,135	1,022,799	9,336
Deficiency of revenues over expenditures	(481)	(76,303)	(75,822)
Net change in fund balance	$ (481)	$ (76,303)	$ (75,822)

CITY OF STAUNTON, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
GRANTS FUND
Year Ended June 30, 2018

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Miscellaneous	$ 2,500	$ 2,500	$ -
Intergovernmental:			
Federal	23,773	17,115	(6,658)
Total revenues	26,273	19,615	(6,658)
EXPENDITURES			
Current:			
Public safety	26,273	19,615	6,658
Total expenditures	26,273	19,615	6,658
Excess (deficiency) of revenues over expenditures	-	-	-
Net change in fund balance	$ -	$ -	$ -

CITY OF STAUNTON, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT FUND
Year Ended June 30, 2018

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Revenue from use of money and property	$ -	$ 42	$ 42
Total revenues	-	42	42
Excess of revenues over expenditures	-	42	42
Net change in fund balance	$ -	$ 42	$ 42

CITY OF STAUNTON, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended June 30, 2018

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Revenue from use of money and property	$ -	$ 86	$ 86
Intergovernmental:			
City of Staunton School Board	50,000	50,000	-
Total revenues	50,000	50,086	86
EXPENDITURES			
Current:			
Debt Service			
Principal	3,070,349	2,877,922	192,427
Interest and fiscal charges	1,023,819	1,024,272	(453)
Debt reserve	1,423,700	-	1,423,700
Total expenditures	5,517,868	3,902,194	1,615,674
Deficiency of revenues over expenditures	(5,467,868)	(3,852,108)	1,615,760
OTHER FINANCING SOURCES			
Transfers in:			
Transfer from General fund	4,274,200	4,274,200	-
Total other financing sources	4,274,200	4,274,200	-
Net change in fund balance	$ (1,193,668)	$ 422,092	$ 1,615,760

CITY OF STAUNTON, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
CAPITAL IMPROVEMENTS FUND
From Inception of Project through June 30, 2018

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Revenue from use of money and property	$ 260,552	$ 1,109	$ 261,661	$ 5,314
Recovered costs	1,481,606	924,665	2,406,271	2,471,983
Miscellaneous	24,450	-	24,450	450
Intergovernmental:				
Federal	563,013	81,659	644,672	1,906,671
Commonwealth of Virginia	3,115,367	368,994	3,484,361	3,793,117
Total revenues	5,444,988	1,376,427	6,821,415	8,177,535
EXPENDITURES				
Capital outlay:				
General government administration	2,601,125	-	2,601,125	2,716,210
Public safety	6,517,578	195,130	6,712,708	7,507,942
Public works	8,250,660	1,540,153	9,790,813	14,556,401
Education	661,544	371,649	1,033,193	42,002,598
Parks, recreation, and culture	2,047,832	3,029	2,050,861	2,438,587
Community development	2,900,899	1,128	2,902,027	3,312,219
Debt service:				
Interest and fiscal charges	165,000	-	165,000	165,000
Total expenditures	23,144,638	2,111,089	25,255,727	72,698,957
Deficiency of revenues over expenditures	(17,699,650)	(734,662)	(18,434,312)	(64,521,422)
OTHER FINANCING SOURCES (USES)				
Transfers in	23,206,629	791,050	23,997,679	31,697,204
Transfers out	(6,006,943)	-	(6,006,943)	(7,656,943)
Total other financing sources (uses)	17,199,686	791,050	17,990,736	24,040,261
Net change in fund balance		$ 56,388		

NONMAJOR PROPRIETARY FUNDS

Proprietary Funds are used to account for the City's ongoing organizations and activities similar to those found in the private sector.

Golf Fund – This fund accounts for the operations of the City's Gypsy Hill Golf Course.

Parking Fund – This fund accounts for the operations of the City's parking garage and lot system.

CITY OF STAUNTON, VIRGINIA

COMBINING STATEMENT OF NET POSITION – NONMAJOR PROPRIETARY FUNDS
June 30, 2018

	Business-Type Activities – Nonmajor Enterprise Funds		
	Golf	Parking	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 2,218	$ 569,373	$ 571,591
Receivables, net	-	17,567	17,567
Restricted assets:			
Cash and cash equivalents	-	2,164,971	2,164,971
Total current assets	2,218	2,751,911	2,754,129
Capital assets:			
Nondepreciable	24,694	1,624,614	1,649,308
Depreciable, net	334,127	3,626,386	3,960,513
Total capital assets, net	358,821	5,251,000	5,609,821
Total noncurrent assets	358,821	5,251,000	5,609,821
Total assets	361,039	8,002,911	8,363,950
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	7,499	-	7,499
Deferred outflows related to other post employment benefits	2,356	-	2,356
Total deferred outflows of resources	9,855	-	9,855
LIABILITIES			
Current liabilities:			
Accounts payable	732	65,752	66,484
Retainage payable	-	18,815	18,815
Accrued liabilities	9,865	12,547	22,412
Unearned revenue	4,433	-	4,433
Deposits payable	-	4,450	4,450
Due to other funds	15,646	-	15,646
General obligation bonds	19,510	109,645	129,155
Virginia Revolving Loan Fund	-	13,784	13,784
Total current liabilities	50,186	224,993	275,179
Noncurrent liabilities:			
Net OPEB liability	28,588	-	28,588
Net pension liability	61,084	-	61,084
General obligation bonds	410,892	-	410,892
Virginia Revolving Loan Fund	-	2,168,113	2,168,113
Total noncurrent liabilities	500,564	2,168,113	2,668,677
Total liabilities	550,750	2,393,106	2,943,856
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	8,960	-	8,960
Deferred inflows related to other post employment benefits	500	-	500
Total deferred inflows of resources	9,460	-	9,460
NET POSITION			
Net investment in capital assets	(71,581)	5,118,883	5,047,302
Unrestricted	(117,735)	490,922	373,187
Total net position	$ (189,316)	$ 5,609,805	$ 5,420,489

CITY OF STAUNTON, VIRGINIA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – NONMAJOR PROPRIETARY FUNDS
Year Ended June 30, 2018

	Business-Type Activities – Nonmajor Enterprise Funds		
	Golf	Parking	Total
OPERATING REVENUES			
Parking fines	$ -	$ 67,150	$ 67,150
Charges for services	90,372	370,191	460,563
Rental of property	-	4,167	4,167
Miscellaneous	26	3,114	3,140
Total operating revenues	90,398	444,622	535,020
OPERATING EXPENSES			
Personal services	81,220	121,162	202,382
Rental of property	-	7,706	7,706
Repairs and maintenance	-	100	100
Contractual services	1,228	17,321	18,549
Materials and supplies	9,007	5,950	14,957
Depreciation	32,138	140,449	172,587
Utilities	2,027	29,009	31,036
Other expenses	1,378	117,035	118,413
Total operating expenses	126,998	438,732	565,730
Operating income (loss)	(36,600)	5,890	(30,710)
NONOPERATING REVENUES (EXPENSES)			
Interest income	1	1,262	1,263
Debt issuance costs	-	(47,972)	(47,972)
Interest and fiscal charges	(19,070)	(19,419)	(38,489)
Total nonoperating revenues (expenses)	(19,069)	(66,129)	(85,198)
Loss before transfers	(55,669)	(60,239)	(115,908)
Capital Contributed from governmental activities	-	75,000	75,000
Transfers in	50,000	114,300	164,300
Change in net position	(5,669)	129,061	123,392
Total net position - beginning of year, as restated	(183,647)	5,480,744	5,297,097
Total net position - end of year	$ (189,316)	$ 5,609,805	$ 5,420,489

EXHIBIT B-3

CITY OF STAUNTON, VIRGINIA

COMBINING STATEMENT OF CASH FLOWS –
NONMAJOR PROPRIETARY FUNDS
Year Ended June 30, 2018

	Business-Type Activities – Nonmajor Enterprise Funds		
	Golf	Parking	Total
OPERATING ACTIVITIES			
Cash received from customers	$ 87,198	$ 457,804	$ 545,002
Cash paid to suppliers	(13,862)	(181,576)	(195,438)
Cash paid to employees for services	(88,986)	(121,186)	(210,172)
Net cash provided by (used in) operating activities	(15,650)	155,042	139,392
NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	50,000	114,300	164,300
Interfund borrowing	3,584	-	3,584
Net cash provided by noncapital financing activities	53,584	114,300	167,884
CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	-	(465,214)	(465,214)
Principal paid on long-term debt	(20,000)	(212,893)	(232,893)
Interest paid on long-term debt	(18,906)	(11,506)	(30,412)
Proceeds from debt issuance	-	2,133,925	2,133,925
Net cash provided by (used by) capital and related financing activities	(38,906)	1,444,312	1,405,406
INVESTING ACTIVITIES			
Interest received	1	1,262	1,263
Net cash provided by investing activities	1	1,262	1,263
Net increase (decrease) in cash and cash equivalents	(971)	1,714,916	1,713,945
CASH AND CASH EQUIVALENTS			
Beginning of year	3,189	1,019,428	1,022,617
End of year	$ 2,218	$ 2,734,344	$ 2,736,562
Cash and cash equivalents at end of year is composed of the following:			
Cash and cash equivalents	$ 2,218	$ 569,373	$ 571,591
Restricted cash and cash equivalents	-	2,164,971	2,164,971
Total	$ 2,218	$ 2,734,344	$ 2,736,562

CITY OF STAUNTON, VIRGINIA

COMBINING STATEMENT OF CASH FLOWS –
NONMAJOR PROPRIETARY FUNDS
Year Ended June 30, 2018

	Business-Type Activities – Nonmajor Enterprise Funds		
	Golf	Parking	Total
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	$ (36,600)	$ 5,890	$ (30,710)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	32,138	140,449	172,587
Pension and OPEB expense net of employer contributions	(7,212)	-	(7,212)
Change in assets and liabilities:			
Decrease in accounts receivable	-	13,387	13,387
Decrease in accounts payable	(222)	(4,455)	(4,677)
Decrease in accrued liabilities	(554)	(24)	(578)
Decrease in unearned revenue	(3,200)	-	(3,200)
Decrease in deposits payable	-	(205)	(205)
Net cash provided by (used in) operating activities	$ (15,650)	$ 155,042	$ 139,392
Noncash investing, capital, and financing activities:			
Contributions of capital assets from other funds	$ -	$ 75,000	$ 75,000
Capital assets purchased on account	-	64,070	64,070
Total noncash activities	$ -	$ 139,070	$ 139,070

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services to other departments of the City on a cost reimbursement basis.

Health Insurance Fund – This fund is a self-insured fund used to account for employee health care costs.

Inventory Fund – This fund accounts for the sale of goods to other departments of the City.

CITY OF STAUNTON, VIRGINIA

COMBINING STATEMENT OF NET POSITION – INTERNAL SERVICE FUNDS
June 30, 2018

	Health Insurance	Inventory	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 4,998,704	$ 451,524	$ 5,450,228
Receivables, net	823	18,394	19,217
Inventory	-	246,604	246,604
Prepaid items	-	15,933	15,933
Total current assets	4,999,527	732,455	5,731,982
Noncurrent assets:			
Capital assets:			
Depreciable, net	-	57,268	57,268
Total capital assets, net	-	57,268	57,268
Total noncurrent assets	-	57,268	57,268
Total assets	4,999,527	789,723	5,789,250
LIABILITIES			
Current liabilities:			
Accounts payable	10,048	18,567	28,615
Claims payable	700,000	-	700,000
Total current liabilities	710,048	18,567	728,615
Total liabilities	710,048	18,567	728,615
NET POSITION			
Net investment in capital assets	-	57,268	57,268
Unrestricted	4,289,479	713,888	5,003,367
Total net position	$ 4,289,479	$ 771,156	$ 5,060,635

CITY OF STAUNTON, VIRGINIA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – INTERNAL SERVICE FUNDS
Year Ended June 30, 2018

	Health Insurance	Inventory	Total
OPERATING REVENUES			
Charges for services	$ 7,309,385	$ 848,523	$ 8,157,908
Miscellaneous	7,730	-	7,730
Total operating revenues	7,317,115	848,523	8,165,638
OPERATING EXPENSES			
Claims paid	5,080,605	-	5,080,605
Rental of property	-	3,732	3,732
Administrative charges	361,729	-	361,729
Stop loss fees	786,204	-	786,204
Contractual services	-	17,946	17,946
Materials and supplies	-	28,098	28,098
Depreciation	-	3,398	3,398
Other expenses	-	770,464	770,464
Total operating expenses	6,228,538	823,638	7,052,176
Operating income	1,088,577	24,885	1,113,462
NONOPERATING REVENUES			
Interest income	730	61	791
Total nonoperating revenues	730	61	791
Change in net position	1,089,307	24,946	1,114,253
Total net position - beginning of year	3,200,172	746,210	3,946,382
Total net position - end of year	$ 4,289,479	$ 771,156	$ 5,060,635

EXHIBIT C-3

CITY OF STAUNTON, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS –
INTERNAL SERVICE FUNDS
Year Ended June 30, 2018

	Health Insurance	Inventory	Total
OPERATING ACTIVITIES			
Cash received from internal services provided	$ 7,316,292	$ 856,470	$ 8,172,762
Cash paid to suppliers	-	(866,477)	(866,477)
Claims paid	(5,080,605)	-	(5,080,605)
Administrative and stop loss fees	(1,143,674)	-	(1,143,674)
Net cash provided (used) by operating activities	1,092,013	(10,007)	1,082,006
INVESTING ACTIVITIES			
Interest received	730	61	791
Net cash provided by investing activities	730	61	791
Net increase (decrease) in cash and cash equivalents	1,092,743	(9,946)	1,082,797
CASH AND CASH EQUIVALENTS			
Beginning of year	3,905,961	461,470	4,367,431
End of year	$ 4,998,704	$ 451,524	$ 5,450,228
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 1,088,577	$ 24,885	$ 1,113,462
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	-	3,398	3,398
Change in assets and liabilities:			
Decrease (increase) in accounts receivable	(823)	7,947	7,124
Increase in prepaid items	-	(3,768)	(3,768)
Increase in inventory	-	(60,096)	(60,096)
Increase in accounts payable	4,259	17,627	21,886
Net cash provided (used) by operating activities	$ 1,092,013	$ (10,007)	$ 1,082,006

There were no noncash investing, capital, or financing activities.

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD

Major Funds

Special Revenue Funds:

Education Fund – This fund is used to account for the operations and maintenance of the six city owned schools. Financing is provided by state and federal funds, and by appropriations from the City's general revenues. State and federal education funds received may be used only for this purpose. Annual appropriations from general revenues were restricted by the Appropriations Resolution to education expenditures.

Nonmajor Funds

Special Revenue Funds:

School Cafeteria Fund – This fund is used to account for the operation and maintenance of the cafeterias of the six City owned schools. Financing is provided primarily from charges for services and federal and state lunch subsidies. Such funds are limited to expenditure for cafeteria operations and maintenance by federal and state law.

Textbook Fund – This fund is used to account for the purchase and sale of school textbooks. Financing is provided primarily by state subsidies and the required local match. Funds so received are limited by the Commonwealth to expenditure only for school textbooks.

State Operated Programs Fund – This fund is used to account for revenues and expenditures associated with the operation of education programs in certain state-run hospital and juvenile detention facilities. The state contracts with the School Board to provide education programs to persons in those facilities who are required by law to receive the benefit of public education. The education programs are fully funded by state operating grants with occasional funding by federal operating grants. Thus, revenues equal the expenditures that are composed primarily of staff salaries and fringe benefits, along with moderate amounts of educational materials and purchase of services.

Capital Projects Funds:

School Construction Fund – This fund is used to account for the construction of school facilities and other major capital projects. Financing is provided by transfers from the General Fund and certain state revenues, limited to expenditure for school capital projects.

Agency Fund:

Genesis Fund – This fund is used to account for the operations, in a fiscal agent capacity, of a regional alternative education program for the Cities of Staunton, Harrisonburg, and Waynesboro, and the County of Augusta. Receipts consist of state education funds and tuition payments from the participating localities, and are restricted to use only for this regional program.

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
STATEMENT OF NET POSITION
June 30, 2018

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 5,309,320
Accounts receivable	197,580
Due from other governmental units	1,725,096
Prepaid items	2,001
Capital assets:	
Land	236,000
Other capital assets, net of accumulated depreciation	10,342,316
Total assets	17,812,313
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outlflows related to pensions	3,489,662
Deferred outflows related to other post employment benefits	563,707
	4,053,369
LIABILITIES	
Accounts payable	289,609
Accrued liabilities	1,578,980
Amounts held for others	2,703
Unearned revenue	1,000
Noncurrent liabilities:	
Net pension liability	26,200,724
Net other post employment benefit liability	7,565,641
Due within one year	238,515
Due in more than one year	318,881
Total liabilities	36,196,053
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	3,718,300
Deferred inflows related to other postemployment benefits	267,625
Total deferred inflows of resources	3,985,925
NET POSITION	
Net investment in capital assets	10,578,316
Restricted for:	
Programs	10,405
Donor purposes	11,379
Unrestricted	(28,916,396)
Total net position	$ (18,316,296)

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
STATEMENT OF ACTIVITIES
Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
Instruction and related services	$ 25,435,080	$ 1,097,809	$ 10,362,712	$ -	$ (13,974,559)
Administration, attendance, and health	2,003,695	-	-	-	(2,003,695)
Pupil transportation	1,130,134	-	-	-	(1,130,134)
Food service	1,559,462	261,111	1,174,428	-	(123,923)
Operations	2,737,877	-	-	95,266	(2,642,611)
Technology	1,404,584	-	-	-	(1,404,584)
Total School Board	$ 34,270,832	$ 1,358,920	$ 11,537,140	$ 95,266	(21,279,506)

General revenues:	
Unrestricted investment earnings	8,944
Grants and contributions not restricted to specific programs	9,893,921
Net payment from City of Staunton	16,031,766
Total general revenues	25,934,631
Change in net position	4,655,125
Net position - beginning of year, as restated	(22,971,421)
Net position - end of year	$ (18,316,296)

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
BALANCE SHEET –
GOVERNMENTAL FUNDS
June 30, 2018

	Education	Other Governmental	Total Governmental
Assets			
Cash and cash equivalents	$ 2,456,094	$ 2,853,226	$ 5,309,320
Accounts receivable	135,570	62,010	197,580
Prepaid items	2,001	-	2,001
Due from other governmental units	953,745	771,351	1,725,096
Due from other funds	616,504	-	616,504
Total assets	$ 4,163,914	$ 3,686,587	$ 7,850,501
Liabilities			
Accounts payable	$ 273,104	$ 16,505	$ 289,609
Accrued liabilities	1,378,514	234,014	1,612,528
Due to other funds	-	616,504	616,504
Unearned revenue	1,000	-	1,000
Held for others	2,703	-	2,703
Total liabilities	1,655,321	867,023	2,522,344
Deferred Inflows of Resources			
Unavailable revenue	129,706	-	129,706
Fund Balances			
Nonspendable	618,505	-	618,505
Restricted			
Programs	-	10,405	10,405
Donor	9,906	1,473	11,379
Assigned	1,750,476	2,807,686	4,558,162
Total fund balances	2,378,887	2,819,564	5,198,451
Total liabilities, deferred inflows of resources and fund balances	$ 4,163,914	$ 3,686,587	$ 7,850,501

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
RECONCILIATION OF BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2018

Total Fund Balances – Component Unit School Board		$ 5,198,451
Amounts reported for governmental activities in the statement of net position (Exhibit D-1) are different because:		
Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the funds.		
Capital assets	$ 26,240,681	
Less: accumulated depreciation	(15,662,365)	10,578,316
Receivables that are not available to pay for current period expenditures are not reported in the funds.		129,706
Financial statement elements related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows	$ 3,489,662	
Deferred inflows	(3,718,300)	
Net pension liability	(26,200,724)	(26,429,362)
Financial statement elements related to other postemployment benefits (OPEB) are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows	$ 563,707	
Deferred inflows	(267,625)	
Net OPEB liability	(7,565,641)	(7,269,559)
Compensated absences are not due and payable in the current period and therefore are not reported in the funds.		(523,848)
Total Net Position – Component Unit School Board		$ (18,316,296)

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE –
GOVERNMENTAL FUNDS
Year Ended June 30, 2018

	Education	Other Governmental	Total Governmental
REVENUES			
Revenues from use of money and property	$ 16,777	$ 8,882	$ 25,659
Charges for services	1,081,094	261,111	1,342,205
Miscellaneous	102,698	21,761	124,459
Recovered costs	263,566	395,198	658,764
Intergovernmental:			
Federal	1,787,620	1,065,500	2,853,120
Commonwealth	15,312,360	2,698,682	18,011,042
City of Staunton	12,750,000	-	12,750,000
Total revenues	31,314,115	4,451,134	35,765,249
EXPENDITURES			
Current:			
Payment to City	-	50,000	50,000
Education	30,209,289	4,425,856	34,635,145
Capital projects	-	282,830	282,830
Total expenditures	30,209,289	4,758,686	34,967,975
Excess (deficiency) of revenues over expenditures	1,104,826	(307,552)	797,274
OTHER FINANCING SOURCES (USES)			
Transfers in	53,913	657,691	711,604
Transfers out	(657,691)	(53,913)	(711,604)
Total other financing sources (uses)	(603,778)	603,778	-
Net change in fund balances	501,048	296,226	797,274
Fund balances - beginning of year	1,877,839	2,523,338	4,401,177
Fund balances - end of year	$ 2,378,887	$ 2,819,564	$ 5,198,451

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2018

Amounts reported for governmental activities in the statement of activities (Exhibit D-2) are different because:		
Net changes in fund balances - school board component unit		$ 797,274
Governmental funds report the cost of capital assets acquired as current expenditures while the statement of activities reports depreciation expense to allocate those expenditures over the life of the assets.		
Depreciation	$ (749,445)	
Capital expenses	407,923	
Transfer of assets from the City	3,331,766	
Contributed Capital	3,350	
		2,993,594
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.		(206,590)
Governmental funds report employer contributions to other postemployment benefit as expenditures. However, in the statement of activities the cost of other postemployment benefits earned net of employee contributions is reported as OPEB expense.		
Employer OPEB contributions	563,707	
OPEB expense	(615,794)	(52,087)
Governmental funds report employer pension contributions as expenditures. However in the statement of activities the cost of pension benefits earned net of employee contributions is reported as pension expense.		
Employer pension contributions	2,836,601	
Pension expense	(1,764,208)	1,072,393
Some expenses reported in the statement of activities do not require the use of current resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences		50,541
Change in net position of governmental activities		$ 4,655,125

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

	Special Revenue Funds			Capital Projects Fund	
	School Cafeteria	Textbook	State Operated Programs	School Construction	Total Nonmajor Governmental
Assets					
Cash and cash equivalents	$ 372,336	$ 744,730	$ -	$ 1,736,160	$ 2,853,226
Accounts receivable	-	-	62,010	-	62,010
Due from other governmental units	29,550	-	741,801	-	771,351
Total assets	$ 401,886	$ 744,730	$ 803,811	$ 1,736,160	$ 3,686,587
Liabilities					
Accounts payable	$ 16,137	$ -	$ 368	$ -	$ 16,505
Accrued liabilities	47,075	-	186,939	-	234,014
Due to other funds	-	-	616,504	-	616,504
Total liabilities	63,212	-	803,811	-	867,023
Fund Balance					
Restricted					
Programs	10,405	-	-	-	10,405
Donor	1,473	-	-	-	1,473
Assigned	326,796	744,730	-	1,736,160	2,807,686
Total fund balances	338,674	744,730	-	1,736,160	2,819,564
Total liabilities and fund balances	$ 401,886	$ 744,730	$ 803,811	$ 1,736,160	$ 3,686,587

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2018

	Special Revenue Funds			Capital Projects Fund	
	School Cafeteria	Textbook	State Operated Programs	School Construction	Total Nonmajor Governmental
REVENUES					
Revenues from use of money and property	$ 60	$ 101	$ -	$ 8,721	$ 8,882
Charges for services	261,111	-	-	-	261,111
Miscellaneous	21,761	-	-	-	21,761
Recovered costs	-	-	395,198	-	395,198
Intergovernmental:					
Federal	1,030,864	-	34,636	-	1,065,500
Commonwealth	39,621	173,707	2,393,438	91,916	2,698,682
Total revenues	1,353,417	173,808	2,823,272	100,637	4,451,134
EXPENDITURES					
Current:					
Payment to the City	-	-	-	50,000	50,000
Education	1,473,552	63,056	2,769,359	119,889	4,425,856
Capital projects	-	-	-	282,830	282,830
Total expenditures	1,473,552	63,056	2,769,359	452,719	4,758,686
Excess (deficiency) of revenues over expenditures	(120,135)	110,752	53,913	(352,082)	(307,552)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	107,691	-	550,000	657,691
Transfers out	-	-	(53,913)	-	(53,913)
Total other financing sources (uses)	-	107,691	(53,913)	550,000	603,778
Net change in fund balances	(120,135)	218,443	-	197,918	296,226
Fund balances - beginning of year	458,809	526,287	-	1,538,242	2,523,338
Fund balances - end of year	$ 338,674	$ 744,730	$ -	$ 1,736,160	$ 2,819,564

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
BUDGETARY COMPARISON SCHEDULE –
EDUCATION FUND
Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Revenues from use of money and property	$ 26,400	$ 26,400	$ 16,777	$ (9,623)
Charges for services	943,923	943,923	1,081,094	137,171
Miscellaneous	155,735	107,057	102,698	(4,359)
Recovered costs	250,848	250,848	263,566	12,718
Intergovernmental:				
Federal	1,801,734	2,371,756	1,787,620	(584,136)
Commonwealth	15,036,360	15,057,549	15,312,360	254,811
City of Staunton	12,750,000	12,750,000	12,750,000	-
Total revenues	30,965,000	31,507,533	31,314,115	(193,418)
EXPENDITURES				
Current:				
Education	31,154,548	31,890,257	30,209,289	1,680,968
Total expenditures	31,154,548	31,890,257	30,209,289	1,680,968
Excess (deficiency) of revenues over expenditures	(189,548)	(382,724)	1,104,826	1,487,550
OTHER FINANCING SOURCES (USES)				
Appropriation of prior year reserve/encumbrances	250,000	945,415	-	(945,415)
Transfers in:				
Transfer from State Operated Programs Fund	95,000	95,000	53,913	(41,087)
Transfers out:				
Transfer to School Textbook Fund	(105,452)	(107,691)	(107,691)	-
Transfer to School Construction Fund	(50,000)	(550,000)	(550,000)	-
Total other financing sources (uses)	189,548	382,724	(603,778)	(986,502)
Net change in fund balance	$ -	$ -	$ 501,048	$ 501,048

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2018

	Agency Fund Genesis
ASSETS	
Cash and cash equivalents	$ 546,953
Total assets	$ 546,953
LIABILITIES	
Amounts held for Program	$ 513,772
Accounts payable	5,112
Accrued liabilities	28,069
Total liabilities	$ 546,953

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUND
Year Ended June 30, 2018

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
GENESIS FUND				
ASSETS				
Cash and cash equivalents	$ 485,010	$ 862,397	$ 800,454	$ 546,953
Accounts receivable	1,050	288,568	289,618	-
Total assets	$ 486,060	$ 1,150,965	$ 1,090,072	$ 546,953
LIABILITIES				
Amounts held for Program	$ 449,611	$ 1,023,749	$ 959,588	$ 513,772
Accounts payable	4,644	99,147	98,679	5,112
Accrued liabilities	31,805	28,069	31,805	28,069
Total liabilities	$ 486,060	$ 1,150,965	$ 1,090,072	$ 546,953

DISCRETELY PRESENTED COMPONENT UNIT – EDA

The Economic Development Authority of the City of Staunton, VA (EDA) was created as a political subdivision of the Commonwealth of Virginia by ordinance of the City Council of Staunton, VA on January 26, 1984, pursuant to the provisions of the Industrial Development and Revenue Bond Act (Chapter 33, Section 15.1-1373. et seq., of the Code of Virginia (1050) as amended). The original name was the Industrial Development Authority of the City of Staunton, VA. The name was formally changed to the Economic Development Authority of the City of Staunton, VA effective July 26, 2010.

The EDA is governed by seven directors appointed by the City Council. It is authorized to acquire, own, lease, and dispose of properties to the end that such activities may promote industry and develop trade by inducing enterprises to locate and remain in Staunton.

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – EDA
STATEMENT OF NET POSITION
June 30, 2018

ASSETS	
Cash and cash equivalents	$ 153,155
Accounts receivable	16,667
Inventory	12,970,053
Capital assets:	
Nondepreciable assets	793,946
Depreciable assets, net	6,604,216
Total assets	20,538,037
LIABILITIES	
Accounts payable	136,038
Due to primary government	12,750,000
Total liabilities	12,886,038
NET POSITION	
Net investment in capital assets	7,398,162
Unrestricted	253,837
Total net position	$ 7,651,999

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – EDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year Ended June 30, 2018

OPERATING REVENUES		
Rental of property	$	31,000
Operating grants-City		158,628
Sale of salvage		17,600
Total operating revenues		207,228
OPERATING EXPENSES		
Professional fees		4,255
Stonewall Jackson rental payment		25,000
Enterprise Zone payment		78,081
Villages		71,753
Staunton Frontier		8,794
Depreciation		229,220
Total operating expenses		417,103
Operating loss		(209,875)
Change in net position		(209,875)
Net position - beginning of year		7,861,874
Net position - end of year	$	7,651,999

CITY OF STAUNTON, VIRGINIA

DISCRETELY PRESENTED COMPONENT UNIT – EDA
STATEMENT OF CASH FLOWS
Year Ended June 30, 2018

OPERATING ACTIVITIES		
Cash received from customers	$	31,000
Cash paid to suppliers/grantees		(72,582)
Other operating grants		158,628
Sale of salvage		17,600
Net cash provided by operating activities		134,646
Net increase in cash and cash equivalents		134,646
CASH AND CASH EQUIVALENTS		
Beginning of year		18,509
End of year	$	153,155
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	$	(209,875)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		229,220
Change in assets and liabilities:		
Increase in accounts payable		115,301
Net cash provided by operating activities	$	134,646

There were no noncash investing, capital, or financing activities.

SUPPLEMENTARY SCHEDULES

Certain Governmental Funds and Discretely Presented Component Unit – School Board

Schedule 1: Schedule of Revenues – Budget and Actual

Schedule 2: Schedule of Expenditures – Budget and Actual

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF REVENUES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Major and Minor Revenue Source	Final Budget	Actual	Variance Positive (Negative)
PRIMARY GOVERNMENT:			
General Fund:			
Revenue from Local Sources:			
General property taxes:			
Real property taxes	$ 17,873,475	$ 18,332,959	$ 459,484
Real and personal public service corporation property taxes	746,000	815,412	69,412
Personal property taxes	4,777,500	5,289,547	512,047
Machinery and tools taxes	457,680	540,744	83,064
Penalties and interest	365,000	460,978	95,978
Total General Property Taxes	24,219,655	25,439,640	1,219,985
Other local taxes:			
Local sales and use taxes	4,102,225	4,123,862	21,637
Consumers' utility taxes	1,130,000	1,164,277	34,277
Local communication tax	1,330,000	1,278,401	(51,599)
Business license taxes	2,151,000	2,216,754	65,754
Bank stock taxes	378,517	479,603	101,086
Taxes on recordation and wills	174,000	230,357	56,357
Lodging taxes	587,900	677,917	90,017
Restaurant food tax	3,850,000	4,118,267	268,267
Short term rental tax	25,000	28,333	3,333
Cigarette tax	400,000	397,536	(2,464)
Total Other Local Taxes	14,128,642	14,715,307	586,665
Permits, privilege fees, and regulatory licenses:			
Animal licenses	15,000	11,182	(3,818)
Permits and other licenses	296,100	276,696	(19,404)
Total Permits, Privilege Fees, and Regulatory Licenses	311,100	287,878	(23,222)
Fines and forfeitures	95,000	134,887	39,887
Revenue from use of money and property:			
Revenue from use of money	157,000	151,343	(5,657)
Revenue from use of property	45,000	47,195	2,195
Total Revenue from Use of Money and Property	202,000	198,538	(3,462)

(Continued)

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF REVENUES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Major and Minor Revenue Source	Final Budget	Actual	Variance Positive (Negative)
PRIMARY GOVERNMENT: (cont'd)			
General Fund: (cont'd)			
Revenue from Local Sources: (cont'd)			
Charges for services:			
Court costs	$ 11,000	$ 15,395	$ 4,395
Charges for Commonwealth's Attorney	3,000	3,741	741
Charges for Sheriff	2,617	2,617	-
Courtroom security fee	40,000	38,571	(1,429)
Jail admission fee	3,500	3,942	442
Charges for publications and maps	2,000	1,406	(594)
Charges for parks and recreation	329,000	393,612	64,612
Charges for library fines	25,000	21,961	(3,039)
Tourism advertising	-	3,000	3,000
Property clean up fees	3,000	33,983	30,983
Administrative fees	28,000	29,907	1,907
Payments in lieu of tax from Enterprise funds	1,220,130	1,246,761	26,631
Charges for tax-exempt organizations	5,000	4,790	(210)
Total Charges for Services	1,672,247	1,799,686	127,439
Miscellaneous revenue:			
Payment in lieu of tax-SRHA	13,000	13,593	593
Sale of salvage and surplus	15,000	31,046	16,046
Donations	2,800	14,506	11,706
Tourism Marketing leverage program	-	10,000	10,000
Miscellaneous	-	8,217	8,217
Total Miscellaneous Revenue	30,800	77,362	46,562
Recovered Costs	916,300	923,212	6,912
Total Revenue from Local Sources	41,575,744	43,576,510	2,000,766
Revenue from the Commonwealth:			
Non-categorical Aid:			
Public facilities tax	150,000	118,602	(31,398)
Rolling stock taxes	12,000	14,036	2,036
Auto rental taxes	75,000	79,340	4,340
Law enforcement	886,250	886,252	2
Grantor's tax	45,000	56,784	11,784
Recordation tax	57,000	74,058	17,058
PPTRA reimbursement	1,652,200	1,652,200	-
Total Non-Categorical Aid	2,877,450	2,881,272	3,822

(Continued)

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF REVENUES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Major and Minor Revenue Source	Final Budget	Actual	Variance Positive (Negative)
PRIMARY GOVERNMENT: (cont'd)			
General Fund: (cont'd)			
Revenue from the Commonwealth: (cont'd)			
Categorical Aid:			
Shared expenses:			
Commonwealth's attorney	$ 415,000	$ 410,185	$ (4,815)
Sheriff	286,000	293,314	7,314
Commissioner of the revenue	118,000	121,584	3,584
Treasurer	110,000	109,726	(274)
Registrar/Electoral Board	37,000	37,391	391
Circuit court clerk	266,976	270,668	3,692
Circuit court clerk-technology trust fund	14,300	25,304	11,004
Total Shared Expenses	1,247,276	1,268,172	20,896
Health and welfare	1,355,274	1,336,203	(19,071)
Other Categorical Aid:			
Street and highway maintenance	4,073,907	4,073,907	-
Circuit Court Library grant	2,554	2,554	-
Library	147,129	146,297	(832)
E911 Wireless funds	65,000	75,027	10,027
Fire programs	75,000	80,240	5,240
Commission for the Arts	4,500	4,500	-
Comprehensive Services Act funds	1,916,786	2,164,486	247,700
Four-for-Life funds	20,000	-	(20,000)
Animal license plates	600	827	227
Victim/Witness funds	27,585	24,934	(2,651)
Forfeited assets	28,801	34,486	5,685
Jurors/Witness fees	10,000	10,660	660
Total Other Categorical Aid	6,371,862	6,617,918	246,056
Total Categorical Aid	8,974,412	9,222,293	247,881
Total Revenue from the Commonwealth	11,851,862	12,103,565	251,703
Revenue from the Federal Government:			
Categorical aid:			
Health and welfare	1,031,290	1,080,266	48,976
Victim/Witness	82,756	74,803	(7,953)
Historic district guidelines grant	-	9,895	9,895
SAFER grant	132,676	111,207	(21,469)
Total Revenue from the Federal Government	1,246,722	1,276,171	29,449
Total General Fund	$ 54,674,328	$ 56,956,246	$ 2,281,918

(Continued)

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF REVENUES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Major and Minor Revenue Source	Final Budget	Actual	Variance Positive (Negative)
PRIMARY GOVERNMENT: (cont'd)			
Special Revenue Funds:			
Blue Ridge Court Services Fund:			
Revenue from Local Sources:			
Revenue from use of money and property:			
Revenue from use of money	$ -	$ 35	$ 35
Total Revenue from Use of Money and Property	-	35	35
Charges for services:			
Supervision fees	30,000	17,985	(12,015)
Drug screen fees	13,867	6,447	(7,420)
Home electronic monitoring fees	200,000	110,248	(89,752)
Group therapy fees	20,000	12,006	(7,994)
Total Charges for Services	263,867	146,686	(117,181)
Miscellaneous:			
CAPSAW	20,500	20,886	386
Augusta Health	16,750	16,750	-
VCSB-Therapeutic docket	45,000	54,102	9,102
Total Miscellaneous Revenue	82,250	91,738	9,488
Total Revenue from Local Sources	346,117	238,459	(107,658)
Revenue from the Commonwealth:			
Drug Court	67,500	90,000	22,500
Community Corrections and Pre-trial services funds	618,037	618,037	-
Total Revenue from the Commonwealth	685,537	708,037	22,500
Total Blue Ridge Court Services Fund	$ 1,031,654	$ 946,496	$ (85,158)
Grants Fund:			
Miscellaneous:			
FM Global Foundation camera grant	$ 2,500	$ 2,500	$ -
Total Miscellaneous	2,500	2,500	-
Revenue from the Federal Government:			
FEMA Fire equipment	282	281	(1)
JAG-Byrne Justice Assistance Grant	23,491	16,834	(6,657)
Total Revenue from the Federal Government	23,773	17,115	(6,658)
Total Grants Fund	$ 26,273	$ 19,615	$ (6,658)
Community Development Fund:			
Revenue from Local Sources:			
Revenue from use of money	$ -	$ 42	$ 42
Total Revenue from Local Sources	-	42	42
Total Community Development Fund	$ -	$ 42	$ 42
Total Special Revenue Funds	$ 1,057,927	$ 966,153	$ (91,774)
Grand Total Revenues - Primary Government			
General and special revenue funds	$ 55,732,255	$ 57,922,399	$ 2,190,144

(Continued)

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF REVENUES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Major and Minor Revenue Source	Final Budget	Actual	Variance Positive (Negative)
COMPONENT UNIT – SCHOOL BOARD:			
Special Revenue Funds:			
Education Fund:			
Revenue from Local Sources:			
Revenue from use of money and property:			
Revenue from use of money	$ 400	$ 62	$ (338)
Revenue from use of property	26,000	16,715	(9,285)
Total Revenue from Use of Money and Property	26,400	16,777	(9,623)
Charges for services:			
Charges for education	13,600	15,009	1,409
Tuition or other payments from another county or city	930,323	1,066,085	135,762
Total Charges for Services	943,923	1,081,094	137,171
Miscellaneous revenue:			
Donations	12,322	10,500	(1,822)
E-Rate reimbursement	12,920	-	(12,920)
Wellness program	15,000	14,996	(4)
Miscellaneous grants	66,815	72,469	5,654
Sale of salvage and surplus	-	4,733	4,733
Total Miscellaneous Revenue	107,057	102,698	(4,359)
Recovered Costs	250,848	263,566	12,718
Contribution from City of Staunton	12,750,000	12,750,000	-
Total Revenue from Local Sources	14,078,228	14,214,135	135,907

(Continued)

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF REVENUES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Major and Minor Revenue Source	Final Budget	Actual	Variance Positive (Negative)
COMPONENT UNIT – SCHOOL BOARD (Cont'd):			
Special Revenue Funds (Cont'd):			
Education Fund (Cont'd):			
Revenue from the Commonwealth:			
Categorical Aid:			
Share of state sales tax	3,402,775	3,413,456	$ 10,681
Basic school aid	6,567,981	6,687,055	119,074
Foster care	20,000	35,975	15,975
Gifted and talented-SOQ	76,375	77,534	1,159
Remedial Education-SOQ	361,614	367,098	5,484
ISAEP funds	15,717	16,587	870.0
Special education-SOQ	586,065	594,952	8,887
Special education-foster care	25,000	19,703	(5,297)
Homebound	3,312	5,096	1,784
Regional tuition programs	590,421	606,579	16,158
Primary Class size (K-3)	412,914	388,420	(24,494)
Vocational education-SOQ	132,488	134,497	2,009
Social security instructional	422,403	428,808	6,405
VRS retirement instructional	969,501	984,202	14,701
Lottery	427,266	434,141	6,875
Group Life Insurance instructional	28,056	28,482	426
At risk	308,880	316,885	8,005
VPSA Technology grants	180,000	180,000	-
At Risk - Four Year Olds (VPSI)	204,172	204,172	-
STEM recruitment	-	1,000	1,000
Remedial Summer School	53,813	43,297	(10,516)
English as a second language	25,486	28,318	2,832
Early Reading Intervention	44,343	52,406	8,063
Early Reading Specialist (ERSIP)	19,868	19,868	-
SOL-Algebra readiness	34,599	38,740	4,141
PBIS	15,050	15,050	-
Vocational - Equipment	6,483	9,812	3,329
Project Graduation	7,658	3,829	(3,829)
Math and reading incentive	39,736	39,736	-
Mentor Teacher Program	5,265	2,068	(3,197)
Compensation supplement	67,808	68,853	1,045
National board certification	2,500	2,500	-
Other state funds	-	63,241	63,241
Total Categorical Aid	15,057,549	15,312,360	254,811
Total Revenue from the Commonwealth	15,057,549	15,312,360	254,811

(Continued)

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF REVENUES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Major and Minor Revenue Source	Final Budget	Actual	Variance Positive (Negative)
COMPONENT UNIT – SCHOOL BOARD (Cont'd):			
Special Revenue Funds (Cont'd):			
Education Fund (Cont'd):			
Revenue from the Federal Government:			
Categorical Aid:			
Title I	1,222,012	928,146	$ (293,866)
Title VI - B - Special Education	898,862	711,177	(187,685)
Preschool grants	48,270	22,554	(25,716)
Title II A-Training and Recruiting	115,315	46,492	(68,823)
Title III ESEA - Limited English proficient	6,918	2,591	(4,327)
Tech Prep Education (Carl Perkins)	23,173	19,224	(3,949)
Total Categorical Aid	2,371,756	1,787,620	(584,136)
Total Revenue from the Federal Government	2,371,756	1,787,620	(584,136)
Total Education Fund	$ 31,507,533	$ 31,314,115	$ (193,418)
School Cafeteria Fund:			
Revenue from Local Sources:			
Revenue from the use of money and property:			
Revenue from use of money	$ 100	$ 60	$ (40)
Charges for services:			
Charges for food service	358,555	261,111	(97,444)
Miscellaneous Revenue:			
Donations	-	1,473	1,473
Action for Healthy Kids grant	4,790	7,300	2,510
Charlie cart grant	-	8,500	8,500
Share our Strength grant	-	687	687
Other	2,500	3,801	1,301
Total Miscellaneous revenue	7,290	21,761	14,471
Total Revenue from Local Sources	365,945	282,932	(83,013)
Revenue from the Commonwealth:			
Meal reimbursement	13,919	13,919	-
State Breakfast Incentive	9,900	20,845	10,945
Breakfast after the Bell	3,900	4,857	957
Total revenue from the Commonwealth	27,719	39,621	11,902
Revenue from the Federal Government:			
Child care food program	5,000	5,932	932
National school lunch and breakfast program	947,925	1,024,932	77,007
Total Revenue from the Federal Government	952,925	1,030,864	77,939
Total School Cafeteria Fund	$ 1,346,589	$ 1,353,417	$ 6,828

(Continued)

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF REVENUES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Major and Minor Revenue Source	Final Budget	Actual	Variance Positive (Negative)
COMPONENT UNIT – SCHOOL BOARD: (cont'd)			
Special Revenue Funds: (cont'd)			
Textbook Fund:			
Revenue from Local Sources:			
Revenue from use of money and property:	$ -	$ 101	$ 101
Total Revenue from Local Sources	-	101	101
Revenue from the Commonwealth:			
Textbook payment (including lottery fund)	173,707	173,707	-
Total Textbook Fund	$ 173,707	$ 173,808	$ 101
State Operated Programs Fund:			
Revenue from Local Sources:			
E-rate reimbursement	$ 46,228	$ -	$ (46,228)
Recovered costs	391,700	395,198	3,498
Total Revenue from local sources	437,928	395,198	(42,730)
Revenue from the Commonwealth:			
Hospitals, clinics, and detention homes	2,682,942	2,393,438	(289,504)
Revenue from the Federal Government:			
Categorical Aid			
Title I Part D	5,000	11,102	6,102
Title VI-B	10,000	23,534	13,534
Total Revenue from Federal Government	15,000	34,636	19,636
Total State Operated Programs Fund	$ 3,135,870	$ 2,823,272	$ (312,598)
Total Special Revenue Funds	$ 4,656,166	$ 4,350,497	$ (305,669)
Grand Total Revenues - Component Unit School Board	$ 36,163,699	$ 35,664,612	$ (499,087)

(Continued)

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Function, Activity, and Elements:	Final Budget	Actual	Variance Positive (Negative)
PRIMARY GOVERNMENT:			
General Fund:			
General Government Administration:			
Legislative:			
Clerk of City Council	$ 44,897	$ 38,533	$ 6,364
City Council	145,404	126,884	18,520
Total Legislative	190,301	165,417	24,884
General and Financial Administration:			
City Manager	572,380	569,170	3,210
City Attorney	371,578	319,373	52,205
City Memberships	27,865	27,683	182
Professional Consultants	63,500	63,500	-
Commissioner of the Revenue	302,638	302,624	14
Assessor and Equalization Board	260,364	250,697	9,667
Treasurer	411,224	408,493	2,731
Finance	1,240,218	1,120,474	119,744
Information Technology	1,236,341	1,147,813	88,528
Risk Management	556,897	556,008	889
Human Resources	349,375	340,223	9,152
Communications Manager	93,868	91,897	1,971
Total General and Financial Administration	5,486,248	5,197,955	288,293
Board of Elections:			
Electoral Board and Registrar	132,263	128,460	3,803
Total Board of Elections	132,263	128,460	3,803
Total General Government Administration	5,808,812	5,491,832	316,980
Judicial Administration:			
Courts:			
Circuit court	144,709	139,558	5,151
General District Court	6,800	6,037	763
Juvenile and Domestic Relations Court	81,147	81,145	2
Clerk of the Circuit Court	491,140	490,921	219
Sheriff	586,572	582,372	4,200
Victim/Witness	112,076	110,076	2,000
Magistrates	1,890	1,890	-
Total Courts	1,424,334	1,411,999	12,335
Commonwealth Attorney	585,152	574,550	10,602
Total Judicial Administration	2,009,486	1,986,549	22,937

Continued

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Function, Activity, and Elements:	Final Budget	Actual	Variance Positive (Negative)
PRIMARY GOVERNMENT: (cont'd)			
General Fund: (cont'd)			
Public Safety:			
Law Enforcement and Traffic Control:			
Police Department	$ 5,142,429	$ 4,988,726	$ 153,703
E-911 Communications	744,918	740,183	4,735
Total Law Enforcement and Traffic Control	5,887,347	5,728,909	158,438
Fire and Rescue Services:			
Fire Department	2,841,745	2,816,390	25,355
EMS Council/Four for Life	42,383	26,126	16,257
State Fire Programs	106,507	71,393	35,114
Total Fire and Rescue Services	2,990,635	2,913,909	76,726
Correction and Detention:			
Juvenile Detention Home - Contribution	137,804	137,804	-
Jail Facility	1,556,911	1,556,911	-
Youth Commission	140,500	139,767	733
Total Correction and Detention	1,835,215	1,834,482	733
Inspections:			
Building Inspection	408,965	399,809	9,156
Other Protection:			
Animal control - Animal Care	53,000	68,666	(15,666)
Medical Examiner	240	240	-
Total Other Protection	53,240	68,906	(15,666)
Total Public Safety	11,175,402	10,946,015	229,387
Public Works:			
Administration	275,067	274,075	992
Traffic Engineering (signs)	209,494	207,412	2,082
Highways, Streets, and Sidewalks	3,956,237	3,796,083	160,154
City Engineering	317,627	305,377	12,250
Traffic Signals	356,767	356,651	116
Total	5,115,192	4,939,598	175,594
Maintenance of General Buildings, Grounds, and Equipment:			
General Properties Maintenance	1,412,048	1,379,671	32,377
Equipment Maintenance	449,090	449,068	22
Total Maintenance of General Buildings, Grounds, Equipment	1,861,138	1,828,739	32,399
Total Public Works	6,976,330	6,768,337	207,993

Continued

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Function, Activity, and Elements:	Final Budget	Actual	Variance Positive (Negative)
PRIMARY GOVERNMENT: (cont'd)			
General Fund: (cont'd)			
Health and Welfare:			
Health:			
Local Health Department	$ 269,722	$ 269,721	$ 1
Mental Health and Mental Retardation:			
Chapter X Board	158,030	158,030	-
Total Health	427,752	427,751	1
Welfare:			
DSS-public assistance	3,209,168	3,209,014	154
Children Services Act	3,051,000	3,050,876	124
Tax Relief - Elderly and Disabled	116,400	109,845	6,555
Tax Relief - Veterans	75,000	81,543	(6,543)
Staunton Senior Center	6,000	6,000	-
CAPSAW	26,650	26,650	-
Contribution to Area Agency on Aging (VPAS)	20,000	20,000	-
CATS Contribution	42,042	42,042	-
Total Welfare	6,546,260	6,545,970	290
Total Health and Welfare	6,974,012	6,973,721	291
Education:			
Contribution to Community College	8,000	8,000	-
Contribution to Component Unit - School Board	12,750,000	12,750,000	-
Total Education	12,758,000	12,758,000	-
Parks, Recreation and Cultural:			
Parks and Recreation:			
Administration	1,104,927	1,047,290	57,637
Park Maintenance	1,191,593	1,133,950	57,643
Horticulture	161,213	154,399	6,814
Boys and Girls Club	20,000	20,000	-
Total Parks and Recreation	2,477,733	2,355,639	122,094
Cultural Enrichment:			
Contributions to Community Organizations	14,499	14,499	-
Total Cultural Enrichment	14,499	14,499	-
Library:			
Library Administration and Operations	1,146,052	1,089,567	56,485
Total Library	1,146,052	1,089,567	56,485
Total Parks, Recreation, and Cultural	3,638,284	3,459,705	178,579

Continued

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Function, Activity, and Elements:	Final Budget	Actual	Variance Positive (Negative)
PRIMARY GOVERNMENT: (cont'd)			
General Fund: (cont'd)			
Community Development:			
Planning and Community Development:			
Economic Development	$ 535,031	$ 491,841	$ 43,190
Planning and Development	308,120	286,348	21,772
Tourism Development	430,699	404,139	26,560
VRT-Trolley Operation	63,000	63,000	-
Staunton Welcome Center	53,586	52,555	1,031
Special Service District	155,000	152,271	2,729
Contribution - Valley Airport	48,159	48,159	-
Planning District Commission	33,833	34,293	(460)
Historic Staunton Foundation	27,500	27,500	-
GART Tourism Board	20,000	20,000	-
Staunton Creative Community Fund	20,000	20,000	-
Total Planning and Community Development	1,694,928	1,600,106	94,822
Total Community Development	1,694,928	1,600,106	94,822
Total General Fund	$ 51,035,254	$ 49,984,265	$ 1,050,989
Special Revenue Funds:			
Blue Ridge Court Services Fund:			
Public Safety:			
Correction and Detention:			
Community Corrections	$ 859,576	$ 837,776	$ 21,800
Therapeutic Docket	54,030	54,202	(172)
Augusta Health Grant	-	11,600	(11,600)
Drug Court	118,529	119,221	(692)
Total Correction and Detention	1,032,135	1,022,799	9,336
Total Public Safety	1,032,135	1,022,799	9,336
Total Blue Ridge Court Services Fund	$ 1,032,135	$ 1,022,799	$ 9,336
State and Federal Grants Fund:			
Public Safety:			
Sheriff Department Grants	$ 23,491	16,834	$ 6,657
Fire Department Grants	2,782	2,781	1
Total Public Safety	26,273	19,615	6,658
Total State and Federal Grants Fund	$ 26,273	$ 19,615	$ 6,658
Total Special Revenue Funds	$ 1,058,408	$ 1,042,414	$ 15,994
Grand Total - Expenditures -Primary Government- General and special revenue	$ 52,093,662	$ 51,026,679	$ 1,066,983

Continued

CITY OF STAUNTON, VIRGINIA

GENERAL AND SPECIAL REVENUE FUNDS
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL
Year Ended June 30, 2018

Fund, Function, Activity, and Elements:	Final Budget	Actual	Variance Positive (Negative)
COMPONENT UNIT – SCHOOL BOARD:			
Education:			
Instructional Costs	$ 24,184,738	$ 22,954,586	$ 1,230,152
Administration, Attendance & Health	2,239,358	2,117,681	121,677
Pupil Transportation	1,164,298	1,095,937	68,361
Operations and Maintenance	2,822,468	2,599,792	222,676
Technology	1,479,395	1,441,293	38,102
Total Education Fund	$ 31,890,257	$ 30,209,289	$ 1,680,968
School Cafeteria Fund:			
Food Service	$ 1,392,239	$ 1,473,552	$ (81,313)
Total School Cafeteria Fund	$ 1,392,239	$ 1,473,552	$ (81,313)
Textbook Fund			
Education:			
Instructional costs	$ 305,850	$ 63,056	$ 242,794
Total Textbook Fund	$ 305,850	$ 63,056	$ 242,794
State Operated Programs Fund			
Education:			
Instructional costs	$ 3,040,975	$ 2,769,359	$ 271,616
Total State Operated Programs Fund	$ 3,040,975	$ 2,769,359	$ 271,616
Total Special Revenue Funds	$ 4,739,064	$ 4,305,967	$ 433,097
Grand Total - Expenditures - Component Unit - School Board	$ 36,629,321	$ 34,515,256	$ 2,114,065

Continued

STATISTICAL SECTION

Financial Trends – These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity – These tables contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity – These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information – These tables offer demographic and economic indicators to help the reader understand the environment with which the City's financial activities take place and to help make comparison over time and with other governments.

Operating Information – These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Note: For presentation purposes, the impact of new GASB statements is applied prospectively.

CITY OF STAUNTON, VIRGINIA

Financial Trends Information
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)
UNAUDITIED

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental activities										
Net investment in capital assets	$ 43,232,721	$ 45,372,360	$ 43,963,323	$ 32,734,112	$ 32,253,859	$ 31,074,300	$ 31,321,359	$ 29,909,806	$ 24,406,532	$ 25,235,126
Restricted	31,265	41,469	27,466	117,646	122,452	120,217	184,868	103,639	27,485	32,366
Unrestricted	8,386,181	9,292,048	6,545,657	6,839,895	21,671,005	20,530,870	17,813,098	18,269,177	16,550,240	15,199,232
Total governmental activities net position	$ 51,650,167	$ 54,705,877	$ 50,536,446	$ 39,691,653	$ 54,047,316	$ 51,725,387	$ 49,319,325	$ 48,282,622	$ 40,984,257	$ 40,466,724
Business-type activities										
Net investment in capital assets	$ 57,260,176	$ 55,688,479	$ 54,599,310	$ 53,499,079	$ 51,946,042	$ 51,646,845	$ 51,212,802	$ 49,958,761	$ 50,278,514	$ 48,929,485
Unrestricted	13,252,492	13,842,399	12,535,217	12,545,752	15,594,582	15,253,532	16,101,004	17,720,858	15,786,830	16,283,224
Total business-type activities net position	$ 70,512,668	$ 69,530,878	$ 67,134,527	$ 66,044,831	$ 67,540,624	$ 66,900,377	$ 67,313,806	$ 67,679,619	$ 66,065,344	$ 65,212,709
Primary government										
Net investment in capital assets	$ 100,492,897	$ 101,060,839	$ 98,562,633	$ 86,233,191	$ 82,721,145	$ 82,721,145	$ 79,868,567	$ 74,685,046	$ 74,164,611	$ 71,508,211
Restricted	31,265	41,469	27,466	117,646	120,217	120,217	103,639	27,485	32,366	64,201
Unrestricted	21,638,673	23,134,447	19,080,874	19,385,647	35,784,402	35,784,402	35,990,035	32,337,070	31,482,456	28,932,479
Total primary net position	$ 122,162,835	$ 124,236,755	$ 117,670,973	$ 105,736,484	$ 118,625,764	$ 118,625,764	$ 115,962,241	$ 107,049,601	$ 105,679,433	$ 100,504,891

CITY OF STAUNTON, VIRGINIA

Financial Trends Information
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
UNAUDITED

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Expenses										
Governmental Activities:										
General government	$ 8,613,523	$ 8,881,755	$ 9,063,531	$ 6,639,656	$ 4,744,935	$ 4,524,704	$ 4,372,745	$ 4,269,567	$ 4,240,405	$ 4,353,053
Judicial administration	1,844,938	1,882,696	1,774,669	1,753,470	1,750,740	1,703,187	1,734,157	1,612,892	1,624,017	1,756,105
Public safety	11,829,002	11,718,559	10,622,194	10,864,551	11,088,236	10,869,981	10,137,714	9,808,670	9,402,422	9,248,940
Public works	6,647,903	7,688,195	7,195,893	6,975,749	6,645,051	7,053,141	6,262,440	5,666,355	5,718,532	6,302,122
Health and welfare	7,051,987	6,236,892	5,975,631	6,438,253	6,075,695	5,642,143	5,587,112	5,532,072	5,018,405	4,987,275
Education	16,566,371	12,895,304	12,792,065	12,245,921	12,136,856	11,597,335	11,199,889	10,814,412	12,096,550	12,219,779
Parks, recreation and culture	3,420,386	3,488,880	3,354,852	3,368,301	3,115,119	3,091,574	2,905,849	2,860,422	2,935,093	3,242,457
Community development	1,541,098	2,243,574	1,621,715	1,682,092	1,672,001	1,508,661	2,067,996	1,720,234	3,040,240	1,664,278
Interest on long-term debt	1,017,723	1,111,334	1,207,248	1,290,984	1,360,734	1,333,627	1,198,129	1,332,691	1,361,328	1,441,577
Total governmental activities expenses	58,532,931	56,147,189	53,607,798	51,258,977	48,589,367	47,324,353	45,466,031	43,617,315	45,436,992	45,215,586
Business-Type Activities:										
Golf	3,886,966	3,425,966	3,611,452	3,421,897	3,610,302	167,950	191,022	179,702	158,480	162,124
Water	3,917,693	3,534,495	3,556,814	3,629,070	3,532,854	3,595,525	3,557,493	3,446,557	3,139,885	3,392,655
Sewer	966,907	806,458	785,238	724,382	749,025	3,908,777	3,984,420	3,358,564	2,688,221	2,913,749
Stormwater	2,790,626	2,456,118	2,207,342	2,210,477	2,362,161	781,975	710,250	742,232	564,181	486,581
Environmental	146,068	152,966	151,865	155,309	158,691	2,431,257	2,594,453	1,777,831	2,773,641	2,615,547
Parking	506,123	460,136	414,275	430,555	411,135	421,934	468,930	423,434	455,855	466,889
Total business-type activities expenses	12,214,383	10,836,139	10,726,986	10,571,690	10,824,168	11,307,418	11,506,568	9,928,320	9,780,263	10,037,545
Total primary government expenses	$ 70,747,314	$ 66,983,328	$ 64,334,784	$ 61,830,667	$ 59,413,535	$ 58,631,771	$ 56,972,599	$ 53,545,635	$ 55,217,255	$ 55,253,131
Program Revenues										
Governmental activities:										
Charges for services:										
Governmental-PILOT from enterprise funds	$ 1,246,761	$ 1,220,130	$ 1,034,202	$ 980,711	$ 1,035,568	$ 1,083,122	$ 1,056,120	$ 1,127,162	$ 817,375	$ 909,072
Public safety	425,342	433,289	558,495	391,728	317,028	291,172	309,363	226,605	294,628	312,814
Parks and recreation	421,828	395,378	371,053	329,414	315,569	336,266	354,003	314,065	330,649	352,207
Other activities	4,649,306	4,856,611	4,753,222	3,115,420	562,709	480,508	512,293	445,442	318,251	394,589
Operating grants and contributions	11,748,393	11,227,647	16,839,852	11,676,827	10,694,950	9,759,857	10,003,989	10,018,844	9,379,027	9,472,611
Capital grants and contributions	1,356,628	2,215,355	1,105,977	546,586	683,527	471,852	274,810	4,684,814	217,303	379,550
Total governmental activities program revenues	19,848,258	20,348,410	24,662,801	17,040,686	13,609,351	12,422,777	12,510,578	16,816,932	11,357,233	11,820,843

(Continued)

CITY OF STAUNTON, VIRGINIA

Financial Trends Information
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
UNAUDITED

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Program Revenues: (cont'd)										
Business-type activities:										
Charges for services:										
Golf	$ 90,398	$ -	$ 118,900	$ 120,931	$ 137,413	$ 147,255	$ 147,371	$ 147,200	$ 174,954	$ 176,720
Water	4,285,464	-	3,744,712	3,590,380	3,598,658	3,610,812	4,036,110	3,235,783	3,305,946	3,552,940
Sewer	3,976,558	-	3,946,570	3,908,059	3,908,330	3,544,433	3,423,605	3,239,743	3,274,390	2,910,547
Stormwater	767,497	-	760,611	788,237	715,878	689,179	709,206	464,462	325,967	-
Environmental	2,660,459	6,092	2,397,526	2,312,748	1,953,912	2,064,570	1,740,587	1,705,239	1,722,333	2,198,807
Parking	444,622	-	407,383	396,382	302,234	315,158	241,846	240,989	260,062	264,351
Operating grants and contributions	6,092	785,443	14,389	65,031	13,374	5,044	13,341	2,876	3,947	10,950
Capital grants and contributions	785,443	-	139,445	686,595	-	65,871	925,347	1,269,948	3,815,810	4,347,999
Total business-type activities program revenues	13,016,533	791,535	11,529,536	11,868,363	10,629,799	10,442,322	11,237,413	10,306,240	12,883,409	13,462,314
Total primary government program revenues	$ 32,864,791	$ 21,139,945	$ 36,192,337	$ 28,909,049	$ 24,239,150	$ 22,865,099	$ 23,747,991	$ 27,123,172	$ 24,240,642	$ 25,283,157
Net (expense)/revenue										
Governmental activities	$ (38,684,673)	$ (35,798,779)	$ (28,944,997)	$ (34,218,291)	$ (34,980,016)	$ (34,901,576)	$ (32,955,453)	$ (26,800,383)	$ (34,079,759)	$ (33,394,743)
Business-type activities	802,150	1,318,823	802,550	1,296,673	(194,369)	(865,096)	(269,155)	377,920	3,103,146	3,424,769
Total primary government net expense	$ (37,882,523)	$ (34,479,956)	$ (28,142,447)	$ (32,921,618)	$ (35,174,385)	$ (35,766,672)	$ (33,224,608)	$ (26,422,463)	$ (30,976,613)	$ (29,969,974)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	$ 25,335,057	$ 24,281,660	$ 23,798,051	$ 22,339,862	$ 22,333,005	$ 20,076,871	$ 20,296,688	$ 20,311,531	$ 20,499,305	$ 19,304,861
Sales tax	4,123,862	4,039,658	4,079,919	3,988,839	3,729,201	3,588,738	3,381,018	3,495,905	3,554,096	3,862,575
Hotel and meals tax	4,796,184	4,032,180	3,651,814	3,546,923	3,141,504	2,988,497	2,794,600	2,698,937	2,681,277	2,840,345
Business license	2,216,754	2,111,282	2,092,035	2,147,291	2,197,306	2,113,160	1,925,106	1,828,598	1,872,462	1,921,537
Utility tax	1,164,277	1,144,504	1,125,214	1,125,737	1,123,536	1,102,556	1,120,868	1,103,514	1,108,625	1,116,030
Local communication tax	1,278,401	1,319,656	1,352,910	1,394,184	1,430,821	1,427,036	1,456,638	1,463,883	1,457,808	1,604,473
Other taxes	1,135,829	1,026,652	1,023,050	1,000,048	728,998	763,722	741,910	1,110,569	1,244,487	1,302,851
Unrestricted investment earnings	155,183	133,649	68,532	11,241	11,370	18,196	26,298	32,403	115,142	343,008
Grants and contributions not restricted to a specific program	2,881,272	2,862,470	2,805,667	2,805,165	2,827,514	2,526,975	2,527,349	2,756,972	2,740,644	3,066,910
Miscellaneous	18,684	57,572	29,086	25,089	8,783	27,765	52,673	19,380	31,975	11,153
Gain (loss) on sale of assets	-	-	-	-	-	-	-	-	25,105	-
Transfers	(1,066,603)	(1,041,073)	(236,488)	12,752	(224,400)	(641,360)	(224,400)	(224,400)	(4,454,401)	229,502
Total governmental activities	42,038,900	39,968,210	39,789,790	38,397,131	37,307,638	33,992,156	34,098,748	34,597,292	30,876,525	35,603,245

(Continued)

CITY OF STAUNTON, VIRGINIA

Financial Trends Information
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
UNAUDITED

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Business-type activities:										
Unrestricted investment earnings	$ 92,181	$ 36,455	$ 50,658	$ 29,192	$ 39,790	$ 57,073	$ 80,782	$ 102,258	$ 392,495	$ 668,398
Transfers	1,066,603	1,041,073	236,488	(12,752)	224,400	641,360	224,400	224,400	4,454,401	(229,502)
Total business-type activities	1,158,784	1,077,528	287,146	16,440	264,190	698,433	305,182	326,658	4,846,896	438,896
Total primary government	$ 43,197,684	$ 41,045,738	$ 40,076,936	$ 38,413,571	$ 37,571,828	$ 34,690,589	$ 34,403,930	$ 34,923,950	$ 35,723,421	$ 36,042,141
Change in Net Position										
Governmental activities	$ 3,354,227	$ 4,169,431	$ 10,844,793	$ 4,178,840	$ 2,327,622	$ (909,420)	$ 1,143,295	$ 7,796,909	$ (3,203,234)	$ 2,208,502
Business-type activities	1,960,934	2,396,351	1,089,696	1,313,113	69,821	(166,663)	36,027	704,578	7,950,042	3,863,665
Total primary government	$ 5,315,161	$ 6,565,782	$ 11,934,489	$ 5,491,953	$ 2,397,443	$ (1,076,083)	$ 1,179,322	$ 8,501,487	$ 4,746,808	$ 6,072,167

CITY OF STAUNTON, VIRGINIA

Financial Trends Information
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
UNAUDITED

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund										
Nonspendable	$ 198,490	$ 475,098	$ 103,252	$ 78,126	$ 95,561	$ 58,666	$ 61,789	$ 125,118	$ 59,636	$ 35,742
Restricted	15,219	25,401	15,825	117,646	122,452	120,217	149,868	88,639	13,985	18,866
Committed	8,489,250	8,137,500	7,295,960	6,607,250	5,777,532	5,178,250	4,540,000	4,738,109	3,968,993	3,788,452
Assigned	2,221,017	2,516,915	2,790,139	2,762,575	2,152,899	2,089,799	1,857,022	1,878,480	1,647,680	1,517,667
Unassigned	4,605,965	2,632,596	2,106,836	2,364,510	3,386,768	3,472,715	2,647,250	2,496,844	3,309,359	2,752,859
Total General Fund	$ 15,529,941	$ 13,787,510	$ 12,312,012	$ 11,930,107	$ 11,535,212	$ 10,919,647	$ 9,255,929	$ 9,327,190	$ 8,999,653	$ 8,113,586
All Other Governmental Funds										
Nonspendable	$ 3,617	$ 49,571	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	16,046	16,068	11,641	3,490	-	-	35,000	15,000	13,500	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	10,557,717	10,109,522	9,415,644	10,561,433	9,453,593	9,910,873	9,414,308	9,689,435	8,505,743	7,101,881
Unassigned	-	-	-	-	-	(5,308)	-	-	-	(101,509)
Total all other governmental funds	$ 10,577,380	$ 10,175,161	$ 9,427,285	$ 10,564,923	$ 9,453,593	$ 9,905,565	$ 9,449,308	$ 9,704,435	$ 8,519,243	$ 7,000,372

Notes:
Includes only the primary government

CITY OF STAUNTON, VIRGINIA

Financial Trends Information
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
UNAUDITED

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
REVENUES										
General property taxes	$ 25,439,640	$ 24,368,117	$ 23,036,507	$ 22,789,212	$ 22,544,761	$ 21,767,074	$ 20,073,697	$ 20,069,387	$ 20,253,506	$ 19,989,078
Sales and use tax	4,123,862	4,039,658	4,079,919	3,988,839	3,760,505	3,729,202	3,588,738	3,381,018	3,495,905	3,554,096
Hotel and meals tax	4,118,267	3,391,337	3,203,638	3,099,130	2,868,910	2,732,598	2,599,776	2,406,577	2,344,698	2,304,448
Utility taxes	1,164,277	1,144,504	1,125,214	1,125,737	1,406,473	1,123,537	1,102,556	1,120,868	1,103,514	1,108,625
Business license tax	2,216,754	2,111,282	2,092,035	2,147,291	2,092,817	2,197,306	2,113,198	1,925,106	1,828,598	1,872,462
Local communication tax	1,278,401	1,319,656	1,352,910	1,394,184	1,127,910	1,430,821	1,427,036	1,456,638	1,463,883	1,457,808
Other local taxes	1,813,746	1,667,495	1,471,226	1,447,840	1,178,087	1,137,304	1,151,406	1,129,732	1,463,007	1,621,317
Permits, privilege fees, and regulatory licenses	287,878	204,627	340,019	194,875	157,536	192,509	211,744	176,104	240,985	257,003
Fines and forfeitures	134,887	94,155	97,667	96,231	102,876	61,682	71,616	59,336	70,171	74,901
Charges for services	1,946,372	1,954,079	1,728,423	1,608,212	1,622,035	1,606,586	1,620,194	1,603,565	1,294,706	1,418,765
Intergovernmental	14,605,541	15,077,113	14,217,692	13,964,649	14,003,453	12,562,122	12,579,801	12,879,542	11,938,753	11,780,626
Investment earnings	152,529	124,450	74,703	11,826	9,238	14,607	28,659	510,633	34,041	121,033
Other revenues	2,066,758	3,264,835	1,191,662	1,189,448	693,820	665,595	681,836	61,329	580,000	637,355
Total revenues	59,348,912	58,761,308	54,011,615	53,057,474	51,568,421	49,220,943	47,250,257	46,779,835	46,111,767	46,197,517
EXPENDITURES										
General government administration	5,491,832	5,323,924	5,256,366	4,995,152	4,612,315	4,200,956	4,074,848	4,052,531	4,094,106	3,870,367
Judicial administration	1,986,549	1,887,175	1,908,434	1,819,367	1,741,001	1,717,714	1,720,680	1,594,913	1,638,486	1,734,845
Public safety	11,988,429	11,840,326	10,983,509	10,995,906	10,921,912	10,692,670	9,151,531	9,750,857	9,319,610	9,434,294
Public works	6,783,337	6,545,773	6,406,425	6,048,808	5,467,440	5,532,890	5,126,188	5,048,667	4,749,252	5,272,649
Health and welfare	6,973,721	6,217,517	5,953,836	6,418,179	6,063,427	5,636,446	5,582,630	5,527,635	5,012,585	4,982,095
Education	12,799,048	12,570,848	12,188,148	11,896,270	11,780,170	11,004,427	10,715,366	10,602,061	9,948,427	11,506,943
Parks, recreation and cultural	3,462,734	3,386,445	3,495,384	3,235,318	3,107,917	2,964,000	2,860,619	2,793,380	2,789,783	3,101,115
Community development	1,601,234	1,954,345	1,639,414	1,723,742	1,778,665	1,510,259	2,263,642	1,724,699	1,987,336	1,649,671
Capital outlay	2,050,884	1,798,102	2,969,485	339,235	1,868,965	533,126	2,900,387	625,192	219,482	-
Debt service:										
Principal retirement	2,877,922	2,827,195	2,546,046	2,500,449	2,466,353	1,783,845	1,785,018	2,042,417	2,281,258	16,727,747
Interest and fiscal charges	1,024,272	1,117,284	1,205,009	1,289,295	1,372,263	1,203,682	1,220,736	1,298,202	1,355,642	1,166,623
Bond issue costs	-	-	-	-	-	96,553	-	-	106,621	9,675
Total expenditures	57,039,962	55,468,934	54,552,056	51,261,721	51,180,428	46,876,568	47,401,645	45,060,554	43,502,588	59,456,024
Excess (deficiency) of revenues over (under) expenditures	2,308,950	3,292,374	(540,441)	1,795,753	387,993	2,344,375	(151,388)	1,719,281	2,609,179	(13,258,507)

(Continued)

CITY OF STAUNTON, VIRGINIA

Financial Trends Information
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
UNAUDITED

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
OTHER FINANCING SOURCES (USES)										
Bonds issued	-	-	-	-	15,000,000	-	-	-	15,000,000	-
Sale of building and equipment	-	-	-	-	-	-	17,848	20,159	25,105	-
Payment to refunding bond escrow agent*	-	-	-	-	(15,000,000)	-	-	-	-	-
Transfers in	5,065,250	6,491,550	5,391,619	5,992,012	8,933,104	9,296,443	5,945,984	4,077,358	3,117,242	1,418,913
Transfers out	(5,229,550)	(7,560,550)	(5,606,911)	(6,281,540)	(9,157,504)	(9,471,443)	(6,170,384)	(4,301,758)	(3,296,682)	(1,677,993)
Total other financing sources (uses)	(164,300)	(1,069,000)	(215,292)	(289,528)	(224,400)	(175,000)	(206,552)	(204,241)	14,845,665	(259,080)
Net change in fund balance	$ 2,144,650	$ 2,223,374	$ (755,733)	$ 1,506,225	$ 163,593	$ 2,169,375	$ (357,940)	$ 1,515,040	$ 17,454,844	$ (13,517,587)
Debt service as a percentage of noncapital expenditures	7.22%	7.40%	7.40%	7.57%	7.92%	6.47%	6.71%	7.73%	8.57%	6.65%

Notes:
Includes only the primary government
* in 2013 $15,000,000 was paid to the Commonwealth of Virginia to settle debt on the Staunton Crossing property. See note 18.

CITY OF STAUNTON, VIRGINIA

Financial Trends Information
Assessed Value and Actual Value of Taxable Property
Last Ten Calendar Years
UNAUDITED

Calendar Year	Residential	Commercial	Industrial	Total Taxable and Actual Assessed Value	Total Direct Tax Rate
2018	$ 1,492,968,667	$ 319,767,739	$ 64,834,593	$ 1,877,570,999	$ 0.97
2017	1,480,970,446	317,552,066	64,858,693	1,863,381,205	0.97
2016	1,441,318,317	309,192,006	55,452,633	1,805,962,956	0.95
2015	1,431,614,975	309,735,756	52,469,958	1,793,820,689	0.95
2014	1,423,202,760	311,476,860	53,212,038	1,787,891,658	0.95
2013	1,417,105,412	311,919,138	53,212,038	1,782,236,588	0.90
2012	1,465,244,126	313,111,572	52,355,253	1,830,710,951	0.90
2011	1,456,303,391	315,889,749	48,128,961	1,960,478,554	0.90
2010	1,584,972,579	322,101,977	53,403,998	1,944,786,867	0.90
2009	1,570,574,212	321,077,444	53,135,211	1,823,613,850	0.90

Sources:
City of Staunton Assessor's Office.

Notes:
-Property in the City of Staunton is reassessed every other year.
-The City assesses all real property at 100% of actual value, therefore the actual assessed value equals the taxable assessed value.
-Tax rates are per $100 of assessed value.
-Includes real estate and downtown service district taxes.
-This schedule includes assessments made during the calendar year, January through December. The current calendar year includes taxes assessed in May but due 75% in June and 25% in December.
-There are no overlapping governments and therefore are no overlapping tax rates.

CITY OF STAUNTON, VIRGINIA

Revenue Capacity Information
Principal Property Taxpayers
Current Year and Nine Years Ago
UNAUDITED

	2018			2009		
Taxpayer Name	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
One Industry Way Co-Owners	$ 14,014,000	1	0.75%	$ 14,901,600	1	0.77%
Wal-Mart Real Estate Business	11,638,200	2	0.62%	12,236,540	2	0.63%
Gypsy Hill Place LLC	11,629,500	3	0.62%			
ETCL Staunton LLC	10,996,050	4	0.59%			
Staunton Station LLC	9,788,180	5	0.52%			
Big Sky LLC	9,628,200	6	0.51%	10,132,690	4	0.52%
Statler Station LLC	9,524,400	7	0.51%	9,893,390	6	0.51%
LSK Properties LLC	9,375,370	8	0.50%			
Big Sky II LLC	8,983,170	9	0.48%			
BH Brightview Baldwin Park LLC	8,977,130	10	0.48%			
Staunton Plaza LLC	-		-	10,439,320	3	0.54%
Baldwin Park LLC	-		-	10,121,260	5	0.52%
Staunton Hotel LLC	-		-	8,649,740	9	0.44%
FAP Properties	-		-	9,598,330	7	0.49%
KM Staunton Development LLC	-		-	8,920,660	8	0.46%
Land'Or Williamsburg LLC	-		-	8,644,600	10	0.44%
Totals	$ 104,554,200		5.57%	$ 103,538,130		5.32%

Source: City Assessor
Notes:
Real Estate Only

CITY OF STAUNTON, VIRGINIA

Revenue Capacity Information
Property Tax Levies and Collections
Last Ten Calendar Years
UNAUDITED

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Calendar Years	Total Collections To Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2018	(1) $ 18,239,912	(2) $ -	0.00%	$ -	$ -	0.00%
2017	18,025,255	17,170,918	95.26%	-	17,170,918	95.26%
2016	17,097,175	16,281,518	95.23%	278,649	16,560,167	96.86%
2015	16,968,376	16,082,688	94.78%	416,273	16,498,940	97.23%
2014	16,887,817	15,988,802	94.68%	499,723	16,488,525	97.64%
2013	16,782,813	15,819,093	94.26%	618,871	16,437,965	97.95%
2012	16,261,738	15,280,479	93.97%	683,418	15,963,897	98.17%
2011	16,140,585	15,094,471	93.52%	775,907	15,870,378	98.33%
2010	17,426,047	16,310,945	93.60%	877,618	17,188,563	98.64%
2009	17,310,637	16,259,263	93.93%	833,180	17,092,443	98.74%
2008	16,247,090	15,434,142	95.00%	619,758	16,053,900	98.81%

Sources: City of Staunton Assessor and Finance Department

Includes real estate and downtown service district taxes

(1)Taxes levied for the current calendar year are levied in May and are due 75% in June and 25% in December.
(2)Collections made during the current calendar year for any tax year are not shown because the calendar year is not complete.

CITY OF STAUNTON, VIRGINIA

Debt Capacity Information
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
UNAUDITED

	Governmental Activities				Business - type Activities				
Fiscal Year	General Obligation Bonds	Contractual Obligations	Literary Loans	Capital Leases	General Obligation Bonds	VRA Loans	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2018	$ 21,161,511	$ -	$ 9,050,000	$ -	$ 540,047	$18,441,805	$ 49,193,363	10.52%	$ 2,030
2017	23,080,231	-	10,000,000	-	772,426	17,897,090	51,749,747	9.29%	2,124
2016	24,947,870	-	10,950,000	-	996,003	19,570,861	56,464,734	8.25%	2,293
2015	26,534,048	-	11,900,000	-	1,211,072	21,433,518	61,078,638	7.37%	2,489
2014	28,074,301	-	12,850,000	-	1,723,328	23,469,544	66,117,173	6.63%	2,692
2013	29,596,293	-	13,800,000	-	2,217,443	25,427,880	71,041,616	5.80%	2,944
2012	15,435,709	15,000,000	14,750,000	-	2,693,605	27,324,698	75,204,012	5.33%	3,096
2011	16,976,230	15,000,000	15,000,000	-	3,153,233	29,167,307	79,296,770	5.03%	3,266
2010	17,372,086	15,000,000	16,650,000	-	3,672,289	29,805,721	82,500,096	4.78%	3,440
2009	18,699,651	-	17,600,000	11,068	4,523,372	19,869,137	60,703,228	6.46%	2,528

Notes:
Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(a) See Table 11 for personal income and population data.

CITY OF STAUNTON, VIRGINIA

Debt Capacity Information
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years
UNAUDITED

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds	Literary Loans	VRA Loans	Net Bonded Debt	Percentage of Actual Taxable Value of Property (a)	Per Capita (b)
2018	$ 21,701,558	$ 9,050,000	$ 18,441,805	$ 49,193,363	2.62%	$ 2,030
2017	23,852,657	10,000,000	17,897,090	51,749,747	2.78%	2,124
2016	25,943,873	10,950,000	19,570,861	56,464,734	3.10%	2,293
2015	27,745,120	11,900,000	21,433,518	61,078,638	3.40%	2,489
2014	29,797,629	12,850,000	23,469,544	66,117,173	3.67%	2,692
2013	31,813,736	13,800,000	25,427,880	71,041,616	3.95%	2,944
2012	18,129,314	14,750,000	27,324,698	60,204,012	3.25%	2,473
2011	20,129,463	15,000,000	29,167,307	64,296,770	3.49%	2,666
2010	21,044,375	16,650,000	29,805,721	67,500,096	4.17%	2,808
2009	23,223,023	17,600,000	19,869,137	60,692,160	3.11%	2,528

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(a) Property values data can be found in Table 5.

(b) Population data can be found in Table 11.

CITY OF STAUNTON, VIRGINIA

Debt Capacity Information
Legal Debt Margin Information
Last Ten Fiscal Years
UNAUDITED

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt Limit	$ 187,757,100	$ 186,338,121	$ 180,596,296	$ 179,382,069	$ 178,789,166	$ 178,223,659	$ 183,071,095	$ 182,032,210	$ 196,047,855	$ 194,478,687
Total net debt applicable to limit	49,193,363	51,749,747	55,997,284	61,078,638	66,117,173	71,041,616	60,204,012	64,296,770	67,500,096	60,692,160
Legal debt margin	$ 138,563,737	$ 134,588,374	$ 124,599,012	$ 118,303,431	$ 112,671,993	$ 107,182,043	$ 122,867,083	$ 117,735,440	$ 128,547,759	$ 133,786,527
Legal debt margin as a percentage of the debt limit	73.80%	72.23%	68.99%	65.95%	63.02%	60.14%	67.11%	64.68%	65.57%	68.79%

TABLE 11

CITY OF STAUNTON, VIRGINIA

Demographic and Economic Information
Demographic and Economic Statistics
Last Ten Fiscal Years
UNAUDITED

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median age (1)	School enrollment (3)	Unemployment rate (4)
2018	24,234	$ 5,177,207	$ 42,436	44.2	2,563	3.2%
2017	24,363	4,808,881	40,000	44.0	2,534	3.8%
2016	24,416	4,620,405	38,579	43.4	2,535	3.9%
2015	24,538	4,501,809	37,664	42.3	2,590	5.1%
2014	24,350	4,343,540	36,597	42.3	2,535	5.6%
2013	23,921	4,085,833	34,442	42.9	2,522	6.3%
2012	24,067	3,969,481	33,502	42.9	2,605	6.3%
2011	23,834	3,912,376	33,114	42.1	2,528	6.7%
2010	23,746	3,903,337	33,161	41.8	2,572	7.7%
2009	23,899	3,903,337	33,161	41.8	2,578	7.5%

Sources:

(1) U. S. Census

(2) Bureau of Economic Analysis - Regional Data for the County of Augusta and the Cities of Staunton and Waynesboro. The most recent data is for 2017.

(3) Staunton City School Board

(4) US Department of Labor-Bureau of Labor Statistics

CITY OF STAUNTON, VIRGINIA

Demographic and Economic Information
Principal Employers
Current Year
UNAUDITED

	2018			2009		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Western State Hospital	500-999	1	6.31%	500-999	1	4.68%
Staunton City School Board	250-499	2	3.16%	500-999	2	4.68%
City of Staunton	250-499	3	3.16%	250-499	6	3.19%
Mart Baldwin College	250-499	4	3.16%	250-499	3	3.19%
Walmart	250-499	5	3.16%	250-499	5	3.19%
Federated Auto Parts	250-499	6	3.16%	100-249	9	
Brightview Senior Living LLC	100-249	7	1.47%			
VDOT	100-249	8	1.47%	250-499	4	3.19%
Cadence Inc	100-249	9	1.47%			
Virginia School for the Deaf and Blind	100-249	10	1.47%	100-249	8	0.64%
Alphastaff Inc				250-499	7	3.19%
Best Buy				100-249	10	0.64%
Total	2400-4990		27.99%	2400-4990		26.59%

Source: Virginia Employment Commission (VEC)
Notes:
Percentage of Total City employment (2018) is based on the midpoints in the ranges given.

CITY OF STAUNTON, VIRGINIA

Operating Information
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years
UNAUDITED

	Full Time Equivalent Employees as of June 30									
Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government	33	33	35	35	32	33	31	31	30	33
Judicial	22	22	22	21	21	21	21	21	23	23
Public Safety	103	103	103	99	99	99	99	98	101	107
Public Works	41	40	40	40	38	38	38	38	39	40
Parks, Recreation, and Culture	25	24	24	24	24	23	23	22	26	26
Community Development	8	8	7	7	7	7	7	7	8	8
Blue Ridge Courts	9	9	9	9	8	8	8	8	8	8
Golf	1	1	1	1	1	1	1	1	1	1
Water	26	26	26	25	25	25	25	25	24	25
Sewer	5	5	5	5	5	5	5	5	6	6
Environmental	18	18	18	18	18	18	18	20	22	24
Stormwater	1	1	1	1	1	1	1	1	1	2
Total	292	290	291	285	279	279	277	289	289	292

na-not available
Source: Finance Department
Notes:
A full time employee is scheduled to work 2,088 hours per year (including vacation and sick leave).
Full time equivalent employment is calculated by dividing total labor hours by 2,088. City firefighters' time is based on 2,766 hours per year.

CITY OF STAUNTON, VIRGINIA

Operating Information
Operating Indicators by Function/Program
Last Ten Fiscal Years
UNAUDITED

Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Public Safety:										
Police:										
Arrests	2,660	2,560	2,542	2,363	2,438	2,429	2,415	2,402	2,378	2,517
Parking tickets	5,269	4,618	4,855	4,813	4,931	5,036	5,548	5,117	3,639	5,428
Traffic summons	3,381	2,541	3,143	3,066	4,263	2,982	3,809	4,693	4,093	4,525
Fire:										
Incident responses	3,245	2,693	3,200	3,176	3,087	3,450	2,640	3,372	3,000	2,812
Fires extinguished	67	65	50	78	50	55	56	65	45	80
Inspections	1,910	1,611	1,311	1,250	1,193	918	424	417	407	348
Inspections:										
Building permits issued	945	588	960	907	957	881	1,010	1,036	896	1,024
Building inspections conducted	3,339	2,615	3,054	2,352	2,353	2,772	2,592	2,753	2,538	3,587
Public Works:										
Refuse:										
Recycling collected (tons per day)	2.20	2.26	2.28	2.73	2.27	2.16	2.12	1.72	1.58	1.65
Refuse collected (tons per day)	64.86	59.58	60.95	57.4	59.6	61.8	63.7	62.6	69.9	67.6
Other public works:										
Lane miles paved	6.42	10.5	12	13.7	11.1	10.2	12.3	10.08	9.78	5.25
Parks and Recreation:										
Rounds of golf	6,133	6,871	7,796	8,555	9,040	9,698	9,731	9,863	8,939	10,283
Library:										
Volumes in collection	na	145,943	163,930	172,836	174,577	177,957	177,037	175,505	171,652	172,345
Total volumes borrowed	na	401,074	388,795	379,306	393,416	389,551	397,243	418,107	432,276	450,949
Utility:										
New connections-water	11	13	4	8	8	8	9	16	11	13
Active customers-water	9,572	9,520	9,454	9,401	9,351	9,347	9,358	9,335	9,727	9,296

Sources: Various city departments; regional landfill

na- data not available

CITY OF STAUNTON, VIRGINIA

Operating Information
Capital Asset Statistics by Function/Program
Last Nine Fiscal Years
UNAUDITED

Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Units-marked	21	21	18	18	19	19	19	20	20	20
Units-unmarked	26	26	20	20	18	18	18	16	16	16
Fire Stations	2	2	2	2	2	2	2	2	2	2
Refuse										
Collection trucks	7	7	7	8	8	10	8	7	7	7
Recycling trucks	3	3	3	3	3	3	4	3	3	3
Other Public Works										
Lane miles of streets	300.57	300.52	300.19	300.28	299.72	298.7	298.7	298.55	298.55	298.55
Traffic Signals-signals and flashers	65	65	65	65	65	65	65	63	64	64
Parks and Recreation										
Acreage	482	482	482	482	482	482	482	482	482	477
Number of Parks	9	9	9	9	9	9	9	9	9	7
Baseball/softball fields	8	8	8	8	8	8	8	8	8	7
# of baseball/softball games played	820	1,580	1,670	1,798	1,619	1,614	1,585	1,560	1,522	1,590
Soccer/football fields	4	4	4	4	4	4	4	4	4	4
# of soccer/football games played	350	195	385	196	211	220	212	195	214	217
Water										
Miles of water mains	183.44	181.97	181.41	181.27	181.11	181.4	179.41	175.37	175.35	175.15
Fire Hydrants	1072	1065	1062	964	957	919	912	912	897	887
Storage capacity (thousands of gal)	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200
Sewer										
Miles of sanitary sewers	134.47	133.85	133.41	133.39	132.8	132.84	132.84	132.79	132.42	132.35

Sources: Various City departments
na - data not available.

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COMPLIANCE SECTION

BROWNEDWARDS
certified public accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Members of City Council
City of Staunton, Virginia

We have audited, in accordance with the 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 Counties, Cities, and Towns,* 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 the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Staunton, Virginia (the "City"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 30, 2018.

Our report includes reference to other auditors who audited the financial statements of the Augusta Regional Landfill as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or on compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. **Given these limitations 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.**

Compliance and Other Matters

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

Purpose of this Report

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

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
November 30, 2018

BROWNEDWARDS
certified public accountants

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

To the Honorable Members of City Council
City of Staunton, Virginia

Report on Compliance for Each Major Federal Program

We have audited the City of Staunton, Virginia's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2018. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. 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; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Staunton, Virginia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. **We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.**

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 based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
November 30, 2018

CITY OF STAUNTON, VIRGINIA

SUMMARY OF COMPLIANCE MATTERS
June 30, 2018

As more fully described in the 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,* we performed tests of the City's compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

STATE COMPLIANCE MATTERS

Code of Virginia
Budget and Appropriation Laws
Cash and Investment Laws
Conflicts of Interest Act
Local Retirement Systems
Debt Provisions
Procurement Laws
Economic Development Opportunity Funds
Sheriff Internal Controls
Uniform Disposition of Unclaimed Property Act

State Agency Requirements
Education
Urban Highway Maintenance

FEDERAL COMPLIANCE MATTERS

Compliance Supplement for Single Audits of State and Local Governments

Provisions and conditions of agreements related to federal programs selected for testing.

CITY OF STAUNTON, VIRGINIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2018

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an **unmodified opinion** on the financial statements.
2. **No significant deficiencies** relating to the audit of the financial statements are reported in the 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*.
3. **No instances of noncompliance** material to the financial statements were disclosed.
4. **No significant deficiencies** relating to the audit of the major federal award programs were reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs expresses an **unmodified opinion**.
6. The audit disclosed **no audit findings relating to major programs.**
7. The major programs of the City are:

Title I Grants to Local Educational Agencies	84.010
Special Education – Grants to States	84.027
Special Education – Preschool Grants	84.173

8. The **threshold** for distinguishing Type A and B programs was **$750,000**.
9. The City was determined to be a **low-risk auditee**.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

D. FINDINGS AND QUESTIONED COSTS – COMMONWEALTH OF VIRGINIA

None.

CITY OF STAUNTON, VIRGINIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

Federal Granting Agency/Pass-Through State Agency/Grant Program	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
DEPARTMENT OF AGRICULTURE:			
Pass-Through Programs:			
Department of Agriculture:			
Child Nutrition Cluster:			
National School Lunch Program - Non Cash Commodities	10.555	N/A	$ 82,182
Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	201818N109941;201717N109941	294,012
National School Lunch Program	10.555	201818N109941;201717N109941	730,920
Child and Adult Care Food Program	10.558	na	5,932
Department of Social Services:			
Food Stamp Cluster:			
State Administrative Matching Grants for the Food Stamp Program:			
Cost Allocations - Food Stamps	10.561	84322	5,701
DEPARTMENT OF EDUCATION:			
Pass-Through Programs:			
Department of Education:			
Title 1, Part A Cluster:			
Title I Educationally Deprived Children - LEA	84.010	S010A170046; S010A160046	910,951
Title I, Part D - Neglected & Delinquent Children	84.013	S013A160046; S013A150046	28,297
Special Education Cluster			
Title VIB - Special Education	84.027	H027A160107; H027A150107; H027A170107	734,711
Special Education - Pre-School Grants	84.173	H173A160112	22,554
Vocational Education - Basic Grants to States	84.048	V048A170046; V048A160046	57,436
Title II, Part A - Training & Recruiting Grant	84.367	S367A160044; S367A170044	46,492
Title III ESEA - Limited English Proficient	84.365	na	2,591
Title IV-Student Support and Academic Enrichment Grants	84.424	S424A170048	19,224

Continued

CITY OF STAUNTON, VIRGINIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

Federal Granting Agency/Pass-Through State Agency/Grant Program	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Pass-Through Programs:			
Department of Social Services:			
Temporary Assistance for Needy Families:	93.558		
VIEW Component and Component-Related Activities		87201	$ 897
VIEW-Supportive Services		87202	8,345
VIEW- Transitional Transportation		87204	7,153
VIEW-Transportation		87207	40,778
Adjustment			(37,905)
Child Care and Development Block Grant:	93.575		
Discretionary Recoupment for VACMS		88801	(1,550)
Adjustment			15
Child Care and Development Fund:-Mandatory and Matching Funds	93.596		
Mandatory/Matching Recoupment for VaCMS		88901	(518)
Foster Care - Title IV-E:	93.658		
Children's Residential Facility		81107	112,491
Licensed Child Placing Agency-Basic Maintenance		81108	106,294
Local Agency Foster Home-Basic Maintenance		81110	49,792
Licensed Child Placing Agency-Enhanced Maintenance for Additional Daily Supervision		81112	172,895
Fostering Futures LCP Basic Maintenance		81401	2,352
Fostering Futures IL Basic Maintenance		81403	7,875
Fostering Futures LCP Enhanced Maintenance		81404	726
Central Service Cost Allocation - IV-E serv		84319	2,238
Adoption Assistance:	93.659		
Subsidized Adoption Assistance-Basic Maintenance		81201	276,043
Nonrecurring Adoption Assistance		81202	2,855
Federal Adoption Assistance-Enhanced Maintenance for Additional Daily Supervision		81203	230,736
Central Service Cost Allocation-IVE Adoption		84324	218
Adjustment			12,146
Social Services Block Grant:	93.667		
State Adoption Assistance Purchase of Service		81701	54,245
Home Based Homemaker (State Supplement)		83304	19,017
Prevention Services		83306	327
Adult Protective Services		89501	1,877
Medical Assistance Program (Title XIX)	93.778		
Central Service Cost Allocation-Medicaid		84323	5,223

Continued

CITY OF STAUNTON, VIRGINIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

Federal Granting Agency/Pass-Through State Agency/Grant Program	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
DEPARTMENT OF HOMELAND SECURITY:			
Direct Programs:			
Assistance to Firefighters	97.044	EMW-2010-FO-07322	281
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMH-2016-FH-00549	111,207
ENVIRONMENTAL PROTECTION AGENCY			
Chesapeake Bay Trust			
Chesapeake Bay Implementation Grant Program	66.640	13111	75,000
DEPARTMENT OF JUSTICE:			
Pass-Through Programs:			
Department of Criminal Justice Services:			
Crime Victim Assistance	16.575	18-V9264VW16	74,803
Edward Byrne Memorial Justice Assistance Grant Program	16.738	18-A4494AD13	16,834
DEPARTMENT OF TRANSPORTATION:			
Pass-Through Programs:			
Virginia Department of Transportation:			
Highway Planning and Construction	20.205	UPC 80485	6,659
DEPARTMENT OF THE INTERIOR			
Virginia Department of Historic Resources			
Historic Preservation Fund Grants in Aid	19.204	na	9,895
Total Expenditures of Federal Awards			$ 4,310,247

CITY OF STAUNTON, VIRGINIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

Note 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards presents the activity of all federal award programs of the City of Staunton, Virginia reporting entity and is presented on the modified accrual basis of accounting.

Note 2. INDIRECT COST RATE

The City did not elect to use the 10% de minimus indirect cost rate.

Note 3. OUTSTANDING LOAN BALANCES

At June 30, 2018, the City had no outstanding loan balances requiring continuing disclosure.

CITY OF STAUNTON, VIRGINIA AND CITY OF STAUNTON PUBLIC SCHOOLS

COMMENTS ON INTERNAL CONTROL AND OTHER SUGGESTIONS FOR YOUR CONSIDERATION

June 30, 2018

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BROWNEDWARDS
certified public accountants

INDEPENDENT AUDITOR'S REPORT ON COMMENTS AND SUGGESTIONS

To the Honorable Members of the
City Council and School Board
City of Staunton, Virginia

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Staunton, Virginia as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered its 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 opinion on the financial statements and to comply with any other applicable standards, such as *Government Auditing Standards* and the regulations set forth in the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

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

If material weaknesses or significant deficiencies were identified during our procedures, they are appropriately designated as such in this report. Additional information on material weaknesses or significant deficiencies and compliance and other matters is included in the ***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*** which should be read in conjunction with this report.

Additionally, during our audit, we may have become aware of certain other matters that provide opportunities for improving your financial reporting system and/or operating efficiency. Such comments and suggestions regarding these matters, if any, are also included in the attached report, but are not designated as a material weakness or significant deficiency. Since our audit is not designed to include a detail review of all systems and procedures, these comments should not be considered as being all-inclusive of areas where improvements might be achieved. We also have included information on accounting and other matters that we believe is important enough to merit consideration by management and those charged with governance. It is our hope that our suggestions will be taken in the constructive light in which they are offered.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of the City of Staunton, Virginia, management, and the appropriate state and federal regulatory agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
November 30, 2018

CITY OF STAUNTON, VIRGINIA AND
CITY OF STAUNTON PUBLIC SCHOOLS

PRIOR YEAR COMMENTS ON INTERNAL CONTROL AND
OTHER SUGGESTIONS FOR YOUR CONSIDERATION

RELIANCE ON COMPENSATING CONTROLS

In an ideal system of internal controls, no individual would perform more than one duty in connection with any transaction or series of transactions. In particular, no one individual should have access to both physical assets and the related accounting records. This is because such access may allow errors or fraud to occur and remain undetected or concealed.

Areas where in the past we identified a lack of segregation of duties included the accounts payable function, payroll function, bank reconciliation, journal entries, and authorized check signors. The City's finance department has responded to these concerns by implementing certain *compensating controls,* which, although they do not remove the original control deficiency, they mitigate the risk that a fraudulent transaction could occur and remain undetected. These compensating controls at the City consist of reviews of certain reports by the Assistant Director of Finance, Treasurer, and Director of Finance.

Because of these compensating controls, in our judgment these deficiencies do not constitute a material weakness or significant deficiency. Even so, management should note that these controls are effective only if applied regularly with vigilance. Also, as described in our report on these comments, our responsibility is to report control deficiencies that we note in performing our audits; other undetected control deficiencies may exist elsewhere.

CITY OF STAUNTON, VIRGINIA AND
CITY OF STAUNTON PUBLIC SCHOOLS

ACCOUNTING AND OTHER MATTERS
June 30, 2018

In this section, we would like to make you aware of certain confirmed and potential changes that are on the horizon that may affect your financial reporting and audit.

The GASB issued **Statement No. 81**, *Irrevocable Split-Interest Agreements* in March 2016. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. The requirements of this Statement are effective for periods beginning after December 15, 2016.

The GASB issued **Statement No. 83**, *Certain Asset Retirement Obligations* in November 2016. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The requirements of this Statement are effective for periods beginning after June 15, 2018.

The GASB issued **Statement No. 84**, *Fiduciary Activities* in January 2017. This Statement establishes standards of accounting and financial reporting for fiduciary activities. The requirements of this Statement are effective for periods beginning after December 15, 2018.

The GASB issued **Statement No. 85**, *Omnibus 2017* in March 2017. This Statement establishes accounting and financial reporting requirements for blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The requirements of this Statement are effective for periods beginning after June 15, 2017.

The GASB issued **Statement No. 86**, *Certain Debt Extinguishment Issues* in May 2017. This Statement establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with only existing resources—that is, resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the purpose of extinguishing debt. This Statement also amends accounting and financial reporting requirements for prepaid insurance associated with debt that is extinguished, whether through a legal extinguishment or through an insubstance defeasance, regardless of how the cash and other monetary assets were acquired. Finally, this Statement establishes an additional disclosure requirement related to debt that is defeased in substance, regardless of how the cash and other monetary assets were acquired. The requirements of this Statement are effective for periods beginning after June 15, 2017.

The GASB issued **Statement No. 87**, *Leases* in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for periods beginning after December 15, 2019.

BROWNEDWARDS
certified public accountants

REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

Honorable Members of City Council
City of Staunton, Virginia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Staunton, Virginia, collectively hereafter referred to as the "City," for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 18, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 21 to the financial statements, the City adopted a new accounting standard for 2018: GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Accordingly, the cumulative effect of the accounting change as of the beginning of the year. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were.

- The useful lives of capital assets and the allowance for uncollectible accounts are based on management's knowledge and judgment, which is based on history.
- The other post-employment benefits and pension liabilities are based on actuarial studies provided by the City's external actuarial firm and the Virginia Retirement System.
- The estimate of the costs of previously contributed infrastructure is based on information provided by the Virginia Department of Transportation (VDOT) or other historical cost information.

Significant Audit Findings (Continued)

Qualitative Aspects of Accounting Practices (Continued)

- The landfill liability for the City's proportionate share of closure/post-closure liability as well as the depreciation of landfill cell construction costs is based on Augusta Regional Landfill's management's knowledge and judgment and estimates provided by their external engineering firm using both estimated costs and remaining capacity information.

We evaluated the key factors and assumptions used to develop these estimates in determining that the estimates are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements include those related to:

- Capital assets, long-term debt, commitments and contingencies, the liability for landfill closure and post-closure care costs, pension, and other post-employment benefits liabilities.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Management has determined the effects of the following unrecorded misstatement is immaterial to the financial statements taken as a whole.

- Legislation in the Commonwealth of Virginia has delayed some June 2018 sales tax filings and remittances to local school boards. This change has reduced Sales Taxes receivables at June 30, 2018. These amounts, which are currently unknown, would have no fund level revenue impact as the amounts would not meet the availability criteria. The entity wide revenue impact is deemed to be immaterial based on estimates made due to the decrease in year-end Sales Tax receivables compared to prior year.

Disagreements with Management

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Significant Audit Findings (Continued)

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 30, 2018, a copy of which is attached.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and other items as listed in the financial statements table of contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual non-major fund financial statements, the discretely presented component units' fund statements, budget to actual schedules, and the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express and opinion or provide any assurance on it.

Significant Audit Findings (Continued)

Cybersecurity Risk Management

In today's environment of increasingly frequent cyber-attacks, ensuring the adequacy of cybersecurity is a critical aspect of board oversight. In addition to significant business disruption, substantial response cost, negative publicity, and reputational harm, cybersecurity breaches can result in litigation, and leaders may face potential liability if they failed to implement adequate steps to protect the organization.

Evidence suggests there may be a gap between the magnitude of exposure presented by cyber-risks and steps many corporate boards have taken to address these risks. Organizational leaders should be asking themselves what they can, and should, be doing to effectively oversee cyber-risk management.

Brown Edwards can assist you in evaluating your response to these risks, and advising you as you mitigate them. Ask our team how our resources can be part of your cybersecurity solution.

Restriction on Use

This information is intended solely for the use of the City Council, the School Board, and management and is not intended to be and should not be used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia
November 30, 2018

Attachment

STAUNTON VIRGINIA

DEPARTMENT OF FINANCE

November 30, 2018

Brown, Edwards & Company, L.L.P.
Certified Public Accountants
1909 Financial Drive
Harrisonburg, Virginia 22801

This representation letter is provided in connection with your audit of the financial statements of City of Staunton, Virginia, which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of November 30, 2018, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 18, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.

2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

3) We acknowledge our responsibility 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.

4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.

8) Adjustments or disclosures have been made for all Augusta Regional Landfill events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

9) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is as follows:

   - Legislation in the Commonwealth of Virginia has delayed some June 2018 sales tax filings and remittances to local school boards. This change has reduced Sales Taxes receivables at June 30, 2018. These amounts, which are currently unknown, would have no fund level revenue impact as the amounts would not meet the availability criteria. The entity wide revenue impact is deemed to be immaterial based on estimates made due to the decrease in year-end Sales Tax receivables compared to prior year.
   - An increase in capital assets and a corresponding increase in beginning net position of approximately $21,000 in the Water Fund to capitalize interest.

10) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

11) Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed.

12) We have provided the planning communication letter to all members of those charged with governance as requested.

Information Provided

13) We have provided you with:

   a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters [and all audit or relevant monitoring reports, if any, received from funding sources].

   b) Additional information that you have requested from us for the purpose of the audit.

   c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

   d) Minutes of the meetings or summaries of actions of recent meetings for which minutes have not yet been prepared.

14) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.

15) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

16) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:

   - Management,

- Employees who have significant roles in internal control,
- Service organizations used by the entity,or
- Others where the fraud could have a material effect on the financial statements.

17) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.

18) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

19) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

20) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

21) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

22) We have a process to track the status of audit findings and recommendations.

23) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

24) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

25) The entity has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.

27) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

28) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

29) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

30) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

31) As part of your audit, you assisted with preparation of the data collection form. We acknowledge our responsibility as it relates to this nonaudit service, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services.

32) The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

33) The entity has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

34) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

35) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.

36) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

37) Components of net position (net investment in capital assets; restricted; and unrestricted), and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

38) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

39) Provisions for uncollectible receivables have been properly identified and recorded.

40) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

41) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

42) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

43) Special and extraordinary items are appropriately classified and reported, if applicable.

44) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

45) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.

46) Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility, if applicable

47) We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.

48) We have not completed the process of evaluating the impact that will result from adopting new Governmental Accounting Standards Board (GASBS) Statements that are not yet effective, as discussed in the notes to financial statements. The entity is therefore unable to disclose the impact that adopting these Statements will have on its financial position and the results of its operations when the Statements are adopted.

49) We agree with the findings of specialists in evaluating the landfill liability estimate for closure, post-closure costs, the actuaries in determining pension and other post-employment benefits liabilities and disclosures, and the third party administrators in determining the incurred but not reported liabilities, and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

50) We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

51) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

52) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

53) With respect to the supplementary information on which an in-relation-to opinion is issued.

    a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

    b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

54) With respect to federal award programs:

    a) We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.

    b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.

    c) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA expenditures made during the audit period for all awards provided by federal agencies in the form of federal

awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

d) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.

e) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.

f) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.

g) We have received no requests from a federal agency to audit one or more specific programs as a major program.

h) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have confirmed that there were no amounts questioned and no known noncompliance with the direct and material compliance requirement of federal awards.

i) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

j) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

k) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E).

l) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.

m) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

n) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.

o) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.

p) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding

significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.

q) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.

r) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

s) We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the requirements of the Uniform Guidance, if applicable.

t) We have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient., if applicable.

u) We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records, if applicable.

v) We have charged costs to federal awards in accordance with applicable cost principles.

w) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

x) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.

y) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

z) We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

aa) We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations, if applicable.

Signature: _____
Title: City Manager

Signature: _____
Title: Superintendent of Schools

Signature: _____
Title: EDA Member of Management

Signature: _____
Title: Interim Director of Finance

Signature: _____
Title: Assistant Director of Finance

STAUNTON CITY COUNCIL
Carolyn W. Dull, Mayor
Ophie A. Kier, Vice Mayor
Erik D. Curren
James J. Harrington
R. Terry Holmes
Andrea W. Oakes
Walter J. Obenschain

STAUNTON VIRGINIA
STAUNTON CITY COUNCIL

BIRTHPLACE OF THE
COUNCIL-MANAGER
FORM OF GOVERNMENT

December 13, 2018

Commonwealth of Virginia
Auditor of Public Accounts
P. O. Box 1295
Richmond, Virginia 23218

Dear Ms. Mavredes,

We hereby attest, in accordance with Section 15.2-2510 of the Code of Virginia, the City of Staunton, VA's audited financial report, for the fiscal year ended June 30, 2018, has been presented to the local governing body at a public session on December 13, 2018.

Local chief elected official signature	Local chief administrative officer signature
Carolyn w. Dull-Mayor	Stephen F. Owen-City Manager

City of Staunton VA
Commonwealth of Virginia

The foregoing statement required by the laws of the Commonwealth was acknowledged before me this 13th day of December, 2018, by Stephen F. Owen, City Manager, City of Staunton VA.

Notary Public's Signature

Notary Seal

CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Staff Members:** **Rodney Rhodes** **Tim Hartless**
Item #	**7 & G**	
Ordinance #		
Department:	**Community Development—Planning and Zoning**	
Council Vision:	**Built Environment**	
Subject:	**Public Hearing and Consideration of a Request by the City of Staunton to Adopt New Design Guidelines for the City's Historic Districts**	

Background: The City, with the help of Historic Staunton Foundation, applied for, and was awarded, a grant from the Virginia Department of Historic Resources last year as part of a cost share survey and planning grant program. That grant was for the creation of commercial guidelines for Staunton's Historic Districts. Architectural and planning firm, Frazier Associates, took the City's existing residential guidelines and merged them with new commercial and sign guidelines to create one new document. The Staunton Historic Preservation Commission has reviewed two drafts of the guidelines, and their suggested changes have been incorporated into the final draft. The final draft has been approved by the Virginia Department of Historic Resources and also by the Historic Preservation Commission. A representative of Frazier Associates will be present at the work session to give an overview of the guidelines.

The final draft may be viewed on the Planning and Zoning section of the City's website, www.staunton.va.us, or by clicking on the following link:
https://www.ci.staunton.va.us/home/showdocument?id=5811
Paper copies are available for view at the Staunton Public Library or at the Planning and Zoning Office.

Planning Commission Recommendation: At its meeting on December 5, 2018, Planning Commission held a public hearing on the matter. No one spoke in opposition to the request. On a 4-0 vote, the Commission unanimously recommended approval of the new guidelines, concurring with staff's recommendation.

Suggested Motion (to be made after the public hearing is conducted): I move that Council approve the *City of Staunton, Virginia Historic District Design Guidelines* as recommended by the Planning Commission and the Historic Preservation Commission.

City Manager: Stephen F. Owen

Staunton, Virginia HISTORIC DISTRICT DESIGN GUIDELINES

CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Steve Owen City Manager**
Item #	**8**	
Ordinance #		
Department:	**City Manager**	
Subject:	**Closed Meeting for Discussion or Consideration of the Possible Acquisition of Real Property for Public Purposes**	

Suggested Motion:

Before the closed meeting: I move to enter a closed meeting for discussion or consideration of the possible acquisition of real property for public purposes, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy pursuant to Virginia Code § 2.2-3711(A)(3).

Second. Discussion. Vote – Clerk of Council to poll members of Council.

After the closed meeting: I move that Council reconvene in an open meeting and certify to the best of each member's knowledge that only lawfully exempted public business matters were discussed and that only public business matters as identified in the closed meeting motion were heard, discussed or considered in the meeting.

Second. Discussion. Vote –Clerk of Council to poll members of Council.

City Council
WORK SESSION
October 25, 2018
5:00 p.m.

Council Members Present: Mayor Dull, Vice Mayor Kier, Council Members Curren, Harrington, Holmes, Oakes, and Mead.

The Mayor called the meeting to order at 5:00 p.m. and the invocation/moment of silence was given by Dr. Harrington.

1. Consideration of Work Session and Regular Meeting Agendas

Consistent with Procedural Memorandum No. 3, the agendas were presented for Council consideration.

Ms. Mead moved to approve the Work Session agenda and the Regular Meeting agenda as presented.

The motion was seconded by Mr. Holmes and carried unanimously as follows:

Mayor Dull	aye	Vice Mayor Kier	aye
Mr. Holmes	aye	Ms. Mead	aye
Dr. Harrington	aye	Dr. Curren	aye
Ms. Oakes	aye		

2. Quarterly Financial Report

Cameron McCormick, Interim Director of Finance, presented Council with the financial report for the first quarter of fiscal year 2019, as well as the bond rating and an audit planning letter. Mr. McCormick stated the audit planning letter is a standard letter provided by the auditors and is a required communication as part of their audit.

Mr. McCormick stated at the end of the first quarter the City has received approximately $7.2 million of the expected $57.3 million in revenue which is about 13%. He noted during the second quarter a significant increase in revenue would be seen as 25% of real estate taxes would be due and that all personal property taxes are due in December, 2018. Mr. McCormick noted the City has expended around $1.3 million of the expected expenditures of $57.3 million which is approximately 17% and a large increase is expected during the second quarter from which 50% of school transfers will be made during December, 2018. He stated at this time last year, the City had received approximately 12% of the revenue and 13% of the expenditures.

Mr. McCormick provided Council copies of sales tax, meals tax, and lodging tax reports as those are the main large revenues coming in on a monthly basis. He noted the second fiscal year payment had been received for sales tax and it is outpacing from last year at this time.

Mr. McCormick discussed the City's recent bond rating review with S&P Global Rating that was completed in September. Based on the City's strong financial policies, reserves, and management, the City received a bond rating upgrade from AA- to AA.

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Ms. Mead asked if this bond rating upgrade translated to meaningful difference in the City's borrowing costs. Mr. McCormick explained how the City would issue bonds through the Virginia Public School Authority, benefitting from its AAA rating.

Ms. Oakes questioned whether there are any issues regarding fraud. Mr. McCormick noted the letter received is a standard letter.

Mayor Dull questioned how big a factor the City's debt is relative to an increase in the tax base. Mr. McCormick explained how the City's debt ratios and compliance had been reviewed.

Ms. Mead asked if credit had been received for the work completed at Staunton Crossing and whether that had been factored into the current rating as well as anticipation of tax revenues. Mr. McCormick replied credit had been received for what is there currently and not the outlook.

Dr. Harrington stated the report made him feel good about the City's financial management.

Ms. Mead asked Mr. McCormick whether he had any concerns about the report. Mr. McCormick stated as more revenues are collected, there was nothing in the report that concerned him, and he is excited that the sales tax revenue is outpacing last year's revenue.

Mr. Holmes inquired whether Staunton's economy is more susceptible to downturns. Mr. McCormick noted that goes to the diversification of the City's tax base, partially, and the per capita income.

Ms. Mead asked if Staunton had been compared to other local cities. Mr. McCormick replied the letter read more like the City had been placed on national average.

3. Broadband Presentation

Kurt Plowman, Chief Technology Officer, gave a presentation to Council concerning broadband services in the City. He noted Brookings Institute released an article highlighting Staunton regarding the digital divide. He noted Staunton has good coverage as compared to local rural areas. Mr. Plowman stated there are several carriers providing network connectivity to residents and small businesses. He then spoke about the future regarding 5G coverage throughout the City and what that will entail from wireless carriers.

Dr. Harrington asked Mr. Plowman if he has started reaching out to providers about possible concerns regarding historic districts and zoning issues. Mr. Plowman noted the Information Technology Department is in the process of working with "Text to 911" regarding public safety, and the City will be one of the first localities in this part of the state that will have that capability. He stated 5G discussions will most likely take place in 2019.

Mr. Plowman replied to Ms. Mead's question about placement of the 5G antennas.

Vice Mayor Kier proposed that the City investigate this further due to concerns expressed at the recent Virginia Municipal League conference that Council members attended. Dr. Harrington questioned whether there would be jurisdiction issues involved.

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Discussion ensued regarding visibility of the 5G antennas, examples of placement locations, as well as collecting information on areas not currently receiving service.

4. Discussion of 2019 Legislative Program

Steve Owen, City Manager, stated each year, City Council adopts a legislative program which is transmitted to the Governor, local General Assembly members, the Virginia Municipal League, and Virginia First Cities. He referred Council members to a copy of the draft program and asked if there were additional items they would like to see added.

Mr. Owen noted that Doug Guynn, City Attorney, is proposing that the General Assembly support language that would make it easier for cities to post legal notices, public hearing notices, and public procurement notices through electronic means. This is due to rising costs of advertising in newspapers as a result of decreases in subscribers, and allows local governments the choice to be able to advertise legal ads in newspapers.

Mr. Owen stated other proposals received included full funding requests by the Valley Community Services Board and for HB599 funding for public safety, and Compensation Board funding related to jail staff.

Mr. Owen made reference to a draft letter for Governor Northam, offered by Ms. Mead, regarding stormwater local assistance funding. It was the consensus of Council that the letter be sent.

Discussion ensued regarding additional items, including the Equal Rights Amendment, the opioid epidemic, and concerns about governmental actions being taken in the election and voting process.

5. Presentation of Staunton Crossing Business Plan Strategy

Mr. Owen introduced Tim Davey of the Timmons Group Economic Development Team.

Mr. Davey made a presentation to Council regarding the next phase of the Staunton Crossing project. He noted the Timmons Group has completed extensive engineering and planning services for Staunton Crossing since the firm's initial engagement in 2011. Most recently, Timmons Group completed a Business Ready Sites Program evaluation under a ranking system used by Virginia Economic Development Partnership for site marketing purposes. Timmons Group's report classified the property as Tier 2 and included recommendations necessary to improve the site's ranking.

Mr. Davey stated the City continues its efforts to make the remaining 275 acres of Staunton Crossing more marketable for economic development. Included in this effort is a plan to demolish the vacant dilapidated buildings on the site late next summer as well as the construction of a spine road that extends through the site. Mr. Davey stated staff is working to obtain funds through the Virginia Brownfields Opportunity Fund Program. He noted the City has also received SMART SCALE funding, in partnership with the Virginia Department of Transportation, in the amount of $8.7 million, which will finance construction of a spine road through the middle of the project. The road will show progress and will make it easier to market the property.

Mr. Davey stated the Timmons Group is ready to lead the community through the business planning process. He gave more detailed information regarding the Virginia Brownfields

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Opportunity Fund Program. Mr. Davies noted they will be making specific recommendations to Council in early January, 2019.

Mayor Dull noted this sounds exciting and she is looking forward to the whole process.

6. Discussion of Application to the Virginia Economic Development Partnership for a Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund Remediation Grant

Billy Vaughn, Director of Economic Development, stated the City is continuing its efforts to make Staunton Crossing more marketable for economic development, including implementation of a plan to demolish the vacant dilapidated structures on the site. Funding for this effort is identified in FY2019-20 in the City's Capital Improvement Plan (CIP) adopted February 8, 2018. The project is tentatively scheduled to begin late next summer. However, prior to the demolition, the City is required to remediate all environmental issues, including contaminated property, hazardous substances, hazardous wastes or solid wastes. This aspect of the project will cause the total project costs to exceed the CIP designated amount.

In an attempt to address this potential shortfall, staff is requesting that the City submit an application to the Virginia Economic Development Partnership for a Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund (VBAF) Remediation Grant. VBAF was established to provide grants or loans to local governments to promote the restoration and redevelopment of brownfield sites, and to address environmental problems or obstacles to reuse so that these sites can be effectively marketed to new economic development prospects.

The maximum grant award is $500,000 and requires a dollar-for-dollar match. The City's CIP funding, which is identified as $1.8 million, will be used as match.

To proceed with the application, which is due November 16, 2018, a resolution of support is required, evidencing the City's commitment to fund the local match.

Mayor Dull asked in which fiscal year the City has scheduled demolition of the buildings. Mr. Vaughn replied it is in the current CIP and year 2020. He noted Ms. Colvin would be addressing this at a future date.

This will be Item B on the Regular meeting agenda.

7. Discussion of Applications to the Virginia Department of Transportation for Highway Safety Improvement Program Grants for Systemic Safety System and Pedestrian Improvements

Nickie Mills, City Engineer, stated the City is continuing efforts to upgrade and maintain its traffic system. The need for safety improvements has been identified at several intersections that may be eligible for grant funding under the Virginia Department of Transportation's Highway Safety Improvement Program (HSIP). HSIP is a grant program, similar to SMART SCALE, that provides funding for eligible projects that improve highway safety. The City proposes two HSIP grant applications in 2018.

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2018 Staunton Systemic Flashing Yellow Left Turn Signals: Specifically, 12 intersections have been identified that could benefit from changing existing "protected left" green arrow signal configurations to "permissive left" flashing yellow arrow configurations. Mr. Mills noted these improvements will allow the intersections to move more traffic and improve levels of service. The identified intersections are listed below:

- Coalter Street and Taylor Street
- Coalter Street and Statler Boulevard
- Greenville Avenue and Barterbrook Road
- Middlebrook Avenue and Hampton Street
- Augusta Street and Johnson Street
- Augusta Street and Edgewood Road
- Augusta Street and Taylor Street
- Churchville Avenue and Augusta Street
- Churchville Avenue and Central Avenue
- Churchville Avenue and Lewis Street
- Churchville Avenue and Springhill Road
- Commerce Road and Technology Drive

Mr. Mills stated the estimated cost of the project is $780,000, in 2018 dollars. At the present time, it is not anticipated that a local match will be required.

2018 Staunton Pedestrian Safety Improvements: Pedestrian safety improvement needs have also been identified at several intersections. Proposed improvements include pedestrian signals, ADA-compliant curb ramps and crosswalks at the following intersections:

- Coalter Street, Edgewood Road, and Statler Boulevard
- Augusta Street and Johnson Street
- Middlebrook Avenue and Hampton Street
- Greenville Avenue and Barterbrook Road
- Augusta Street and Taylor Street

Mr. Mills stated the estimated cost of the project is $175,000, in 2018 dollars. At the present time, it is not anticipated that a local match will be required.

Mr. Mills noted there is a proposed resolution for Council's consideration concerning the projects and the City's applications for funding.

Ms. Mead expressed concerns regarding the flashing yellow left turn signal at Coalter Street and Taylor Street which is located at Robert E. Lee High School. She asked how this would impact safety and traffic around the school. Ms. Mead stated she felt a protected left turn signal at that intersection might be a better alternative instead of a permissive left. Mr. Mills noted the City has VDOT's concurrence on this, but it would be subject to further vetting.

Ms. Oakes noted this was a good point because of construction that will be taking place at the school in the future. She felt it was also worth further investigation.

This will be Item C on the Regular meeting agenda.

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8. Closed Meeting for Consultation with Legal Counsel for Necessary Legal-Related Advice and Discussion Pertaining to (a) the Possible Filing of an Amicus Curiae Brief; and (b) Specific Land Use and Zoning Matters

Ms. Oakes moved to enter a closed meeting for consultation with legal counsel for necessary legal-related advice and discussion pertaining to (a) the possible filing of an amicus curiae brief; and (b) specific land use and zoning matters, pursuant to Virginia Code § 2.2-3711(A)(8).

The motion was seconded by Dr. Harrington and carried unanimously as follows:

Mr. Holmes	aye	Ms. Mead	aye
Dr. Harrington	aye	Dr. Curren	aye
Ms. Oakes	aye	Mayor Dull	aye
Vice Mayor Kier	aye		

Ms. Mead moved that Council reconvene in an open meeting and certify to the best of each member's knowledge that only lawfully exempted public business matters were discussed and that only public business matters as identified in the closed meeting motion were heard, discussed or considered in the meeting.

The motion was seconded by Dr. Harrington and carried unanimously as follows:

Dr. Harrington	aye	Dr. Curren	aye
Ms. Oakes	aye	Mayor Dull	aye
Vice Mayor Kier	aye	Mr. Holmes	aye
Ms. Mead	aye		

The work session adjourned at 7:11 p.m.

_____

Suzanne F. Simmons
Clerk of Council

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REGULAR MEETING OF STAUNTON CITY COUNCIL
Thursday, October 25, 2018
7:30 p.m.
Council Chambers

PRESENT: **Carolyn W. Dull, Mayor**
Ophie A. Kier, Vice Mayor
James L. Harrington
R. Terry Holmes
Erik D. Curren
Andrea Oakes
Brenda O. Mead

ABSENT: **Steven Rosenberg, Deputy City Manager**

ALSO PRESENT: **Stephen F. Owen, City Manager**
Douglas L. Guynn, City Attorney
Suzanne F. Simmons, Clerk of Council

Mayor Dull called the meeting to order. The Pledge of Allegiance was recited in unison.

MAYOR'S REPORT

Mayor Dull stated she had received her flu shot and encouraged citizens to get theirs. She noted she had the opportunity to give welcoming remarks to Governor Northam and nine of his secretaries who recently met at the Stonewall Jackson Hotel and Conference Center for a summit on rural prosperity. Mayor Dull stated she received great comments from visitors attending the meeting.

ADDITIONAL ITEMS BY MEMBERS OF COUNCIL

Dr. Curren moved to add the following additional item to the Regular agenda:

Item D. Resolution Authorizing Participation as Amicus Curiae in a Legal Challenge to the Atlantic Coast Pipeline Following Final Action by the Federal Energy Regulatory Commission

The motion was seconded by Dr. Harrington and carried as follows:

Ms. Mead	aye	Vice Mayor Kier	aye
Mr. Holmes	aye	Dr. Harrington	aye
Dr. Curren	aye	Ms. Oakes	aye
Mayor Dull	aye		

Ms. Oakes stated she recently attended a viewing of an HBO movie, "The Tale," at Mary Baldwin University concerning childhood sexual abuse. She commended the University for bringing attention to this subject matter.

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APPROVAL OF MINUTES

Ms. Oakes moved to approve the work session and regular meeting minutes of October 11, 2018.

The motion was seconded by Mr. Holmes and carried as follows:

Mr. Holmes	aye	Dr. Harrington	aye
Dr. Curren	aye	Ms. Oakes	aye
Mayor Dull	aye	Ms. Mead	aye
Vice Mayor Kier	aye		

REGULAR MEETING

A. Consideration of a Request to Defer Consideration of a Request by Stonewall Jackson Schoolhouse LLC, for an Amendment to SCC 18.125.011 (1) Exceptions to Off-Street Parking Requirements, of Chapter 18.125 Minimum Off-Street Parking Requirements, of Title 18 Zoning, of the Staunton City Code

Rodney Rhodes, Senior Planner, stated a public hearing was conducted at Council's meeting on October 25, 2018 regarding this request. He noted there were considerable concerns expressed by neighbors and Council members about the proposed amendment; therefore, Council deferred action on that item until tonight's meeting.

Mr. Rhodes stated he should have asked Council to delay the matter further to allow more time to address the issues raised. He noted staff is continuing to investigate and have conducted a parking calculation for businesses currently on site, as well as what would be required for a coffee shop to open and what additional apartments would require. Mr. Rhodes stated the owner of the property has been out of town, but he was able to meet with her this morning. He noted a potential solution has been discussed that would hopefully address the issues raised by Council and the neighbors. Mr. Rhodes stated this would take additional time to work out and may require additional public hearings before the Planning Commission.

Mr. Rhodes stated at this time he is requesting Council to defer action on this matter until December where there might be another item Council would act on concurrently with this amendment to hopefully address the concerns.

Ms. Oakes thanked Mr. Rhodes for giving this matter due diligence. She stated she believed Council needed to take the time and study it further.

Mr. Rhodes stated once the City Attorney indicates that this potential proposal meets state code, he would meet with the residents and explain the City's course of action.

Ms. Mead asked Mr. Rhodes if he felt the December 13, 2018 meeting would be an adequate amount of time. He stated this would be the earliest that it could come back before Council for consideration. He noted an advertisement would need to be placed on Monday, October 29, 2018 for a public hearing for the Planning Commission meeting to be held on November 15, 2018.

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Dr. Harrington proposed that City Council will address this once the Planning Commission has had the opportunity to hear this and is ready to bring Council its recommendation rather than designating a date. Mr. Rhodes stated this would suit him as long as the City Attorney found this acceptable. Mr. Guynn noted he would follow Council's wishes.

Dr. Harrington moved that City Council further defer consideration of the requested amendment to Chapter 18.125 of the Zoning Code until such time as the Planning Department and Planning Commission are ready to make their recommendations to this Council.

The motion was seconded by Mr. Holmes and carried as follows:

Mr. Holmes	aye	Dr. Harrington	aye
Dr. Curren	aye	Ms. Oakes	aye
Mayor Dull	aye	Ms. Mead	aye
Vice Mayor Kier	aye		

B. Consideration of Application to the Virginia Economic Development Partnership for a Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund Remediation Grant

Billy Vaughn, Director of Economic Development, stated as the City continues its efforts to make Staunton Crossing more marketable for economic development, one of their tasks is the demolition of the vacant, dilapidated buildings on the site. He noted there are approximately 17-20 buildings. Funding for this effort is identified in FY2019-20 in the City's Capital Improvement Plan (CIP) adopted February 8, 2018. Mr. Vaughn noted that demolition is tentatively scheduled to begin late next summer. However, prior to the demolition, the City needs to address all environmental issues, including removal of all asbestos contaminated property as well as above ground and below ground gas and fuel tanks. He noted this aspect of the project will cause the total project costs to exceed the CIP designated amount.

Mr. Vaughn stated these additional costs can hopefully be addressed by applying for a Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund (VBAF) Remediation Grant. The maximum grant award is $500,000 and requires a dollar-for-dollar match. The City's CIP funding, which is identified as $1.8 million, will be used as match. He noted these funds would be used to hopefully address all of the environmental issues and would leave more funds to demolish all of the vacant buildings.

Mr. Vaughn stated the deadline to apply for the grant is November 16, 2018. He noted staff is working with Draper Aden Associates to put together that application. He stated Council has a resolution in its packet authorizing staff to take the necessary steps to submit the application. Mr. Vaughn stated this morning the Economic Development Authority, by resolution, evidenced its support for the City's application for the grant.

Vice Mayor Kier thanked Mr. Vaughn and staff for working on ways to find funding to offset the expenses to the City and noted the community will know this is a definite necessity to move forward with this project. He referred to comments made during the Work Session by Tim Davey of Timmons Group that the City would not be considered by business and industry if they can't visualize their facility on the property.

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Mr. Holmes moved to adopt a resolution approving an application to the Virginia Economic Development Partnership for a Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund Remediation Grant, as presented, and to authorize the City Manager or his designee to complete any actions necessary in connection with such grant.

The motion was seconded by Vice Mayor Kier and carried as follows:

Dr. Curren	aye	Ms. Oakes	aye
Mayor Dull	aye	Ms. Mead	aye
Vice Mayor Kier	aye	Mr. Holmes	aye
Dr. Harrington	aye		

RESOLUTION APPROVING AN APPLICATION TO THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP FOR A VIRGINIA BROWNFIELDS RESTORATION AND ECONOMIC REDEVELOPMENT ASSISTANCE FUND REMEDIATION GRANT

WHEREAS, the Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund (VBAF) was established pursuant to § 10.1-1237 of the Code of Virginia of 1950, as amended, to provide either grants or loans to local governments to promote the restoration and redevelopment of brownfield sites and to address environmental problems or obstacles to reuse so that these sites can be effectively marketed to new economic development prospects; and

WHEREAS, the Virginia Economic Development Partnership (VEDP) directs the distribution of grants or loans from the VBAF to grant or loan recipients; and

WHEREAS, VBAF Remediation Grants are to be used to help fill a financing gap for projects or phases of work for such restoration and redevelopment that have not already commenced and are not available to reimburse for costs already incurred for a project or phase of work that has begun or is already completed; and

WHEREAS, the City continues its efforts to make Staunton Crossing more marketable for economic development, including implementation of a plan to demolish the vacant dilapidated structures on the site, as identified in FY2019-20 in the City's Capital Improvement Plan (CIP) adopted February 8, 2018, and tentatively scheduled to begin late next summer; and

WHEREAS, prior to the demolition, the City is required to remediate all environmental issues, including contaminated property, hazardous substances, hazardous wastes, or solid wastes, which will cause the total project costs to exceed the CIP designated amount; and

WHEREAS, the City desires to apply for a VBAF Remediation Grant to address this potential shortfall; and

WHEREAS, the maximum grant award is $500,000 and requires a dollar-for-dollar match, which will be satisfied by City's CIP funding, identified as $1.8 million; and

NOW, THEREFORE, BE IT RESOLVED BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA, THAT:

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1. The submittal of an application to VEDP by the City for a VBAF Remediation Grant, in an amount not to exceed $500,000, to be used for the remediation of Staunton Crossing, is hereby authorized.

2. The City confirms that it will fund the required local match from funding identified in FY2019-20 in the City's Capital Improvement Plan (CIP) adopted February 8, 2018.

3. The City Manager or his designee is hereby authorized to sign and submit appropriate documents, and to take such other action as he deems necessary, in connection with the proposed VBAF Remediation Grant.

Adopted this 25th of October, 2018.

/s/ Carolyn W. Dull
Carolyn W. Dull, Mayor

ATTEST: /s/ Suzanne F. Simmons
Suzanne F. Simmons
Clerk of Council

C. Consideration of Applications to the Virginia Department of Transportation for Highway Safety Improvement Program Grants for Pedestrian and Systemic Safety System Improvements

Nickie Mills, City Engineer, stated the City is continuing its efforts to upgrade and maintain its traffic system and has identified the need for safety improvements at several intersections that may be eligible for grant funding under the Virginia Department of Transportation's Highway Safety Improvement Program (HSIP). HSIP is a grant program, similar to SMART SCALE, that provides funding for eligible projects that improve highway safety. The City proposes two HSIP grant applications in 2018.

2018 Staunton Systemic Flashing Yellow Left Turn Signals: Specifically, 12 intersections have been identified that could benefit from changing existing "protected left" green arrow signal configurations to "permissive left" flashing yellow arrow configurations. These improvements will allow the intersections to move more traffic and improve levels of service. The identified intersections are listed below:

- Coalter Street and Taylor Street
- Coalter Street and Statler Boulevard
- Greenville Avenue and Barterbrook Road
- Middlebrook Avenue and Hampton Street
- Augusta Street and Johnson Street
- Augusta Street and Edgewood Road
- Augusta Street and Taylor Street
- Churchville Avenue and Augusta Street
- Churchville Avenue and Central Avenue
- Churchville Avenue and Lewis Street
- Churchville Avenue and Springhill Road
- Commerce Road and Technology Drive

Mr. Mills stated the estimated cost of the project is $780,000, in 2018 dollars. At the present time, it is not anticipated that a local match will be required.

2018 Staunton Pedestrian Safety Improvements: Pedestrian safety improvement needs have also been identified at several intersections. Proposed improvements include pedestrian signals, ADA-compliant curb ramps and crosswalks at the following intersections:

- Coalter Street, Edgewood Road, and Statler Boulevard
- Augusta Street and Johnson Street
- Middlebrook Avenue and Hampton Street
- Greenville Avenue and Barterbrook Road
- Augusta Street and Taylor Street

Mr. Mills stated the estimated cost of the project is $175,000, in 2018 dollars. At the present time, it is not anticipated that a local match will be required.

Ms. Oakes referred to Councilwoman's Mead's expression of concern during the Work Session about the flashing yellow light at Coalter Street and Taylor Street, and whether a change to a "permissive left" configuration is safe, especially since construction will be starting at the high school. Ms. Oakes asked Mr. Mills whether, if the proposed resolution is adopted by Council, the intersection could be removed from the list or reviewed again in the future. Mr. Mills replied it was possible, and that the Virginia Department of Transportation (VDOT) would continue to review the applications. He noted he would inform VDOT about the high school's construction and anticipated traffic changes.

Ms. Oakes moved that Council adopt a resolution authorizing staff to apply to the Virginia Department of Transportation for grants from the Highway Safety Improvement Program, in the aggregate amount of $955,000, for funding for the City's 2018 Highway Safety Improvement Program grant applications.

The motion was seconded by Dr. Harrington and carried as follows:

Mayor Dull	aye	Ms. Mead	aye
Vice Mayor Kier	aye	Mr. Holmes	aye
Dr. Harrington	aye	Dr. Curren	aye
Ms. Oakes	aye		

HIGHWAY SAFETY IMPROVEMENT PROGRAM GRANT RESOLUTION

WHEREAS, the City desires to submit applications for grants of funds from the Virginia Department of Transportation (the "Department"), in the aggregate amount of $955,000, from the Highway Safety Improvement Program, to fund the cost of the City's 2018 Highway Safety Improvement Program grant applications, more specifically the 2018 Staunton Systemic Flashing Yellow Left Turn Signals and the 2018 Staunton Pedestrian Safety Improvements; and

WHEREAS, it is encouraged that a resolution be received from the City requesting that the Department establish Highway Safety Improvement Program grant projects to be administered by the City.

DRAFT

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA, THAT:

1. The City requests the Commonwealth Transportation Board to establish projects for each of the City's 2018 Highway Safety Improvement Program grant applications as presented to City Council on October 25, 2018, with allocation of funds not to exceed $780,000 for the 2018 Staunton Systemic Flashing Yellow Left Turn Signals and $170,000 for the 2018 Staunton Pedestrian Safety Improvements.

2. The City agrees to enter into project administration agreements with the Department and provide the necessary oversight to ensure the projects are developed in accordance with all state and federal requirements for design, right-of-way acquisition and construction of a federally funded transportation project.

3. The City will be responsible for maintenance and operating costs of any improvement/facility constructed with City's 2018 Highway Safety Improvement Program grant funds unless other arrangements have been made with the Department.

4. If the City subsequently elects to cancel a project, the City agrees to reimburse the Department for the total amount of costs expended by the Department through the date the Department is notified of such cancellation. The City also agrees to repay any funds previously reimbursed that are later deemed ineligible by the Federal Highway Administration.

5. The Council of the City of Staunton, Virginia grants authority to the City Manager to execute project agreements, and amendments to project agreements, for the above-referenced projects.

Adopted this 25th of October, 2018.

/s/ Carolyn W. Dull
Carolyn W. Dull, Mayor

ATTEST: /s/ Suzanne F. Simmons
Suzanne F. Simmons, Clerk of Council

D. Resolution Authorizing Participation as Amicus Curiae in a Legal Challenge to the Atlantic Coast Pipeline Following Final Action by the Federal Energy Regulatory Commission

Mr. Guynn, City Attorney, expressed concerns over protecting the City's water supply from Gardner Spring. He reminded Council of the forum that was held in 2014, where a resolution was adopted opposing the Atlantic Coast Pipeline. Since 2016 and 2017, Mr. Guynn stated Mayor Dull has written letters to federal and state regulatory authorities expressing the City's concern about the potential implications of this pipeline for Gardner Spring. He noted Mayor Dull never received a response from the Federal Energy Regulatory Commission (FERC) or from the state's authorities.

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Mr. Guynn stated Council has the opportunity to take a stand and express their concerns about the potential risk for the Gardner Spring water resource which provides water for approximately 50% of the needs of the City. He stated he is recommending that Council authorize a filing of a friend of the court brief supporting the efforts of other groups who oppose the Atlantic Coast Pipeline in belief that there's been too little consideration and explanation given to authorizing this project by FERC. Mr. Guynn noted the City recently learned of a study commissioned by Dominion Resources, pipeline sponsor, showing that a dye trace material found its way to Gardner Spring and the City would have 12 hours to act.

Mr. Guynn stated Council has before them a proposed resolution which recites the history, including the latest revelation about Dominion's dye trace study, to authorize the filing of a friend of the court amicus brief with a court of appeals. He noted the brief would be prepared by outside legal counsel in cooperation with him and feels it would give voice to Council expressing their concerns. Mr. Guynn requested Council consider adopting the proposed resolution.

Dr. Curren moved to adopt the proposed resolution regarding the Atlantic Coast Pipeline litigation and the proceedings of the Federal Energy Regulatory Commission as presented.

The motion was seconded by Dr. Harrington.

Ms. Oakes stated based on the results of the dye test study, the City's water supply is one of its most precious commodities. She expressed concern over those results and noted she would be supporting the motion.

Dr. Curren stated it was very disturbing to him how Dominion Resources has behaved in this situation. He referred to the dye test study proving the opposite to Dominion that there is indeed a danger to the City's water supply from their pipeline.

The motion carried as follows:

Dr. Curren	aye	Vice Mayor Kier	aye
Mayor Dull	aye	Ms. Mead	aye
Dr. Harrington	aye	Ms. Oakes	aye
Mr. Holmes	aye		

RESOLUTION
OF THE COUNCIL OF THE CITY OF STAUNTON, VIRGINIA TO AUTHORIZE PARTICIPATION AS AMICUS CURIAE IN A LEGAL CHALLENGE TO THE ATLANTIC COAST PIPELINE FOLLOWING FINAL ACTION BY THE FEDERAL ENERGY REGULATORY COMMISSION

BE IT RESOLVED by the Council of the City of Staunton, Virginia, as follows:

1. In October 2017, the Federal Energy Regulatory Commission (FERC) issued a Certificate of Public Convenience and Necessity authorizing construction of the Atlantic Coast Pipeline by Atlantic Coast Pipeline, LLC, on a route passing nearby the City of Staunton and implicating the recharge zone for the City of Staunton's major water supply source at Gardner Spring.

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2. Gardner Spring supplies approximately half of the City of Staunton's water and also benefits citizens of surrounding Augusta County. The potential for impacts to Gardner Spring from spills into sinkholes along the pipeline corridor has long continued to concern the City of Staunton and its governing body, the City Council (Council). Its concerns were validated by a dye trace study. As Council interprets the study, sinkholes in and near the pipeline corridor could convey pollutants to Gardner Spring—as one of the Shenandoah Valley's largest karst springs—and other springs via conduit flow.

3. Council's early concerns had caused it to hold a forum on August 28, 2014 to provide an opportunity for it and citizens of Staunton and of other nearby localities to pose questions about the Atlantic Coast Pipeline project.

4. Following the forum in 2014, Council adopted a resolution opposing the Atlantic Coast Pipeline on October 23, 2014. Since that time, Council has remained engaged in communicating with FERC and other government agencies regarding the Atlantic Coast Pipeline, consistently opposing the project, especially given ongoing concerns about the implications for Gardner Spring.

5. On May 24, 2016, Staunton Mayor Carolyn Dull wrote to FERC on behalf of Council, endorsing concerns raised by Carolyn Bragg, Chair of the Augusta County Board of Supervisors, in an April 12, 2016 letter regarding FERC's failure to consider alternative routes and impacts to recharge areas for water supplies, among other concerns. Again, citizens of Augusta County also benefit from the vital water supply provided by Gardner Spring.

6. Through Mayor Carolyn Dull, Council also wrote to the Virginia Department of Environmental Quality on February 21, 2017, urging it to press FERC about the concerns over the vulnerability of Gardner Spring, and to criticize FERC's failure to analyze impacts to the City of Staunton water supply.

7. Council does not believe that its ongoing legitimate concerns regarding negative effects of the Atlantic Coast Pipeline to the City of Staunton water supply and other detrimental effects of the pipeline project have been adequately studied and addressed by FERC.

8. Under Section 11, Paragraph Sixth of its Charter, Council has the power to take action "to insure a sufficient supply of water for the . . . City, and to protect the same from pollution" and "to prevent . . . any pollution or threatened pollution of such water supply, and [to protect against] any and all acts likely to impair the purity thereof."

9. Conservation groups, represented by the Southern Environmental Law Center, have made the City of Staunton aware of the possible opportunity to participate in their recent legal challenge to the Certificate of Public Convenience and Necessity issued by FERC, by submitting an *amicus curiae* or a friend of the court brief. Council has been briefed on this possibility several times by the City Attorney over the course of recent months.

10. Council realistically recognizes that submitting such a brief would likely be its last meaningful opportunity to voice its important concerns and, specifically, to restate and reemphasize its consistent, longstanding, and unanswered concerns about what it believes

is the substantial danger the Atlantic Coast Pipeline poses to Gardner Spring and the City of Staunton water supply and as a result, to its citizens.

11. Council, in its October 23, 2014, resolution opposing the Atlantic Coast Pipeline, stated its belief that the natural gas to be transported via the pipeline is not needed to meet the energy requirements of Virginia. Council further believes that evidence that has emerged since 2014 has served to confirm its view on this point. Council also recognizes that two FERC Commissioners have determined that the Atlantic Coast Pipeline is not in the public interest.

12. Council believes that it is fundamentally unfair for local governments and their citizens, including the City of Staunton and its citizens, essentially to have to assume serious risks and shoulder heavy burdens occasioned by the construction of the Atlantic Coast Pipeline, especially when the need for the pipeline has not been adequately demonstrated, and when accumulating evidence argues against there being a genuine need for the pipeline.

13. Council has been informed that the Board of Supervisors of Nelson County have approved the participation of Nelson County in a brief *amicus curiae* to the court that hears the legal challenges to the FERC Certificate of Public Convenience and Necessity. Council also has been informed that other localities and government agencies affected by the construction of the Atlantic Coast Pipeline are possibly considering joining such brief.

14. Council believes that it should voice its concerns, once again, especially now in a judicial forum so that the court may be even more fully informed about the matter.

NOW, THEREFORE, in light of these circumstances and the recommendation of the City Attorney, Council endorses and authorizes the participation of the City of Staunton in a brief *amicus curiae* to present its concerns to the court that hears the legal challenges to the FERC Certificate of Public Convenience and Necessity, along with such other localities as may join such a brief.

Adopted this__day of_, 2018.

/s/ Carolyn W. Dull
Carolyn W. Dull, Mayor

ATTEST: /s/ Suzanne F. Simmons
Suzanne F. Simmons
Clerk of Council

Matters from the City Manager

Mr. Owen stated he had nothing to report.

Matters from the Public

Baldwin Jennings, 332 Sharon Lane, spoke in favor of the Atlantic Coast Pipeline and felt it is needed.

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There was no one else wishing to speak.

Adjournment

There being no further business to come before Council, the meeting adjourned at 8:00 p.m.

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Suzanne F. Simmons
Clerk of Council

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SPECIAL CALLED MEETING OF STAUNTON CITY COUNCIL
Thursday, November 1, 2018
12:00 p.m.
Irene Givens Administration Building
1000 Montgomery Avenue, Staunton, Virginia

PRESENT: **Carolyn W. Dull, Mayor**
Ophie A. Kier, Vice Mayor
James J. Harrington
R. Terry Holmes
Brenda O. Mead
Andrea W. Oakes

ABSENT: **Erik D. Curren**

ALSO PRESENT: **Stephen F. Owen, City Manager**
Steven L. Rosenberg, Deputy City Manager
Ruth Jones Turner, Communications Manager
Tyler St. Clair, Retreat Facilitator

Mayor Dull called the meeting to order at 12:50 p.m.

SPECIAL CALLED MEETING

A. Appointment of Steven L. Rosenberg as Acting Clerk of Council for purposes of this meeting

Ms. Mead moved that Council appoint Steven L. Rosenberg as Acting Clerk of Council for sessions of Council on Thursday, November 1, 2018, and Friday, November 2, 2018, and that Mr. Rosenberg be authorized to take, prepare and sign minutes of the sessions.

The motion was seconded by Mr. Holmes and carried as follows:

Mr. Holmes	aye	Ms. Mead	aye
Mayor Dull	aye	Mr. Obenschain	aye
Dr. Harrington	aye	Vice Mayor Kier	aye

B. Retreat

City Council conducted its retreat, facilitated by A. Tyler St. Clair.

Ms. Oakes departed at 8:30 p.m.

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ADJOURNMENT

There being no further business to come before Council, the meeting adjourned at 9:00 p.m.

_____
Steven L. Rosenberg
Acting Clerk of Council

DRAFT

SPECIAL CALLED MEETING OF STAUNTON CITY COUNCIL
Friday, November 2, 2018
8:30 a.m.
Irene Givens Administration Building
1000 Montgomery Avenue, Staunton, Virginia

PRESENT:	**Carolyn W. Dull, Mayor**
	Ophie A. Kier, Vice Mayor (arrived 1:05 p.m.)
	James J. Harrington
	R. Terry Holmes
	Brenda O. Mead
	Andrea W. Oakes
ABSENT:	**Erik D. Curren**
ALSO PRESENT:	**Stephen F. Owen, City Manager**
	Steven L. Rosenberg, Deputy City Manager
	Ruth Jones Turner, Communications Manager
	Tyler St. Clair, Retreat Facilitator

Mayor Dull called the meeting to order at 8:40 a.m.

City Council continued its retreat, facilitated by A. Tyler St. Clair.

Ms. Oakes departed at 3:00 p.m.

ADJOURNMENT

There being no further business to come before Council, the meeting adjourned at 3:55 p.m.

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Steven L. Rosenberg
Acting Clerk of Council

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City Council
WORK SESSION
November 8, 2018
5:15 p.m.

Council Members Present: Mayor Dull, Vice Mayor Kier, Council Members Curren, Harrington, Holmes, Oakes, and Mead.

The Mayor called the meeting to order at 5:15 p.m. and the invocation/moment of silence was given by Mr. Holmes.

1. Consideration of Work Session and Regular Meeting Agendas

Consistent with Procedural Memorandum No. 3, the agendas were presented for Council consideration.

Ms. Mead moved to approve the Work Session agenda and the Regular Meeting agenda as presented.

The motion was seconded by Dr. Harrington and carried unanimously as follows:

Mr. Holmes	aye	Ms. Mead	aye
Dr. Harrington	aye	Dr. Curren	aye
Ms. Oakes	aye	Mayor Dull	aye
Vice Mayor Kier	aye		

2. Update on High School Project

Dr. Garett Smith, Division Superintendent of Staunton City Schools, as well as John Bower, representative of Crabtree, Rohrbaugh & Associates Architects, provided Council with an update on the high school project. Dr. Smith noted they were excited to present Council with a preview of the construction project. He noted the basic design and outlay had been presented to staff and students which received positive responses.

Mr. Bower stated the design was started in March, 2018 and will be completed in February, 2019. Construction should start in April, 2019 with completion in July, 2020. Mr. Bower noted their goal is to move teachers only one time. He then shared a PowerPoint presentation highlighting the building design as well as proposed traffic flow and parking areas.

Discussion ensued regarding the proposed building and classroom concept designs as well as technology and mechanical upgrades.

Mr. Holmes asked if classrooms would have the capability to be readjusted to allow for classes to be combined. Mr. Bower replied with the corridors being larger, groups would be able to hold multiclass activities in the corridors instead. He noted the corridors will increase from 14 feet to 22 feet. Dr. Smith noted the corridors will be used as learning spaces which will allow for more flexibility.

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Mayor Dull asked if the chorus and band classrooms will be smaller than the current space. Mr. Bower replied that they will be larger with more useable space.

Ms. Mead asked what reactions the students have had reviewing the design. Dr. Collins, principal at the high school, noted there have been positive reactions from students and teachers, stating it looks more like a college than a high school.

Mr. Holmes questioned if there will be mechanical rooftop units. Mr. Bower replied there will be rooftop units which will allow for fresh air to be brought into the building, but the units will be screened. Mr. Bower noted current duct work will be replaced and that all mechanical, lighting, and power systems will be replaced.

Mayor Dull questioned Mr. Bower about designs for restrooms and designated use. Mr. Bower explained there are three separate restroom facilities on each floor which is required by code.

Mayor Dull asked if there are any plans to install solar panels. Mr. Bower noted the building is being designed to accommodate solar panels in the future, but their installation is currently not part of the project budget. He stated he would recommend installing panels adjacent to the building for better access and efficiency.

Dr. Smith stated the building is designed to accommodate up to 900 students. Currently, there are approximately 775 students enrolled. He noted it is their hope to increase enrollment.

3. Discussion of Nine Ordinances to Amend Various Provisions of the Staunton City Code to Align with Changes to the Code of Virginia and to Formalize in Law Certain Policy Exemptions from Fees

Doug Guynn, City Attorney, stated the Virginia General Assembly has enacted changes at various times to the Code of Virginia which merit amendments to update some aspects of the Staunton City Code. He presented Council with nine ordinances at this stage to make these amendments. These updates are part of a process, as time permits with the input of departmental directors, to amend the City Code to align with changes to the Code of Virginia. Mr. Guynn noted there would be four additional ordinances presented to Council in December from the Planning Commission.

Mr. Guynn noted seven of the proposed ordinances are purely housekeeping items. The other two proposed ordinances are designed, in effect, to codify exemptions for the City of Staunton, the School Board of the City of Staunton, and certain 501(c)(3) organizations from building permit fees, water and sewer connection fees, and facility fees. Mr. Guynn noted as a reminder, Council adopted a policy regarding fee exemptions for Habitat for Humanity at its August 12, 1992 meeting, but the policy appears not to have been codified. He stated he preferred to have that in the City Code so that it's readily viewable by citizens. He noted it has the force of law and promotes a lot greater transparency and also allows the chance to be very explicit that those construction-related fees and utility-related fees are not to be paid by the City itself or by the Staunton School Board. Mr. Guynn stated it is more efficient and better practice to have all of that set out in the City's code.

The other proposed ordinances concern various additional aspects of the City Code. These proposed ordinances are largely what might be called housekeeping ordinances, reflecting changed provisions of the Virginia Code.

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The proposed amendments will affect Titles 3, 5, 6, 13, and 15 of the City Code. The City Attorney recommends Council conduct four public hearings: one public hearing each for Title 3, 5, and 6 amendments, and one public hearing for the ordinances concerning Titles 13 and 15, as they are related and deal with similar subject matter.

Mr. Guynn summarized that there are nine ordinances with seven just tracking language from the Virginia Code itself and two involving the exemptions for fees as mentioned above.

Vice Mayor Kier questioned if another organization would be exempted. Mr. Guynn replied only if that organization could meet the criteria. He noted, if Council wanted, the criteria could be written differently, but he was only trying to reach back to what has been the policy reflected in minutes for more than 20 years and put that in the language of this ordinance so that the City Code would be amended and updated accordingly.

Steve Rosenberg, Deputy City Manager, stated it might be helpful if Mr. Guynn would be willing to explain to Council how these are grouped together for purposes of public hearing during the Regular meeting.

Mr. Guynn referred Council to the agenda briefing where it is proposed to have four public hearings. He stated the ordinances identified as Roman numeral I-IV would be the subject of the first public hearing, ordinance V would be the subject of the second public hearing, ordinances VI-II would be the subject of the third public hearing, and ordinances VIII-IX would be the subject of a fourth and last public hearing. He stated with each of those, the group of ordinances would be introduced and then the public hearing would be held.

Mr. Guynn reminded Council that the Planning Commission has four additional ordinances, and he anticipates those will be coming before Council at the December meeting. He stated all thirteen ordinances will be heard for final action at the December 13, 2018 meeting.

Mayor Dull questioned if there was another entity that wanted to be exempt from a building permit fee, does Council have the ability to "spot" exempt in different situations. Mr. Guynn stated if it was governmental, it would be possible, but it is not contemplated in the way he had drafted these particular exemptions at this time.

Mr. Owen stated with the ordinance, staff would have pretty clear direction as to what is intended and that is if a Habitat for Humanity house comes forward, they will not have to pay facility fees or connection fees. He asked if the intent is to bring each house back to Council for approval. Mr. Guynn noted the way it is drafted now, that would be the way that it would be done, which is exactly the way Council has been doing it. Mr. Owen submitted that staff has a lot of experience interpreting the code, but noted there was value to have Habitat for Humanity talk about what they are doing. Mayor Dull stated she agreed staff could do that, but that it would be beneficial to have Habitat talk about what they are doing and for the community to hear about it.

Mr. Guynn stated he would be glad to redraft that, but he was simply trying to reflect what he understood had been the prior practice and that each of those would come to Council. He felt the language included in the ordinance tracks closely the minutes from the August 12, 1992 meeting, when the policy was adopted. He noted he did not like those items being in Council minutes and

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being policy. He stated he felt it became easy to overlook them and is not as transparent, it's easier for staff to answer questions, and enhances accountability to include such items in the City Code.

Ms. Mead asked if it would cause a delay in projects for Habitat for Humanity to come before Council with a request. Council members stated it would give them the opportunity to know what projects were taking place. Mr. Guynn stated it may make other organizations feel they should ask for a similar type of exemption, but he noted he did not know if there were other organizations that would meet the criteria. He stated this was not just a Habitat provision as such, legally.

Jeanne Colvin, Chief Financial Officer, stated as a former treasurer for Habitat for Humanity, it is beneficial at times to bring it before Council as they do receive grants which possibly include fees as part of the grant money. She also noted it is sometimes a requirement.

This will be Items B, C, D, and E on the Regular meeting agenda.

4. Discussion of Resolution Approving the Issuance by the Staunton Redevelopment and Housing Authority of Its Revenue Bonds for the Acquisition, Construction, Renovation, Rehabilitation and Equipping of the Approximately 110 Unit Willow View Townhomes Multifamily Housing Facility Located in the City of Staunton, Virginia

Boyce Brannock of TimberlakeSmith, counsel to the Staunton Redevelopment and Housing Authority (SRHA), Wanda Stevens, Executive Director of SRHA, and Mike Graff of McGuireWoods, bond counsel to SRHA, briefed Council on this matter. Mr. Brannock stated they are requesting Council's approval of a resolution authorizing the authority to issue tax exempts bonds for improvements to Willow View Townhomes. He noted the property is located near the intersection of Baylor Street and Lincoln Lane and consists of approximately 110 units of qualified residential rental units. Mr. Brannock stated this allows tax exempt status to be achieved.

Mr. Brannock stated the property was most recently renovated in 2001. He noted all of the units consist of Section 8 housing as part of the City's response to affordable housing and would qualify for the tax-exempt bonds pursuant to applicable federal and state law. Mr. Brannock noted the developer is proposing to spend approximately $35,000 per unit on renovations.

Mr. Brannock stated neither the SHRA nor the City of Staunton would be liable for debt that the developer is taking on nor will either the SRHA or the City be asked to guarantee any of the debt. He noted none of the tax revenue of the City will be at risk.

Mr. Brannock stated they are asking Council to support a resolution approving the bond issue by Staunton Redevelopment and Housing Authority.

Dr. Harrington asked if all units were currently occupied. Mr. McGuire stated he believed there was currently a high level of occupancy. He stated there would be no displacement of occupants during renovations. Dr. Harrington asked which of the City's elementary school residents attended. It was noted residents attended McSwain Elementary School.

This will be Item F on the Regular meeting agenda.

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5. Presentation Concerning Gypsy Hill Stream Restoration Project

Nickie Mills, City Engineer, stated the City is continuing efforts to comply with the Phase II Municipal Separate Storm Sewer System (MS4) General Permit issued by the Virginia Department of Environmental Quality (DEQ) for the City's stormwater program. One of the projects identified in the planning process for permit compliance was the restoration of the stream in Gypsy Hill Park.

Mr. Mills stated the project has been very well received with positive feedback. He noted the project would start near the baseball fields. The stream has been identified as having erosion issues and having a portion of the stream buried in a culvert that would benefit from "daylighting," or removal of the culvert and restoration of a natural channel. The DEQ permit requires that the City remove specified amounts of nitrogen, phosphorus and total suspended solids from City streams and waterways as part of the MS4 permit. This stream restoration project is expected to significantly contribute to the nutrient removal that is required. The stream restoration project is also expected to include removal of some of the "rip-rap" slope protection along the stream, making it more aesthetically pleasing, and enhancing nutrient removal. Where feasible, the final design may provide some stream "benching" to slow runoff through the park, provide some flooding reduction benefit for areas downstream from the park, and allow for aquatic or wetland plants that provide nutrient removal benefits. Mr. Mills stated some trees have been flagged to be saved while others may possibly be relocated.

Mr. Mills further stated some feedback received from the public is the desire to see public education opportunities in the design.

Ms. Mead asked if there would be any encroachment on the ballfields or playing areas. Mr. Mills stated they were not planning on changing the ballfields in any way. He noted there is a possibility of placing under drains below the fields, but they would not be visible. Mr. Mills stated this would not help flooding situations in the park. He noted flood mitigation would be mostly downstream and would help the downtown area.

Mr. Holmes asked how nitrogen and phosphorus wound up in the streams and waterways. Mr. Mills noted the park is part of a nutrient management plan and felt fertilizers were not the primary source. He then gave several examples of possible sources.

Ms. Mead asked what the cost would be for the project. Mr. Mills noted currently there is a $1.2 million budget, but this is a preliminary figure. He noted there was a study done which has identified potential projects for these nutrient removal goals. Ms. Mead asked if this would help significantly in stormwater management. Mr. Mills stated it is their hope that this would be beneficial project for nutrient removal.

Ms. Oakes asked Mr. Mills for clarification on educational opportunities. He stated this would include opportunities to connect with the creek. This might include a section of walking trail and a viewing platform. He noted educational placards or signs might be placed throughout as well.

Vice Mayor Kier asked about "daylighting" of the pipe and what area would be affected. Mr. Mills stated it is the area only at the ballfields.

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Mayor Dull asked if there are any plans for the park's train area which received flooding earlier in the year. Mr. Mills noted there are proposed plans for inside the train track area. He noted one of the main goals is to also lower parts of the banks along the creek.

6. Discussion of 2019 Legislative Program

Steve Owen, City Manager, stated during Council's work session on October 25, 2018 there was discussion of a draft resolution of the 2019 Legislative Program. He noted Council had provided good direction with proposed changes to last year's program and asked if there were further changes.

Mr. Owen noted language had been added to include Equal Rights Amendment, opioids, and fair elections. He also noted the addition of language asking for support of reduction of the required newspaper advertising for public notices had been included, behavioral health and developmental disabilities, 599 funding for law enforcement and jail staffing. Mr. Owen stated language regarding short-term rentals and greenhouse gas initiatives had been removed as they had been addressed in previous General Assembly session.

Mr. Owen stated if Council approved the proposed changes, a resolution could be adopted at tonight's meeting or further discussion could be considered at a future meeting.

Mayor Dull asked if Council members had any items they wished to discuss further. Ms. Mead asked if the language in Council's proposed legislative agenda incorporated that of VML in total. Mayor Dull noted Council has its own legislative program and VML has its own, but Council is supporting VML's program in addition to the City's.

Council members engaged in a discussion, initiated by Ms. Mead, concerning the further addition to the legislative program of local option regulation of disposable plastic bags. Council members expressed various opinions about such an addition, without reaching a consensus.

Mayor Dull stated this could be voted on tonight or send it back for further language. Ms. Mead stated this would be the only item that she would want to change, but if there is not a consensus among Council at this time, then she's willing to approve what is currently drafted. She noted she would bring it up again next year.

Vice Mayor Kier stated he felt the pediatric cancer research statement needed to include more language. Mr. Owen noted the language in that statement could be restored, and the amendment could possibly be adopted if Council agreed. Ms. Oakes stated she would also like to see the original language placed back in the legislative statement. Ms. Oakes noted she would make a motion to add this to the agenda at the Regular meeting.

The work session adjourned at 7:03 p.m.

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Suzanne F. Simmons
Clerk of Council

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REGULAR MEETING OF STAUNTON CITY COUNCIL
Thursday, November 8, 2018
7:30 p.m.
Council Chambers

PRESENT: **Carolyn W. Dull, Mayor**
Ophie A. Kier, Vice Mayor
James L. Harrington
R. Terry Holmes
Erik D. Curren
Andrea Oakes
Brenda O. Mead

ALSO PRESENT: **Stephen F. Owen, City Manager**
Steven Rosenberg, Deputy City Manager
Douglas L. Guynn, City Attorney
Suzanne F. Simmons, Clerk of Council

Mayor Dull called the meeting to order. The Pledge of Allegiance was recited in unison.

MAYOR'S REPORT

Mayor Dull welcomed Daman Irby and Mary Daniel Brown of the University of Virginia Center for Politics. She noted there was a guest delegation in attendance hosted by the university in partnership with World Learning. The group included 30 Mongolians who are participating in the Leaders Advancing Democracy-Mongolia Exchange.

Mr. Irby stated this was the third delegation from Mongolia to attend a Council meeting. The group's representative thanked the Mayor and Council members and stated it was a privilege to observe Council's meeting as well as to tour the City.

Mayor Dull read the following Proclamation proclaiming Veterans Day.

PROCLAMATION

WHEREAS, Veterans Day has its origins in the November 11, 1918, armistice which brought World War I to a conclusion; and

WHEREAS, the Allied victory in World War I affirmed the strength of great nations acting together for high purposes; and

WHEREAS, the people of the United States caused through their elected representatives the designation of November 11, as a federal legal holiday which in 1954 became officially known thereafter as Veterans Day; and

WHEREAS, Veterans Day continues to be celebrated and commemorated with solemn observances in honor of all Americans who have served their country in times of war and conflict; and

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WHEREAS, Veterans Day has become a significant part of our American heritage as we recognize millions of our citizens whose military service has had a profound effect on history; and

WHEREAS, the courage, honor, sacrifice and dedication which veterans of the United States Armed Forces have displayed in the cause of justice, freedom and democracy are most worthy of recognition.

NOW, THEREFORE, BE IT PROCLAIMED by Staunton City Council that November 11, 2018, is hereby designated as

Veterans Day

in the City of Staunton, and Staunton City Council urges our community and communities across the country, to observe the day with appropriate ceremonies in honor of those who have served.

Adopted this 8th day of November, 2018.

/s/ Carolyn W. Dull, Mayor

ATTEST: /s/ Suzanne F. Simmons
CLERK OF COUNCIL

Mayor Dull thanked veterans for their service and invited the community to attend the Veterans parade on Saturday, November 10, 2018 in the downtown area.

The Mayor then read the following Proclamation and presented it to Julie Markowitz, Executive Director of the Staunton Downtown Development Association.

PROCLAMATION

WHEREAS, the government of Staunton, Virginia, celebrates our local small businesses and the contributions they make to our local economy and community; and

WHEREAS, according to the United States Small Business Administration, there are currently 30.2 million small businesses in the United States, which represent 99.7% of all businesses with employees in the United States and are responsible for 65.9% of the net new jobs created from 2000 to 2017; and

WHEREAS, small businesses employ 47.5% of the employees in the private sector in the United States; and

WHEREAS, 90% of consumers in the United States say Small Business Saturday has had a positive impact on their community; and

WHEREAS, 89% of consumers who are aware of Small Business Saturday said the day encourages them to "shop small" all year long; and

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WHEREAS, 73% of consumers who reportedly "shopped small" at independently-owned retailers and restaurants on Small Business Saturday did so with friends or family; and

WHEREAS, the reason reported by the most consumers aware of the day to shop and dine at small, independently-owned businesses was to support their community, cited by 64% of consumers; and

WHEREAS, Staunton, Virginia supports our local businesses that create jobs, boost our local economy and preserve our communities; and

WHEREAS, advocacy groups, as well as public and private organizations, across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

NOW, THEREFORE, BE IT PROCLAIMED by Staunton City Council that November 24, 2018, is hereby designated as

Small Business Saturday

in the City of Staunton, and Staunton City Council urges the residents of our community, and communities across the country, to support small businesses and merchants on Small Business Saturday and throughout the year.

Adopted this 8th day of November, 2018.

/s/ Carolyn W. Dull, Mayor

ATTEST: /s/ Suzanne F. Simmons
CLERK OF COUNCIL

Ms. Markowitz thanked City Council for their continued support of the Staunton Downtown Development Association and in encouraging citizens to support our local businesses.

Mayor Dull stated the ERA tour bus would be visiting the Mary Baldwin University campus on November 14, 2018, and encouraged everyone to participate.

ADDITIONAL ITEMS BY MEMBERS OF COUNCIL

Ms. Oakes moved that the following item be added to this evening's regular meeting agenda as Item G:

Consideration of the 2019 Legislative Program.

The motion was seconded by Mr. Holmes and carried unanimously as follows:

Dr. Curren	aye	Vice Mayor Kier	aye
Mayor Dull	aye	Ms. Mead	aye
Dr. Harrington	aye	Ms. Oakes	aye
Mr. Holmes	aye		

DRAFT

REGULAR MEETING

A. Recognition of Jeffrey McCray and William Nuckoles for Years of Service to the City of Staunton

Steve Owen, City Manager, recognized retired staff members, Jeffrey McCray and William Nuckoles, both Sanitation Equipment Operators, on their recent retirement from the City. He thanked Mr. Nuckoles for serving the City for 25 years in the Public Works Department.

Mayor Dull stated Council is very appreciative of the City's employees.

Mayor Dull stated the next four items on the agenda would consist of four public hearings that had been combined by Doug Guynn, City Attorney. She noted the ordinances would be introduced by way of motions and then the public hearings would be conducted.

B. Public Hearing on Ordinances Concerning Revenue and Finance

Doug Guynn, City Attorney, stated the nine ordinances are essentially ordinances designed to update the Staunton City Code. He noted seven of the ordinances are intended to align the City Code with the Code of Virginia.

Mr. Guynn stated two of the proposed ordinances would explicitly have the City Code recognize exemptions for the City of Staunton, the School Board of the City of Staunton, and certain 501(c)(3) organizations from building permit fees, water and sewer connection fees, and facility fees.

Mr. Guynn stated he is recommending that City Council hold four public hearings and suggested at the introduction of the first public hearing he would run down through the list of the four ordinances which are part of group one.

Mr. Guynn stated the first ordinance extends vehicle tax relief to qualified leased vehicles of United States military members. He noted this is simply to align the City Code with the Virginia Code. Mr. Guynn stated the second ordinance expands through the redefinition of "dwelling" real estate tax relief for elderly or disabled persons. He noted the third ordinance in this first group reorganizes in one place the utility tax exemptions and repeals outdated provisions of the City Code on the former local consumer tax on telephone service. Mr. Guynn noted the fourth ordinance in the first group incorporates special procedural requirements related to cigarette tax stamps.

Mr. Guynn stated he was recommending that Mayor Dull entertain a motion to introduce those four ordinances and then conduct a public hearing on them.

Ms. Oakes moved to introduce proposed ordinances designated as ordinances Roman numerals I-IV.

The motion was seconded by Dr. Harrington and carried as follows:

Vice Mayor Kier	aye	Mr. Holmes	aye
Dr. Harrington	aye	Dr. Curren	aye

Ms. Oakes	aye	Mayor Dull	aye
Ms. Mead	aye		

The Public Hearing was opened.

There being no one wishing to speak, the Public Hearing was closed.

Mayor Dull stated this will be acted on at Council's December 13, 2018 meeting.

C. Public Hearing on Ordinances Concerning Business Licenses and Regulations

Mr. Guynn stated the second group is simply a group of one ordinance referred to by Roman numeral V. He noted this ordinance revises annual licensing fees for those engaged in the manufacture, bottling, or selling of alcoholic beverages. He noted this is largely a housekeeping ordinance to bring the City's code into alignment with the provisions of the Virginia Code. He stated he was recommending Mayor Dull to ask Council to introduce the ordinance and then conduct a public hearing.

Dr. Harrington moved to introduce the proposed ordinance designated as ordinance Roman numeral V.

The motion was seconded by Mr. Holmes and carried as follows:

Mayor Dull	aye	Ms. Mead	aye
Vice Mayor Kier	aye	Mr. Holmes	aye
Dr. Harrington	aye	Dr. Curren	aye
Ms. Oakes	aye		

The Public Hearing was opened.

There being no one wishing to speak, the Public Hearing was closed.

D. Public Hearing on Ordinances Concerning Animals and Fowl

Mr. Guynn stated the third group of ordinances includes expanding the definition of "boarding establishment" with regard to animals and fowl as well as a separate ordinance which clarifies the definition of "hybrid canine," also related to the Title 6 of Animals and Fowl.

Dr. Curren moved to introduce proposed ordinances designated as ordinances Roman numerals VI-VII.

The motion was seconded by Ms. Oakes and carried as follows:

Dr. Harrington	aye	Dr. Curren	aye
Ms. Oakes	aye	Mayor Dull	aye
Ms. Mead	aye	Vice Mayor Kier	aye
Mr. Holmes	aye		

The Public Hearing was opened.

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There being no one wishing to speak, the Public Hearing was closed.

E. Public Hearing on Ordinances Concerning Environment and Buildings and Building Regulations

Mr. Guynn stated the fourth group of ordinances is designated as Roman numerals VIII and IX. He noted ordinance Roman numeral VIII provides explicitly an exemption from water connection and facility fees and sewer connection and facility fees for projects of the City of Staunton, the Staunton School Board, and any organization that meets certain requirements under 501(c)(3) and provides housing. He reminded Council that this language was used particularly in regard to Habitat for Humanity which sometimes builds homes in the City of Staunton.

Mr. Guynn stated ordinance Roman numeral IX provides explicitly an exemption from building permit fees similarly for projects of the City of Staunton, the Staunton School Board, and certain 501(c)(3) exempt organizations.

Mr. Guynn stated he was recommending Mayor Dull request that Council introduce the group of ordinances and then conduct a public hearing.

Ms. Mead moved to introduce proposed ordinances designated as ordinances Roman numerals VIII-IX.

The motion was seconded by Dr. Harrington and carried as follows:

Ms. Oakes	aye	Mayor Dull	aye
Ms. Mead	aye	Vice Mayor Kier	aye
Mr. Holmes	aye	Dr. Harrington	aye
Dr. Curren	aye		

The Public Hearing was opened.

There being no one wishing to speak, the Public Hearing was closed.

Mayor Dull stated all of these ordinances would be acted on at Council's meeting on December 13, 2018.

Mr. Guynn stated there would be four more ordinances coming from the Planning Commission for a total of thirteen ordinances to consider at the December 13, 2018 meeting.

F. Consideration of Resolution Approving the Issuance by the Staunton Redevelopment and Housing Authority of Its Revenue Bonds for the Acquisition, Construction, Renovation, Rehabilitation and Equipping of the Approximately 110 Unit Willow View Townhomes Multifamily Housing Facility Located in the City of Staunton, Virginia

Mr. Owen introduced Boyce Brannock of TimberlakeSmith, counsel to the Staunton Redevelopment and Housing Authority (SRHA). Mr. Brannock stated he and Mike Graff of McGuireWoods, bond counsel to SRHA, are requesting Council's support for and passage of the

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proposed resolution in reference to a project regarding Willow View Townhomes. Mr. Brannock stated the resolution would authorize the authority to issue tax-exempt bonds for improvements to that housing development. He stated the nature of the authority's involvement in the project would allow the developer to obtain tax-exempt bonds. He noted Council is being asked to pass the resolution as it is a necessary requirement to obtain tax-exempt status. Mr. Brannock stated the City is not being requested to back the bonds, nor to pay or guarantee the bonds.

Mr. Holmes moved to adopt the resolution approving the bond issue by the Staunton Redevelopment and Housing Authority, in an amount not to exceed $7,000,000, in connection with the acquisition, construction, renovation, rehabilitation and equipping of the Willow View Townhomes.

The motion was seconded by Dr. Harrington and carried as follows:

Mayor Dull	aye	Ms. Mead	aye
Vice Mayor Kier	aye	Mr. Holmes	aye
Dr. Harrington	aye	Dr. Curren	aye
Ms. Oakes	aye		

RESOLUTION APPROVING THE ISSUANCE BY THE STAUNTON REDEVELOPMENT AND HOUSING AUTHORITY OF ITS REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 110 UNIT WILLOW VIEW TOWNHOMES MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF STAUNTON, VIRGINIA

WHEREAS, the Staunton Redevelopment and Housing Authority (the "Authority") is authorized to advertise and hold public hearings relative to the issuance of private activity bonds; and

WHEREAS, the Authority has considered the application of LRC – Willow View, LP, a Virginia limited partnership (the "Borrower"), requesting that the Authority issue up to $7,000,000 of its revenue bonds (the "Bonds") to assist the Borrower in financing the acquisition, construction, renovation, rehabilitation and equipping of an approximately 110 unit multifamily residential rental housing project known as Willow View Townhomes (the "Project") and has held a public hearing in connection therewith on October 16, 2018; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), provides that the applicable elected representatives of the governmental unit having jurisdiction over the issuer of private activity bonds must approve the issuance of such bonds;

WHEREAS, the Authority issues its bonds on behalf of the City of Staunton, Virginia (the "City"); and

WHEREAS, the Authority, as the issuing governmental unit with respect to the Bonds, has no applicable elected representative, the City constitutes the next highest governmental unit with such a representative, and the members of the City Council of the City (the "Council") constitute the applicable elected representatives of the City; and

WHEREAS, the Authority has previously held a public hearing regarding the Project and adopted a resolution authorizing in principle the issuance of the Bonds; and

WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution authorizing the issuance of the Bonds, subject to the terms to be agreed upon, a Fiscal Impact Statement complying with the requirements of Section 15.2-4907 of the Virginia Code, as applicable to housing authorities, and a certificate of the public hearing have been filed with the Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STAUNTON, VIRGINIA THAT:

1. The Council approves the issuance of the Bonds by the Authority for the benefit of the Borrower, as required by Section 147(f) of the Code, Section l5.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code") and, to the extent applicable, Section 36-19(9) of the Virginia Code to permit the Authority to assist in the financing of the Project.

2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds or the creditworthiness of the Project or the Borrower.

3. The Bonds shall provide that neither the Commonwealth of Virginia, the City nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and monies pledged thereto and that neither the faith and credit nor the taxing power of the Commonwealth of Virginia, the City or the Authority is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

4. In adopting this resolution, the City, including its elected representatives, officers, employees and agents, shall not be liable for, and hereby disclaim all liability for, any damages to any person, direct or consequential, resulting from the Authority's failure to issue the Bonds for any reason.

5. This resolution shall take effect immediately upon its adoption.

Adopted by the City Council of the City of Staunton, Virginia this 8th day of November, 2018.

G. 2019 Legislative Program

Mr. Owen stated for the past 11 years City Council has provided a Legislative Program of what it supports and opposes that it expects may come before the Virginia General Assembly. He noted that program is transmitted to local members of the General Assembly and the Governor's office. Mr. Owen stated this was also shared with government members in the surrounding area as well as the Virginia Municipal League and the Virginia First Cities.

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Mr. Owen stated this year the Legislative Program has been amended to include the option of being able to advertise through social media for the City's legal notices, asking the General Assembly to invest more in the opioid epidemic, as well as language regarding transportation and education.

Mayor Dull stated when the program is approved, it is sent to state representatives for our locality.

Vice Mayor Kier moved that City Council adopt the resolution establishing the City of Staunton's 2019 Legislative Program, with Item B, concerning pediatric cancer research, to be revised to include the same content as contained in the 2018 Legislative Program.

The motion was seconded by Ms. Oakes and carried as follows:

Dr. Harrington	aye	Dr. Curren	aye
Ms. Oakes	aye	Mayor Dull	aye
Vice Mayor Kier	aye	Mr. Holmes	aye
Ms. Mead	aye		

RESOLUTION ESTABLISHING THE CITY OF STAUNTON'S 2019 LEGISLATIVE PROGRAM

The Mayor and City Council of the City of Staunton, Virginia, governing from a position closest to the City's citizens and desiring to make City government more responsive to Staunton citizens, believe it is important to advise the City's representatives in the Virginia General Assembly of the City's legislative positions.

THEREFORE, BE IT RESOLVED by the Council of the City of Staunton that the legislative principles adopted by the Virginia Municipal League (VML) are hereby endorsed:

The Governor and General Assembly should not:

- Restrict further local revenue authority or sources.
- Impose new funding requirements or expand existing ones on services delivered by local governments.
- Shift state funding responsibilities onto local governments.
- Impose state fees, taxes or surcharges on local government services.
- Place additional unfunded mandates and other administrative burdens on local governments.

BE IT FURTHER RESOLVED that City Council respectfully requests that the General Assembly **support** legislation regarding the following issues:

A. Education

1. The General Assembly should fully fund public education—funding all mandated programs and services of education on the basis of realistic costs; increasing Standards of Quality funding, coming from general fund revenues, appropriated to elementary and secondary education; providing for flexibility in the use of those funds to meet unique local needs; and supporting specialized

training, professional development and extended contracts for staff in challenged schools.

2. The General Assembly should fully fund the Virginia Preschool Initiative.

3. The General Assembly should continue to support the revisions of the system of accountability to encompass balanced assessments and expand the implementation of problem-based assessments for greater validity and more cost-effective sampling techniques, and continue the implementation of expedited test retakes to more accurately reflect student achievement, sense of inquiry, and love of learning.

4. The General Assembly should enact legislation to double the sales and use tax revenue distribution statewide to provide funding for capital for new or renovated school building projects, using the same formula for sales and use tax distribution as is used currently for distribution for Standards of Quality funding.

5. The General Assembly should provide new avenues for funding public school construction and renovation costs, including the creation of a pilot program of competitive grants using funds from the Virginia Public Building Authority to offset new construction costs for publicly owned and operated K-12 schools.

B. Pediatric Cancer Research

City Council is appalled by the lack of cancer research coordination, the glacially slow FDA new treatment approval process, and the totally inadequate level of federal funding for pediatric cancer research. Less than 4% of all cancer research spending is for pediatric cancer and only two treatments are currently approved by the FDA. Council requests that the Virginia General Assembly petition the federal government to make pediatric cancer a real priority in order to save the lives of countless children who cannot speak for themselves or vote.

C. Certificates of Public Need

Council supports Virginia's Certificate of Public Need (COPN) program as an important component of the Commonwealth's health care system and encourages the General Assembly to retain COPN in its current form.

D. Chesapeake Bay Water Quality

City Council requests that the Commonwealth increase Stormwater Legal Assistance Fund (SLAF) funding to at least $50 million and Agricultural BMP Cost-Share Program funding to at least $100 million.

E. Transportation

1. City Council supports improvements to railroad infrastructure to increase freight shipment capacity and reduce truck traffic and impacts on Interstate 81.

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2. City Council supports a Primary Seatbelt Law.

3. City Council supports a ban on handheld cell phone use by operators of moving motor vehicles.

4. City Council supports the use of non-motorized transportation, including trails, pathways and green corridors, for health, energy conservation and cost reasons for all Virginians.

5. City Council supports increased federal and state funding for public transit; policies that allow for the equitable distribution of such funding; and dedicated sources for such funding.

F. Libraries

City Council supports efforts to maintain and increase State Aid to Public Libraries as mandated by the Code of Virginia to strengthen funding for public library materials and programs that target childhood literacy and STEM instruction.

G. Virginia State Parks

City Council encourages the Governor and General Assembly to support additional land acquisition for state parks, outdoor recreation and natural areas.

H. Broadband Expansion

City Council supports the expansion of broadband to all areas of the Commonwealth.

I. Solar Tax Incentives

City Council supports state tax incentives for private homeowners, businesses and the solar energy industry to incentivize an increase in the use of clean solar energy systems, to reduce dependence on extractive fossil fuels and emissions and increase energy independence.

J. Predatory Lending

City Council continues its eight-year long fight against predatory lending. Council supports:

- A return to the usury law (36% interest rate cap inclusive of all fees) that Virginia had prior to 2002.

- Vigorous enforcement by the Attorney General of the ban on illegal internet loans.

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- If the Senate and the House refuse to act, swift approval by the General Assembly of a statewide referendum on an interest rate cap.

K. Equal Rights Amendment

City Council supports passage of the Equal Rights Amendment (ERA) and urges the General Assembly to take the necessary steps to put this matter before the citizens of the Commonwealth of Virginia.

L. Opioids

City Council supports any efforts to curb opioid use and abuse, including state programs that partner with local governments to deal with the effects of this growing epidemic.

M. Fair Elections

Like many of our citizens, members of City Council regard with concern the reports received from other states and regions of apparent attempts on the part of government officials to suppress voter turnout. Reductions in voting locations, malfunctioning voting machines, preemptory removal of citizens' names from voting rolls, and other such strategies for unfairly influencing the outcome of an election reflect an abandonment of the democratic principles upon which our nation and commonwealth were founded.

Council urges our representatives in the General Assembly to make every effort to ensure that Virginia elections are fair, secure, accurate, accessible, and transparent. Further, Council urges the General Assembly to explore and implement additional strategies for encouraging voter turn-out, including:

- automatic registration
- expanded voting hours
- establishment of election day as a state holiday

N. Public Notice, Public Hearing and Public Procurement

The General Assembly should support legislation to reduce required, expensive newspaper advertising for public notices, public hearings and public procurement including legislation to give localities the option to use electronic or other forms of notification as an alternative to newspaper advertising.

O. Behavioral Health and Development Disability

- The General Assembly should provide full funding for the System Transformation Excellence and Performance (STEP-VA) initiative of the Virginia Department of Behavioral Health & Developmental Services during the 2018-2020 biennial budget.

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- The General Assembly should increase the Medicaid Early Intervention case management reimbursement rate to its data-determined adequacy.

- The General Assembly should fund 800 additional Family and Individual Supports (FIS) Waivers and 250 Community Living (CL) Waivers.

P. State Aid to Localities for Law Enforcement - HB599

The City of Staunton requests the General Assembly fully fund HB599 for law enforcement as mandated by the Code of Virginia.

Q. Jail Staffing/Compensation Board

The City of Staunton requests the General Assembly fund the required staffing positions based on the Average Daily Population (ADP) for regional jails, which would result in 70 more positions for Middle River Regional Jail based on ADP for 2017.

BE IT ALSO RESOLVED that City Council respectfully requests that the General Assembly **oppose** the following legislation:

A. Eminent Domain by Private Utilities for Surveying

City Council opposes the eminent domain rights extended to Dominion Virginia Power and other private utilities to enter onto private property without the consent of the landowner for the purpose of surveying for proposed projects before agreements have been reached with such property owners.

B. Stormwater Utility Exemptions

City Council opposes legislation which would exempt any property owner from the payment of local stormwater utility fees.

The Clerk of Council shall mail or deliver a copy of this Resolution to the Governor, the City's representatives in the General Assembly, other selected members of the General Assembly and area local governments; to the Virginia Municipal League, Virginia Association of Counties and Virginia First Cities and to other interested persons, as appropriate.

Adopted this 8th day of November, 2018.

/s/ Carolyn W. Dull
Carolyn W. Dull, Mayor

ATTEST: /s/ Suzanne F. Simmons
Suzanne F. Simmons
Clerk of Council

Matters from the City Manager

Mr. Owen stated there were some interesting things happening in the City. He noted Council held a retreat last week and discussed their vision through the year 2035. He thanked Ruth Jones

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Turner, Communications Manager, for her work updating citizens through social media. He noted a three-year work plan had been updated for staff. Mr. Owen stated Council members were updated earlier today by a consultant on Staunton Crossing regarding future development.

Matters from the Public

William Crisp, 210 College Circle, spoke against the recent decision by the Staunton School Board to change the name of Robert E. Lee High School. He also voiced concerns about financial costs to replace signs for the school.

Baldwin Jennings, 332 Sharon Lane, stated the City needs the Atlantic Coast Pipeline and felt it would not affect the City's water supply and Gardner Spring. Instead, he felt the City should investigate North River Dam due to its age.

A representative from Mongolia stated this was his first visit to the United States and that it is a truly beautiful country. He expressed thanks to the American taxpayers giving the group the opportunity to experience the democracy of our nation.

There was no one else wishing to speak.

Mayor Dull stated she appreciated the group visiting from Mongolia and had enjoyed every group that had visited the City. She hoped they would return to their country and do good work. She noted she had received an email complimenting the Staunton Police Department.

Adjournment

There being no further business to come before Council, the meeting adjourned at 8:12 p.m.

_____

Suzanne F. Simmons
Clerk of Council

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CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Staff Members:** **Rodney Rhodes** **Tim Hartless**
Item #	**C**	
Ordinance #		
Department:	**Community Development—Planning and Zoning**	
Council Vision:	**Built Environment**	
Subject:	**Public Hearing and Consideration of a Request by Shenandoah Valley Pike LLC for a Special Use Permit to Allow Residential Use on the Ground Level at 29 Middlebrook Avenue**	

Background: Shenandoah Valley Pike LLC is requesting a Special Use Permit in order to create one dwelling unit on the ground level of the building located at 29 Middlebrook Avenue. The property is located in the Wharf Historic District of the City, across from the train station, and is zoned B-2, General Business District. The B-2, General Business District, permits living and sleeping quarters on the ground and basement levels only with a Special Use Permit. The first floor of the building has a ground level entrance from Byers Street and is occupied by Shenandoah Hops. On the opposite side of the building, the second floor has a ground level entrance from Middlebrook Avenue. Typically, in a B-2 District, residential use would be allowed by right on the second floor; however, in this situation the second floor is also a ground level floor so a Special Use Permit is required. Attached to this briefing are the applicant's proposed floor plans.

Review: City staff conducted a review of the proposal and have identified the following issues that will need to be addressed during the building permit application phase of the project, if the Special Use Permit is approved:

1. The property is located within the flood hazard area and also in the floodway; the requirements of SCC 18.170 “Flood Plain Districts and Regulations” will apply.

2. This is a change of use under the building code from business to residential. A building permit will be required, and all work must comply with the requirements of the Virginia Uniform Statewide Building Code.

3. The property is located in the Wharf Historic District, and any changes to the exterior of the building must be approved by the Historic Preservation Commission.

The *City of Staunton Comprehensive Plan 2010 – 2030* designates this area as Commercial. Ordinarily, staff would not be supportive of a request for residential use on a ground level of a commercial building located in the City’s Central Business District; however, this situation is unique because of the topography, the multiple ground levels of the building, and the fact that this is actually the second floor of the building. Also, Middlebrook Avenue is a narrow one-way street that is not heavily traveled when compared to other downtown streets such as Beverley, Johnson, Central or Lewis streets. When considering these additional factors, the residential use on this level of this building is reasonable. Therefore, staff recommends approval of the request.

Planning Commission Recommendation: At its meeting on October 18, 2018, Planning Commission held a public hearing on the matter. No one spoke in opposition to the request. On a 5-0 vote, the Commission unanimously recommended approval of the Special Use Permit, concurring with staff’s recommendation.

Attachments:

Attachment 1—Location Map of 29 Middlebrook Avenue
Attachment 2—Special Use Permit Application, Narrative and Plans

Suggested Motion (to be made after the public hearing is conducted): I move that Council approve the Special Use Permit for 29 Middlebrook Avenue, as recommended by the Planning Commission.

City Manager: Stephen F. Owen

Attachment 1

Vicinity Map - 29 Middlebrook Ave

Attachment 2

APPLICATION FOR SPECIAL USE PERMIT

DATE: SEPT. 10, 2018

NAME OF APPLICANT: WILLIAM T. & KATHLEEN O. FRAZIER

ADDRESS OF APPLICANT: 755 OPIE ST, STAUNTON, VA 24401

PHONE #: 540-886-8634 E-MAIL ADDRESS: fraz fam @ comcast.net

SIGNATURE: [signature]

IF APPLICANT IS ***NOT*** THE OWNER OF THE PROPERTY IN QUESTION, EXPLAIN. A COPY OF A PENDING CONTRACT OR OPTION AGREEMENT MUST BE ATTACHED HERETO AND MADE A PART OF THIS APPLICATION.

LOCATION OF PROPERTY:

29 MIDDLEBROOK AVE

MAP PROVIDED: YES ____ NO ____

SITE PLAN PROVIDED: YES ____ NO ____

FEE PAID: YES X NO ____

PRESENT ZONING OF THE PROPERTY: B2

APPLICABLE SECTION OF ZONING CODE STATING USE IS PERMITTED ON REVIEW: See attached

ARE PUBLIC UTILITIES AVAILABLE AND ADEQUATE FOR PROPOSED USE? IF ***NO***, EXPLAIN HOW UTILITIES WILL BE PROVIDED:

YES

LEGAL DESCRIPTION OF PROPERTY:

LOT 22 BLK PP) LOT 2 ON PLAT DIV DOROTHY KLOTZ - PROP 0.041 AC

DETAILED DESCRIPTION OF PROPOSED USE (DRAWINGS MUST BE INCLUDED IF NEW CONSTRUCTION, ADDITIONS, OR CHANGES TO THE EXTERIOR OF THE PROPERTY ARE PROPOSED).

ee Attached letter

FRAZIER ASSOCIATES

ARCHITECTURE

HISTORIC PRESERVATION

COMMUNITY DESIGN

COMMUNITY GRAPHICS

September 14, 2018

Mr. Rodney Rhodes, Senior Planner
City of Staunton - Community Development
City Hall, 3rd Floor
116 W. Beverley Street
Staunton, VA 24401

Re: 29 Middlebrook Avenue
Special Use Permit Application

Dear Rodney,

Per the attached application, Shenandoah Valley Pike LLC requests a Special Use Permit for the building located at 29 Middlebrook in Staunton. This building is in a B2 General Business District as shown on the attached City of Staunton Zoning Map. The building is currently a mixed-use building with a commercial tenant on the grade level at Byers Street, a vacant space on the second level at Middlebrook Ave. (main level) and apartments on the third and fourth levels.

Given the topography of the area, the first floor of the building exits at grade on the Byers Street side and the second floor exits at grade on the Middlebrook Avenue side as well as on the Byers St side via a stair. Shenandoah Hops occupies the grade level floor facing Byers St. We are requesting a Special Use Permit so the second floor of the building from Middlebrook Ave. can be used as a living unit. A plan that illustrates the layout is attached. The space already has a kitchenette with refrigerator and microwave. The intent is that the space could be used for a studio, live/work space, a short term rental or as a studio apartment.

As background, since renovating the building in 2007, there have been multiple businesses that have occupied this space from frame galleries to an office for an engineering firm attempting to expand to the Staunton area to a health food smoothie store to an art gallery. None of these businesses have succeeded in this space and the last three have closed down prior to the end of their lease. The building's location and the warehouse design of the façade facing Middlebrook has not lent itself to a business use even though we designed an entrance from Byers Street.

213 N. AUGUSTA ST.
STAUNTON, VA 24401
PHONE 540.886.6230
FAX 540.886.8629
www.frazierassociates.com

According to section 18.60.70 of The City of Staunton Zoning Ordinance, *"Living and/or sleeping quarters … on the ground and basement floors of main buildings" may be permitted on review by the planning commission in accordance with the provisions contained in Chapter 18.210 SCC. Per this section:*

> *A proposed use under this chapter is to be considered using the following factors as a guide:*
>
> *(i) The design of the existing building or the proposed building to be built.*
> *(ii) The historical significance of the structure on the lot or the historical significance of structures in the immediate vicinity.*
> *(iii) The amount of business usage that has at that time already developed in the immediate vicinity of the lot.*
> *(iv) The anticipated immediate new business development expected in the vicinity.*
> *(v) Lot size, topography conditions.*
> *(vi) Compatibility of building design and residential use with nearby buildings and uses.*
> *(vii) Availability of residential amenities such as sidewalks, play areas, and parking.*
> *(viii) Safety considerations, including traffic hazards, security and environmental factors.*
> *(ix) Usable open space available on the property."*

We request that the following circumstances be considered when evaluating this special use permit application:

1. The existing building was designed as a feed warehouse and does not have storefronts on either at-grade entrances.
2. The building is a contributing building to the Wharf Historic District. The project was designed to meet the *Secretary of Interior's Standard's for Rehabilitation.* No exterior changes are requested.
3. The proposal is to retain mixed-use on the site. The ground floor of the building, which faces Byers Street, will continue to be used as a retail shop as allowed in zoning.
4. The existing historic double door facing Middlebrook Avenue will be unchanged and used as the entrance to the live/work space.

5. The ground floor windows facing Middlebrook Avenue will remain unchanged. Wooden blinds currently exist in these windows. The west window opens to the utility room for all the floors. The east window opens to a room in the front of the Middlebrook Ave. space.
6. Apartments already exist on the top two floors and a separate entrance for those units are on the west elevation of the building off of the City sidewalk and stair.

Please let us know if there are any questions or if any additional information is required. Thank you for your consideration of this request.

Sincerely,

William T. Frazier FAICP
Planner
SVPLLC Member

Kathleen O Frazier, AIA
Architect
SVPLLC Member

PHOTO 1
Middlebrook Ave. Entrance

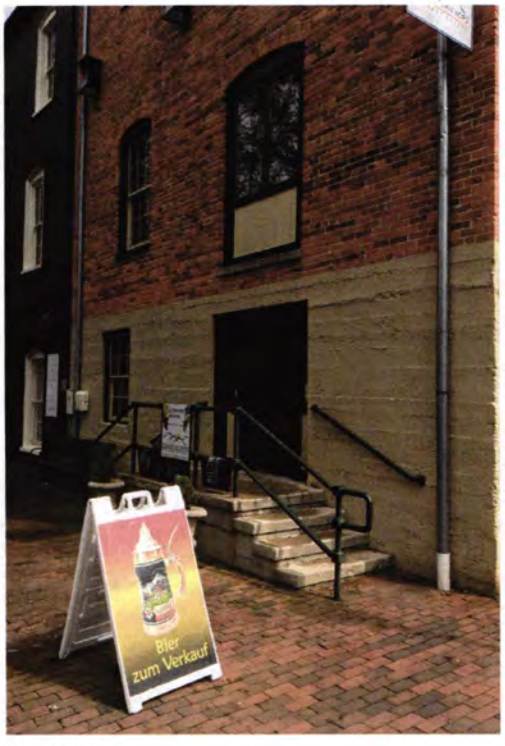
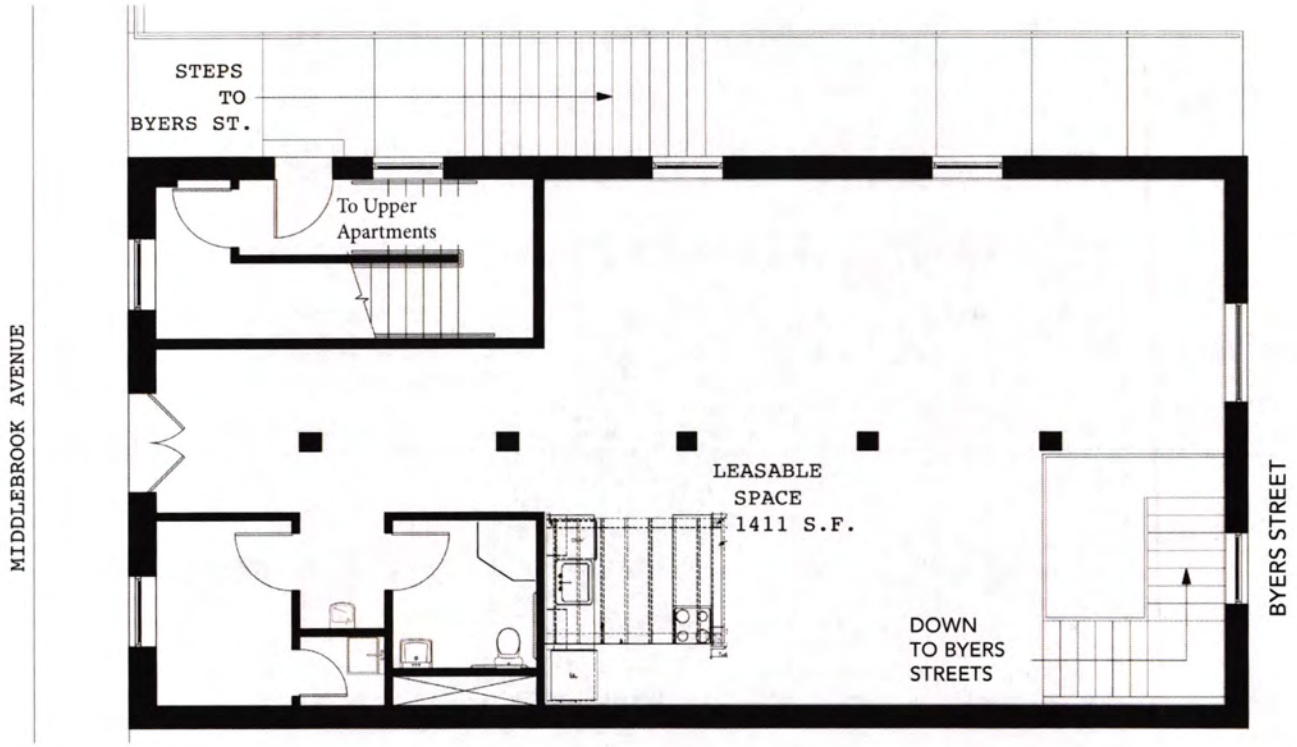


PHOTO 2
Byers St. Entrance

PHOTO 3
Context view of Middlebrook Ave. with 29 Middlebrook in foreground.

PHOTO 4
29 Middlebrook entrance showing solid historic doors and historic six over six windows to remain.

PHOTO 5
View of building from the west.



Floor plan (second floor) opening to Middlebrook Ave. and proposed studio apartment or live/work space layout.

Staunton zoning map showing location of 29 Middlebrook Avenue in B-2 district.

CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Staff Members:** **Rodney Rhodes** **Tim Hartless**
Item #	**D**	
Ordinance #		
Department:	**Community Development—Planning and Zoning**	
Council Vision:	**Built Environment**	
Subject:	**Public Hearing and Consideration of a Request by Draper Aden Associates on behalf of the School Board of the City of Staunton for a Special Use Permit to Permit Expansion/Renovation of a School at 1301 North Coalter Street**	

Background: Draper Aden Associates, on behalf of the School Board of the City of Staunton, is requesting a Special Use Permit to expand the current high school located at 1301 North Coalter Street. The proposed work includes demolition of a portion of the existing building and construction of a new addition. The current building was constructed in 1967, and was originally used as John Lewis Junior High School. In 1983, the School Board of the City of Staunton closed the junior high school, renovated the building and reopened it as the new Robert E. Lee High School.

The property is zoned Low Density Residential, R-1 and R-2. In all residential districts, schools are only permitted by Special Use Permit.

Review: The scope of work includes demolition of two classroom wings on the west side of the existing building and locating a new practice field in their place. On the northeast side of the building, a new classroom wing will be constructed. Vehicular access points to North Coalter Street and Taylor Street will not change; however, there will be some reworking of the parking lots to improve traffic flow. The existing tennis courts will be relocated to make room for the

classroom wing addition and an emergency vehicular access drive will be added around the entire building. The capacity of the renovated building will be approximately 900 students. The current student enrollment is 775.

Issuance of a Special Use Permit is the first step in a multistep process to obtain ultimate approval of the expansion/renovation. If a Special use Permit is approved, the applicant will then submit a site plan for administrative review by staff. During the site plan review process, staff will review the project for compliance with the zoning code requirements, such as minimum setbacks from property lines, height limitations, and parking, landscaping, erosion and sediment control, and stormwater requirements. Section 18.210.010 of the Staunton City Code provides that the purpose of the Special Use Permit review process is to "integrate properly uses permitted on review with other land uses located in the district." The subject property has been utilized as a public school for over 50 years and the proposed expansion/renovation will not significantly increase the capacity of the school or change the traffic flow to the site. The majority of the new construction is further away from the adjoining residential properties that the current improvements on the property.

The *City of Staunton Comprehensive Plan 2010 – 2030* designates this area as Public/Semi-Public. The intended uses of this designation include educational uses so the issuance of a Special Use Permit would be compatible with the Comprehensive Plan's land use designation.

Planning Commission Recommendation: At its meeting on October 18, 2018, Planning Commission held a public hearing on the matter. No one spoke in opposition to the request. O a 5-0 vote, the Commission unanimously recommended approval of the Special Use Permit, concurring with staff's recommendation.

Attachments:

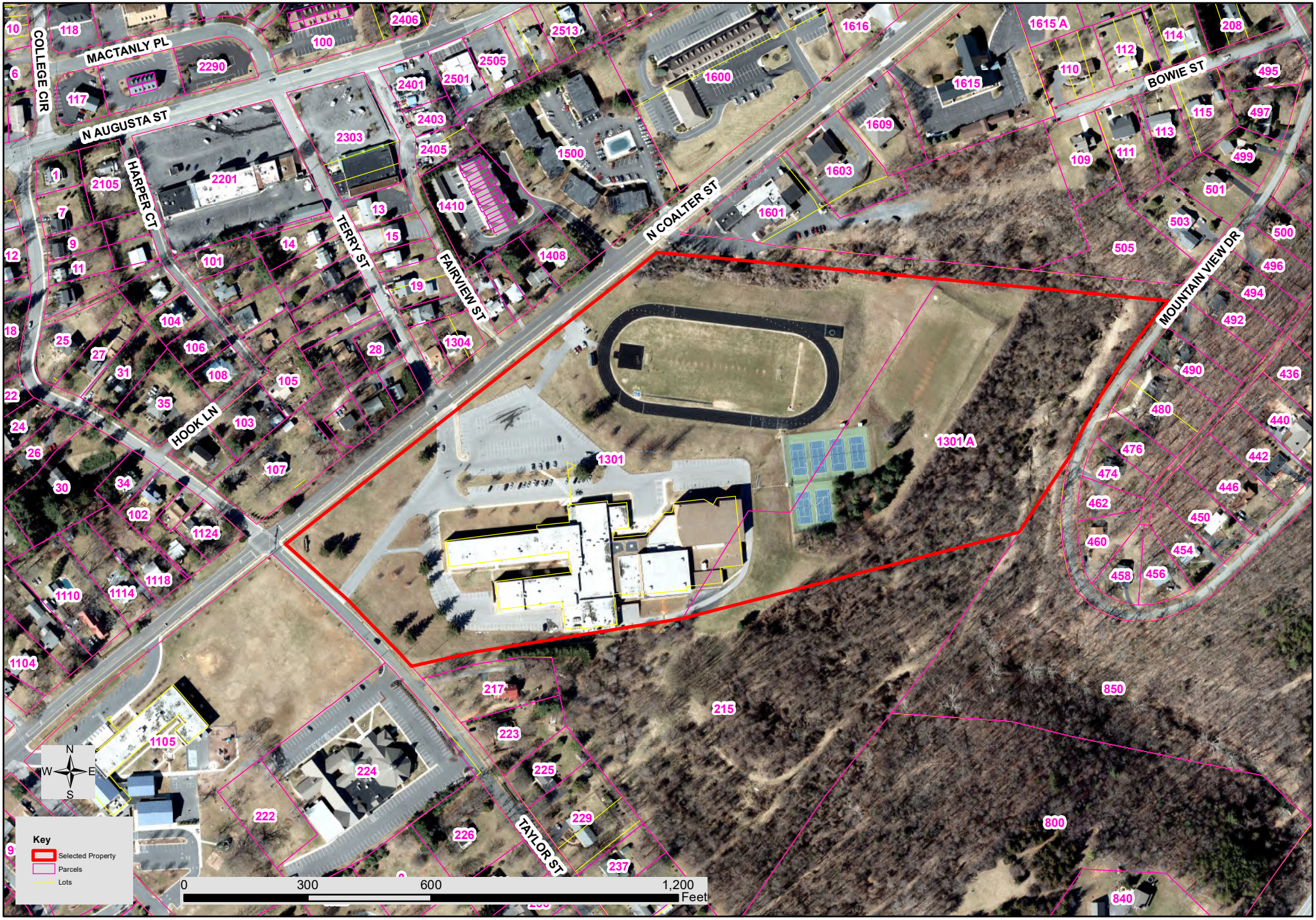
Attachment 1—Location Map of 1301 North Coalter Street
Attachment 2—Special Use Permit Application and Plans

Suggested Motion (to be made after the public hearing is conducted): I move City Council approve the Special Use Permit for 1301 North Coalter Street, as recommended by the Planning Commission.

City Manager: Stephen F. Owen

Vicinity Map - 1301 N Coalter St

Attachment 1



Attachment 2

APPLICATION FOR SPECIAL USE PERMIT

DATE: September 14, 2018

NAME OF APPLICANT: Draper Aden Associates - Campbell Bolton

ADDRESS OF APPLICANT: 110 Avon Street, Charlottesville

PHONE #: 434-295-0700 E-MAIL ADDRESS: cbolton@daa.com

SIGNATURE: E Campbell Bolton

IF APPLICANT IS ***NOT*** THE OWNER OF THE PROPERTY IN QUESTION, EXPLAIN. A COPY OF A PENDING CONTRACT OR OPTION AGREEMENT MUST BE ATTACHED HERETO AND MADE A PART OF THIS APPLICATION.

Draper Aden Associates is submitting this application on behalf of the City of Staunton School Board. The Board is contracted with Crabtree, Rohrbaugh & Associates - Architects (CRA) for the renovation of the High School. Draper Aden is a sub-consultant working for CRA as the civil engineer on the project.

LOCATION OF PROPERTY:

1200 North Coalter Street, Staunton, VA 24401

Northeast corner of North Coalter Street and Taylor Street

MAP PROVIDED: YES Y NO ____

SITE PLAN PROVIDED: YES Y NO ____

FEE PAID: YES ____ NO N

PRESENT ZONING OF THE PROPERTY: R2 - Low Density Residential

APPLICABLE SECTION OF ZONING CODE STATING USE IS PERMITTED ON REVIEW: 18.25.030.2

ARE PUBLIC UTILITIES AVAILABLE AND ADEQUATE FOR PROPOSED USE? IF ***NO***, EXPLAIN HOW UTILITIES WILL BE PROVIDED:

Yes, public water and sanitary sewer are on-site. We are working with City Engineering and Public Works to verify the water system has the capacity for the updated fire suppression system. No change to the domestic water or sanitary sewer demand is anticipated.

LEGAL DESCRIPTION OF PROPERTY:

ROBERT E LEE HIGH SCHOOL - Map Number 278, Acct# 9132

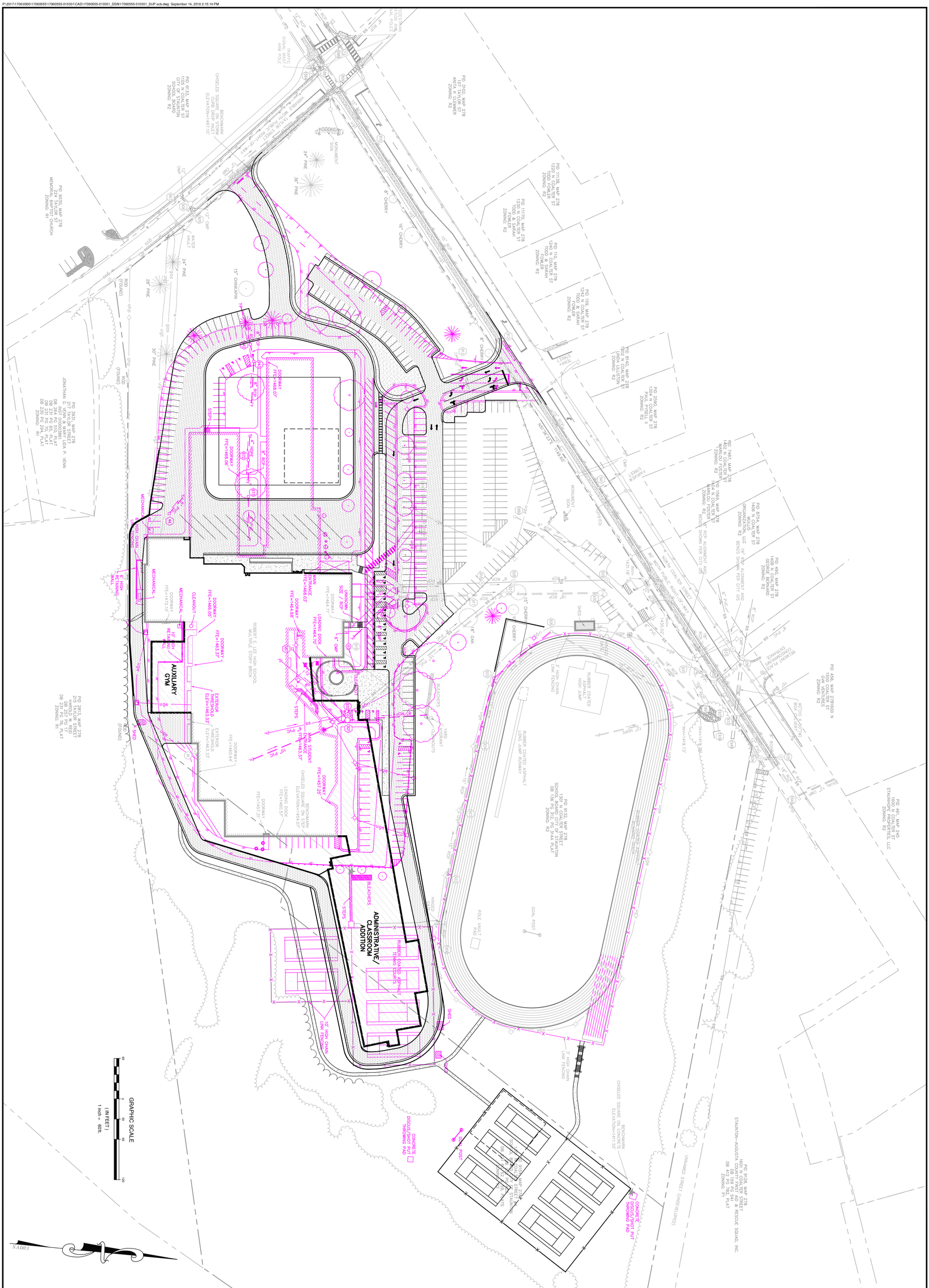
DETAILED DESCRIPTION OF PROPOSED USE (DRAWINGS MUST BE INCLUDED IF NEW CONSTRUCTION, ADDITIONS, OR CHANGES TO THE EXTERIOR OF THE PROPERTY ARE PROPOSED).

The project proposes major renovations, demolition, and additions to the high school. The two classroom wings on the west side of the building will be removed and a new three story classroom addition to the northeast corner of the building. The addition will extend over the existing tennis courts and will include either site retaining walls or a shell basement space to reach the existing grade. The tennis courts will be relocated to an existing grass field to the east of the football field. The parking lots and drive aisles will be reconfigured to provide better circulation throughout the side. An emergency access drive will be provide around the addition.

HIGH SCHOOL - FRONT ENTRANCE

HIGH SCHOOL - CAFETERIA ELEVATION

P:\2017\17060500\17060555\17060555-010301\CAD\17060555-010301_DSN\17060555-010301_SUP ecb.dwg September 14, 2018 2:15:14 PM



SUP2

REVISIONS

DESIGNED BY: SWM/ECB
DRAWN BY: SWM/ECB
CHECKED BY: ECB
SCALE: 1" = 60'
DATE: SEPTEMBER 14, 2018
PROJECT NUMBER: 17060555-010301

SITE LAYOUT - EXISTING CONDITIONS OVERLAY

ROBERT E. LEE HIGH SCHOOL ADDITIONS & ALTERATIONS

STAUNTON, VIRGINIA

Draper Aden Associates
Engineering • Surveying • Environmental Services

110 Avon Street
Charlottesville, VA 22902
434-295-0700 Fax: 434-295-2105
www.daa.com

• Richmond, VA • Raleigh, NC
• Blacksburg, VA • Fayetteville, NC
• Hampton Roads, VA • Northern Virginia

SITE SUMMARY

OWNER:
SCHOOL BOARD CITY OF STAUNTON
1301 N COALTER STREET
STAUNTON, VA 24401

PARCEL ID:
9132 MAP 278

PROJECT AREAS:

PROPOSED LOD (PROJECT AREA):	10.49 ACRES
EXISTING PROJECT AREA IMPERVIOUSNESS:	5.17 ACRES (225,205.2 SF)
ADDITIONAL PROPOSED IMPERVIOUSNESS (NET):	1.53 ACRES (66,646.8 SF)
PROPOSED TOTAL PROJECT IMPERVIOUSNESS:	6.70 ACRES (291,852.0 SF)

PROPOSED BUILDINGS (#):	ADDITION TO EXISTING
EXISTING BUILDING FOOTPRINT:	124,250 SF
PROPOSED BUILDING FOOTPRINT:	136,300 SF

LIMITS OF DISTURBANCE: 10.49 ACRES

PRESENT ZONING: R2 – LOW DENSITY RESIDENTIAL DISTRICT

PRESENT USE: PUBLIC HIGH SCHOOL

PROPOSED USE: PUBLIC HIGH SCHOOL

PARKING:

EXISTING PARKING SPACES	315 SPACES (INCL. 13 H.C. ACCESSIBLE SPACES)
REQUIRED PARKING SPACES	2 SPACES/3 TEACHERS AND EMPLOYEES NORMALLY ENGAGED IN OR ABOUT THE BUILDING OR GROUNDS, PLUS ONE SPACE PER FIVE STUDENTS OR 1 SPACE/150 SF OF SEATING AREA, INCLUDING AISLES, IN ANY AUDITORIUM, GYMNASIUM, OR CAFETERIA INTENDED TO BE USED AS AN AUDITORIUM, WHICHEVER IS THE GREATER.
TOTAL PROVIDED PARKING	307 SPACES (INCL. 15 H.C. ACCESSIBLE SPACES)

SANITARY SEWER: CITY

WATER: CITY

PID 461, MAP 245
1600 N COALTER ST
STAUNHOPE PROPERTIES, LLC
ZONING: R2

PID 456, MAP 2781600 N
1500 COALTER ST
GVK VENTURES
ZONING: R2

PID 490, MAP 278
1408 N COALTER ST
GEORGE BERNARD
ZONING: R2

PID 8754, MAP 278
1406 N COALTER ST
MULLIS ORGANIZATION, LLC
ZONING: R2

PID 7487, MAP 278
1402 N COALTER ST
MARILOU FOSTER
ZONING: R2

PID 1569, MAP 278
1404 N COALTER ST
MARILOU FOSTER
ZONING: R2

PID 2590, MAP 278
1304 N COALTER ST
PAUL PYSELL II
ZONING: R2

PID 8140, MAP 278
1302 N COALTER ST
LINDA LILLISTON
ZONING: R2

PID 109, MAP 278
1242 N COALTER ST
TODD & SARAH FOWLER
ZONING: R2

PID 110, MAP 278
1240 N COALTER ST
TODD & SARAH FOWLER
ZONING: R2

PID 11138, MAP 278
1220 N COALTER ST
TODD FOWLER
ZONING: R2

PID 11170, MAP 278
1230 N COALTER ST
TODD & SARAH FOWLER
ZONING: R2

PID 3102, MAP 278
107 TAYLOR ST
ANITA K CLEMMER
ZONING: R2

PID 9133, MAP 278
1105 N COALTER ST
CITY OF STAUNTON
SCHOOL BOARD
ZONING: R2

PID 9030, MAP 278
224 TAYLOR ST
MEMORIAL BAPTIST CHURCH
ZONING: R1

PID 3931, MAP 278
217 TAYLOR STREET
JONATHAN G. VENN & MARY LIDA P. VENN
INST 010003861
DB 264 PG 510, PLAT
DB 231 PG 65, PLAT
DB 231 PG 70, PLAT
DB 231 PG 294, PLAT
ZONING: R1

PID 2813, MAP 278
215 TAYLOR STREET
HAROLD W. REID
DB 257 PG 17
DB 231 PG 76, PLAT
ZONING: R1

PID 9128, MAP 278
1601 N COALTER STREET
STAUNTON–AUGUSTA COUNTY FIRST AID & RESCUE SQUAD, INC.
DB 159 PG 541
DB 412 PG 782, PLAT
ZONING: P1

PID 9132, MAP 278
1301 N COALTER STREET
SCHOOL BOARD CITY OF STAUNTON
DB 136 PG 312, PG 314A PLAT
ZONING: R2

PID 9315, MAP 278
1201 N COALTER ST
SCHOOL BOARD CITY OF STAUNTON
DB 136 PG 312, PG 314A PLAT
ZONING: R2

UNNAMED STREET (UNDEVELOPED)

PROPERTY LINE TO BE VACATED

CONCRETE SIDEWALK

TENNIS COURTS

PROPOSED SPRINTING LANE

RUBBER COATED ASPHALT HIGH JUMP

RUBBER COATED ASPHALT LONG JUMP RUNWAY

RUBBER COATED ASPHALT RUNNING TRACK

3' HIGH CHAIN LINK FENCING

GOAL POST

POLE VAULT PAD

RETAINING WALL

STUDENT PARKING

PROPOSED INTERIOR PARKING LANDSCAPING AREAS TO MEET CITY CODE, TYP.

OVERFLOW PARKING

TEACHER PARKING

PROPOSED PARKING BUFFER LANDSCAPING AREAS TO MEET CITY CODE, TYP.

CONCRETE SIDEWALK, TYP.

PRACTICE FIELD 180'x160'

20.0 × 160.0 × 180.0 × 20.0

BUS LOOP

BUS LOADING

ENTRY: 1466.04'

ENTRY: 1463.37'

ADMINISTRATIVE/ CLASSROOM ADDITION

ROBERT E. LEE HIGH SCHOOL MULTIPLE STORY BRICK

AUXILIARY GYM

LOADING DOCK

VISITOR BUS PARKING

VEHICULAR ACCESS DRIVE

CG-2 CURB, TYP.

BENCHMARK CHISELED SQUARE ON STEP ELEVATION=1454.07'

BENCHMARK CHISELED SQUARE ON CONCRETE ELEVATION=1411.55'

BENCHMARK CHISELED SQUARE ON STORM CURB DROP INLET ELEVATION=1497.10'

LOADING DOCK FFE=1460.57'

DOORWAY FFE=1464.71'

DOORWAY FFE=1457.31'

DOORWAY FFE=1460.64'

DOORWAY FFE=1472.10'

EXTERIOR THRESHOLD ELEV=1463.33'

GRAPHIC SCALE
60 0 30 60 120
(IN FEET)
1 inch = 60ft.

N

Draper Aden Associates
Engineering • Surveying • Environmental Services
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Charlottesville, VA 22902
434-295-0700 Fax: 434-295-2105
• Richmond, VA • Raleigh, NC
• Blacksburg, VA • Fayetteville, NC
• Hampton Roads, VA • Northern Virginia
www.daa.com

SITE LAYOUT PLAN - SUP APPLICATION
ROBERT E. LEE HIGH SCHOOL ADDITIONS & ALTERATIONS
STAUNTON, VIRGINIA

REVISIONS

DESIGNED BY:	SWM/ECB
DRAWN BY:	SWM/ECB
CHECKED BY:	ECB
SCALE:	1" = 60'
DATE:	SEPTEMBER 14, 2018
PROJECT NUMBER:	17060555-010301

SUP1

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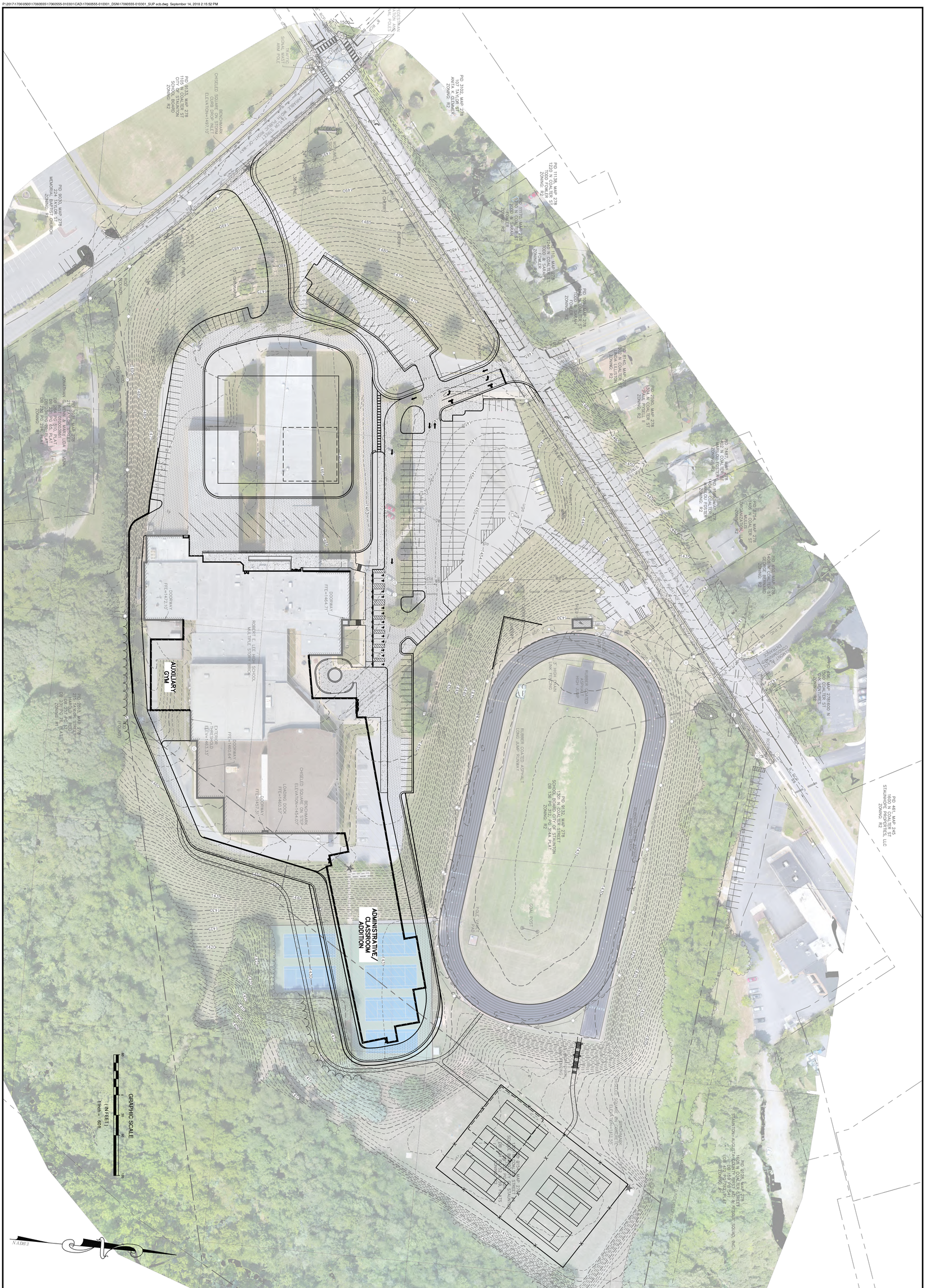

SUP3

DESIGNED BY: SWM/ECB
DRAWN BY: SWM/ECB
CHECKED BY: ECB
SCALE: 1" = 60'
DATE: SEPTEMBER 14, 2018
PROJECT NUMBER: 17060555-010301

REVISIONS

SITE LAYOUT - AERIAL OVERLAY

ROBERT E. LEE HIGH SCHOOL ADDITIONS & ALTERATIONS

STAUNTON, VIRGINIA

Draper Aden Associates
Engineering • Surveying • Environmental Services

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• Richmond, VA • Raleigh, NC
• Blacksburg, VA • Fayetteville, NC
• Hampton Roads, VA • Northern Virginia

SANITARY SEWER

(91) RIM=1461.77'
UNABLE TO REMOVE LID

(915) RIM=1461.17'
INV IN=1454.61' RCP (SE)
INV IN=1454.49' 8" RCP (S)
INV OUT=1454.33' 8" RCP (N)

(918) RIM=1453.69'
INV IN=1449.42' 8" RCP (S)
INV OUT=1449.38' 8" RCP (N)

(919) RIM=1461.59'
INV IN=1459.63' 6" CMP (W)
INV OUT=1459.86 4" CMP (E)

(920) RIM=1458.80'
INV IN=1455.35' 6" PVC (S)
INV IN=1455.23' 8" PVC (SW)
INV OUT=1455.14' 8" PVC (NW)

(928) RIM=1449.92'
INV IN=1444.84' 8" PVC (SE)
INV IN=1444.69' 8" RCP (S)
INV OUT=1444.33' 8" RCP (N)

(929) RIM=1435.11'
INV IN=1431.23' 8" RCP (S)
INV OUT=1430.91' 8" PVC (NE)

(931) RIM=1424.60'
INV IN=1418.78' 8" PVC (SW)
INV OUT=1418.35' 8" PVC (NE)

(932) RIM=1422.57'
INV IN=1408.29' 8" PVC (SW)
INV IN=1408.17' 12" PVC (NW)
INV OUT=1408.03' 12" RCP (NE)

(933) RIM=1420.37'
INV IN=1408.02' 12" RCP (SW)
INV IN=1410.62' 10" CMP (NW)
INV OUT=1407.96' 12" PVC (NE)

(934) RIM=1418.54'
INV IN=1407.56' 12" PVC (SW)
INV IN=1407.65' 8" RCP (NW)
INV OUT=1407.51' 15" RCP (SE)

(935) RIM=1418.15'
INV IN=1412.54' 8" RCP (NE)
INV OUT=1412.34' 8" RCP (S)

(936) RIM=1423.55'
INV IN=1419.06' 8" CMP (SW)
INV IN=1408.42' 8" RCP (W)
INV IN=1408.23' 8" PVC (NW)
INV OUT=1408.12' 8" PVC (SE)

(937) RIM=1424.29'
INV IN=1420.42' 6" PVC (SW)
INV OUT=1419.98' 8" CMP (NE)

(888) RIM=1497.78'
INV IN=1493.35' 8" RCP (NW)
INV OUT=1493.26' 8" RCP (SW)

STORM SEWER

(44) RIM=1470.70'
INV OUT=1466.58' 8" PVC (NW)

(672) RIM=1466.03'
INV IN=1464.74' 4" HDPE (W)
INV OUT=1464.19' 8" RCP (E) – APPEARS TO FLOW TOWARD 673, BUT NO INVERT IN IS OBSERVABLE IN 673

(673) RIM=1466.11'
INV OUT=1464.54' 4" PVC (E)

(905) RIM=1495.43'
INV OUT=1492.99' 12" CMP (SW)

(906) RIM=1496.49'
INV IN=1492.97' 12" CMP (NE)
INV IN=1492.73' 12" CMP (SW)
INV OUT=1492.33' 12" CMP (NW)

(907) RIM=1495.64'
INV OUT=1493.22' 12" CMP (NE)

(909) RIM=1497.00'
INV IN=1490.87' 12" CMP (SE)
INV IN=1490.76' 12" RCP (SW)
INV OUT=1490.73' 15" RCP (NE)

(910) RIM=1492.85'
INV. IN=1489.59' (SW)
INV. OUT=1489.53' (NE)

(912) RIM=1467.52'
INVERTS IN AND OUT NOT VISIBLE
CTR INV=1464.56'
SQUARE OPENING IN BOTTOM (SE)

(913) RIM=1460.77'
INV OUT=1458.09' 10" RCP (NE)

(914) RIM=1457.56'
INV OUT=1455.11' 10" RCP (E)

(916) RIM=1461.18'
INV IN=1452.53' 8" CMP (SE)
INV IN=1456.26' 15" CMP (S)
INV OUT=1452.45' 18" RCP (N)

(917) RIM=1454.44'
INV IN=1448.48' 18" RCP (S)
INV OUT=1448.05' 18" RCP (N)

(921) RIM=1458.75'
INV IN=1453.88' 8" RCP (NE)
INV IN=1453.59' 10" PVC (S)
INV IN=1453.37' 12" PVC (SW)
INV OUT=1453.01' 15" PVC (NW)

(922) RIM=1428.50'
INV IN=1425.30' 15" RCP (E)
INV OUT=1425.26' 15" RCP (W)

(923) RIM=1428.53'
INV IN=1424.91' 15" RCP (SE)
INV OUT=1424.88' 15" RCP (NW)

(924) RIM=1428.62'
INV IN=1424.32' 15" RCP (SE)
INV OUT=1424.29' 15 RCP (NW)

(925) RIM=1428.67'
INV IN=1423.92' 15" CMP (SE)
INV OUT=1423.90' 15" CMP (NW)

(926) RIM=1428.59'
INV IN=1423.47' 15" RCP (SE)
INV OUT=1423.43' 15" RCP (NE)

(927) RIM=1449.04'
INV IN=1443.07' 15" PVC (SE)
INV IN=1442.76' 18" RCP (S)
INV OUT=1442.17' 18" RCP (N)

(930) RIM=1434.75'
INV IN=1428.81' 18" RCP (S)
INV OUT=1428.61' 18" RCP (NE)

(941) RIM=1446.28'
INV IN=1444.0'± 15" RCP (SW, PIPE RECESSED DIFFICULT TO GET AN ACCURATE INVERT)
INV IN=1438.12' 15" CMP (NW)
INV OUT=1437.91' 18" CMP (NE)

(942) RIM=1466.82'
INV IN=1465.65' 8" RCP (SW)
INV OUT=1465.47' 8" RCP (NE)

(943) RIM=1466.98'
INV IN=1465.05' 8" RCP (SW)
INV OUT=1464.96' 8" RCP (E, APPEARS TO FLOW TOWARD 672, BUT PIPE SIZES DON'T MATCH)

(806) RIM=1428.47'
INV OUT=1426.17' 15" RCP (NW)

(888) RIM=1452.53'
INV OUT=1449.24' 8" RCP (NE)

(885) RIM=1496.88'
INV IN=? (NO PIPE VISIBLE FROM 1884–CONNECTION SHOWN PER GIS)
INV OUT=1494.41 8" RCP (NE)

(884) RIM=1496.91'
(FILLED W/DEBRIS–APPEARS TO DRAIN TOWARDS 1881 BUT PIPE NOT VISIBLE)

(889) TOP OF HEADWALL=1419.33'
INV OUT=1417.74' 18" RCP (SW)

(939) RIM=1417.23'
INV IN=1408.39' 78" RCP (SW)
INV OUT=1408.21' 78" RCP (NE)

(939) TOP OF HEADWALL=1416.34'
INV OUT=1408.14' 78" RCP (SW)

(940) RIM=1417.68'
INV IN=1414.52' DUAL 12" CMP (NW)
INV OUT=1413.64' 18" RCP (SW)

(949) TOP OF HEADWALL=1415.47'
INV OUT=1411.32'
40'(W) X 50'(W)
BOX CULVERT (W)

NOTES:

1.) Source of Horizontal Datum: Virginia State Plane North Zone (NAD 83), based upon GPS performed by Draper Aden Associates on July 10, 2018.
2.) Source of Vertical Datum: NAVD 88, based upon GPS performed by Draper Aden Associates on July 10, 2018.
3.) This survey was prepared without the benefit of a title commitment or title report and all easements and encumbrances that might be disclosed in a title search may not be shown.
4.) Utilities shown are based upon:
___SUE Quality Level D, ASCE 38–02 – compiled records only
___SUE Quality Level C, ASCE 38–02 – visible evidence in conjunction with compiled records.
_X_SUE Quality Level B, ASCE 38–02 – field designation of underground utilities performed by Draper Aden Associates and visible evidence in conjunction with compiled records.
___SUE Quality Level A, ASCE 38–02 – test pits at locations shown hereon performed by (DAA; Other) in conjunction with field designation of underground utilities performed by (DAA; Miss Utility, Ticket # _____ ; Other), visible evidence and compiled records.
___No SUE was performed or requested for this survey. Utilities shown hereon are based on field observation only.
5.) This topographic survey was completed under the direct and responsible charge of Adam R. Stevens, LS from actual [X] Ground and [X] Airborne surveys made under their my supervision; that the Airborne imagery and/or original data was obtained on July 20, 2018 and supplemented by several Ground visits in July and August 2018; and that this plat, map, or digital geospatial data including metadata meets minimum accuracy standards unless otherwise noted.
6.) Survey data within limits shown hereon is compiled from an aerial UAV photometric survey conducted by Draper Aden Associates, supplemented by field surveys conducted by Draper Aden Associates.
7.) Contour Interval: 1'
8.) This survey was prepared for the Crabtree Rohrbaugh & Associates. Draper Aden Associates assumes no liability for reuse or modification of this document.
9.) Draper Aden Associates provides benchmarks for the construction of the improvements shown on these plans. All other existing elevations are for reference to existing conditions only. Do not use spot elevations, finish floor elevations, elevations on manholes, elevations on survey nails, survey hubs, control points (horizontal points provided) or any other points for construction other than the provided benchmarks. Failure to utilize and verify the provided benchmarks could result in damages and additional cost that are the contractor's responsibility.
10.) This survey is located entirely within Flood Zone X (unshaded) based upon a scaled location of FIRM panel #51015C0341D with the effective date of September 28, 2007. This flood determination is not a recommendation by Draper Aden Associates to not purchase or purchase Flood Insurance Coverage and does not imply that the referenced property will or will not be free from flood damage.

PID 9128, MAP 278
1601 N COALTER STREET
STAUNTON–AUGUSTA COUNTY FIRST AID & RESCUE SQUAD, INC.
DB 159 PG 541
DB 412 PG 782, PLAT
ZONING: P1

PID 9132, MAP 278
1301 N COALTER STREET
SCHOOL BOARD CITY OF STAUNTON
DB 136 PG 312, PG 314A PLAT
ZONING: R2

PID-9154, MAP 278
1301 N COALTER STREET #A
SCHOOL BOARD CITY OF STAUNTON
DB 232 PG 420
DB 231 PG 52 & 59, PLATS
ZONING: R2

PID 3931, MAP 278
217 TAYLOR STREET
JONATHAN G. VENN & MARY LIDA P. VENN
INST 010003861
DB 264 PG 510, PLAT
DB 231 PG 65, PLAT
DB 231 PG 70, PLAT
DB 230 PG 294, PLAT
ZONING: R1

PID 2813, MAP 278
215 TAYLOR STREET
HAROLD W. REID
DB 257 PG 17
DB 231 PG 76, PLAT
ZONING: R1

DRAPER ADEN ASSOCIATES REVIEW

THESE PLANS HAVE BEEN SUBJECTED TO TECHNICAL AND QUALITY REVIEWS BY:

NAME: JUSTIN SIDEBOTTOM AUGUST 22, 2018
SURVEY PARTY CHIEF

NAME: JOHN L. ROBERTSON, PE AUGUST 22, 2018
SUBSURFACE UTILITY ENGINEER

NAME: ADAM R. STEVENS, LS AUGUST 22, 2018
PROJECT SURVEYOR

NAME: CHERYL A. STOCKTON, LS AUGUST 22, 2018
QUALITY REVIEWER

GRAPHIC SCALE
50 0 25 50 100 200
(IN FEET)
1 inch = 50 ft.

LEGEND

- Property Line
- Contour (1000)
- Gas Line (g)
- Overhead Power (ohp)
- Sanitary Sewer and Manhole (ss)
- Storm Line and Manhole
- Storm Line and Inlet
- Underground Cable TV (catv)
- Underground Electric (uge)
- Underground Telephone (ugt)
- Underground Fiber Optic (fo)
- Unknown Utility (unk)
- Waterline (w)
- Asphalt
- Building
- Fence (as noted)
- Stream
- Treeline
- Guy Wire
- Rod Found
- Monument Found
- Telephone Pedestal
- Telephone Manhole
- Telephone Box
- Fire Hydrant
- Water Valve
- Water Meter
- Well
- Benchmark
- Bollard
- Sign (1–post)
- Sign (2–post)
- +1561.3 Spot Elevation
- Deciduous Tree
- Evergreen Tree
- Shrub
- Concrete
- Electric Box
- Guy Pole
- Electric Marker
- Electrical Manhole
- Utility Pole
- Electric Transformer
- Ground Light
- Light Pole
- Fiber Optic Pedestal
- Fiber Optic Handhole
- Gas Vent
- Gas Valve
- Gas Meter
- Sewer Clean Out
- Wood Post
- Metal Post
- Gravel

Draper Aden Associates
Engineering • Surveying • Environmental Services
110 Avon Street
Charlottesville, VA 22902
434-295-0700 Fax: 434-295-2105
www.daa.com
• Raleigh, NC
• Fayetteville, NC
• Northern Virginia
• Blacksburg, VA
• Hampton Roads, VA
• Virginia Beach, VA

TOPOGRAPHIC SURVEY AND COMPILED BOUNDARY SURVEY
ROBERT E. LEE HIGH SCHOOL
CITY OF STAUNTON, VIRGINIA

REVISIONS

DESIGNED BY:	
DRAWN BY:	ARS
CHECKED BY:	CAS
SCALE:	1" = 50'
DATE:	08/22/2018
PROJECT NUMBER:	17060555-010503

1
1 OF 1

J:\2017\17060555\17060555-010503\CAD\17060555-010503CAD-17060555-010503-Map1.dwg, August 23, 2018 8:30:11 AM

SANITARY SEWER

(91) RIM=1461.77'
UNABLE TO REMOVE LID

(915) RIM=1461.17'
INV IN=1454.61' RCP (SE)
INV IN=1454.49' 8" RCP (S)
INV OUT=1454.33' 8" RCP (N)

(918) RIM=1453.69'
INV IN=1449.42' 8" RCP (S)
INV OUT=1449.38' 8" RCP (N)

(919) RIM=1461.59'
INV IN=1459.63' 6" CMP (W)
INV OUT=1459.86 4" CMP (E)

(920) RIM=1458.80'
INV IN=1455.35' 6" PVC (S)
INV IN=1455.23' 8" PVC (SW)
INV OUT=1455.14' 8" PVC (NW)

(928) RIM=1449.92'
INV IN=1444.84' 8" PVC (SE)
INV IN=1444.69' 8" RCP (S)
INV OUT=1444.33' 8" RCP (N)

(929) RIM=1435.11'
INV IN=1431.23' 8" RCP (S)
INV OUT=1430.91' 8" PVC (NE)

(931) RIM=1424.60'
INV IN=1418.78' 8" PVC (SW)
INV OUT=1418.35' 8" PVC (NE)

(932) RIM=1422.57'
INV IN=1408.29' 8" PVC (SW)
INV IN=1408.17' 12" PVC (NW)
INV OUT=1408.03' 12" RCP (NE)

(933) RIM=1420.37'
INV IN=1408.02' 12" RCP (SW)
INV IN=1410.62' 10" CMP (NW)
INV OUT=1407.96' 12" PVC (NE)

(934) RIM=1418.54'
INV IN=1407.56' 12" PVC (SW)
INV IN=1407.65' 8" RCP (NW)
INV OUT=1407.51' 15" RCP (SE)

(935) RIM=1418.15'
INV IN=1412.54' 8" RCP (NE)
INV OUT=1412.34' 8" RCP (S)

(936) RIM=1423.55'
INV IN=1419.06' 8" CMP (SW)
INV IN=1408.42' 8" RCP (W)
INV IN=1408.23' 8" PVC (NW)
INV OUT=1408.12' 8" PVC (SE)

(937) RIM=1424.29'
INV IN=1420.42' 6" PVC (SW)
INV OUT=1419.98' 8" CMP (NE)

(888) RIM=1497.78'
INV IN=1493.35' 8" RCP (NW)
INV OUT=1493.26' 8" RCP (SW)

STORM SEWER

(44) RIM=1470.70'
INV OUT=1466.58' 8" PVC (NW)

(672) RIM=1466.03'
INV IN=1464.74' 4" HDPE (W)
INV OUT=1464.19' 8" RCP (E) – APPEARS TO FLOW TOWARD 673, BUT NO INVERT IN IS OBSERVABLE IN 673

(673) RIM=1466.11'
INV OUT=1464.54' 4" PVC (E)

(905) RIM=1495.43'
INV OUT=1492.99' 12" CMP (SW)

(906) RIM=1496.49'
INV IN=1492.97' 12" CMP (NE)
INV IN=1492.73' 12" CMP (SW)
INV IN=1492.33' 12" CMP (NW)

(907) RIM=1495.64'
INV OUT=1493.22' 12" CMP (NE)

(909) RIM=1497.00'
INV IN=1490.87' 12" CMP (SE)
INV IN=1490.76' 12" RCP (SW)
INV OUT=1490.73' 15" RCP (NE)

(910) RIM=1492.85'
INV. IN=1489.59' (SW)
INV. OUT=1489.53' (NE)

(912) RIM=1467.52'
INVERTS IN AND OUT NOT VISIBLE
CTR INV=1464.56'
SQUARE OPENING IN BOTTOM (SE)

(913) RIM=1460.77'
INV OUT=1458.09' 10" RCP (NE)

(914) RIM=1457.56'
INV OUT=1455.11' 10" RCP (E)

(916) RIM=1461.18'
INV IN=1452.53' 8" CMP (SE)
INV IN=1456.26' 15" CMP (S)
INV OUT=1452.45' 18" RCP (N)

(917) RIM=1454.44'
INV IN=1448.48' 18" RCP (S)
INV OUT=1448.05' 18" RCP (N)

(921) RIM=1458.75'
INV IN=1453.88' 8" RCP (NE)
INV IN=1453.59' 10" PVC (S)
INV IN=1453.37' 12" PVC (SW)
INV OUT=1453.01' 15" PVC (NW)

(922) RIM=1428.50'
INV IN=1425.30' 15" RCP (E)
INV OUT=1425.26' 15" RCP (W)

(923) RIM=1428.53'
INV IN=1424.91' 15" RCP (SE)
INV OUT=1424.88' 15" RCP (NW)

(924) RIM=1428.62'
INV IN=1424.32' 15" RCP (SE)
INV OUT=1424.29' 15 RCP (NW)

(925) RIM=1428.67'
INV IN=1423.92' 15" CMP (SE)
INV OUT=1423.90' 15" CMP (NW)

(926) RIM=1428.59'
INV IN=1423.47' 15" RCP (SE)
INV OUT=1423.43' 15" RCP (NE)

(927) RIM=1449.04'
INV IN=1443.07' 15" PVC (SE)
INV IN=1442.76' 18" RCP (S)
INV OUT=1442.17' 18" RCP (N)

(930) RIM=1434.75'
INV IN=1428.81' 18" RCP (S)
INV OUT=1428.61' 18" RCP (NE)

(941) RIM=1446.28'
INV IN=1444.0'± 15" RCP (SW, PIPE RECESSED DIFFICULT TO GET AN ACCURATE INVERT)
INV IN=1438.12' 15" CMP (NW)
INV OUT=1437.91' 18" CMP (NE)

(942) RIM=1466.82'
INV IN=1465.65' 8" RCP (SW)
INV OUT=1465.47' 8" RCP (NE)

(943) RIM=1466.98'
INV IN=1465.05' 8" RCP (SW)
INV OUT=1464.96' 8" RCP (E, APPEARS TO FLOW TOWARD 672, BUT PIPE SIZES DON'T MATCH)

(808) RIM=1428.47'
INV OUT=1426.17' 15" RCP (NW)

(888) RIM=1452.53'
INV OUT=1449.24' 8" RCP (NE)

(888) RIM=1496.88'
INV IN=? (NO PIPE VISIBLE FROM 1884–CONNECTION SHOWN PER GIS)
INV OUT=1494.41 8" RCP (NE)

(884) RIM=1496.91'
(FILLED W/DEBRIS–APPEARS TO DRAIN TOWARDS 1881 BUT PIPE NOT VISIBLE)

(889) TOP OF HEADWALL=1419.33'
INV OUT=1417.74' 18" RCP (SW)

(939) RIM=1417.23'
INV IN=1408.39' 78" RCP (SW)
INV OUT=1408.21' 78" RCP (NE)

(939) TOP OF HEADWALL=1416.34'
INV OUT=1408.14' 78" RCP (SW)

(940) RIM=1417.68'
INV IN=1414.52' DUAL 12" CMP (NW)
INV OUT=1413.64' 18" RCP (SW)

(948) TOP OF HEADWALL=1415.47'
INV OUT=1411.32'
40"(H) X 50"(W)
BOX CULVERT (W)

NOTES:

1.) Source of Horizontal Datum: Virginia State Plane North Zone (NAD 83), based upon GPS performed by Draper Aden Associates on July 10, 2018.
2.) Source of Vertical Datum: NAVD 88, based upon GPS performed by Draper Aden Associates on July 10, 2018.
3.) This survey was prepared without the benefit of a title commitment or title report and all easements and encumbrances that might be disclosed in a title search may not be shown.
4.) Utilities shown are based upon:
___SUE Quality Level D, ASCE 38–02 – compiled records only
___SUE Quality Level C, ASCE 38–02 – visible evidence in conjunction with compiled records.
_X_SUE Quality Level B, ASCE 38–02 – field designation of underground utilities performed by Draper Aden Associates and visible evidence in conjunction with compiled records.
___SUE Quality Level A, ASCE 38–02 – test pits at locations shown hereon performed by (DAA; Other) in conjunction with field designation of underground utilities performed by (DAA; Miss Utility, Ticket # _____ ; Other), visible evidence and compiled records.
___No SUE was performed or requested for this survey. Utilities shown hereon are based on field observation only.
5.) This topographic survey was completed under the direct and responsible charge of Adam R. Stevens, LS from actual [X] Ground and [X] Airborne surveys made under their my supervision; that the Airborne imagery and/or original data was obtained on July 20, 2018 and supplemented by several Ground visits in July and August 2018; and that this plat, map, or digital geospatial data including metadata meets minimum accuracy standards unless otherwise noted.
6.) Survey data within limits shown hereon is compiled from an aerial UAV photometric survey conducted by Draper Aden Associates, supplemented by field surveys conducted by Draper Aden Associates.
7.) Contour interval: 1'
8.) This survey was prepared for the Crabtree Rohrbaugh & Associates. Draper Aden Associates assumes no liability for reuse or modification of this document.
9.) Draper Aden Associates provides benchmarks for the construction of the improvements shown on these plans. All other existing elevations are for reference to existing conditions only. Do not use spot elevations, finish floor elevations, elevations on manholes, elevations on survey nails, survey hubs, control points (horizontal points provided) or any other points for construction other than the provided benchmarks. Failure to utilize and verify the provided benchmarks could result in damages and additional cost that are the contractor's responsibility.
10.) This survey is located entirely within Flood Zone X (unshaded) based upon a scaled location of FIRM panel #51015C0341D with the effective date of September 28, 2007. This flood determination is not a recommendation by Draper Aden Associates to not purchase or purchase Flood Insurance Coverage and does not imply that the referenced property will or will not be free from flood damage.

DRAPER ADEN ASSOCIATES REVIEW

THESE PLANS HAVE BEEN SUBJECTED TO TECHNICAL AND QUALITY REVIEWS BY:

NAME: JUSTIN SIDEBOTTOM AUGUST 22, 2018
SURVEY PARTY CHIEF

NAME: JOHN L. ROBERTSON, PE AUGUST 22, 2018
SUBSURFACE UTILITY ENGINEER

NAME: ADAM R. STEVENS, LS AUGUST 22, 2018
PROJECT SURVEYOR

NAME: CHERYL A. STOCKTON, LS AUGUST 22, 2018
QUALITY REVIEWER

LEGEND

Property Line		Rod Found		Electric Box	
Contour	1000	Monument Found		Guy Pole	
Gas Line	g	Telephone Pedestal		Electric Marker	
Overhead Power	ohp	Telephone Manhole		Electrical Manhole	
Sanitary Sewer and Manhole	ss	Telephone Box		Utility Pole	
Storm Line and Manhole		Fire Hydrant		Electric Transformer	
Storm Line and Inlet		Water Valve		Ground Light	
Underground Cable TV	catv	Water Meter		Light Pole	
Underground Electric	uge	Well		Fiber Optic Pedestal	
Underground Telephone	ugt	Benchmark		Fiber Optic Handhole	
Underground Fiber Optic	fo	Bollard		Gas Vent	
Unknown Utility	unk	Sign (1–post)		Gas Valve	
Waterline	w	Sign (2–post)		Gas Meter	
Asphalt		Spot Elevation	1561.3	Sewer Clean Out	
Building		Deciduous Tree		Wood Post	
Fence (as noted)	x x	Evergreen Tree		Metal Post	
Stream		Shrub		Gravel	
Treeline		Concrete			
Guy Wire					

GRAPHIC SCALE
(IN FEET)
1 inch = 50 ft.

Draper Aden Associates
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• Blacksburg, VA
• Northern Virginia
• Hampton Roads, VA
• Virginia Beach, VA

TOPOGRAPHIC SURVEY AND COMPILED BOUNDARY SURVEY

ROBERT E. LEE HIGH SCHOOL

CITY OF STAUNTON, VIRGINIA

REVISIONS

DESIGNED BY:	
DRAWN BY:	ARS
CHECKED BY:	CAS
SCALE:	1" = 50'
DATE:	08/22/2018
PROJECT NUMBER:	17060555-010503

1
1 OF 1

CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Staff Members:** **Rodney Rhodes** **Tim Hartless**
Item #	**E**	
Ordinance #		
Department:	**Community Development—Planning and Zoning**	
Council Vision:	**Built Environment**	
Subject:	**Public Hearing and Consideration of a Request by Edward J. and Elaine D. Taetzsch for a Special Use Permit to Allow Living Quarters on the Ground Level at 409 North Augusta Street**	

Background: Edward J. and Elaine D. Taetzsch, owners of 409 North Augusta Street, are requesting a Special Use Permit in order to create one dwelling unit on the ground level of the building located at 409 North Augusta Street. Currently, there is one dwelling unit on the second floor. The property is located in the Stuart Addition Historic District of the City, across the street from Dupont Community Credit Union, and is zoned B-2, General Business District. The B-2 District permits living and sleeping quarters on the ground and basement levels of buildings only with a Special Use Permit. The structure was built in 1803, and appears to have been constructed as a single-family dwelling. Attached to this briefing are the applicant's proposed floor plans.

Review: All of the adjoining properties are zoned B-2, General Business District. The adjacent uses include Dupont Community Credit Union to the west, a single-family dwelling to the east, and apartments to the north and south. The use as a two-family dwelling would require two off-street parking spaces. The property includes a driveway which is sufficient to meet this requirement.

City staff conducted a review of the proposal and have identified the following issues that will need to be addressed during the building permit application phase of the project, if the Special Use Permit is approved:

1. This is a change of use under the building code from business to residential. A building permit will be required, and all work must comply with the requirements of the Virginia Uniform Statewide Building Code.

2. The property is located in the Stuart Addition Historic District, and any changes to the exterior of the building must be approved by the Historic Preservation Commission.

The *City of Staunton Comprehensive Plan 2010 – 2030* designates this area as Commercial. Ordinarily, staff would not be supportive of a request for residential use on a ground level of a commercial building located near the City's Central Business District; however, this property was originally intended to be residential and not commercial. The structure is located within a historic district, and the residential use is more in keeping with the property's historic use. The residential use of the first floor of the building would also be in keeping with the multi-family use of the adjoining properties along North Augusta Street. Therefore, staff recommends approval of the request.

Planning Commission Recommendation: At its meeting on December 5, 2018, Planning Commission held a public hearing on the matter. No one spoke in opposition to the request. On a 4-0 vote, the Commission unanimously recommended approval of the Special Use Permit with the condition that the use of the property shall be limited to single-family dwelling or two-family dwelling, concurring with staff's recommendation.

Attachments:

Attachment 1—Application and supporting documents submitted by the applicant
Attachment 2—Location map of 409 North Augusta Street

Suggested Motion (to be made after the public hearing is conducted): I move that Council approve the Special Use Permit for 409 North Augusta Street, as recommended by the Planning Commission.

City Manager: Stephen F. Owen

Attachment 1

APPLICATION FOR SPECIAL USE PERMIT

DATE: 10/12/18

NAME OF APPLICANT: Edward J and Elaine Tactzsch

ADDRESS OF APPLICANT: 520 Stingy Hollow Rd Staunton, VA 24401

PHONE #: 540-448-7163 E-MAIL ADDRESS: ettactzsch@gmail.com

SIGNATURE: Edward J Tactzsch Elaine Tactzsch

IF APPLICANT IS *NOT* THE OWNER OF THE PROPERTY IN QUESTION, EXPLAIN. A COPY OF A PENDING CONTRACT OR OPTION AGREEMENT MUST BE ATTACHED HERETO AND MADE A PART OF THIS APPLICATION.

LOCATION OF PROPERTY:
409 N. Augusta St., Staunton, VA 24401

MAP PROVIDED: YES ✓ NO ____
SITE PLAN PROVIDED: YES ✓ NO ____
FEE PAID: YES ✓ NO ____
PRESENT ZONING OF THE PROPERTY: B2
APPLICABLE SECTION OF ZONING CODE STATING USE IS PERMITTED ON REVIEW: Code 18.60.070 3A

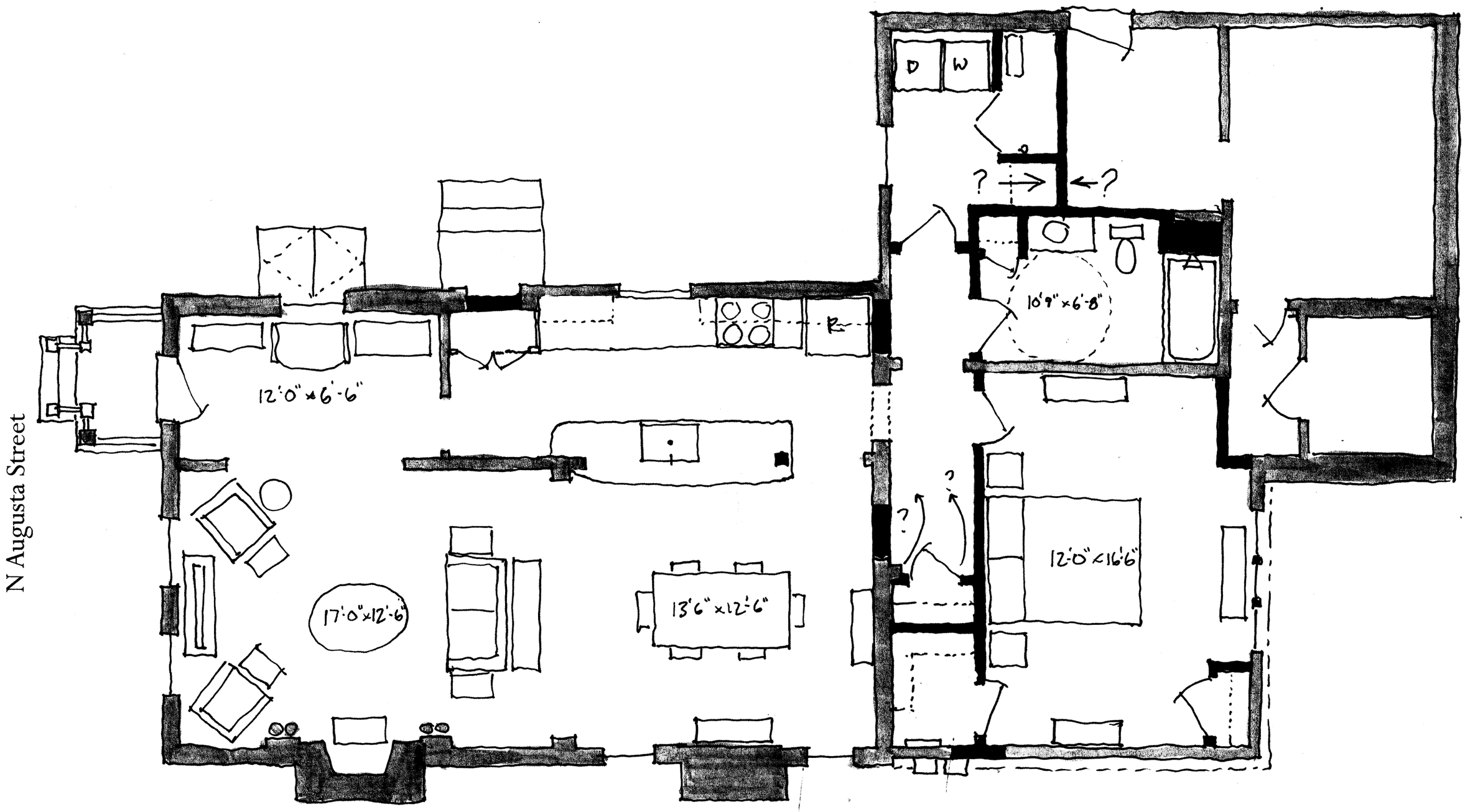
ARE PUBLIC UTILITIES AVAILABLE AND ADEQUATE FOR PROPOSED USE? IF *NO*, EXPLAIN HOW UTILITIES WILL BE PROVIDED:
Yes

LEGAL DESCRIPTION OF PROPERTY:
LOT 2 BLOCK N

SU-18-05

DETAILED DESCRIPTION OF PROPOSED USE (DRAWINGS MUST BE INCLUDED IF NEW CONSTRUCTION, ADDITIONS, OR CHANGES TO THE EXTERIOR OF THE PROPERTY ARE PROPOSED).

Dwelling unit on ground floor with one bedroom and one bath.



Floor Plan
1/4" = 1'-0"

Vicinity Map of 409 N Augusta St

Attachment 2

CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**December 13, 2018**	**Staff Members:** **Rodney Rhodes** **Tim Hartless**
Item #	**F**	
Ordinance #		
Department:	**Community Development—Planning and Zoning**	
Council Vision:	**Built Environment**	
Subject:	**Public Hearing and Consideration of a Request by GAE, LLC, to Amend the *City of Staunton, Virginia, Comprehensive Plan 2010–2030*, Recommended Land Use Map, by Changing the Recommended Land Use Designation for 806 Hunter Avenue, Parcel #100767, from Medium Density Planned Residential to Recreation/Conservation/Open Space**	

Background: GAE, LLC has requested an amendment to the Recommended Land Use Map, of the *City of Staunton, Virginia, Comprehensive Plan 2010 – 2030*, to change the recommended land use designation of 806 Hunter Avenue from Medium Density Planned Residential to Conservation/Recreation/Open Space. The request is made in conjunction with the applicant's plans to subject the property to a conservation and open space easement, to be held by the City of Staunton. Representatives of the applicant and the City have been working for several months on the proposed transaction between the parties. As the conservation easement and its acceptance are not yet ready for consideration by City Council, the applicant has requested a deferral of Council's public hearing and consideration of the amendment to the Comprehensive Plan.

Attachment:

Attachment 1—Application and supporting documents provided by applicant

Recommendation: Defer the public hearing and consideration of the amendment to the Comprehensive Plan.

Suggested Motion: I move that Council's public hearing and consideration of the proposed amendment to the City's Comprehensive Plan be deferred to the date on which the proposed conservation easement is scheduled for consideration by Council, with such further notice as is required to fulfill requirements of state law.

City Manager: Stephen F. Owen

Attachment 1

STAUNTON VIRGINIA

APPLICATION FOR AMENDMENT TO THE COMPREHENSIVE PLAN, FUTURE LAND USE MAP

Date: October 17 2018

Applicant: GAE, LLC

Address: 2903 N AUGUSTA ST., STAUNTON, VA 24401

Telephone: Primary: 540-849-0358 Secondary: _____

Email address: allenpdahl@gmail.com

If the applicant is NOT the owner of the property in question, explain. A copy of a pending contract or option agreement shall be attached hereto and made a part of this application. Indicate below the name of person to be notified in addition to the applicant:

Name: _____

Address: _____

Phone #: _____

Email address: _____

Location of property: House # and Street 806 HUNTER AVE.
Parcel ID# 100767

Legal description of property: ALL that certain piece, parcel or tract of land with all improvements thereon and appurtenances thereto belonging, lying and being in the City of Staunton, Virginia, containing 36.041± acres in the aggregate, and being more particularly shown and designated as "GAE, LLC Prop# 11579 Inst# 030004169 Inst# 140001744 36.041 acs" on that certain plat prepared by Balzer and Associates, Inc., dated September 15, 2014, entitled "Plat Showing 36.041 Acres to be Dedicated to the City of Staunton" (the "Plat").

BEING part of the same real property conveyed to GAE, LLC by Deed from WS Properties, recorded February 10, 2004, in the Clerk's Office for the Circuit Court of the City of Staunton, Virginia, as Instrument No. 040000502, and conveyed to GAE, LLC by Deed from WS Properties, recorded September 26, 2003, in the Clerk's Office for the Circuit Court of the City of Staunton, Virginia, as Instrument No. 030004169.

A map must be provided with all applications indicating the specific parcel(s) for which the change of designation is requested. Map Provided: YES ✓ NO _____

DEPARTMENT OF COMMUNITY DEVELOPMENT – PLANNING AND ZONING DIVISION
116 W. BEVERLEY STREET | P.O. BOX 58 | STAUNTON, VA 24402
540.332.3862 (OFFICE) 540.332.3807 (FAX)

Purpose of request: (please give detailed description, use separate sheet of paper if necessary) _The current Medium Density Planned Residential comprehensive plan designation for the parcel is requested to be amended to Conservation/Recreation designation to conform with the designation of the adjacent Betsy Bell Mountain Park and in furtherance of an anticipated conservation easement to be donated to the City on the parcel. Please note that GAE, LLC plans to distribute the property to individual owners of the parcel.

Present land use designation of property: Medium Density Planned Residential

Requested land use designation: Conservation/Recreation

Fee Paid ($250) YES ____ NO ____ **check or cash only*

Signature of applicant: _____
(Owner / Agent)

10583966.3 040218.00001

DEPARTMENT OF COMMUNITY DEVELOPMENT – PLANNING AND ZONING DIVISION
116 W. BEVERLEY STREET | P.O. BOX 58 | STAUNTON, VA 24402
540.332.3862 (OFFICE) 540.332.3807 (FAX)

STATLER BLVD

TAP INVESTMENTS LLC PROP# 3477 INST# 070004438

SEVERN ST (UNIMPROVED)

W BOUTROS & CO PROP# 3473 DB:292 PG:802

BLOCK V

"TANNEHILL TERRACE"

BLOCK IV

BLOCK II

BLOCK I

LOT 11 LOT 10 LOT 9 LOT 8 LOT 7 LOT 6 LOT 5 LOT 4 LOT 3 LOT 2 LOT 1

LOT 13 LOT 12 LOT 11 LOT 10 LOT 9 LOT 8 LOT 7 LOT 6 LOT 5

LOT 4 LOT 3 LOT 2 LOT 1

KENYON ST (UNIMP.)

HUNTER AVE (UNIMPROVED)

LOT 44 LOT 45 LOT 46 LOT 47 LOT 48

POWELL ST

ALTA ST

LOT 49 LOT 50

"AUGUSTA TERRACE"

20' ALLEY

LOT I LOT H LOT G LOT F LOT E

GAE LLC
PROP# 100766
INST# 040000502
INST# 140001744

ROD/F

APPROXIMATE ZONING LINE

N44°48'36"E 576.73'

ZONING: I1

ZONING: R4

S66°19'54"E 2505.47'

50' ACCESS & UTILITY ESMT. AS SHOWN ON PLAT RECORDED AT INST# 140001744

ROD/F

S12°20'19"W 425.12'

GAE LLC
PROP# 100767
INST# 030004169
INST# 140001744
36.041 ACS

MON/F

N05°23'23"E 217.54'

FAP PROPERTIES XXVI LLC PROP# 10870 INST# 070000192

ROD/F @ 13.1' NORTH OF ℄

N72°40'47"W 1259.01'

ROD/F

555.37'

ROD/F

N73°35'59"W 1489.45'

934.08'

ROD/F

AMHERST ST (UNIMPROVED)

BLOCK 1

LOT A

LOT B

LOTS 1-5 (REVISED)

MILLARD ST (UNIMPROVED)

LOT 6 LOT 1
LOT 7 LOT 2
- BLOCK 2 -
LOT 8 LOT 3
LOT 9 LOT 4
LOT 10 LOT 5

HOUNIHAN ST (UNIMPROVED)

LOT 6 LOT 1
LOT 7 LOT 2
- BLOCK 3 -
LOT 8 LOT 3
LOT 9 LOT 4
LOT 10 LOT 5

HIGHLAND ST (UNIMPROVED)

LOT 1
LOT 2
BLOCK 4
LOT 3
LOT 4
LOT 5

"BETSY BELL ADDITION"

SEE PLAT BY R.E. FUNK RECORDED IN INST# 040000502

CITY OF STAUNTON PROP# 9114

CITY OF STAUNTON PROP# 9460 DB:366 PG:849

NAD 83

COMMONWEALTH OF VIRGINIA
Daniel E. Hansen
Lic. No. 3217
09-15-2014
LAND SURVEYOR

REV: 02-05-2015
DATE: 09-15-2014
SCALE: 1" = 200'
JOB NO: S1300058
DRAWN BY: ATE

J:\S2013\S1300058 STATLER BLVD APARTMENTS\SURVEY\Drawings\2014-09-15 DEDICATION PLAT.dwg

NOTES:

1) NO IMPROVEMENTS SHOWN HEREON.
2) THIS PLAT REPRESENTS A CURRENT FIELD SURVEY.
3) THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND IS SUBJECT TO INFORMATION DISCLOSED BY SUCH.
4) PROPERTY IS LOCATED IN FEMA DEFINED ZONE "X"
COMMUNITY PANEL NO.: 51015C0339E
EFFECTIVE DATE: JANUARY 6, 2010
COMMUNITY PANEL NO.: 51015C0343D
EFFECTIVE DATE: SEPTEMBER 28, 2007

PLAT SHOWING
36.041 ACRES TO BE DEDICATED TO THE CITY OF STAUNTON

CITY OF STAUNTON, VIRGINIA

BALZER AND ASSOCIATES INC.

PLANNERS • ARCHITECTS • ENGINEERS • SURVEYORS

ROANOKE • RICHMOND NEW RIVER VALLEY STAUNTON HARRISONBURG

1561 Commerce Road • Suite 401 • Verona, Virginia 24482 • Phone (540) 248-3220 • Fax (540) 248-3221

REFLECTING TOMORROW

376
377
378
379
409
410
411
412
442
443
444
445
475
476
477
478
STATLER BLVD
ANTHONY ST
YOUNG ST
JONES ST
PATTON ST
NATIONAL AVE
ALTA ST
COMMUNITY WAY
N FRONTIER DR
ST RT 1426
AMHERST RD
SHARON LN
Betsy Bell
GREENVILLE AVE
MORRIS ST
RAMSEY ST
BETSY BELL RD
LINDEN DR
CAMPBELL ST
MARY GRAY LN
Mary Gray
FRONTIER DR
RICHMOND AVE
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community