County of Greene, Virginia

Financial Report Year Ended June 30, 2021

County of Greene, Virginia

Financial Report

For the Year Ended June 30, 2021

Table of Contents

		Page
Independent Auditors' Report		1-3
Management's Discussion and Analysis		4-9
Basic Financial Statements:		
Government-wide Financial Statements:		
Exhibit 1	Statement of Net Position	10
Exhibit 2	Statement of Activities	11
Fund Financial Statements:		
Exhibit 3	Balance Sheet—Governmental Funds	12
Exhibit 4	Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds	13
Exhibit 5	Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities—Governmental Funds	14
Exhibit 6	Statement of Fiduciary Net Position–Fiduciary Funds	15
Exhibit 7	Statement of Changes in Fiduciary Net Position–Fiduciary Funds	16
Notes to Financial Statements		17-96
Required Supplementary Information:		
Exhibit 8	Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—General Fund	97-101
Exhibit 9	Schedule of Changes in Net Pension Liability and Related Ratios—Primary Government	102-103
Exhibit 10	Schedule of Changes in Net Pension Liability and Related Ratios—Component Unit School Board (nonprofessional)	104-105
Exhibit 11	Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan	106-107
Exhibit 12	Schedule of Employer Contributions—Pension Plans	108
Exhibit 13	Notes to Required Supplementary Information—Pension Plans	109
Exhibit 14	Schedule of County's and School Board's Share of Net OPEB Liability—Group Life Insurance Plan	110
Exhibit 15	Schedule of Employer Contributions—Group Life Insurance Plan	111
Exhibit 16	Notes to Required Supplementary Information—Group Life Insurance Plan	112
Exhibit 17	Schedule of Changes in Net OPEB Liability and Related Ratios—Health Insurance Credit (HIC) Plan—County	113

Table of Contents

		Page
Required Supplementary Information: (Continued)		
Exhibit 18	Schedule of Changes in Net OPEB Liability and Related Ratios—Health Insurance Credit (HIC) Plan—Component Unit School Board (nonprofessional)	114
Exhibit 19	Schedule of School Board's Share of Net OPEB Liability—Teacher Employee Health Insurance Credit (HIC) Plan	115
Exhibit 20	Schedule of Employer Contributions—Health Insurance Credit Plans (HIC)	116
Exhibit 21	Notes to Required Supplementary Information —Health Insurance Credit Plans (HIC)	117
Exhibit 22	Schedule of Changes in Net OPEB Liability (Asset) and Related Ratios—OPEB Health Insurance Plan	118
Exhibit 23	Notes to Required Supplementary Information— OPEB Health Insurance Plan	119
Exhibit 24	Schedule of Employer's Share of Net LODA OPEB Liability—Line of Duty Act Program (LODA)	120
Exhibit 25	Schedule of Employer Contributions—Line of Duty Act Program (LODA)	121
Exhibit 26	Notes to Required Supplementary Information—Line of Duty Act Program (LODA)	122
Other Supplementary Information:		
Combining and Individual Fund Financial Statements and Schedules:		
Exhibit 27	Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual-Debt Service Fund	123
Discretely Present Component Unit School Board:		
Exhibit 28	Combining Balance Sheet	124
Exhibit 29	Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds	125
Exhibit 30	Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	126
Exhibit 31	Schedule of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual	127-128
Supporting Schedule:		
Schedule 1	Schedule of Revenues—Budget and Actual–Governmental Funds and Discretely Presented Component Unit	129-134

Table of Contents (Continued)

		Page
Statistical Information:		
Table 1	Government-Wide Expenses by Function—Last Ten Fiscal Years	135-136
Table 2	Government-Wide Revenues—Last Ten Fiscal Years	137-138
Table 3	General Government Expenditures by Function—Last Ten Fiscal Years	139-140
Table 4	General Government Revenues by Source—Last Ten Fiscal Years	141-142
Table 5	Property Tax Levies and Collections—Last Ten Fiscal Years	143
Table 6	Assessed Value of Taxable Property—Last Ten Fiscal Years	144
Table 7	Property Tax Rates—Last Ten Fiscal Years	145
Table 8	Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita—Last Ten Fiscal Years	146
Compliance:		
Independent Auditors' 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*		147-148
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance		149-150
Schedule of Expenditures of Federal Awards		151-152
Notes to Schedule of Expenditures of Federal Awards		153
Schedule of Findings and Questioned Costs		154

County of Greene, Virginia

Board of Supervisors

William Bryan Martin, Chair
Marie Durrer, Vice-Chair
Steve Bowman
Davis Lamb
Dale R. Herring

County School Board

Leah Paladino, Chair
Todd Sansom, Vice Chair
Jason Collier
Jason Tooley
Sharon Mack

County Social Service Board

Larry Miller, Chairman
Joanne Burkholder, Vice-Chairman
Davis Lamb

Other Officials

Judge of the Circuit Court .... Claude V. Worrell Jr.
Clerk of the Circuit Court .... Susan Duckworth
Judge of the General District Court .... Andrew Sneathern
Judge of Juvenile & Domestic Relations District Court .... David M. Barredo
Commonwealth's Attorney .... Edwin Consolvo
Commissioner of the Revenue .... Larry V. Snow
Treasurer .... Stephanie A. Deal
Sheriff .... Steve Smith
Superintendent of Schools .... Andrea Whitmarsh
Director of Department of Social Services .... James Howard
County Administrator .... Mark B. Taylor

ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

CPAs | CONSULTANTS

Independent Auditors' Report

To the Honorable Members of the Board of Supervisors
County of Greene, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Greene, Virginia, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County'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.

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Greene, Virginia, as of June 30, 2021, and the respective changes in financial position 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 1 to the financial statements, in 2021, the County adopted new accounting guidance, GASB Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Restatement of Beginning Balances

As described in Note 17 to the financial statements, in 2021, the County restated beginning balances to reflect the requirements of GASB Statement No. 84. 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, budgetary comparison information, and schedules related to pension and OPEB funding on pages 4-9, 97-101, and 102-122 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. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Greene, Virginia's basic financial statements. The other supplementary information and statistical information 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

Other Matters: (Continued)

Supplementary and Other Information: (Continued)

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 statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2021, on our consideration of the County of Greene, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County of Greene, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Greene, Virginia's internal control over financial reporting and compliance.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
December 10, 2021

This page intentionally left blank

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the County of Greene, Virginia we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2021.

Financial Highlights

Government-wide Financial Statements

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $30,580,231 (net position).

- Our combined long-term obligations increased $3,684,473 during the current fiscal year.

Fund Financial Statements

The Governmental Funds, on a current financial resource basis, reported revenues, including other financing sources, in excess of expenditures of $4,654,605 (Exhibit 4), which includes contributions totaling $14,332,276 to the School Board.

- As of the close of the current fiscal year, the County's funds reported ending fund balances of $21,587,740, an increase of $4,654,605 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's 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 themselves.

Government-wide financial statements - The Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

Overview of the Financial Statements (Continued)

The statement of net position presents information on all of the County's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, courts, police protection, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Greene, Virginia itself (known as the primary government), but also a legally separate school district for which the County of Greene, Virginia is financially accountable. Financial information for this component unit is reported separately from the financial information present for the primary government itself.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Greene, Virginia, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories; governmental funds and fiduciary funds.

Governmental funds - *Governmental funds* are used to account for essentially the same functions or services reported as governmental activities in the government-wide financial statements. Whereas the government-wide financial statements are prepared on the accrual basis of accounting, the governmental fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements a reconciliation between the two methods is provided at the bottom of the governmental fund balance sheet and in a separate exhibit following the governmental fund statement of revenues, expenditures and changes in fund balances. The County has three major governmental funds – the General Fund, the Debt Service Fund, and the School Capital Projects Fund.

Fiduciary funds – are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund statement can be found on page 15 of this report.

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.

Overview of the Financial Statements (Continued)

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and a schedule of pension funding progress and other supplementary information including the presentation of combining financial statements for the discretely presented component unit - School Board. The School Board does not issue separate financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $30,580,231 at the close of the most recent fiscal year.

County of Greene, Virginia's Net Position

	Governmental Activities	
	2021	**2020**
Current and other assets	$ 38,329,610	$ 34,073,957
Capital assets	80,702,386	80,370,159
Total assets	$ 119,031,996	$ 114,444,116
Deferred outflows of resources	$ 3,164,804	$ 2,332,880
Long-term liabilities outstanding	$ 70,077,938	$ 66,393,465
Current liabilities	8,900,805	8,483,009
Total liabilities	$ 78,978,743	$ 74,876,474
Deferred inflows of resources	$ 12,637,826	$ 12,644,088
Net position:		
Net investment in capital assets	$ 14,404,500	$ 16,949,505
Unrestricted	16,175,731	12,306,929
Total net position	$ 30,580,231	$ 29,256,434

At the end of the current fiscal year, the County's net investment in capital assets is $14,404,500.

The County's net position increased $1,323,797 during the current fiscal year.

Government-wide Financial Analysis (Continued)

Governmental Activities - Governmental activities increased the County's net position by $1,323,797. Key elements of this increase are as follows:

County of Greene, Virginia's Changes in Net Position
For the Years Ended June 30, 2021 and 2020

	Governmental Activities	
	2021	**2020**
Revenues:		
Program revenues:		
Charges for services	$ 3,625,581	$ 4,908,619
Operating grants and contributions	7,152,444	4,964,986
General revenues:		
General property taxes	24,035,764	22,932,315
Other local taxes	6,496,336	5,530,304
Commonwealth of Virginia non-categorical aid	2,720,988	2,798,156
Other general revenues	769,744	310,014
Total revenues	$ 44,800,857	$ 41,444,394
Expenses:		
General government administration	$ 3,828,553	$ 3,399,777
Judicial administration	977,818	811,115
Public safety	9,062,392	8,732,431
Public works	3,168,214	2,396,380
Health and welfare	4,169,022	3,563,171
Education	18,363,492	11,806,074
Parks, recreation, and cultural	655,319	678,719
Community development	1,294,530	1,970,340
Interest and other fiscal charges	1,957,720	2,654,684
Total expenses	$ 43,477,060	$ 36,012,691
Change in net position	$ 1,323,797	$ 5,431,703
Net position, July 1	29,256,434	23,824,731
Net position, June 30	$ 30,580,231	$ 29,256,434

Government-wide Financial Analysis (Continued)

Charges for services decreased by $1,283,038 during the year, mostly due to a decrease of water and sewer fees. General property taxes increased $1,103,449 due to an increase in the real estate tax collections. Revenues from the use of money and property decreased $128,760 due to the decrease of unspent bond proceeds by year end. All other revenues increased by a net of $3,664,812. The County's contribution to the School Board totaled $14,332,276 for the year compared to $14,925,347 in the prior year, a decrease of $593,071.

Education expenses increased $6,557,418, mostly due to an increase in capital expenditures. Public safety expenses increased $329,961 and all other expenses had a net increase of $576,990.

Financial Analysis of the County's Funds

As noted earlier, the County used fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of available resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported fund balances of $21,587,740, an increase of $4,654,605 in comparison with the prior year.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget was $5,900,430 and can be briefly summarized as follows:

- $535,453 in increases for general government
- $361,683 in increases for public safety
- $3,179,223 in increases for public works
- $1,280,525 in increases for community development
- $646,083 in increases for capital projects
- $102,537 in other decreases

Budgeted revenues of the general fund increased $4,689,629, including increases of $3,187,181 for intergovernmental revenues and $1,502,448 of other increases.

Capital Asset and Debt Administration

- Capital assets - The County's investment in capital assets for its governmental operations as of June 30, 2021 totals $80,702,386 (net of accumulated depreciation - Note 4). This investment in capital assets includes land, buildings and improvements, machinery and equipment and construction in progress.

Additional information on the County's capital assets can be found in the notes of this report.

Long-term obligations - At the end of the current fiscal year, the County had total long-term obligations outstanding of $73,644,215. Of this amount $59,307,068 comprises debt backed by the full faith and credit of the County. The County's total obligations increased $3,725,045 during the current fiscal year.

Additional information on the County of Greene, Virginia's long-term debt can be found in Note 5 of this report.

Economic Factors and Next Year’s Budgets and Rates

- The unemployment rate for the County is currently 3.5 percent, which is 4 percent lower than the unemployment rate from a year ago. This compares favorably to the state’s average unemployment rate of 4.5 percent and compares favorably to the national average rate of 6.1 percent.

- Residential growth continues to increase and broaden the demand for locally provided services such as schools, emergency service, social services, inspections, law enforcement, parks and recreation, solid waste, and libraries.

- Departments and agencies were held to level funding related to operational expenditures except in those circumstances where increases in expenditures were unavoidable.

All of these factors were considered in preparing the County’s budget for the 2022 fiscal year.

The fiscal year 2022 budget increased from $64,222,368 to $67,582,030, or $3,359,662 (5%).

Requests for Information

This financial report is designed to provide a general overview of the County of Greene, Virginia’s finances for all those with an interest in the County’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Administrator, P.O. Box 358, Stanardsville, Virginia 22973.

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Position
June 30, 2021

	Primary Government	Component Units	
	Governmental Activities	**School Board**	**Greene County EDA**
ASSETS			
Current assets:			
Cash and cash equivalents	$ 23,022,588	$ 582,396	$ 158,864
Receivables (net of allowance for uncollectibles):			
Property taxes	11,276,251	-	-
Accounts receivable	329,947	-	-
Due from other governments	2,512,880	883,022	-
Due from primary government	-	1,353,765	-
Restricted assets:			
Cash and cash equivalents	1,187,944	-	-
Total current assets	$ 38,329,610	$ 2,819,183	$ 158,864
Noncurrent assets:			
Note receivable	$ -	$ -	$ 44,058
Capital assets:			
Land	5,216,437	127,800	-
Infrastructure, net of depreciation	22,928,879	-	-
Buildings and improvements, net of depreciation	33,139,122	15,659,933	-
Equipment, net of depreciation	515,435	1,683,372	-
Construction in progress	18,902,513	-	-
Total noncurrent assets	$ 80,702,386	$ 17,471,105	$ 44,058
Total assets	$ 119,031,996	$ 20,290,288	$ 202,922
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	$ 511,130	$ -	$ -
Pension related items	1,714,421	7,572,857	-
OPEB related items	939,253	1,339,021	-
Total deferred outflows of resources	$ 3,164,804	$ 8,911,878	$ -
LIABILITIES			
Current liabilities:			
Accounts payable	$ 1,207,851	$ 700,974	$ 2,900
Accrued liabilities	-	1,535,813	-
Due to component units	1,353,765	-	-
Accrued interest payable	809,040	-	-
Unearned revenue	1,963,872	-	-
Current portion of long-term obligations	3,566,277	288,680	-
Total current liabilities	$ 8,900,805	$ 2,525,467	$ 2,900
Noncurrent liabilities:			
Noncurrent portion of long-term obligations	70,077,938	38,668,678	-
Total liabilities	$ 78,978,743	$ 41,194,145	$ 2,900
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	$ 11,983,957	$ -	$ -
Pension related items	22,435	3,036,954	-
OPEB related items	631,434	497,350	-
Total deferred inflows of resources	$ 12,637,826	$ 3,534,304	$ -
NET POSITION			
Net Investment in capital assets	$ 14,404,500	$ 17,106,643	$ -
Unrestricted (deficit)	16,175,731	(32,632,926)	200,022
Total net position (deficit)	$ 30,580,231	$ (15,526,283)	$ 200,022

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

Statement of Activities
For the Year Ended June 30, 2021

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
					Primary Government	Component Units	
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**School Board**	**Greene County EDA**
PRIMARY GOVERNMENT:							
Governmental activities:							
General government administration	$ 3,828,553	$ 353,305	$ 235,873	$ -	$ (3,239,375)	$ -	$ -
Judicial administration	977,818	94,078	475,339	-	(408,401)	-	-
Public safety	9,062,392	582,181	4,107,956	-	(4,372,255)	-	-
Public works	3,168,214	2,388,524	-	-	(779,690)	-	-
Health and welfare	4,169,022	-	2,150,596	-	(2,018,426)	-	-
Education	18,363,492	-	-	-	(18,363,492)	-	-
Parks, recreation, and cultural	655,319	18,498	-	-	(636,821)	-	-
Community development	1,294,530	188,995	182,680	-	(922,855)	-	-
Interest on long-term obligations	1,957,720	-	-	-	(1,957,720)	-	-
Total governmental activities	$ 43,477,060	$ 3,625,581	$ 7,152,444	$ -	$ (32,699,035)	$ -	$ -
COMPONENT UNITS:							
School Board	$ 37,394,416	$ 49,457	$ 23,894,541	$ -	$ -	$ (13,450,418)	$ -
Greene County EDA	404,371	-	-	-	-	-	(404,371)
Total component units	$ 37,798,787	$ 49,457	$ 23,894,541	$ -	$ -	$ (13,450,418)	$ (404,371)
General revenues:							
General property taxes					$ 24,035,764	$ -	$ -
Local sales and use tax					2,915,366	-	-
Business license taxes					738,691	-	-
Consumer utility taxes					444,700	-	-
Motor vehicle licenses					470,618	-	-
Meals taxes					905,155	-	-
Taxes on recordation and wills					485,216	-	-
Other local taxes					536,590	-	-
Grants and contributions not restricted to specific programs					2,720,988	-	-
Unrestricted revenues from use of money and property					96,430	-	-
Miscellaneous					673,314	454,465	18
Payment from primary government					-	17,100,064	271,764
Total general revenues					$ 34,022,832	$ 17,554,529	$ 271,782
Change in net position					$ 1,323,797	$ 4,104,111	$ (132,589)
Net position (deficit) - beginning					29,256,434	(19,630,394)	332,611
Net position (deficit) - ending					$ 30,580,231	$ (15,526,283)	$ 200,022

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

Fund Financial Statements

Balance Sheet - Governmental Funds
June 30, 2021

	General Fund	Debt Service Fund	School Capital Projects Fund	Total
ASSETS				
Cash and cash equivalents	$ 19,929,757	$ 3,092,831	$ -	$ 23,022,588
Receivables (net of allowance for uncollectibles):				
Property taxes	11,276,251	-	-	11,276,251
Accounts receivable	329,947	-	-	329,947
Due from other funds	-	-	11,786	11,786
Due from other governmental units	2,512,880	-	-	2,512,880
Restricted assets:				
Cash and cash equivalents	696,885	-	491,059	1,187,944
Total assets	$ 34,745,720	$ 3,092,831	$ 502,845	$ 38,341,396
LIABILITIES				
Accounts payable	$ 1,188,253	$ -	$ 19,598	$ 1,207,851
Due to other funds	11,786	-	-	11,786
Due to component unit	1,353,765	-	-	1,353,765
Unearned revenue	1,963,872	-	-	1,963,872
Total liabilities	$ 4,517,676	$ -	$ 19,598	$ 4,537,274
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	$ 12,216,382	$ -	$ -	$ 12,216,382
FUND BALANCES				
Restricted:				
Capital projects - school facilities upgrades	$ -	$ -	$ 483,247	$ 483,247
Capital projects - water system	696,885	-	-	696,885
Committed:				
Debt service	-	3,092,831	-	3,092,831
Education - school board carryover	7,975,793	-	-	7,975,793
Unassigned	9,338,984	-	-	9,338,984
Total fund balances	$ 18,011,662	$ 3,092,831	$ 483,247	$ 21,587,740
Total liabilities, deferred inflows of resources and fund balances	$ 34,745,720	$ 3,092,831	$ 502,845	$ 38,341,396

Detailed explanation of adjustments from fund statements to government-wide statement of net position:

Total fund balances per above		$ 21,587,740
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Land	$ 5,216,437	
Buildings and improvements	22,928,879	
Infrastructure	33,139,122	
Equipment	515,435	
Construction in progress	18,902,513	80,702,386
Interest on long-term obligations is not accrued in governmental funds, but rather is recognized as an expenditure when due.		(809,040)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Unavailable property taxes		232,425
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.		
Pension related items	$ 1,714,421	
OPEB related items	939,253	
Deferred amount on refunding	511,130	3,164,804
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Capital leases	$ (6,589,086)	
Landfill closure and postclosure liability	(510,453)	
Compensated absences	(638,762)	
General obligation bonds	(28,944,638)	
Premiums on bonds	(2,100,806)	
State literary fund loans	(3,150,000)	
Revenue bonds	(14,264,746)	
Notes payable	(970,684)	
Net OPEB liabilities	(2,234,539)	
Net pension liability	(2,263,501)	
Bond anticipation note	(11,977,000)	(73,644,215)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.		
Pension related items	$ (22,435)	
OPEB related items	(631,434)	(653,869)
Net position of General Government Activities		$ 30,580,231

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

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Year Ended June 30, 2021

	General Fund	Debt Service Fund	School Capital Projects Fund	Total
Revenues:				
General property taxes	$ 24,814,431	$ -	$ -	$ 24,814,431
Other local taxes	6,496,336	-	-	6,496,336
Permits, privilege fees and regulatory licenses	373,617	-	-	373,617
Fines and forfeitures	58,052	-	-	58,052
Revenue from use of money and property	95,429	-	1,001	96,430
Charges for services	3,053,912	140,000	-	3,193,912
Miscellaneous	673,314	-	-	673,314
Recovered costs	156,814	-	-	156,814
Intergovernmental:				
Commonwealth	5,851,144	-	-	5,851,144
Federal	4,022,288	-	-	4,022,288
Total revenues	$ 45,595,337	$ 140,000	$ 1,001	$ 45,736,338
Expenditures:				
Current:				
General government administration	$ 3,089,590	$ -	$ -	$ 3,089,590
Judicial administration	903,004	-	-	903,004
Public safety	8,223,262	-	-	8,223,262
Public works	5,057,307	-	-	5,057,307
Health and welfare	4,148,624	-	-	4,148,624
Education	14,373,276	-	-	14,373,276
Parks, recreation, and cultural	587,925	-	-	587,925
Community development	1,648,694	-	-	1,648,694
Nondepartmental	73,435	-	-	73,435
Capital outlays and projects	6,086,998	-	25,176	6,112,174
Debt service:				
Principal retirement	635,786	1,251,667	-	1,887,453
Interest and other fiscal charges	293,061	647,124	-	940,185
Total expenditures	$ 45,120,962	$ 1,898,791	$ 25,176	$ 47,044,929
Excess (deficiency) of revenues over (under) expenditures	$ 474,375	$ (1,758,791)	$ (24,175)	$ (1,308,591)
Other financing sources (uses):				
Issuance of capital leases	$ 5,963,196	$ -	$ -	$ 5,963,196
Transfers out	(1,758,791)	-	-	(1,758,791)
Transfers in	-	1,758,791	-	1,758,791
Total other financing sources (uses)	$ 4,204,405	$ 1,758,791	$ -	$ 5,963,196
Change in fund balance	$ 4,678,780	$ -	$ (24,175)	$ 4,654,605
Fund balance at beginning of year	13,332,882	3,092,831	507,422	16,933,135
Fund balance at end of year	$ 18,011,662	$ 3,092,831	$ 483,247	$ 21,587,740

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

Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities - Governmental Funds
For the Year Ended June 30, 2021

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

Net change in fund balance - total governmental funds			$	4,654,605
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period. Details supporting this adjustment are as follows:				
Capital outlay	$	3,392,159		
Depreciation expense		(1,857,057)		1,535,102
Transfer of joint tenancy assets from Primary Government to the Component Unit				(1,202,875)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.				
Property taxes				(778,667)
The issuance of long-term obligations (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. A summary of items supporting this adjustment is as follows:				
Principal retired on capital leases	$	223,276		
Principal retired on general obligation bonds		1,018,592		
Principal retired on revenue bonds and premiums		1,557,760		
Principal retired on notes payable		133,208		
Principal retired on state literary fund loans		450,000		
Increase of landfill closure and postclosure liability		(6,053)		
Issuance of capital leases		(5,963,196)		(2,586,413)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. The following is a summary of items supporting this adjustment:				
Change in compensated absences	$	108,533		
Change in pension related items		(118,794)		
Change in OPEB related items		(241,868)		
Change in accrued interest payable		45,782		
Change in deferred amount on refunding		(91,608)		(297,955)
Change in net position of governmental activities			$	1,323,797

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

Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2021

	Custodial Fund
ASSETS	
Cash and cash equivalents	$ 66,944
NET POSITION	
Restricted for special welfare	$ 66,944

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

Statement of Changes in Fiduciary Net Position - Fiduciary Funds
For the Year Ended June 30, 2021

	Custodial Fund
Additions:	
Special welfare collections	$ 1,890
Deductions:	
Welfare costs	$ 779
Net increase (decrease) in fiduciary net position	$ 1,111
Net position, beginning of year, as restated	$ 65,833
Net position, end of year	$ 66,944

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

Note 1—Summary of Significant Accounting Policies:

The County of Greene, Virginia was formed in 1702 and it is governed by an elected five member Board of Supervisors. The Board of Supervisors is responsible for appointing the County Administrator. The County provides a full range of services for its citizens. These services include police and volunteer fire protection, sanitation services, recreational activities, cultural events, education, and social services.

The financial statements of the County of Greene, Virginia have been prepared in conformity with the accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board and the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia. The more significant of the government's accounting policies are described below.

Financial Statement Presentation

Management's Discussion and Analysis - The financial statements are required to be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis" (MD&A).

Government-wide and Fund Financial Statements

Government-wide financial statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt).

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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 certain legally separate component units for which the primary government is financially accountable.

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

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

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.

Note 1—Summary of Significant Accounting Policies: (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter 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.

Budgetary comparison schedules - Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the GASB 34 reporting model governments provide budgetary comparison information in their annual reports, including the requirement to report the government's original budget in addition to the comparison of final budget and actual results.

A. Financial Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for basic financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity. These financial statements present the County of Greene, Virginia (the primary government) and its component units. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

B. Individual Component Unit Disclosures

Blended Component Units:

The County has no blended component units to be included for the fiscal year ended June 30, 2021.

Discretely Presented Component Units:

Greene County School Board

The Greene County School Board operates the elementary and secondary public schools in the County. School Board members are elected by the voters of the County for a term of four years. The School Board is fiscally dependent upon the County because the County approves all debt issuances of the School Board and provides significant funding to operate the public schools, since the School Board does not have separate taxing powers. The School Board does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2021.

Note 1—Summary of Significant Accounting Policies: (Continued)

B. Individual Component Unit Disclosures: (Continued)

Discretely Presented Component Units: (Continued)

Greene County Economic Development Authority:

The Greene County Economic Development Authority was formed by the Greene County Board of Supervisors who appoint all Board members of the Authority. The Authority provides a source of financing for industries locating their facilities in the County. The Board of Supervisors cannot impose its will on the Authority, but since there is a potential financial benefit or burden in the relationship, as evidenced by the contributions from the County to the Authority, the Board of Supervisors is financially accountable for the Authority. Accordingly, the Authority is considered a component unit of the County and is included as a discrete presentation in the County's financial report. Financial statements for the Authority can be obtained from their Administrative Offices in Stanardsville, Virginia.

C. Other Related Organizations

Included in the County's Financial Report

None

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board. The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of 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.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, public works, health and welfare, etc.) which are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety, public works, health and welfare, etc.) or a business-type activity.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. 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)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation: (Continued)

The County's fiduciary funds are presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

1. Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. The government reports the following major governmental funds:

A. General Fund

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for services, and interest income. A significant part of the General Fund's revenues is used principally to finance the operations of the Component Unit School Board.

B. School Capital Projects Fund

A fund that accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments.

C. Debt Service Fund

A fund that accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt services funds should also be used to report financial resources being accumulated for future debt service. Specifically, this fund includes the debt service payments for VRA water and sewer bonds outstanding.

2. Fiduciary Funds (Trust and Custodial Funds)

Fiduciary Funds (Trust and Custodial Funds) account for assets held by the County in a trustee capacity or as a custodian for individuals, private organizations, other governmental units, or other funds. These funds include the Special Welfare Fund. These funds utilize the accrual basis of accounting described in the Governmental Fund Presentation. Fiduciary funds are not included in the government-wide financial statements.

Note 1—Summary of Significant Accounting Policies: (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation: (Continued)

3. Component Unit - School Board

The Greene County School Board reports the following funds:

Governmental Funds:

School Operating Fund – This fund is the primary operating fund of the School Board and accounts for all revenues and expenditures applicable to the general operations of the public school system. Revenues are derived primarily from charges for services, appropriations from the County of Greene, and state and federal grants. The School Operating Fund is considered a major fund of the School Board for financial reporting purposes.

School Cafeteria Fund – This fund accounts for the operations of the School Board’s food service program. Financing is provided primarily by food and beverage sales and state and federal grants. This fund is considered a major fund.

School Activity Fund – This fund accounts for the operations of the School Activity Fund for Greene County Public Schools.

E. Budgets and Budgetary Accounting

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

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain citizen comments.

3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.

4. The Appropriations Resolution places legal restrictions on expenditures at the department level or category level. The appropriation for each department or category can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government departments; however, the School Board is authorized to transfer budgeted amounts within the school system's categories.

5. Formal budgetary integration is employed as a management control device during the year and budgets are legally adopted for the General Fund and the Component Unit - School Board.

6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

7. Appropriations lapse on June 30 for all county units.

8. All budgetary data presented in the accompanying financial statements is the original to the current comparison of the final budget and actual results.

Note 1—Summary of Significant Accounting Policies: (Continued)

E. Budgets and Budgetary Accounting: (Continued)

For the fiscal year ended June 30, 2021, a budget was not legally adopted for the Debt Service Fund, the School Capital Projects Fund, and the School Cafeteria Fund and, therefore, expenditures exceed appropriations in these funds for the fiscal year.

F. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, amounts in demand deposits, and short-term investments with a maturity date within three months of the date acquired by the government. For purposes of the statement of cash flows, the government's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

G. Investments

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, other nonparticipating investments, and external investment pools are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

H. Receivables and payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e. the current portion of interfund loans). All other outstanding balances between funds are reported as "advances to/from other funds."

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately $73,166 at June 30, 2021 and is comprised of property taxes.

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

Note 1—Summary of Significant Accounting Policies: (Continued)

I. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the County and Component Unit – School Board as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the primary government, as well as the Component Unit-School Board, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Building improvements	20-40
Vehicles	5
Police cars	3
Office and computer equipment	5
Buses	12

J. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the Statement of Activities and a long-term obligation in the Statement of Net Position. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" prior to retirement.

K. Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities. 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, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

Note 1—Summary of Significant Accounting Policies: (Continued)

L. Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The County's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (corpus of a permanent fund);

- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

- Unassigned fund balance – amounts that are available for any purpose; positive amounts are only reported in the general fund.

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

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

In the general fund, the County strives to maintain an unassigned fund balance to be used for unanticipated emergencies of approximately 20% of the actual GAAP basis expenditures and other financing sources and uses.

M. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 1—Summary of Significant Accounting Policies: (Continued)

N. Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has multiple items that qualify for reporting in this category. One item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item is comprised of certain items related to the measurement of the net pension and OPEB assets or liabilities and contributions to the pension and OPEB plans made during the current year and subsequent to the net pension liability and net OPEB liability measurement date. For more detailed information on these items, reference the related notes.

Note 1—Summary of Significant Accounting Policies: (Continued)

O. Deferred Outflows/Inflows of Resources: (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, 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 County has multiple items that qualify for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of uncollected property taxes due prior to June 30th, 2nd half installments levied during the fiscal year but due after June 30th, and amounts prepaid on the 2nd half installments and deferred and recognized as an inflow of resources in the period that the amount becomes available. Under the accrual basis, 2nd half installments levied during the fiscal year but due after June 30th and amounts prepaid on the 2nd half installments are reported as deferred inflows of resources. In addition, certain items related to the measurement of the net pension and net OPEB liabilities are reported as deferred inflows of resources. For more detailed information on these items, reference the related notes.

P. Pensions

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 County's and School Board's Retirement Plan and the additions to/deductions from the County's and School Board's Retirement Plan's fiduciary net position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Other Postemployment Benefits (OPEB)

For purposes of measuring the net VRS related OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about the fiduciary net position of the VRS GLI, HIC, Teacher HIC, and LODA Plans and the additions to/deductions from the VRS OPEB Plans' fiduciary net 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.

Health Insurance (Single-employer Defined Benefit Plan)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense have been determined on the same basis as they were reported by the plan actuary. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms.

R. Adoption of Accounting Principles

In 2021, the County adopted Statement No. 84, *Fiduciary Activities*, which established criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported.

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 ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments

Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper that has received at least two of the following ratings: P-1 by Moody's Investors Service, Inc.; A-1 by Standard and Poor's; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker's acceptances, repurchase agreements, and the State Treasurer's Local Government Investment Pool (LGIP).

Credit Risk of Debt Securities

The County does not have a policy regarding credit risk of debt securities. The County's rated debt investments as of June 30, 2021 were rated by *Standard & Poor's* and the ratings are presented below using the *Standard & Poor's* rating scale.

County's Rate Debt Investment's Values

Rated Debt Investments	Fair Quality Ratings AAAm
State Non-Arbitrage Program (SNAP)	$ 1,187,944
Total	$ 1,187,944

Note 2—Deposits and Investments: (Continued)

Interest Rate Risk

	Investment Maturity*	
Investment Type	Fair Value	Less than 1
State Non-Arbitrage Program (SNAP)	$ 1,187,944	$ 1,187,944
Total investments	$ 1,187,944	$ 1,187,944

*Weighted average maturity in years

External Investment Pool:

The value of the positions in the external investment pool (State Non-Arbitrage Pool) is the same as the value of the pool shares. As SNAP is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. SNAP is an amortized cost basis portfolio. There are no withdrawal limitations or restrictions imposed on participants.

Note 3—Due From Other Governmental Units:

At June 30, 2021 the County has receivables from other governments as follows:

	Primary Government	Component Unit
Commonwealth of Virginia:		
Local and state sales taxes	$ 537,239	$ 560,072
Communication tax	56,576	-
Public assistance	46,466	-
Comprehensive services	261,869	-
Personal property tax relief act (PPTRA)	1,352,596	-
Shared expenses	136,376	-
Other state funding	22,215	-
Federal Government:		
School funds	-	322,950
Public safety grants	15,873	-
Public assistance	83,670	-
Total	$ 2,512,880	$ 883,022

Note 4—Capital Assets:

The following is a summary of changes in primary government capital assets for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Primary Government				
Capital assets not being depreciated:				
Land	$ 5,194,766	$ 21,671	$ -	$ 5,216,437
Construction in progress:				
County	11,227,382	7,675,131	-	18,902,513
Jointly owned assets	28,908,508	-	28,908,508	-
Total capital assets not being depreciated	$ 45,330,656	$ 7,696,802	$ 28,908,508	$ 24,118,950
Other capital assets being depreciated:				
Buildings and improvements	$ 18,590,974	$ 24,475,000	$ 1,400,000	$ 41,665,974
Infrastructure	27,741,216	-	-	27,741,216
Equipment	6,855,569	128,865	23,661	6,960,773
Total other capital assets being depreciated	$ 53,187,759	$ 24,603,865	$ 1,423,661	$ 76,367,963
Accumulated depreciation:				
Buildings and improvements	$ 7,675,954	$ 1,048,023	$ 197,125	$ 8,526,852
Infrastructure	4,257,513	554,824	-	4,812,337
Equipment	6,214,789	254,210	23,661	6,445,338
Total accumulated depreciation	$ 18,148,256	$ 1,857,057	$ 220,786	$ 19,784,527
Other capital assets, net	$ 35,039,503	$ 22,746,808	$ 1,202,875	$ 56,583,436
Net capital assets	$ 80,370,159	$ 30,443,610	$ 30,111,383	$ 80,702,386

Note 4—Capital Assets: (Continued)

The following is a summary of changes in component unit school board capital assets for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Component Unit - School Board				
Capital assets not being depreciated:				
Land	$ 127,800	$ -	$ -	$ 127,800
Total capital assets not being depreciated	$ 127,800	$ -	$ -	$ 127,800
Other capital assets being depreciated:				
Buildings and improvements	$ 28,161,008	$ 6,029,222	$ -	$ 34,190,230
Equipment	7,021,337	-	533,516	6,487,821
Total other capital assets being depreciated	$ 35,182,345	$ 6,029,222	$ 533,516	$ 40,678,051
Accumulated depreciation:				
Buildings and improvements	$ 17,587,879	$ 1,738,168	$ 795,750	$ 18,530,297
Equipment	4,947,644	390,321	533,516	4,804,449
Total accumulated depreciation	$ 22,535,523	$ 2,128,489	$ 1,329,266	$ 23,334,746
Other capital assets, net	$ 12,646,822	$ 3,900,733	$ (795,750)	$ 17,343,305
Net capital assets	$ 12,774,622	$ 3,900,733	$ (795,750)	$ 17,471,105

Depreciation expense was charged to functions/programs of the primary government and component unit - school board as follows:

Governmental activities:	
General government administration	$ 657,711
Judicial administration	46,577
Public safety	149,903
Public works	8,195
Health and welfare	6,971
Education	795,750
Parks, recreation and cultural	76,277
Community development	115,673
Total governmental activites	$ 1,857,057
Component Unit School Board (1)	$ 1,931,364

(1) Depreciation expense is reported net of the transfer of annual depreciation of jointly owned assets from the County.

Note 5—Long-Term Obligations:

Primary Government

Changes in Long-Term Obligations:

The following is a summary of long-term obligation transactions for the year ended June 30, 2021:

	Balance at July 1, 2020	Issuances/ Increases	Retirements/ Decreases	Balance at June 30, 2021	Due Within One Year
Governmental Activities					
Long-Term Obligations					
Direct borrowings and placements:					
General obligation bonds	$ 29,963,230	$ -	$ 1,018,592	$ 28,944,638	$ 1,066,600
Premiums on bonds	2,391,645	-	290,839	2,100,806	261,069
State literary fund loans	3,600,000	-	450,000	3,150,000	450,000
Revenue bonds	15,531,667	-	1,266,921	14,264,746	1,413,781
Notes payable	1,103,892	-	133,208	970,684	134,546
Bond Anticipation Note	11,977,000	-	-	11,977,000	-
Other long-term obligations:					
Capital leases	849,166	5,963,196	223,276	6,589,086	176,405
Landfill closure and postclosure liability	504,400	6,053	-	510,453	-
Compensated absences	747,295	40,926	149,459	638,762	63,876
Net OPEB liabilities	2,405,235	1,004,129	1,174,825	2,234,539	-
Net pension liability	845,640	2,566,346	1,148,485	2,263,501	-
Total	$ 69,919,170	$ 9,580,650	$ 5,855,605	$ 73,644,215	$ 3,566,277

Note 5—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Annual requirements to amortize long-term obligations and related interest are as follows:

	Direct Borrowings and Placements							
Year	Revenue Bonds				State Literary		Bond Anticipation	
Ending	VRA Sewer Bonds		EDA Bond		Fund Loans		Note	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 1,400,000	$ 579,028	$ 13,781	$ 31,220	$ 450,000	$ 94,500	$ -	$ 245,529
2023	1,463,333	505,879	14,201	30,800	450,000	81,000	11,977,000	122,764
2024	1,548,333	428,941	14,633	30,368	450,000	67,500	-	-
2025	1,636,667	330,885	15,078	29,923	450,000	54,000	-	-
2026	1,716,667	267,098	15,536	29,465	450,000	40,500	-	-
2027	530,000	210,785	16,009	28,992	450,000	27,000	-	-
2028	560,000	187,029	16,496	28,505	450,000	13,500	-	-
2029	570,000	163,156	16,997	28,004	-	-	-	-
2030	485,000	137,719	17,514	27,487	-	-	-	-
2031	510,000	115,300	18,047	26,954	-	-	-	-
2032	525,000	96,372	18,596	26,405	-	-	-	-
2033	550,000	76,550	19,162	25,839	-	-	-	-
2034	560,000	55,894	19,745	25,256	-	-	-	-
2035	585,000	34,584	20,345	24,656	-	-	-	-
2036	600,000	11,850	20,964	24,037				
2037-2041	-	-	114,781	110,224	-	-	-	-
2042-2046	-	-	133,331	91,674	-	-	-	-
2047-2051	-	-	154,880	70,125	-	-	-	-
2052-2056	-	-	179,911	38,686	-	-	-	-
2057-2059	-	-	184,739	-	-	-	-	-
Totals	$ 13,240,000	$ 3,201,070	$ 1,024,746	$ 728,620	$ 3,150,000	$ 378,000	$ 11,977,000	$ 368,293

Note 5—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Annual requirements to amortize long-term obligations and related interest are as follows: (Continued)

			Direct Borrowings and Placements			
Year Ending	Capital Leases		General Obligation School Bonds		Notes Payable	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 176,405	$ 428,128	$ 1,066,600	$ 1,183,670	$ 134,546	$ 9,091
2023	523,365	214,369	1,109,740	1,137,100	135,897	7,740
2024	469,439	197,698	1,163,016	1,088,121	137,263	6,374
2025	485,111	182,027	1,170,282	1,037,965	138,642	4,996
2026	501,305	165,833	1,175,000	989,108	140,034	3,603
2027	518,040	149,098	1,230,000	938,310	141,441	2,196
2028	450,773	131,804	1,130,000	753,676	142,861	775
2029	465,943	116,633	1,185,000	697,523	-	-
2030	481,624	100,952	1,245,000	638,412	-	-
2031	497,834	84,743	1,295,000	586,705	-	-
2032	514,588	67,989	1,340,000	543,271	-	-
2033	531,907	50,670	1,385,000	496,609	-	-
2034	549,808	32,769	1,435,000	447,979	-	-
2035	422,944	14,265	1,485,000	398,796	-	-
2036	-	-	1,535,000	347,663	-	-
2037	-	-	1,590,000	294,475	-	-
2038	-	-	1,295,000	247,548	-	-
2039	-	-	1,335,000	207,440	-	-
2040	-	-	1,375,000	165,253	-	-
2041	-	-	1,420,000	120,883	-	-
2042	-	-	1,465,000	74,168	-	-
2043	-	-	1,515,000	24,998	-	-
Totals	$ 6,589,086	$ 1,936,978	$ 28,944,638	$ 12,419,673	970,684	$ 34,775

Note 5—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-term Obligations:

	Amount Outstanding	Amount Due Within One Year
Direct borrowings and placements:		
General obligation bonds:		
$5,120,000 School Bonds series 2011A issued May 5, 2011 maturing in various annual installments through Janaury 2037 interest payable semi-annually at rates from 2.05% to 5.05%	$ 3,910,000	$ 170,000
Premium on 2011A VPSA bonds	103,984	6,932
$811,329 Lease Revenue Bonds issued December 20, 2010 maturing in monthly installments of $6,798 through December 2024, interest at 4.30%	264,638	71,600
$2,470,000 QSCB Bonds series 2010 issued July 8, 2010 maturing in annual installments of $286,157 through June 2027, interest at 5.31%	930,000	155,000
Premium on 2017 VPSA bonds	1,218,161	55,371
$25,440,000 School Bonds series 2017 issued November 7, 2017 maturing in various annual installments through Janaury 2043 interest payable semi-annually at rates from 2.05% to 5.05%	23,840,000	670,000
Total General Obligation Bonds	$ 30,266,783	$ 1,128,903
Revenue bonds:		
$8,110,000, VRA Sewer System Revenue Bond, Series 2011B, issued November 16, 2011, maturing in amounts ranging from $177,048 - $1,033,019 annually from April 1, 2012 through April 1, 2026, interest payable semi-annually at 2.92%	$ 4,535,000	$ 815,000
Premium on Series 2011B VRA Bond	217,500	75,966
$3,445,000, Refunding VRA Water System Revenue Bond, Series 2014B, issued August 13, 2014, maturing in amounts ranging from $120,256 - $472,528 annually from October 1, 2014 through April 1, 2036, interest payable semi-annually at 3.58%	3,110,000	5,000

Note 5—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-term Obligations: (Continued)

	Amount Outstanding	Amount Due within One Year
Direct borrowings and placements: (continued)		
Revenue bonds: (continued)		
$1,140,000, Refunding VRA Sewer System Revenue Bond, Series 2014B, issued August 13, 2014, maturing in amounts ranging from $39,894 - 154,022 annually from October 1, 2014 through April 1, 2036, interest payable semi-annually at 3.72%	$ 1,025,000	$ -
Premiums on 2014 VRA revenue bonds	144,859	13,191
$2,890,000 Water Revenue Refunding Bond, Series 2012, issued August 2, 2012, maturing in amounts ranging from $30,000 - $330,000, annually from October 1, 2012 through October 1, 2028, except for October 1, 2013 - October 1, 2016 whereby no payments are due. Interest is payable semi-annually at rates from 2.208% - 5.125% through October 1, 2028. The bonds were issued at a premium of $590,973 to partially refund Series 2005 VRA Water System Revenue Bond.	2,085,000	240,000
$945,000 Sewer Revenue Refunding Bond, Series 2012, issued August 2, 2012, maturing in amounts ranging from $10,000 - $105,000, annually from October 1, 2012 through October 1, 2028, except for October 1, 2013 - October 1, 2016 whereby no payments are due. Interest is payable semi-annually at rates from 2.375% - 5.125% through October 1, 2028. The bonds were issued with a premium of $193,935 to partially refund Series 2005 VRA Sewer System Revenue Bond.	680,000	80,000
Premium on 2012 VRA revenue bonds	201,242	47,332

Note 5—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-term Obligations: (Continued)

		Amount Outstanding		Amount Due within One Year
Direct borrowings and placements: (continued)				
Revenue bonds: (Continued)				
$920,000 VRA Refunding Revenue Bond, Series 2016C, issued November 2, 2016, maturing in amounts ranging from $80,000 - $120,000, annually from October 1, 2017 through October 1, 2028, except for October 1, 2017 - October 1, 2019 whereby no payments are due. Interest is payable semi-annually at 2.67% through October 1, 2028. The bonds were issued with a premium of $217,686 to partially refund Sewer Revenue Refunding Bond, Series 2009.	$	840,000	$	85,000
Premium on 2016 VRA revenue bonds		102,501		22,834
$1,131,667 VRA Refunding Revenue Bond, Series 2019B, issued July 24, 2019, maturing in amounts ranging from $166,667 - $211,667, annually from 2021 - 2025. Interest is payable sem-annually at a rate of 5.00% through 2025. The bonds were issued with a premium of $159,681 to partially refund Water and Sewer Revenue Refunding Bond, Series 2009A.		965,000		175,000
Premium on 2019 VRA revenue bonds		112,559		39,443
$1,040,000 USDA Lease Revenue Bond, issued October 31, 2019, maturing in amounts ranging from $13,581 - $64,794, annually from October 28, 2020 - October 28, 2059. Interest is payable annually at 3.00% through October 28, 2059.		1,024,746		13,781
Total Revenue Bonds	$	15,043,407	$	1,612,547
State Literary Fund loans:				
$9,000,000 issued July 15, 2007 due in principal annual installments of $450,000 through July 2027, interest at 3.00%	$	3,150,000	$	450,000
Total State Literary Fund loans	$	3,150,000	$	450,000

Note 5—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-term Obligations: (Continued)

	Amount Outstanding	Amount Due within One Year
Direct borrowings and placements: (continued)		
Notes payable:		
$2,000,000 note payable issued June 13, 2013, monthly payments of $11,970 due through June 13, 2028, interest at 1.00%	$ 970,684	$ 134,546
Bond anticipation notes:		
$11,977,000 bond anticipation note payable issued July 15, 2020, semi-annual interest payments of $122,764.25 due through July 15, 2022 at which time principal is due, interest at 2.05%	$ 11,977,000	$ -
Other long-term obligations:		
Capital leases:		
$100,421 ($506,470 total lease - 19.83% County and 80.17% School Board) Capital lease obligation for the lease/purchase of vehicles, payable in annual installments of $34,981 through July 5, 2021, interest at 2.76%. The cost of the County vehicles is $98,835 and accumulated depreciation amounted to $59,301 at June 30, 2021.	$ 34,028	$ 34,028

Note 5—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-term Obligations: (Continued)

	Amount Outstanding	Amount Due within One Year
Other long-term obligations: (Continued)		
Capital leases: (Continued)		
$204,810 ($544,696 total lease - 37.60% County and 62.40% School Board) Capital lease obligation for the lease/purchase of vehicles, payable in annual installments of $70,597 through July 10, 2022, interest at 2.18%. The cost of the County vehicles is $204,810 and accumulated depreciation amounted to $81,924 at June 30, 2021.	$ 141,446	$ 72,353
$523,009 Capital lease obligation for the lease/purchase of SCBA equipment, payable in annual installments of $84,561 through December 20, 2026, interest at 3.19%.	455,153	70,024
$5,958,459 Capital lease obligation for the lease/purchase of E911 radio equipment, payable in semiannual installments of $291,288 through January 2035, interest at 3.338. The cost of the radio equipment is $5,985,459 and accumulated depreciation amounted to $0 at June 30, 2021.	5,958,459	-
Total Capital Leases	$ 6,589,086	$ 176,405
Landfill closure and postclosure liability	$ 510,453	$ -
Net pension liability	$ 2,263,501	$ -
Net OPEB liabilities	$ 2,234,539	$ -
Compensated absences	$ 638,762	$ 63,876
Total governmental activities long-term obligations	$ 73,644,215	$ 3,566,277

Note 5—Long-Term Obligations: (Continued)

Component Unit—School Board:

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending June 30,	Capital Leases Principal	Capital Leases Interest
2022	$ 249,807	$ 8,796
2023	114,655	2,500
Totals	$ 364,462	$ 11,296

The following is a summary of long-term obligation transactions of the Component Unit-School Board for the year ended June 30, 2021:

	Balance at July 1, 2020	Issuances/ Increases	Retirements/ Decreases	Balance at June 30, 2021	Due Within One Year
Capital Leases	$ 683,133	$ -	$ 318,671	$ 364,462	$ 249,807
Compensated absences	386,002	77,200	74,469	388,733	38,873
Net pension liabilities	27,684,341	11,659,059	9,072,273	30,271,127	-
Net OPEB liabilities	7,397,319	1,625,841	1,090,124	7,933,036	-
Total long-term obligations	$ 36,150,795	$ 13,362,100	$ 10,555,537	$ 38,957,358	$ 288,680

Note 5—Long-Term Obligations: (Continued)

Component Unit—School Board: (Continued)

Details of Long-term Obligations:

		Amount Outstanding		Amount Due Within One Year
Capital leases:				
$406,049 ($506,470 total lease - 19.83% County and 80.17% School Board) Capital lease obligation for the lease/purchase of vehicles, payable in annual installments of $141,444 through July 5, 2021, interest at 2.76%. The cost of the vehicles is $399,635 and accumulated depreciation amounted to $125,128 at June 30, 2021.	$	137,594	$	137,594
$339,886 ($544,696 total lease - 37.60% County and 62.40% School Board) Capital lease obligation for the lease/purchase of vehicles, payable in annual installments of $117,159 through July 10, 2022, interest at 2.18%. The cost of the vehicles is $339,886 and accumulated depreciation amounted to $56,647 at June 30, 2021.		226,868		112,213
Total capital leases	$	364,462	$	249,807
Compensated absences	$	388,733	$	38,873
Net pension liabilities	$	30,271,127	$	-
Net OPEB liabilities	$	7,933,036	$	-
Total Long-Term Obligations Component-Unit School Board	$	38,957,358	$	288,680

Note 6—Commitments and Contingencies:

Federal programs in which the County and its component unit participate were audited in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Pursuant to the provisions of this circular, all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, future disallowances of current grant program expenditures, if any, would be immaterial.

The County had outstanding contracts associated with an EMS Building Project totaling $230,863 at June 30, 2021.

Note 7—Risk Management:

The County 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 County carries commercial insurance for all of these risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 8—Litigation:

The County is involved in pending litigation with an Authority that does not have any direct impact on the financial position of the County, however there could be potential impact on future Greene County budgets.

Note 9—Surety Bonds:

		Amount
Traveler's Casualty and Surety Company of America - Surety		
Susan Duckworth, Clerk of the Circuit Court	$	25,000
Stephanie A. Deal, Treasurer		400,000
Larry V. Snow, Commissioner of the Revenue		3,000
Steve Smith, Sheriff		30,000
Above constitutional officers' employees - blanket bond		50,000
Virginia Association of Counties Group Self-Insurance Risk Pool - Surety		
All School Board Employees		5,000
Fidelity and Deposit Company of Maryland		
James Howard, Director of Social Services		100,000
Western Surety Company - Surety		
William Bryan Martin		5,000
Marie Durrer		5,000
Steve Bowman		5,000
Dale R. Herring		5,000
Davis Lamb		5,000
Mark B. Taylor, County Administrator		10,000

Note 10—Pension Plans:

Plan Description

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

Benefit Structures

The System administers three different benefit structures for covered employees – Plan 1, Plan 2 and Hybrid. Each of these benefit structures has different eligibility criteria, as detailed below.

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

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

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

Note 10—Pension Plans: (Continued)

Average Final Compensation and Service Retirement Multiplier

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

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

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

Employees Covered by Benefit Terms

As of the June 30, 2019 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Primary Government	Component Unit School Board (nonprofessional)
Inactive members or their beneficiaries currently receiving benefits	86	64
Inactive members:		
Vested inactive members	19	17
Non-vested inactive members	29	36
Inactive members active elsewhere in VRS	47	27
Total inactive members	95	80
Active members	123	75
Total covered employees	304	219

Note 10—Pension Plans: (Continued)

Contributions

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

The Primary Government's contractually required employer contribution rate for the year ended June 30, 2021 was 9.05% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

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 Primary Government were $541,747 and $444,781 for the years ended June 30, 2021 and June 30, 2020, respectively.

The Component Unit School Board's contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2021 was 6.30% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

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 Component Unit School Board's nonprofessional employees were $102,809 and $101,094 for the years ended June 30, 2021 and June 30, 2020, respectively.

Net Pension Liability

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. The Primary Government's and Component Unit School Board's (nonprofessional) net pension liabilities were measured as of June 30, 2020. The total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020.

Note 10—Pension Plans: (Continued)

Actuarial Assumptions – General Employees

The total pension liability for General Employees in the Primary Government's and Component Unit School Board's (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2019, 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, 2020.

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

* Administrative expenses as a percent of the fair 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 6.75%. However, since the difference was minimal, and a more conservative 6.75% 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 6.75% to simplify preparation of pension liabilities.

Mortality rates:

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

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

Note 10—Pension Plans: (Continued)

Actuarial Assumptions – General Employees

Mortality rates: (Continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the Primary Government's Retirement Plan was based on an actuarial valuation as of June 30, 2019, 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, 2020.

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

* Administrative expenses as a percent of the fair 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 6.75%. However, since the difference was minimal, and a more conservative 6.75% 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 6.75% to simplify preparation of pension liabilities.

Note 10—Pension Plans: (Continued)

Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits: (Continued)

Mortality rates: (Continued)

All Others (Non-10 Largest) – Hazardous Duty: 45% 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 90% of rates; females set forward 1 year.

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 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, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Note 10—Pension Plans: (Continued)

Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return
Public Equity	34.00%	4.65%	1.58%
Fixed Income	15.00%	0.46%	0.07%
Credit Strategies	14.00%	5.38%	0.75%
Real Assets	14.00%	5.01%	0.70%
Private Equity	14.00%	8.34%	1.17%
MAPS - Multi-Asset Public Strategies	6.00%	3.04%	0.18%
PIP - Private Investment Partnership	3.00%	6.49%	0.19%
Total	100.00%		4.64%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.14%

* The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations provide a median return of 6.81%.

Note 10—Pension Plans: (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the Primary Government and Component Unit School Board (nonprofessional) were also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2020, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2020, the rate contributed by the school division for the VRS Teacher Retirement Plan was subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2020 on, participating employers and school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2019	$ 22,630,475	$ 21,784,835	$ 845,640
Changes for the year:			
Service cost	$ 692,376	$ -	$ 692,376
Interest	1,483,749	-	1,483,749
Differences between expected and actual experience	375,437	-	375,437
Contributions - employer	-	444,782	(444,782)
Contributions - employee	-	284,646	(284,646)
Net investment income	-	419,057	(419,057)
Benefit payments, including refunds	(1,298,007)	(1,298,007)	-
Administrative expenses	-	(14,296)	14,296
Other changes	-	(488)	488
Net changes	$ 1,253,555	$ (164,306)	$ 1,417,861
Balances at June 30, 2020	$ 23,884,030	$ 21,620,529	$ 2,263,501

Note 10—Pension Plans: (Continued)

Changes in Net Pension Liability

	Component School Board (nonprofessional)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2019	$ 9,293,155	$ 9,177,572	$ 115,583
Changes for the year:			
Service cost	$ 156,498	$ -	$ 156,498
Interest	609,149	-	609,149
Differences between expected and actual experience	217,140	-	217,140
Contributions - employer	-	100,879	(100,879)
Contributions - employee	-	89,013	(89,013)
Net investment income	-	172,333	(172,333)
Benefit payments, including refunds	(537,457)	(537,457)	-
Administrative expenses	-	(6,045)	6,045
Other changes	-	(203)	203
Net changes	$ 445,330	$ (181,480)	$ 626,810
Balances at June 30, 2020	$ 9,738,485	$ 8,996,092	$ 742,393

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

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

		Rate	
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Primary Government Net Pension Liability (Asset)	$ 5,316,529	$ 2,263,501	$ (264,058)
Component Unit School Board (nonprofessional) Net Pension Liability (Asset)	$ 1,806,452	$ 742,393	$ (159,646)

Note 10—Pension Plans: (Continued)

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

For the year ended June 30, 2021, the Primary Government and Component Unit School Board (nonprofessional) recognized pension expense of $783,616 and $320,683, respectively. At June 30, 2021, the Primary Government and Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government		Component Unit School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 270,919	$ 22,435	$ 110,174	$ 7,706
Changes of assumptions	257,588	-	13,407	-
Net difference between projected and actual earnings on pension plan investments	644,167	-	271,382	-
Employer contributions subsequent to the measurement date	541,747	-	102,809	-
Total	$ 1,714,421	$ 22,435	$ 497,772	$ 7,706

$541,747 and $102,809 reported as deferred outflows of resources related to pensions resulting from the Primary Government's and Component Unit School Board's (nonprofessional) contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year Ended June 30	Primary Government	Component Unit School Board (nonprofessional)
2022	$ 330,911	$ 117,910
2023	370,862	89,228
2024	242,120	93,075
2025	206,346	87,044
2026	-	-
Thereafter	-	-

Note 10—Pension Plans: (Continued)

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2020 Annual Comprehensive Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

Component Unit School Board (professional)

Plan Description

All full-time, salaried permanent professional employees of public school divisions are automatically covered by the VRS Teacher Retirement Plan upon employment. This is a cost-sharing multiple employer plan administered by the Virginia Retirement System (the System). Additional information related to the plan description is included in the first section of this note.

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 employer contribution rate for the year ended June 30, 2021 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined 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 school division were $2,774,168 and $2,696,332 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

At June 30, 2021, the Component Unit School Board reported a liability of $29,528,734 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2020 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The school division's proportion of the Net Pension Liability was based on the Component Unit School Board's actuarially determined employer contributions to the pension plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the Component Unit School Board's proportion was 0.2029% as compared to 0.2095% at June 30, 2019.

Note 10—Pension Plans: (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2021, the Component Unit School Board recognized pension expense of $3,181,843. 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, 2021, the Component Unit School Board 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	$ -	$ 1,730,838
Changes of assumptions	2,015,706	-
Net difference between projected and actual earnings on pension plan investments	2,245,987	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	39,224	1,298,410
Employer contributions subsequent to the measurement date	2,774,168	-
Total	$ 7,075,085	$ 3,029,248

$2,774,168 reported as deferred outflows of resources related to pensions resulting from the Component Unit School Board's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year Ended June 30	
2022	$ (305,325)
2023	421,202
2024	679,194
2025	547,198
2026	(70,600)

Note 10—Pension Plans: (Continued)

Actuarial Assumptions

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2019, 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, 2020.

Inflation	2.50%
Salary increases, including inflation	3.50% – 5.95%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation*

* Administrative expenses as a percent of the fair 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 6.75%. However, since the difference was minimal, and a more conservative 6.75% 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 6.75% to simplify preparation of pension liabilities.

Mortality rates:

Pre-Retirement:
RP-2014 White Collar Employee Rates to age 80, White Collar Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020.

Post-Retirement:
RP-2014 White Collar Employee Rates to age 49, White Collar Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males 1% increase compounded from ages 70 to 90; females set back 3 years with 1.5% increase compounded from ages 65 to 75 and 2.0% increase compounded from ages 75 to 90.

Post-Disablement:
RP-2014 Disability Mortality Rates projected with Scale BB to 2020; 115% of rates for males and females.

Note 10—Pension Plans: (Continued)

Actuarial Assumptions: (Continued)

Mortality rates: (Continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7.00% to 6.75%

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, 2020, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

		Teacher Employee Retirement Plan
Total Pension Liability	$	51,001,855
Plan Fiduciary Net Position		36,449,229
Employers' Net Pension Liability (Asset)	$	14,552,626
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		71.47%

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.

The long-term expected rate of return and discount rate information previously described also apply to this plan.

Note 10—Pension Plans: (Continued)

Sensitivity of the School Division's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Component Unit School Board's proportionate share of the net pension liability using the discount rate of 6.75%, 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 (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability (Asset)	$ 43,325,284	$ 29,528,734	$ 18,117,242

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2020 Annual Comprehensive Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Primary Government and Component Unit School Board

Aggregate Pension Information

	Primary Government			
VRS Pension Plans	Deferred Outflows	Deferred Inflows	Net Pension Liability (Asset)	Pension Expense
Primary Government	$ 1,714,421	$ 22,435	$ 2,263,501	$ 783,616
Component Unit School Board				
Nonprofessional	$ 497,772	$ 7,706	$ 742,393	$ 320,683
Professional	7,075,085	3,029,248	29,528,734	3,181,843
Totals	$ 7,572,857	$ 3,036,954	$ 30,271,127	$ 3,502,526

Note 11—Interfund Balances and Transfers:

Interfund transfers for the year ended June 30, 2021 consisted of the following:

Fund	Transfers In	Transfers Out
County:		
General fund	$ -	$ 1,758,791
Debt Service fund	1,758,791	-
Total County	$ 1,758,791	$ 1,758,791
Component Unit School Board:		
School Operating Fund	$ -	$ 1,256,872
School Cafeteria Fund	1,256,872	-
Total Component Unit School Board	$ 1,256,872	$ 1,256,872

Transfers are used: to (1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgeting authorization.

Amounts due to and due from other funds at June 30, 2021 consisted of the following:

Fund	Due To	Due From
County:		
General fund	$ 11,786	$ -
School Capital Projects fund	-	11,786
Total County	$ 11,786	$ 11,786

Note 12—Deferred/Unavailable Revenue:

Deferred revenue/unavailable revenue represent amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Under the accrual basis, assessments for future periods are deferred.

	Government-wide Statements Governmental Activities	Balance Sheet Governmental Funds
Unavailable property tax revenue:		
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures	$ -	$ 232,425
2nd half assessments due in December 2021	10,197,450	10,197,450
Prepaid property taxes due in December 2021, but paid in advance by the taxpayers	1,786,507	1,786,507
Total deferred/unavailable revenue	$ 11,983,957	$ 12,216,382

Note 13—Due to/From Primary Government/Component Units:

Fund	Receivable	Payable
Primary Government - General Fund	$ -	$ 1,353,765
Component Unit - School Board	1,353,765	-
Total	$ 1,353,765	$ 1,353,765

The purpose of the obligation between the County and School Board is to report the balance of local appropriations unspent at year-end due back to the respective funds.

Note 14—Landfill Closure and Postclosure Care Costs:

The County operates a solid waste landfill in such a manner as to comply with laws and regulations administered by the United States Environmental Protection Agency and Virginia Department of Waste Management. The $510,453 reported as landfill closure and post closure liability at June 30, 2021, represents $470,453 for closure and post closure care liability and $40,000 for underground tank coverage. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County will also demonstrate financial assurance of an additional one million dollars as a result of the statistically significant exceedance of groundwater Protection Standards. The County intends to fund future costs from funds accumulated for this purpose in the General Fund.

The County has demonstrated financial assurance requirements for closure, post-closure care, and corrective action costs through the submission of a Local Government Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VAC20-70 of the Virginia Administrative Code.

Note 15—Other Postemployment Benefits

Group Life Insurance:

Plan Description

The Group Life Insurance (GLI) Plan 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. All full-time, salaried permanent employees of the state agencies, teachers, and employees of participating political subdivisions are automatically covered by the VRS GLI Plan upon employment. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

Note 15—Other Postemployment Benefits: (Continued)

Group Life Insurance: (Continued)

Plan Description: (Continued)

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI Plan. 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 plan, it is not included as part of the GLI Plan OPEB.

The specific information for GLI OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

The GLI Plan was established July 1, 1960, for state employees, teachers, and employees of political subdivisions that elect the plan. Basic GLI coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their accumulated retirement member contributions and accrued interest.

Benefit Amounts

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, safety belt benefit, repatriation benefit, felonious assault benefit, and accelerated death benefit option. The benefit amounts are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. For covered members with at least 30 years of service credit, the minimum benefit payable was set at $8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was $8,616 as of June 30, 2021.

Contributions

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% x 60%) and the employer component was 0.54% (1.34% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2021 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the Group Life Insurance Plan from the entity were $32,325 and $30,595 from the Primary Government for the years ended June 30, 2021 and June 30, 2020, respectively, $8,836 and $9,253 from the Component Unit School Board (nonprofessional), and $94,543 and $93,337 from the Component Unit School Board (professional).

Note 15—Other Postemployment Benefits: (Continued)

Group Life Insurance: (Continued)

GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Plan OPEB

At June 30, 2021, the entity reported liabilities of $477,120 for the Primary Government, $144,355 for the Component Unit School Board (nonprofessional), and $1,455,393 for the Component Unit School Board (professional) for its proportionate shares of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2020 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the participating employer's proportion was 0.02859% for the Primary Government, 0.00865% for the Component Unit School Board (nonprofessional), and 0.08721% for the Component Unit School Board (professional) as compared to 0.02919%, 0.00886%, and 0.09041%, respectively, at June 30, 2019.

For the year ended June 30, 2021, the Primary Government, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) recognized GLI OPEB expense of $18,442, $3,131, and $43,460, respectively. Since there were changes in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportionate share.

At June 30, 2021, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

Primary Government	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 30,603	$ 4,286
Net difference between projected and actual earnings on GLI OPEB plan investments	14,332	-
Change in assumptions	23,862	9,963
Changes in proportionate share	9,156	12,682
Employer contributions subsequent to the measurement date	32,325	-
Total	$ 110,278	$ 26,931

Note 15—Other Postemployment Benefits: (Continued)

Group Life Insurance: (Continued)

GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Plan OPEB: (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Component Unit School Board (nonprofessional)		
Differences between expected and actual experience	$ 9,259	$ 1,296
Net difference between projected and actual earnings on GLI OPEB plan investments	4,336	-
Change in assumptions	7,219	3,014
Changes in proportionate share	-	9,981
Employer contributions subsequent to the measurement date	8,836	-
Total	$ 29,650	$ 14,291
Component Unit School Board (professional)		
Differences between expected and actual experience	$ 93,350	$ 13,072
Net difference between projected and actual earnings on GLI OPEB program investments	43,719	-
Change in assumptions	72,786	30,389
Changes in proportionate share	3,304	68,394
Employer contributions subsequent to the measurement date	94,543	-
Total	$ 307,702	$ 111,855

$32,325, $8,836, and $94,543 reported as deferred outflows of resources related to the GLI OPEB resulting from the Primary Government's, Component Unit School Board (nonprofessional)'s, and Component Unit School Board (professional)'s respective contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Year Ended June 30	Primary Government	Component Unit School Board (nonprofessional)	Component Unit School Board (professional)
2022	$ 7,434	$ (200)	$ 9,881
2023	11,481	1,025	22,227
2024	14,435	2,142	32,756
2025	14,913	3,114	34,725
2026	2,824	480	2,683
Thereafter	(65)	(38)	(968)

Note 15—Other Postemployment Benefits: (Continued)

Group Life Insurance: (Continued)

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2019, 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, 2020. The assumptions are different for various employer groups. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be found in the VRS Annual Report.

Inflation	2.50%
Salary increases, including inflation:	
Teachers	3.50%-5.95%
Locality - General employees	3.50%-5.35%
Locality - Hazardous Duty employees	3.50%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation*

*Administrative expenses as a percent of the fair 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 6.75%. However, since the difference was minimal, and a more conservative 6.75% 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 6.75% to simplify preparation of OPEB liabilities.

Mortality Rates – Teachers

Pre-Retirement:
RP-2014 White Collar Employee Rates to age 80, White Collar Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020.

Post-Retirement:
RP-2014 White Collar Employee Rates to age 49, White Collar Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males 1% increase compounded from ages 70 to 90; females set back 3 years with 1.5% increase compounded from ages 65 to 70 and 2.0% increase compounded from ages 75 to 90.

Post-Disablement:
RP-2014 Disability Mortality Rates projected with scale BB to 2020; 115% of rates for males and females.

Note 15—Other Postemployment Benefits: (Continued)

Group Life Insurance: (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Teachers: (Continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7.00% to 6.75%

Mortality Rates – Non-Largest Ten Locality Employers – General Employees

Pre-Retirement:
RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 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.

Note 15—Other Postemployment Benefits: (Continued)

Group Life Insurance: (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – General Employees: (Continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees

Pre-Retirement:
RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 90% of rates; females set forward 1 year.

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 1 year with 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.

Note 15—Other Postemployment Benefits: (Continued)

Group Life Insurance: (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees: (Continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

NET GLI OPEB Liability

The net OPEB liability (NOL) for the GLI Plan represents the plan's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2020, NOL amounts for the GLI Plan are as follows (amounts expressed in thousands):

		GLI OPEB Plan
Total GLI OPEB Liability	$	3,523,937
Plan Fiduciary Net Position		1,855,102
Employers' Net GLI OPEB Liability (Asset)	$	1,668,835
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability		52.64%

The total GLI OPEB 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 GLI OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

Note 15—Other Postemployment Benefits: (Continued)

Group Life Insurance: (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on the System's 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 System's 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)	Long-Term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	34.00%	4.65%	1.58%
Fixed Income	15.00%	0.46%	0.07%
Credit Strategies	14.00%	5.38%	0.75%
Real Assets	14.00%	5.01%	0.70%
Private Equity	14.00%	8.34%	1.17%
MAPS - Multi-Asset Public Strategies	6.00%	3.04%	0.18%
PIP - Private Investment Partnership	3.00%	6.49%	0.19%
Total	100.00%		4.64%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.14%

*The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations provide a median return of 6.81%.

Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that 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 ended June 30, 2020, the rate contributed by the entity for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2020 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

Note 15—Other Postemployment Benefits: (Continued)

Group Life Insurance: (Continued)

Sensitivity of the Employer's Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate

The following presents the employer's proportionate share of the net GLI OPEB liability using the discount rate of 6.75%, as well as what the employer's proportionate share of the net GLI OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Primary Government proportionate share of the Group Life Net OPEB Liability	$ 627,211	$ 477,120	$ 355,232
Component Unit School Board (nonprofessional) proportionate share of the Group Life Net OPEB Liability	$ 189,765	$ 144,355	$ 107,477
Component Unit School Board (professional) proportionate share of the Group Life Net OPEB Liability	$ 1,913,225	$ 1,455,393	$ 1,083,590

GLI Plan Fiduciary Net Position

Detailed information about the GLI Plan's Fiduciary Net Position is available in the separately issued VRS 2020 Annual Comprehensive Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/ 2020-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Health Insurance Credit (HIC) Plan:

Plan Description

The Political Subdivision Health Insurance Credit (HIC) Plan was 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. All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision HIC Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. 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 HIC 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.

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance Credit (HIC) Plan: (Continued)

Plan Description: (Continued)

The specific information about the Political Subdivision HIC Plan OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

The Political Subdivision Retiree HIC Plan was established July 1, 1993 for retired political subdivision employees of employers who elect the benefit and retire with at least 15 years of service credit. Eligible employees include full-time permanent salaried employees of the participating political subdivision who are covered under the VRS pension plan. These employees are enrolled automatically upon employment.

Benefit Amounts

The Political Subdivision Retiree HIC Plan is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers. For employees who retire, the monthly benefit is $1.50 per year of service per month with a maximum benefit of $45.00 per month. For employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is $45.00 per month.

HIC Plan Notes

The monthly HIC benefit cannot exceed the individual premium amount. There is no HIC for premiums paid and qualified under LODA; however, the employee may receive the credit for premiums paid for other qualified health plans. Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the HIC as a retiree.

Employees Covered by Benefit Terms

As of the June 30, 2019 actuarial valuation, the following employees were covered by the benefit terms of the HIC OPEB plan:

	Primary Government	Component Unit School Board (nonprofessional)
Inactive members or their beneficiaries currently receiving benefits	15	-
Active members	48	75
Total covered employees	63	75

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance Credit (HIC) Plan: (Continued)

Contributions

The contribution requirements for active employees are governed by §51.1-1402(E) 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. The contractually required employer contribution rate for the year ended June 30, 2021 was 0.14% and 0.92% of covered employee compensation for the Primary Government and the Component Unit School Board (nonprofessional), respectively. These rates were based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate 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 from the Primary Government and the Component Unit School Board (nonprofessional) to the HIC Plan were $2,969 and $15,013, respectively, for the year ended June 30, 2021, and $4,119 and $0 for the year ended June 30, 2020.

Net HIC OPEB Liability

The Primary Government's and the Component Unit School Board (nonprofessional)'s net HIC OPEB liabilities measured as of June 30, 2020. The total HIC OPEB liability was determined by an actuarial valuation performed as of June 30, 2019, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

Actuarial Assumptions

The total HIC OPEB liability was based on an actuarial valuation as of June 30, 2019, 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, 2020.

Inflation	2.50%
Salary increases, including inflation:	
Locality - General employees	3.50%-5.35%
Locality - Hazardous Duty employees	3.50%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation

*Administrative expenses as a percent of the fair 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 6.75%. However, since the difference was minimal, and a more conservative 6.75% 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 6.75% to simplify preparation of the OPEB liabilities.

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance Credit (HIC) Plan: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – General Employees

Pre-Retirement:
RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 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 Life Mortality Table projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance Credit (HIC) Plan: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees

Pre-Retirement:
RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 90% of rates; females set forward 1 year.

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 1 year with 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:
RP-2014 Disability Life Mortality Table projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance Credit (HIC) Plan: (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on the System's 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 System's 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)	Long-term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	34.00%	4.65%	1.58%
Fixed Income	15.00%	0.46%	0.07%
Credit Strategies	14.00%	5.38%	0.75%
Real Assets	14.00%	5.01%	0.70%
Private Equity	14.00%	8.34%	1.17%
MAPS - Multi-Asset Public Strategies	6.00%	3.04%	0.18%
PIP - Private Investement Partnership	3.00%	6.49%	0.19%
Total	100.00%		4.64%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.14%

*The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations provide a median return of 6.81%.

Discount Rate

The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that 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 ended June 30, 2020, the rate contributed by the entity for the HIC OPEB will be subject to the portion of the VRS Board-certified

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance Credit (HIC) Plan: (Continued)

Discount Rate: (Continued)

rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2020 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the HIC OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total HIC OPEB liability.

Changes in Net HIC OPEB Liability

		Increase (Decrease)				
Primary Government		**Total HIC OPEB Liability (a)**		**Plan Fiduciary Net Position (b)**		**Net HIC OPEB Liability (Asset) (a) - (b)**
Balances at June 30, 2019	$	95,000	$	91,007	$	3,993
Changes for the year:						
Service cost	$	2,561	$	-	$	2,561
Interest		6,108		-		6,108
Differences between expected and actual experience		(1,188)		-		(1,188)
Contributions - employer		-		4,119		(4,119)
Net investment income		-		1,798		(1,798)
Benefit payments		(9,029)		(9,029)		-
Administrative expenses		-		(167)		167
Other changes		-		(1)		1
Net changes	$	(1,548)	$	(3,280)	$	1,732
Balances at June 30, 2020	$	93,452	$	87,727	$	5,725
Component Unit School Board (nonprofessional)						
Balances at June 30, 2019	$	-	$	-	$	-
Changes for the year:						
Benefit changes	$	209,968	$	-	$	209,968
Net changes	$	209,968	$	-	$	209,968
Balances at June 30, 2020	$	209,968	$	-	$	209,968

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance Credit (HIC) Plan: (Continued)

Sensitivity of the County's Health Insurance Credit Net OPEB Liability to Changes in the Discount Rate

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Primary Government Net HIC OPEB Liability (Asset)	$ 15,207	$ 5,725	$ (2,399)
Component Unit School Board (nonprofessional) Net HIC OPEB Liability (Asset)	231,076	209,968	191,711

HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIC Plan OPEB

For the year ended June 30, 2021, the Primary Government and the Component Unit School Board (nonprofessional) recognized HIC Plan OPEB expense of ($1,087) and $209,968, respectively. At June 30, 2021, the Primary Government and the Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to the HIC Plan from the following sources:

	Primary Government		Component Unit School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 12,943	$ -	$ -
Net difference between projected and actual earnings on HIC OPEB plan investments	2,878	-	-	-
Change in assumptions	1,424	1,618	-	-
Employer contributions subsequent to the measurement date	2,969	-	15,013	-
Total	$ 7,271	$ 14,561	$ 15,013	$ -

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance Credit (HIC) Plan: (Continued)

HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIC Plan OPEB: (Continued)

$2,969 and $15,013 reported as deferred outflows of resources related to the HIC OPEB resulting from the Primary Government's and the Component Unit School Board (nonprofessional)'s respective contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

Year Ended June 30	Primary Government	Component Unit School Board (nonprofessional)
2022	$ (3,953)	$ -
2023	(3,041)	-
2024	(2,169)	-
2025	(1,023)	-
2026	(73)	-
Thereafter	-	-

HIC Plan Data

Information about the VRS Political Subdivision HIC Plan is available in the separately issued VRS 2020 Annual Comprehensive Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Note 15—Other Postemployment Benefits: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan):

Plan Description

The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) Plan was 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. All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee HIC Plan. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. 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 HIC 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.

The specific information for the Teacher HIC OPEB, including eligibility, coverage, and benefits is described below:

Eligible Employees

The Teacher Employee Retiree HIC Plan was established July 1, 1993 for retired Teacher Employees covered under VRS who retire with at least 15 years of service credit. Eligible employees include full-time permanent (professional) salaried employees of public school divisions covered under VRS. These employees are enrolled automatically upon employment.

Benefit Amounts

The Teacher Employee HIC Plan is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. For Teacher and other professional school employees who retire, the monthly benefit is $4.00 per year of service per month with no cap on the benefit amount. For Teacher and other professional school employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is either: $4.00 per month, multiplied by twice the amount of service credit, or $4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.

HIC Plan Notes

The monthly HIC benefit cannot exceed the individual premium amount. Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the HIC as a retiree.

Note 15—Other Postemployment Benefits: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Contributions

The contribution requirements for active employees is governed by §51.1-1401(E) 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. Each school division's contractually required employer contribution rate for the year ended June 30, 2021 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Plan. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate 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 from the school division to the VRS Teacher Employee HIC Plan were $211,847 and $215,244 for the years ended June 30, 2021 and June 30, 2020, respectively.

Teacher Employee HIC Plan OPEB Liabilities, Teacher Employee HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee Health Insurance Credit Plan OPEB

At June 30, 2021, the school division reported a liability of $2,669,041 for its proportionate share of the VRS Teacher Employee HIC Net OPEB Liability. The Net VRS Teacher Employee HIC OPEB Liability was measured as of June 30, 2020 and the total VRS Teacher Employee HIC OPEB liability used to calculate the Net VRS Teacher Employee HIC OPEB Liability was determined by an actuarial valuation performed as of June 30, 2019 and rolled forward to the measurement date of June 30, 2020. The school division's proportion of the Net VRS Teacher Employee HIC OPEB Liability was based on the school division's actuarially determined employer contributions to the VRS Teacher Employee HIC OPEB plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the school division's proportion of the VRS Teacher Employee HIC was 0.2046% as compared to 0.2113% at June 30, 2019.

For the year ended June 30, 2021, the school division recognized VRS Teacher Employee HIC OPEB expense of $196,979. Since there was a change in proportionate share between measurement dates a portion of the VRS Teacher Employee HIC Net OPEB expense was related to deferred amounts from changes in proportion.

Note 15—Other Postemployment Benefits: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Teacher Employee HIC OPEB Liabilities, Teacher Employee HIC OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee HIC Plan OPEB: (Continued)

At June 30, 2021, the school division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee HIC OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 35,643
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	11,828	-
Change in assumptions	52,763	14,583
Changes in proportionate share	-	134,815
Employer contributions subsequent to the measurement date	211,847	-
Total	$ 276,438	$ 185,041

$211,847 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

Year Ended June 30	
2022	$ (21,598)
2023	(20,426)
2024	(20,818)
2025	(19,417)
2026	(17,321)
Thereafter	(20,870)

Note 15—Other Postemployment Benefits: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Actuarial Assumptions

The total Teacher Employee HIC OPEB liability for the VRS Teacher Employee Health Insurance Credit Plan was based on an actuarial valuation as of June 30, 2019, 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, 2020.

Inflation	2.50%
Salary increases, including inflation:	3.50%-5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation*

*Administrative expenses as a percent of the fair 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 6.75%. However, since the difference was minimal, and a more conservative 6.75% 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 6.75% to simplify preparation of OPEB liabilities.

Mortality Rates – Teachers

Pre-Retirement:
RP-2014 White Collar Employee Rates to age 80, White Collar Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020.

Post-Retirement:
RP-2014 White Collar Employee Rates to age 49, White Collar Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males 1% increase compounded from ages 70 to 90; females set back 3 years with 1.5% increase compounded from ages 65 to 70 and 2.0% increase compounded from ages 75 to 90.

Post-Disablement:
RP-2014 Disability Mortality Rates projected with scale BB to 2020; 115% of rates for males and females.

Note 15—Other Postemployment Benefits: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Teachers: (Continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7.00% to 6.75%

Net Teacher Employee HIC OPEB Liability

The net OPEB liability (NOL) for the Teacher Employee HIC Plan represents the plan's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2020, NOL amounts for the VRS Teacher Employee HIC Plan is as follows (amounts expressed in thousands):

		Teacher Employee HIC OPEB Plan
Total Teacher Employee HIC OPEB Liability	$	1,448,676
Plan Fiduciary Net Position		144,160
Teacher Employee net HIC OPEB Liability (Asset)	$	1,304,516
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability		9.95%

Note 15—Other Postemployment Benefits: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Net Teacher Employee HIC OPEB Liability: (Continued)

The total Teacher Employee HIC OPEB liability is calculated by the System's actuary, and the plan's fiduciary net position is reported in the System's financial statements. The net Teacher Employee HIC OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

Long-Term Expected Rate of Return

The long-term expected rate of return on the VRS 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 VRS 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)	Long-Term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	34.00%	4.65%	1.58%
Fixed Income	15.00%	0.46%	0.07%
Credit Strategies	14.00%	5.38%	0.75%
Real Assets	14.00%	5.01%	0.70%
Private Equity	14.00%	8.34%	1.17%
MAPS - Multi-Asset Public Strategies	6.00%	3.04%	0.18%
PIP - Private Investment Partnership	3.00%	6.49%	0.19%
Total	100.00%		4.64%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.14%

*The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations provide a median return of 6.81%.

Note 15—Other Postemployment Benefits: (Continued)

Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Discount Rate

The discount rate used to measure the total Teacher Employee HIC OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ended June 30, 2020, the rate contributed by each school division for the VRS Teacher Employee HIC Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2020 on, all agencies are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Teacher Employee HIC 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 Teacher Employee HIC OPEB liability.

Sensitivity of the School Division's Proportionate Share of the Teacher Employee HIC Net OPEB Liability to Changes in the Discount Rate

The following presents the school division's proportionate share of the VRS Teacher Employee HIC Plan net HIC OPEB liability using the discount rate of 6.75%, as well as what the school division's proportionate share of the net HIC OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	$ 2,987,713	$ 2,669,041	$ 2,398,193

Teacher Employee HIC OPEB Fiduciary Net Position

Detailed information about the VRS Teacher Employee Health Insurance Credit Program's Fiduciary Net Position is available in the separately issued VRS 2020 Annual Comprehensive Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance (Single-employer Defined Benefit Plan)

Plan Description

The County and School Board provide postemployment medical coverage for retired employees through a single-employer defined benefit plan. The County and School Board may change, add or delete coverage as they deem appropriate and with the approval of the Board of Supervisors. The plan does not grant retirees vested health benefits. The Plan does not issue separate financial statements.

Benefits Provided

Employees who retire from the County or School Board with service eligible for VRS benefits (Plan 1 – Age 50 and 10 years of service or Age 55 and 5 years of service; Plan 2 – age 60 and 5 years of service; Hazardous duty – age 50 and 5 years of service) and who are participating in the medical coverage are eligible to elect post-retirement coverage. Retirees are eligible to remain on the medical plan with 100% of the premium paid by the retiree. The retiree's spouse can receive benefits under the plan with the premium to be paid by the retiree. Retirees' coverage ceases at eligibility for Medicare.

Plan Membership

At June 30, 2021 (measurement date), the following employees were covered by the benefit terms:

	Primary Government	Component Unit School Board
Total active employees with coverage	104	452
Total inactive employees or retirees with coverage	2	21
Total spouses of retirees with coverage	-	4
Total	106	477

Contributions

The County and School Board do not pre-fund benefits; therefore, no assets are accumulated in a trust fund. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The funding requirements are established and may be amended by the County and School Board. The amount paid by the County and School Board for OPEB as the benefits came due during the year ended June 30, 2021 was $15,626 and $156,637.

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance (Single-employer Defined Benefit Plan): (Continued)

Total OPEB Liability

The County and School Board's total OPEB liabilities were measured as of June 30, 2021. The total OPEB liabilities were determined by an actuarial valuation as of July 1, 2020.

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	2.16% as of June 30, 2021
Inflation	2.50% per year as of June 30, 2021
Healthcare Trend Rate	The rates are 5.30% for the School Board and 6.20% for the Primary Government for the fiscal year ending 2021, decreasing to an ultimate rate of 4.00% for the School Board and 4.00% for the Primary Government.
Salary Increase Rates	Non-public safety and School Board: Ranges of increases of 3.5% for 20+ years of service to 5.35% for 1-2 years of service; Public safety: Ranges of increases of 3.5% for 20+ years of service to 4.75% for 1-4 years of service.
Retirement Age	Age 50 and 10 years of service or Age 55 and 5 years of service - Plan 1 employees; Age 60 and 5 years of service - Plan 2 employees
Mortality Rates	Pre-Retirement: RP-2000 Employee Mortaility Tables projected to 2020 using Scale AA with Males set forward 2 years and Females set back 3 years. Post-Retirement: RP-2000 Combined Health Mortality tables projected to 2020 using Scale AA with Females set back 1 year. Post-Disablement: RP-2000 Disables Life mortality tables with Males set back 3 years and no provision for future mortaility improvement.

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance (Single-employer Defined Benefit Plan): (Continued)

Discount Rate

The discount rates are based on the Bond Buyer 20-Year Bond GO Index as of their respective measurement dates.

Changes in Total OPEB Liability

Changes in Net OPEB Liability

	Primary Government Total OPEB Liability	Component Unit School Board Total OPEB Liability
Balances at June 30, 2020	$ 596,115	$ 3,015,808
Changes for the year:		
Service cost	37,793	166,558
Interest	13,837	68,609
Effect of economic/demographic gains or (losses)	(108,777)	(25,606)
Effect of assumption changes	(44,009)	385,547
Benefit payments	(15,626)	(156,637)
Net changes	(116,782)	438,471
Balances at June 30, 2021	$ 479,333	$ 3,454,279

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following amounts present the total OPEB liability of the County and School Board, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Primary Government Total OPEB Liability	$ 520,976	$ 479,333	$ 441,214
Component Unit School Board Total OPEB Liability	$ 3,709,410	$ 3,454,279	$ 3,210,070

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance (Single-employer Defined Benefit Plan): (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liabilities of the County and School Board, as well as what the total OPEB liabilities would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate used of 6.2% for the County and 5.3% for the School Board:

	Rates		
	1% Decrease in Trend Rate	Current Healthcare Cost Trend Rate	1% Increase in Trend Rate
Primary Government Total OPEB Liability	$ 421,368	$ 479,333	$ 547,940
Component Unit School Board Total OPEB Liability	$ 3,030,933	$ 3,454,279	$ 3,958,433

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2021, the County and School Board recognized OPEB expense in the amount of $88,499 and $355,991, respectively. At June 30, 2021, the County and School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB.

	Primary Government		Component Unit School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 152,860	$ 91,511	$ -	$ 142,212
Changes of assumptions	69,341	39,976	710,218	43,951
Total	$ 222,201	$ 131,487	$ 710,218	$ 186,163

Note 15—Other Postemployment Benefits: (Continued)

Health Insurance (Single-employer Defined Benefit Plan): (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources: (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense in future reporting periods as follows:

Year Ended June 30	Primary Government	Component Unit School Board (nonprofessional)
2022	$ 36,869	$ 120,824
2023	36,869	120,824
2024	36,869	120,824
2025	12,174	46,485
2026	(24,793)	43,109
Thereafter	(7,274)	71,989

Additional disclosures on changes in total OPEB liability, related ratios, and employer contributions can be found in the required supplementary information following the notes to the financial statements.

Line of Duty Act (LODA) Program:

Plan Description

The Virginia Retirement System (VRS) Line of Duty Act Program (LODA) was established pursuant to §9.1-400 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 LODA Program provides death and health insurance benefits to eligible state employees and local government employees, including volunteers, who die or become disabled as a result of the performance of their duties as a public safety officer. In addition, health insurance benefits are provided to eligible survivors and family members. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System). Participating employers made contributions to the program beginning in FY 2012. The employer contributions are determined by the System's actuary using anticipated program costs and the number of covered individuals associated with all participating employers.

The specific information for LODA OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

All paid employees and volunteers in hazardous duty positions in Virginia localities as well as hazardous duty employees who are covered under the Virginia Retirement System (VRS), the State Police Officers' Retirement System (SPORS), or the Virginia Law Officers' Retirement System (VaLORS) are automatically covered by the Line of Duty Act Program (LODA). As required by statute, the Virginia Retirement System (the System) is responsible for managing the assets of the program.

Note 15—Other Postemployment Benefits: (Continued)

Line of Duty Act (LODA) Program: (Continued)

Benefit Amounts:

The LODA program death benefit is a one-time payment made to the beneficiary or beneficiaries of a covered individual. Amounts vary as follows: $100,000 when a death occurs as the direct or proximate result of performing duty as of January 1, 2006, or after; $25,000 when the cause of death is attributed to one of the applicable presumptions and occurred earlier than five years after the retirement date; or an additional $20,000 benefit is payable when certain members of the National Guard and U.S. military reserves are killed in action in any armed conflict on or after October 7, 2001.

The LODA program also provides health insurance benefits. Prior to July 1, 2017, these benefits were managed through the various employer plans and maintained the benefits that existed prior to the employee's death or disability. These premiums were reimbursed to the employer by the LODA program. Beginning July 1, 2017, the health insurance benefits are managed through the Virginia Department of Human Resource Management (DHRM). The health benefits are modeled after the State Employee Health Benefits Program plans and provide consistent, premium-free continued health plan coverage for LODA-eligible disabled individuals, survivors and family members. Individuals receiving the health insurance benefits must continue to meet eligibility requirements as defined by LODA.

Contributions

The contribution requirements for the LODA Program are governed by §9.1-400.1 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies by the Virginia General Assembly. Each employer's contractually required employer contribution rate for the LODA Program for the year ended June 30, 2021 was $717.31 per covered full-time-equivalent employee. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019 and represents the pay-as-you-go funding rate and not the full actuarial cost of the benefits under the program. The actuarially determined pay-as-you-go rate was expected to finance the costs and related expenses of benefits payable during the year. Contributions to the LODA Program from the entity were $38,376 and $41,287 for the years ended June 30, 2021 and June 30, 2020, respectively.

LODA OPEB Liabilities, LODA OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the LODA OPEB

At June 30, 2021, the entity reported a liability of $1,272,361 for its proportionate share of the Net LODA OPEB Liability. The Net LODA OPEB Liability was measured as of June 30, 2020 and the total LODA OPEB liability used to calculate the Net LODA OPEB Liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. The entity's proportion of the Net LODA OPEB Liability was based on the entity's actuarially determined pay-as-you-go employer contributions to the LODA OPEB plan for the year ended June 30, 2020 relative to the total of the actuarially determined pay-as-you-go employer contributions for all participating employers. At June 30, 2020, the entity's proportion was 0.30380% as compared to 0.37073% at June 30, 2019.

For the year ended June 30, 2021, the entity recognized LODA OPEB expense of $102,232. Since there was a change in proportionate share between measurement dates, a portion of the LODA OPEB expense was related to deferred amounts from changes in proportion.

Note 15—Other Postemployment Benefits: (Continued)

Line of Duty Act (LODA) Program: (Continued)

LODA OPEB Liabilities, LODA OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the LODA OPEB: (Continued)

At June 30, 2021, the entity reported deferred outflows of resources and deferred inflows of resources related to the LODA OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 135,064	$ 173,466
Net difference between projected and actual earnings on LODA OPEB plan investments	-	1,809
Change in assumptions	340,621	79,288
Changes in proportionate share	85,442	203,892
Employer contributions subsequent to the measurement date	38,376	-
Total	$ 599,503	$ 458,455

$38,376 reported as deferred outflows of resources related to the LODA OPEB resulting from the entity's contributions subsequent to the measurement date will be recognized as a reduction of the Net LODA OPEB Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the LODA OPEB will be recognized in LODA OPEB expense in future reporting periods as follows:

Year Ended June 30	
2022	$ 15,558
2023	15,892
2024	16,249
2025	16,354
2026	16,466
Thereafter	22,153

Note 15—Other Postemployment Benefits: (Continued)

Line of Duty Act (LODA) Program: (Continued)

Actuarial Assumptions

The total LODA OPEB liability was based on an actuarial valuation as of June 30, 2019, 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, 2020. The assumptions include several employer groups. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be found in the VRS Annual Report.

Inflation	2.50%
Salary increases, including inflation:	
Locality employees	N/A
Medical cost trend rates assumption:	
Under age 65	7.00%-4.75%
Ages 65 and older	5.375%-4.75%
Year of ultimate trend rate	
Under age 65	Fiscal year ended 2028
Ages 65 and older	Fiscal year ended 2023
Investment rate of return	2.21%, including inflation*

* Since LODA is funded on a current-disbursement basis, the assumed annual rate of return of 2.21% was used since it approximates the risk-free rate of return.

Mortality Rates – Non-Largest Ten Locality Employers with Public Safety Employees

Pre-Retirement:
RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 90% of rates; females set forward 1 year.

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 1 year with 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:
RP-2014 Disability Life Mortality Table projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

Note 15—Other Postemployment Benefits: (Continued)

Line of Duty Act (LODA) Program: (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers with Public Safety Employees: (Continued)

The actuarial assumptions used in the June 30, 2019 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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%

Net LODA OPEB Liability

The net OPEB liability (NOL) for the LODA Program represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2020, NOL amounts for the LODA Program are as follows (amounts expressed in thousands):

	LODA Program
Total LODA OPEB Liability	$ 423,147
Plan Fiduciary Net Position	4,333
Employers' Net OPEB Liability (Asset)	$ 418,814
Plan Fiduciary Net Position as a Percentage of the Total LODA OPEB Liability	1.02%

The total LODA OPEB 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 OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

Note 15—Other Postemployment Benefits: (Continued)

Line of Duty Act (LODA) Program: (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on LODA OPEB Program's investments was set at 2.21% for this valuation. Since LODA is funded on a current-disbursement basis, it is not able to use the VRS Pooled Investments' 6.75% assumption. Instead, the assumed annual rate of return of 2.21% was used since it approximates the risk-free rate of return. This Single Equivalent Interest Rate (SEIR) is the applicable municipal bond index rate based on the Bond Buyer General Obligation 20-year Municipal Bond Index as of the measurement date of June 30, 2020.

Discount Rate

The discount rate used to measure the total LODA OPEB liability was 2.21%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made per the VRS Statutes and that they will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ended June 30, 2020, the rate contributed by participating employers to the LODA OPEB Program will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly.

Sensitivity of the Covered Employer's Proportionate Share of the Net LODA OPEB Liability to Changes in the Discount Rate

The following presents the covered employer's proportionate share of the net LODA OPEB liability using the discount rate of 2.21%, as well as what the covered employer's proportionate share of the net LODA OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current rate:

	Discount Rate		
	1% Decrease (1.21%)	Current (2.21%)	1% Increase (3.21%)
County's proportionate share of the LODA Net OPEB Liability	$ 1,510,275	$ 1,272,361	$ 1,093,026

Note 15—Other Postemployment Benefits: (Continued)

Line of Duty Act (LODA) Program: (Continued)

Sensitivity of the Covered Employer's Proportionate Share of the Net LODA OPEB Liability to Changes in the Health Care Trend Rate

Because the LODA Program contains a provision for the payment of health insurance premiums, the liabilities are also impacted by the health care trend rates. The following presents the covered employer's proportionate share of the net LODA OPEB liability using the health care trend rate of 7.00% decreasing to 4.75%, as well as what the covered employer's proportionate share of the net LODA OPEB liability would be if it were calculated using a health care trend rate that is one percentage point lower (6.00% decreasing to 3.75%) or one percentage point higher (8.00% decreasing to 5.75%) than the current rate:

	Health Care Trend Rates		
	1% Decrease (6.00% decreasing to 3.75%)	Current (7.00% decreasing to 4.75%)	1% Increase (8.00% decreasing to 5.75%)
County's proportionate share of the LODA Net OPEB Liability	$ 1,051,648	$ 1,272,361	$ 1,561,051

LODA OPEB Fiduciary Net Position

Detailed information about the LODA Program Fiduciary Net Position is available in the separately issued VRS 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at http://www.varetire.org/pdf/publications/2020-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Primary Government and Component Unit School Board

Aggregate OPEB Information

	Deferred Outflows	Deferred Inflows	Net OPEB Liabilities	OPEB Expense
Primary Government:				
VRS OPEB Plans:				
Group Life Insurance Program	$ 110,278	$ 26,931	$ 477,120	$ 18,442
Health Insurance Credit Program	7,271	14,561	5,725	(1,087)
Line of Duty Act Program	599,503	458,455	1,272,361	102,232
Health Insurance (Single-employer Defined Benefit Plan)	222,201	131,487	479,333	88,499
Totals	$ 939,253	$ 631,434	$ 2,234,539	$ 208,086

Note 15—Other Postemployment Benefits: (Continued)

Primary Government and Component Unit School Board: (Continued)

Aggregate OPEB Information: (Continued)

	Deferred Outflows	Deferred Inflows	Net OPEB Liabilities	OPEB Expense
Component Unit School Board				
VRS OPEB Plans:				
Group Life Insurance Program:				
Nonprofessional	$ 29,650	$ 14,291	$ 144,355	$ 3,131
Professional	307,702	111,855	1,455,393	43,460
Health Insurance Credit Program	15,013	-	209,968	209,968
Teacher Employee Health Insurance Credit Program	276,438	185,041	2,669,041	196,979
Health Insurance (Single-employer Defined Benefit Plan)	710,218	186,163	3,454,279	355,991
Totals	$ 1,339,021	$ 497,350	$ 7,933,036	$ 809,529

Note 16—Upcoming Pronouncements:

Statement No. 87, *Leases*, requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, provides guidance for reporting capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No, 14 and No. 61*, provides guidance for reporting a government's majority equity interest in a legally separate organization and for reporting financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

Note 16—Upcoming Pronouncements: (Continued)

Statement No. 92, *Omnibus 2020*, addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics such as leases, assets related to pension and postemployment benefits, and reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature. The effective dates differ by topic, ranging from January 2020 to periods beginning after June 15, 2021.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability of Payment Arrangements*, addresses issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code (IRC) Section 457 Deferred Compensation Plans – an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement. No 32*, (1) increases consistency and comparability related to reporting of fiduciary component units in certain circumstances; (2) mitigates costs associated with the reporting of certain plans as fiduciary component units in fiduciary fund financial statements; and (3) enhances the relevance, consistency, and comparability of the accounting and financial reporting for Section 457 plans that meet the definition of a pension plan and for benefits provided through those plans. The effective dates differ based on the requirements of the Statement, ranging from June 2020 to reporting periods beginning after June 15, 2021.

Management is currently evaluating the impact these standards will have on the financial statements when adopted.

Note 17—Restatement of Beginning Balances:

The County restated beginning balances in fiscal year 2021 as follows:

	Component-Unit School Board	Fiduciary Activities
Net position, as previously reported	$ (20,157,517)	$ -
Implementation of GASB 84	527,123	65,833
Net position, as restated	$ (19,630,394)	$ 65,833

Note 17—Restatement of Beginning Balances: (Continued)

The County restated beginning balances in fiscal year 2021 as follows: (Continued)

	Component-Unit School Board School Activity Fund
Fund balance, as previously reported	$ -
Implementation of GASB 84	527,123
Fund balance, as restated	$ 527,123

Note 18—COVID-19 Pandemic Subsequent Event:

COVID-19 Pandemic **Funding:**

The COVID-19 pandemic and its impact on operations continues to evolve. Federal relief has been received through various programs. Management believes the County is taking appropriate actions to mitigate the negative impact. The extent to which COVID-19 may impact operations in subsequent years remains uncertain, and management is unable to estimate the effects on future results of operations, financial condition, or liquidity for fiscal year 2022.

CARES Act Funding

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed by the federal government to alleviate some of the effects of the sharp economic downturn due to the COVID-19 pandemic, which included direct aid for state and local governments from the federal Coronavirus Relief Fund (CRF).

Each locality received its CRF allocations based on population in two equal payments, with the second and final round of funding being received during fiscal year 2021. The County received total CRF funding of $3,458,262. In addition, the Component Unit School Board received CRF funding from the Virginia Department of Education in the amount of $508,410. As a condition of receiving CRF funds, any funds unexpended as of December 31, 2021 will be returned to the federal government.

ARPA Funding

On March 11, 2021, the American Rescue Plan (ARPA) Act of 2021 was passed by the federal government. A primary component of the ARPA was the establishment of the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF). Local governments are to receive funds in two tranches, with 50% provided beginning in May 2021 and the balance delivered approximately 12 months later.

During 2021, the County received its share of the first half of the CSLFRF funds. As a condition of receiving CSLFRF funds, any funds unobligated by December 31, 2024, and unexpended by December 31, 2026, will be returned to the federal government. Unspent funds in the amount of $1,924,804 from the initial allocation are reported as unearned revenue as of June 30.

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended June 30, 2021

	General Fund			
	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Revenues:				
General property taxes	$ 22,694,779	$ 22,694,779	$ 24,814,431	$ 2,119,652
Other local taxes	5,169,200	5,247,878	6,496,336	1,248,458
Permits, privilege fees and regulatory licenses	298,750	298,750	373,617	74,867
Fines and forfeitures	121,500	121,500	58,052	(63,448)
Revenue from use of money and property	83,406	83,406	95,429	12,023
Charges for services	4,206,680	4,991,602	3,053,912	(1,937,690)
Miscellaneous	200	639,048	673,314	34,266
Recovered costs	116,422	116,422	156,814	40,392
Intergovernmental:				
Commonwealth	6,079,863	6,255,824	5,851,144	(404,680)
Federal	933,717	3,944,937	4,022,288	77,351
Total revenues	$ 39,704,517	$ 44,394,146	$ 45,595,337	$ 1,201,191
Expenditures:				
General government administration:				
Legislative:				
Board of supervisors	$ 90,621	$ 445,455	$ 442,093	$ 3,362
General and financial administration:				
County administrator	$ 611,617	$ 636,468	$ 636,464	$ 4
Legal services	69,200	68,700	68,000	700
Independent auditor	56,500	57,000	57,000	-
Commissioner of the Revenue	251,670	253,285	250,480	2,805
Reassessment	68,032	68,032	66,838	1,194
Treasurer	398,140	455,981	420,054	35,927
Computer technology	113,343	130,590	129,876	714
Vehicle maintenance facility	975,044	986,577	829,606	156,971
Total general and financial administration	$ 2,543,546	$ 2,656,633	$ 2,458,318	$ 198,315
Board of Elections:				
Electoral board and officials	$ 168,273	$ 235,805	$ 189,179	$ 46,626
Total general government administration	$ 2,802,440	$ 3,337,893	$ 3,089,590	$ 248,303

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended June 30, 2021 (continued)

	General Fund			
Fund, Function, Activity, Element	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Expenditures: (Continued)				
Judicial administration:				
Courts:				
Circuit court	$ 30,050	$ 32,120	$ 30,340	$ 1,780
Combined Courts	7,640	7,640	5,131	2,509
Special magistrates	900	900	462	438
Juvenile and domestic relations district court	14,146	14,146	11,005	3,141
Clerk of the circuit court	381,129	404,031	376,481	27,550
Victim and witness assistance	89,114	89,742	84,918	4,824
Total courts	$ 522,979	$ 548,579	$ 508,337	$ 40,242
Commonwealth's attorney:				
Commonwealth's attorney	$ 396,609	$ 452,827	$ 394,667	$ 58,160
Total judicial administration	$ 919,588	$ 1,001,406	$ 903,004	$ 98,402
Public safety:				
Law enforcement and traffic control:				
Sheriff	$ 3,432,151	$ 3,474,397	$ 2,881,979	$ 592,418
Technology grant	-	2,432	2,432	-
DMV overtime grant	-	9,676	5,084	4,592
School resource officer	214,832	215,909	159,167	56,742
Byrne grant	-	6,147	5,172	975
Forfeited property	-	14,411	-	14,411
Donations	-	63,205	21,197	42,008
Emergency 911 system	1,025,137	1,028,684	584,883	443,801
Grant expenditures	-	14,555	8,303	6,252
Total law enforcement and traffic control	$ 4,672,120	$ 4,829,416	$ 3,668,217	$ 1,161,199
Fire and rescue services:				
Volunteer fire departments and rescue squads	$ 1,035,528	$ 1,865,811	$ 1,805,815	$ 59,996
Other fire and rescue	1,173,925	385,594	375,816	9,778
Total fire and rescue services	$ 2,209,453	$ 2,251,405	$ 2,181,631	$ 69,774
Correction and detention:				
Confinement of prisoners	$ 2,957	$ 2,957	$ 334	$ 2,623
Payment to regional jail	1,463,024	1,463,024	1,463,024	-
Juvenile detention homes	192,306	192,306	192,293	13
Total correction and detention	$ 1,658,287	$ 1,658,287	$ 1,655,651	$ 2,636

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended June 30, 2021 (continued)

	General Fund			
Fund, Function, Activity, Element	**Original Budget**	**Budget As Amended**	**Actual**	**Variance From Amended Budget Positive (Negative)**
Expenditures: (Continued)				
Public Safety: (continued)				
Inspections:				
Building	$ 333,127	$ 337,232	$ 329,551	$ 7,681
Other protection:				
Animal shelter	$ 87,357	$ 209,931	$ 100,310	$ 109,621
Civil defense	156,722	191,401	145,143	46,258
Animal control	201,820	202,897	142,619	60,278
Medical examiner	160	160	140	20
Total other protection	$ 446,059	$ 604,389	$ 388,212	$ 216,177
Total public safety	$ 9,319,046	$ 9,680,729	$ 8,223,262	$ 1,457,467
Public works:				
Sanitation and waste removal:				
Refuse disposal	$ 1,708,470	$ 2,438,007	$ 2,381,732	$ 56,275
Maintenance of general buildings and grounds:				
General properties	$ 669,046	$ 3,118,732	$ 2,675,575	$ 443,157
Total public works	$ 2,377,516	$ 5,556,739	$ 5,057,307	$ 499,432
Health and welfare:				
Health:				
Local health department	$ 273,222	$ 273,222	$ 273,222	$ -
Mental health and mental retardation:				
Chapter X board	$ 106,012	$ 106,012	$ 106,012	$ -
Welfare:				
Welfare administration and public assistance	$ 1,847,669	$ 1,858,701	$ 1,602,286	$ 256,415
Comprehensive services act	1,300,000	1,300,000	1,701,751	(401,751)
Area agency on aging	114,046	114,046	113,245	801
Piedmont regional dental clinic	2,500	2,500	2,500	-
Tax relief for the elderly	-	-	336,232	(336,232)
Shelter for help in emergency	3,060	3,060	3,060	-
Community corrections	10,316	10,316	10,316	-
Total welfare	$ 3,277,591	$ 3,288,623	$ 3,769,390	$ (480,767)
Total health and welfare	$ 3,656,825	$ 3,667,857	$ 4,148,624	$ (480,767)

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended June 30, 2021 (continued)

	General Fund			
Fund, Function, Activity, Element	**Original Budget**	**Budget As Amended**	**Actual**	**Variance From Amended Budget Positive (Negative)**
Expenditures: (Continued)				
Education:				
Contributions to community colleges	$ 41,000	$ 41,000	$ 41,000	$ -
Contribution to Component Unit - School Board	17,465,112	17,465,112	14,332,276	3,132,836
Total education	$ 17,506,112	$ 17,506,112	$ 14,373,276	$ 3,132,836
Parks, recreation, and cultural:				
Parks and recreation:				
Parks and recreation administration	$ 207,803	$ 208,880	$ 170,412	$ 38,468
Library:				
Regional library	$ 419,827	$ 419,827	$ 417,513	$ 2,314
Total parks, recreation, and cultural	$ 627,630	$ 628,707	$ 587,925	$ 40,782
Community development:				
Planning and community development:				
Planning	$ 441,609	$ 1,142,905	$ 567,699	$ 575,206
Community development	42,367	218,916	218,916	-
Tourism	194,717	325,219	206,384	118,835
Zoning board	4,594	4,594	328	4,266
Economic development	241,506	513,146	494,472	18,674
Total planning and community development	$ 924,793	$ 2,204,780	$ 1,487,799	$ 716,981
Environmental management:				
Soil and water conservation district	$ 20,651	$ 20,651	$ 20,651	$ -
Environmental management	86,376	86,914	85,877	1,037
Total environmental management	$ 107,027	$ 107,565	$ 106,528	$ 1,037
Cooperative extension program:				
VPI extension program	$ 65,626	$ 65,626	$ 54,367	$ 11,259
Total community development	$ 1,097,446	$ 2,377,971	$ 1,648,694	$ 729,277
Nondepartmental:				
Miscellaneous	$ 288,695	$ 92,231	$ 73,435	$ 18,796

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended June 30, 2021 (continued)

Fund, Function, Activity, Element	General Fund Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Expenditures: (Continued)				
Capital projects:				
Office building renovations	$ 208,985	$ 208,985	$ -	$ 208,985
Reservoir	-	189,881	15,000	174,881
Water plant	-	151,266	46,715	104,551
Sewer project	9,000	11,445	11,445	-
Water system Improvements	3,000	555	-	555
Communication facilities	99,500	177,241	33,707	143,534
E-911 system	-	-	5,958,459	(5,958,459)
Land acquisition	-	213,883	21,672	192,211
Recreation facilities	-	13,312	-	13,312
Total capital projects	$ 320,485	$ 966,568	$ 6,086,998	$ (5,120,430)
Debt service:				
Principal retirement	$ 1,856,064	$ 1,856,064	$ 635,786	$ 1,220,278
Interest and fiscal charges	895,891	895,891	293,061	602,830
Total debt service	$ 2,751,955	$ 2,751,955	$ 928,847	$ 1,823,108
Total expenditures	$ 41,667,738	$ 47,568,168	$ 45,120,962	$ 2,447,206
Excess (deficiency) of revenues over (under) expenditures	$ (1,963,221)	$ (3,174,022)	$ 474,375	$ 3,648,397
Other financing sources (uses):				
Issuance of capital leases	$ -	$ -	$ 5,963,196	$ 5,963,196
Transfers out	-	-	(1,758,791)	(1,758,791)
Total other financing sources (uses)	$ -	$ -	$ 4,204,405	$ 4,204,405
Change in fund balance	$ (1,963,221)	$ (3,174,022)	$ 4,678,780	$ 7,852,802
Fund balance at beginning of year	2,077,155	2,549,472	13,332,882	10,783,410
Fund balance at end of year	$ 113,934	$ (624,550)	$ 18,011,662	$ 18,636,212

Schedule of Changes in Net Pension Liability and Related Ratios
Primary Government
Pension Plans
For the Measurement Dates of June 30, 2014 through June 30, 2020

	2020	2019	2018	2017
Total pension liability				
Service cost	$ 692,376	$ 613,296	$ 610,548	$ 650,866
Interest	1,483,749	1,433,534	1,354,783	1,351,099
Differences between expected and actual experience	375,437	(57,217)	91,851	(778,858)
Changes of assumptions	-	656,950	-	(329,914)
Benefit payments	(1,298,007)	(990,299)	(874,033)	(807,101)
Net change in total pension liability	$ 1,253,555	$ 1,656,264	$ 1,183,149	$ 86,092
Total pension liability - beginning	22,630,475	20,974,211	19,791,062	19,704,970
Total pension liability - ending (a)	$ 23,884,030	$ 22,630,475	$ 20,974,211	$ 19,791,062
Plan fiduciary net position				
Contributions - employer	$ 444,782	$ 450,129	$ 494,436	$ 497,024
Contributions - employee	284,646	276,236	266,668	266,336
Net investment income	419,057	1,381,874	1,434,332	2,118,930
Benefit payments	(1,298,007)	(990,299)	(874,033)	(807,101)
Administrator charges	(14,296)	(13,601)	(12,219)	(12,042)
Other	(488)	(870)	(1,284)	(1,893)
Net change in plan fiduciary net position	$ (164,306)	$ 1,103,469	$ 1,307,900	$ 2,061,254
Plan fiduciary net position - beginning	21,784,835	20,681,366	19,373,466	17,312,212
Plan fiduciary net position - ending (b)	$ 21,620,529	$ 21,784,835	$ 20,681,366	$ 19,373,466
County's net pension liability - ending (a) - (b)	$ 2,263,501	$ 845,640	$ 292,845	$ 417,596
Plan fiduciary net position as a percentage of the total pension liability	90.52%	96.26%	98.60%	97.89%
Covered payroll	$ 5,883,682	$ 5,722,529	$ 5,442,647	$ 5,392,875
County's net pension liability as a percentage of covered payroll	38.47%	14.78%	5.38%	7.74%

This schedule is intended to show information for 10 years. However, information prior to the 2014 valuation is not available. Additional years will be included as they become available.

Schedule of Changes in Net Pension Liability and Related Ratios
Primary Government
Pension Plans
For the Measurement Dates of June 30, 2014 through June 30, 2020

	2016	2015	2014
Total pension liability			
Service cost	$ 626,524	$ 594,337	$ 589,783
Interest	1,242,379	1,176,121	1,105,478
Differences between expected and actual experience	486,106	(80,467)	-
Changes of assumptions	-	-	-
Benefit payments	(796,628)	(690,252)	(681,899)
Net change in total pension liability	$ 1,558,381	$ 999,739	$ 1,013,362
Total pension liability - beginning	18,146,589	17,146,850	16,133,488
Total pension liability - ending (a)	$ 19,704,970	$ 18,146,589	$ 17,146,850
Plan fiduciary net position			
Contributions - employer	$ 526,301	$ 534,179	$ 513,429
Contributions - employee	262,882	262,135	242,987
Net investment income	300,700	747,779	2,210,181
Benefit payments	(796,628)	(690,252)	(681,899)
Administrator charges	(10,459)	(9,986)	(11,721)
Other	(127)	(158)	116
Net change in plan fiduciary net position	$ 282,669	$ 843,697	$ 2,273,093
Plan fiduciary net position - beginning	17,029,543	16,185,846	13,912,753
Plan fiduciary net position - ending (b)	$ 17,312,212	$ 17,029,543	$ 16,185,846
County's net pension liability - ending (a) - (b)	$ 2,392,758	$ 1,117,046	$ 961,004
Plan fiduciary net position as a percentage of the total pension liability	87.86%	93.84%	94.40%
Covered payroll	$ 5,152,664	$ 5,064,627	$ 4,782,184
County's net pension liability as a percentage of covered payroll	46.44%	22.06%	20.10%

COUNTY OF GREENE, VIRGINIA **Exhibit 10**

Page 1 of 2

Schedule of Changes in Net Pension Liability and Related Ratios
Component Unit School Board (nonprofessional)
Pension Plans
For the Measurement Dates of June 30, 2014 through June 30, 2020

	2020	2019	2018	2017
Total pension liability				
Service cost	$ 156,498	$ 168,547	$ 174,165	$ 166,262
Interest	609,149	607,214	585,379	574,020
Differences between expected and actual experience	217,140	(136,122)	35,661	(44,670)
Changes of assumptions	-	236,861	-	(114,093)
Benefit payments	(537,457)	(515,660)	(450,901)	(387,597)
Net change in total pension liability	$ 445,330	$ 360,840	$ 344,304	$ 193,922
Total pension liability - beginning	9,293,155	8,932,315	8,588,011	8,394,089
Total pension liability - ending (a)	$ 9,738,485	$ 9,293,155	$ 8,932,315	$ 8,588,011
Plan fiduciary net position				
Contributions - employer	$ 100,879	$ 99,908	$ 107,531	$ 112,198
Contributions - employee	89,013	83,779	83,240	86,675
Net investment income	172,333	583,273	626,051	944,674
Benefit payments	(537,457)	(515,660)	(450,901)	(387,597)
Adminstrator charges	(6,045)	(5,957)	(5,501)	(5,529)
Other	(203)	(366)	(554)	(838)
Net change in plan fiduciary net position	$ (181,480)	$ 244,977	$ 359,866	$ 749,583
Plan fiduciary net position - beginning	9,177,572	8,932,595	8,572,729	7,823,146
Plan fiduciary net position - ending (b)	$ 8,996,092	$ 9,177,572	$ 8,932,595	$ 8,572,729
School Division's net pension liability - ending (a) - (b)	$ 742,393	$ 115,583	$ (280)	$ 15,282
Plan fiduciary net position as a percentage of the total pension liability	92.38%	98.76%	100.00%	99.82%
Covered payroll	$ 1,777,266	$ 1,736,515	$ 1,724,445	$ 1,782,774
School Division's net pension liability as a percentage of covered payroll	41.77%	6.66%	-0.02%	0.86%

This schedule is intended to show information for 10 years. However, information prior to the 2014 valuation is not available. Additional years will be included as they become available.

Schedule of Changes in Net Pension Liability and Related Ratios
Component Unit School Board (nonprofessional)
Pension Plans
For the Measurement Dates of June 30, 2014 through June 30, 2020

	2016	2015	2014
Total pension liability			
Service cost	$ 195,561	$ 207,351	$ 197,556
Interest	549,678	529,260	501,192
Differences between expected and actual experience	(43,785)	(130,804)	-
Changes of assumptions	-	-	-
Benefit payments	(319,802)	(308,451)	(287,094)
Net change in total pension liability	$ 381,652	$ 297,356	$ 411,654
Total pension liability - beginning	8,012,437	7,715,081	7,303,427
Total pension liability - ending (a)	$ 8,394,089	$ 8,012,437	$ 7,715,081
Plan fiduciary net position			
Contributions - employer	$ 168,767	$ 180,867	$ 162,035
Contributions - employee	85,822	92,428	88,696
Net investment income	135,115	341,344	1,019,576
Benefit payments	(319,802)	(308,451)	(287,094)
Adminstrator charges	(4,788)	(4,638)	(5,481)
Other	(57)	(73)	54
Net change in plan fiduciary net position	$ 65,057	$ 301,477	$ 977,786
Plan fiduciary net position - beginning	7,758,089	7,456,612	6,478,826
Plan fiduciary net position - ending (b)	$ 7,823,146	$ 7,758,089	$ 7,456,612
School Division's net pension liability - ending (a) - (b)	$ 570,943	$ 254,348	$ 258,469
Plan fiduciary net position as a percentage of the total pension liability	93.20%	96.83%	96.65%
Covered payroll	$ 1,749,954	$ 1,865,716	$ 1,775,867
School Division's net pension liability as a percentage of covered payroll	32.63%	13.63%	14.55%

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
Pension Plans
For the Measurement Dates of June 30, 2014 through June 30, 2020

	2020	2019	2018	2017
Employer's Proportion of the Net Pension Liability	0.2100%	0.2100%	0.2200%	0.2200%
Employer's Proportionate Share of the Net Pension Liability	$ 29,528,734	$ 27,568,758	$ 25,259,000	$ 26,657,000
Employer's Covered Payroll	17,936,997	17,390,744	17,476,871	17,188,041
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	164.62%	158.53%	144.53%	155.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.47%	73.51%	74.81%	72.92%

This schedule is intended to show information for 10 years. However, information prior to the 2014 valuation is not available. Additional years will be included as they become available.

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
Pension Plans
For the Measurement Dates of June 30, 2014 through June 30, 2020

	2016	2015	2014
Employer's Proportion of the Net Pension Liability	0.2200%	0.2145%	0.2041%
Employer's Proportionate Share of the Net Pension Liability	$ 30,577,000	$ 26,993,000	$ 24,663,000
Employer's Covered Payroll	16,647,396	15,942,460	14,910,035
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	183.67%	169.32%	165.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.28%	70.68%	70.88%

Schedule of Employer Contributions
Pension Plans
For the Years Ended June 30, 2012 through June 30, 2021

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Employee Payroll
Primary Government					
2021	$ 541,747	$ 541,747	$ -	$ 5,986,153	9.05%
2020	444,781	444,781	-	5,883,682	7.56%
2019	433,401	433,401	-	5,722,529	7.57%
2018	494,434	494,434	-	5,442,647	9.08%
2017	497,024	497,024	-	5,392,875	9.22%
2016	530,209	530,209	-	5,152,664	10.29%
2015	521,150	521,150	-	5,064,627	10.29%
2014	514,085	514,085	-	4,782,184	10.75%
2013	517,848	517,848	-	4,817,190	10.75%
2012	379,987	379,987	-	4,611,496	8.24%
Component Unit School Board (nonprofessional)					
2021	$ 102,809	$ 102,809	$ -	$ 1,631,888	6.30%
2020	101,094	101,094	-	1,777,266	5.69%
2019	99,907	99,907	-	1,736,515	5.75%
2018	107,551	107,551	-	1,724,445	6.24%
2017	112,642	112,642	-	1,782,774	6.32%
2016	170,446	170,446	-	1,749,954	9.74%
2015	181,721	181,721	-	1,865,716	9.74%
2014	162,137	162,137	-	1,775,867	9.13%
2013	157,288	157,288	-	1,722,757	9.13%
2012	126,647	126,647	-	1,686,384	7.51%
Component Unit School Board (professional)					
2021	$ 2,774,168	$ 2,774,168	$ -	$ 17,507,989	15.85%
2020	2,696,332	2,696,332	-	17,936,997	15.03%
2019	2,684,578	2,684,578	-	17,390,744	15.44%
2018	2,777,888	2,777,888	-	17,476,871	15.89%
2017	2,466,470	2,466,470	-	17,188,041	14.35%
2016	2,317,645	2,317,645	-	16,647,396	13.92%
2015	2,294,610	2,294,610	-	15,942,460	14.39%
2014	2,100,800	2,100,800	-	14,910,035	14.09%
2013	1,756,255	1,756,255	-	15,062,224	11.66%
2012	1,714,645	1,714,645	-	15,133,669	11.33%

All contributions are from County and School Board records.

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

Changes of assumptions – The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Component Unit School Board - Professional Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7.00% to 6.75%

Schedule of County's and School Board's Share of Net OPEB Liability
Group Life Insurance (GLI) Plan
For the Measurement Dates of June 30, 2017 through June 30, 2020

Date	Employer's Proportion of the Net GLI OPEB Liability (Asset)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability
Primary Government:					
2020	0.02859%	$ 477,120	$ 5,883,682	8.11%	52.64%
2019	0.02919%	474,999	5,722,529	8.30%	52.00%
2018	0.02865%	435,000	5,448,831	7.98%	51.22%
2017	0.02924%	440,000	5,392,875	8.16%	48.86%
Component Unit School Board (nonprofessional):					
2020	0.00865%	$ 144,355	$ 1,779,515	8.11%	52.64%
2019	0.00886%	144,176	1,736,515	8.30%	52.00%
2018	0.00907%	137,000	1,724,445	7.94%	51.22%
2017	0.00967%	146,000	1,782,774	8.19%	48.86%
Component Unit School Board (professional):					
2020	0.08721%	$ 1,455,393	$ 17,949,478	8.11%	52.64%
2019	0.09041%	1,471,212	17,723,233	8.30%	52.00%
2018	0.09191%	1,396,000	17,476,871	7.99%	51.22%
2017	0.09318%	1,402,000	17,188,041	8.16%	48.86%

This schedule is intended to show information for 10 years. However, information prior to the 2017 valuation is not available. Additional years will be included as they become available.

Schedule of Employer Contributions
Group Life Insurance (GLI) Plan
For the Years Ended June 30, 2012 through June 30, 2021

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
Primary Government:					
2021	$ 32,325	$ 32,325	$ -	$ 5,986,153	0.54%
2020	30,595	30,595	-	5,883,682	0.52%
2019	29,757	29,757	-	5,722,529	0.52%
2018	28,552	28,552	-	5,448,831	0.52%
2017	28,000	28,000	-	5,392,875	0.52%
2016	24,747	24,747	-	5,155,725	0.48%
2015	24,310	24,310	-	5,064,627	0.48%
2014	22,971	22,971	-	4,785,524	0.48%
2013	23,123	23,123	-	4,817,190	0.48%
2012	12,912	12,912	-	4,611,496	0.28%
Component Unit School Board (nonprofessional):					
2021	$ 8,836	$ 8,836	$ -	$ 1,636,385	0.54%
2020	9,253	9,253	-	1,779,515	0.52%
2019	9,030	9,030	-	1,736,515	0.52%
2018	9,036	9,036	-	1,724,445	0.52%
2017	9,270	9,270	-	1,782,774	0.52%
2016	8,400	8,400	-	1,749,954	0.48%
2015	8,955	8,955	-	1,865,716	0.48%
2014	8,524	8,524	-	1,775,867	0.48%
2013	8,269	8,269	-	1,722,757	0.48%
2012	4,722	4,722	-	1,686,384	0.28%
Component Unit School Board (professional):					
2021	$ 94,543	$ 94,543	$ -	$ 17,507,989	0.54%
2020	93,337	93,337	-	17,949,478	0.52%
2019	92,161	92,161	-	17,723,233	0.52%
2018	91,606	91,606	-	17,476,871	0.52%
2017	89,378	89,378	-	17,188,041	0.52%
2016	79,854	79,854	-	16,636,220	0.48%
2015	76,535	76,535	-	15,944,776	0.48%
2014	71,639	71,639	-	14,924,718	0.48%
2013	72,278	72,278	-	15,057,891	0.48%
2012	42,369	42,369	-	15,131,763	0.28%

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

Changes of assumptions – The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Teachers

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7.00% to 6.75%

Non-Largest Ten Locality Employers - General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Non-Largest Ten Locality Employers - Hazardous Duty Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Schedule of Changes in Net OPEB Liability and Related Ratios
Primary Government
Health Insurance Credit (HIC) Plan
For the Measurement Dates of June 30, 2017 through June 30, 2020

	2020	2019	2018	2017
Total HIC OPEB Liability				
Service cost	$ 2,561	$ 2,218	$ 2,242	$ 2,275
Interest	6,108	7,314	7,315	7,456
Differences between expected and actual experience	(1,188)	(17,478)	(1,609)	-
Changes in assumptions	-	2,214	-	(5,238)
Benefit payments	(9,029)	(7,500)	(8,429)	(4,586)
Net change in total HIC OPEB liability	$ (1,548)	$ (13,232)	$ (481)	$ (93)
Total HIC OPEB Liability - beginning	95,000	108,232	108,713	108,806
Total HIC OPEB Liability - ending (a)	$ 93,452	$ 95,000	$ 108,232	$ 108,713
Plan fiduciary net position				
Contributions - employer	$ 4,119	$ 3,980	$ 3,924	$ 3,784
Net investment income	1,798	5,571	6,144	9,137
Benefit payments	(9,029)	(7,500)	(8,429)	(4,586)
Administrative expense	(167)	(120)	(140)	(147)
Other	(1)	(7)	(465)	465
Net change in plan fiduciary net position	$ (3,280)	$ 1,924	$ 1,034	$ 8,653
Plan fiduciary net position - beginning	91,007	89,083	88,049	79,396
Plan fiduciary net position - ending (b)	$ 87,727	$ 91,007	$ 89,083	$ 88,049
County's net HIC OPEB liability - ending (a) - (b)	$ 5,725	$ 3,993	$ 19,149	$ 20,664
Plan fiduciary net position as a percentage of the total HIC OPEB liability	93.87%	95.80%	82.31%	80.99%
Covered payroll	$ 2,167,831	$ 2,094,748	$ 2,065,092	$ 1,991,416
County's net HIC OPEB liability as a percentage of covered payroll	0.26%	0.19%	0.93%	1.04%

This schedule is intended to show information for 10 years. However, information prior to the 2017 valuation is not available. Additional years will be included as they become available.

Schedule of Changes in Net OPEB Liability and Related Ratios
Component Unit School Board (nonprofessional)
Health Insurance Credit (HIC) Plan
For the Measurement Date of June 30, 2020

		2020
Total HIC OPEB Liability		
Changes of benefit terms	$	209,968
Net change in total HIC OPEB liability	$	209,968
Total HIC OPEB Liability - beginning		-
Total HIC OPEB Liability - ending (a)	$	209,968
Plan fiduciary net position		
Net change in plan fiduciary net position	$	-
Plan fiduciary net position - beginning		-
Plan fiduciary net position - ending (b)	$	-
School Board's net HIC OPEB liability - ending (a) - (b)	$	209,968
Plan fiduciary net position as a percentage of the total HIC OPEB liability		0.00%
Covered payroll	$	-
School Board's net HIC OPEB liability as a percentage of covered payroll		0.00%

This schedule is intended to show information for 10 years. However, information prior to the 2020 valuation is not available because that is when the benefit was first offered. Additional years will be included as they become available.

Other Supplementary Information

Schedule of School Board's Share of Net OPEB Liability
Teacher Employee Health Insurance Credit (HIC) Plan
For the Measurement Dates of June 30, 2017 through June 30, 2020

Date	Employer's Proportion of the Net HIC OPEB Liability (Asset)	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net HIC OPEB Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total HIC OPEB Liability
Component Unit School Board (professional):					
2020	0.20460%	$ 2,669,041	$ 17,936,997	14.88%	9.95%
2019	0.21130%	2,766,123	17,723,233	15.61%	8.97%
2018	0.21610%	2,744,000	17,476,871	15.70%	8.08%
2017	0.21779%	2,763,000	17,188,041	16.08%	7.04%

This schedule is intended to show information for 10 years. However, information prior to the 2017 valuation is not available. Additional years will be included as they become available.

Schedule of Employer Contributions
Health Insurance Credit (HIC) Plans
For the Years Ended June 30, 2012 through June 30, 2021

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
Primary Government:					
2021	$ 2,969	$ 2,969	$ -	$ 2,120,558	0.14%
2020	4,119	4,119	-	2,167,831	0.19%
2019	3,980	3,980	-	2,094,748	0.19%
2018	3,924	3,924	-	2,065,092	0.19%
2017	3,784	3,784	-	1,991,416	0.19%
2016	3,449	3,449	-	1,916,093	0.18%
2015	3,451	3,451	-	1,917,345	0.18%
2014	1,587	1,587	-	1,762,920	0.09%
2013	4,347	4,347	-	4,829,740	0.09%
2012	5,534	5,534	-	4,611,496	0.12%
Component Unit School Board (nonprofessional):					
2021	$ 15,013	$ 15,013	$ -	$ 1,631,888	0.92%
Component Unit School Board (professional):					
2021	$ 211,847	$ 211,847	$ -	$ 17,507,989	1.21%
2020	215,244	215,244	-	17,936,997	1.20%
2019	212,679	212,679	-	17,723,233	1.20%
2018	214,967	214,967	-	17,476,871	1.23%
2017	190,787	190,787	-	17,188,041	1.11%
2016	176,344	176,344	-	16,636,220	1.06%
2015	169,015	169,015	-	15,944,776	1.06%
2014	165,664	165,664	-	14,924,718	1.11%
2013	167,191	167,191	-	15,062,224	1.11%
2012	90,803	90,803	-	15,133,869	0.60%

This schedule is intended to show information for 10 years. However, information prior to 2021 is not available for Component Unit School Board (nonprofessional) because that is when the benefit was first offered. Additional years will be included as they become available.

Notes to Required Supplementary Information
Health Insurance Credit (HIC) Plans
For the Year Ended June 30, 2021

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

Changes of assumptions – The actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the period from July 1, 2012 though June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Health Insurance Credit Plan - Primary Government and Component Unit School Board

Non-Largest Ten Locality Employers - General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14.00% to 15.00%
Discount Rate	Decreased rate from 7.00% to 6.75%

Teacher Health Insurance Credit Plan - School Board - Professional:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Discount Rate	Decreased rate from 7.00% to 6.75%

OPEB - Health Insurance Plan
Schedule of Changes in Net OPEB Liability (Asset) and Related Ratios
For the Years Ended June 30, 2018 through June 30, 2021

	2021	2020	2019	2018
County:				
Total OPEB liability				
Service cost	$ 37,793	$ 31,452	$ 28,236	$ 5,681
Interest	13,837	18,521	16,874	4,785
Effect of economic/demographic gains or losses	(108,777)	-	280,246	-
Effect of assumptions changes or inputs	(44,009)	57,207	59,704	(5,365)
Benefit payments	(15,626)	(17,420)	(12,350)	(4,953)
Net change in total OPEB liability	$ (116,782)	$ 89,760	$ 372,710	$ 148
Total OPEB liability - beginning	596,115	506,355	133,645	133,497
Total OPEB liability - ending	$ 479,333	$ 596,115	$ 506,355	$ 133,645
Covered employee payroll	$ 5,447,952	$ 5,594,793	$ 5,594,793	$ 5,112,500
County's total OPEB liability (asset) as a percentage of covered employee payroll	8.80%	10.65%	9.05%	2.61%
School Board:				
Total OPEB liability				
Service cost	$ 166,558	$ 144,909	$ 121,219	$ 145,601
Interest	68,609	95,396	85,824	85,683
Effect of economic/demographic gains or losses	(25,606)	-	(236,168)	-
Effect of assumptions changes or inputs	385,547	262,752	425,750	(83,019)
Benefit payments	(156,637)	(134,671)	(162,129)	(74,994)
Net change in total OPEB liability	$ 438,471	$ 368,386	$ 234,496	$ 73,271
Total OPEB liability - beginning	3,015,808	2,647,422	2,412,926	2,339,655
Total OPEB liability - ending	$ 3,454,279	$ 3,015,808	$ 2,647,422	$ 2,412,926
Covered employee payroll	$ 19,234,942	$ 19,840,551	$ 19,840,551	$ 18,478,000
School Board's total OPEB liability (asset) as a percentage of covered employee payroll	17.96%	15.20%	13.34%	13.06%

This schedule is intended to show information for 10 years. However, information prior to 2018 is unavailable. Additional years will be included as they become available.

OPEB - Health Insurance Plan
Notes to Required Supplementary Information
For the Year Ended June 30, 2021

Valuation Date: 7/1/2020
Measurement Date: 6/30/2021

No assets are accumulated in a trust that meets the criteria in GASB 75 to pay related benefits.

Methods and assumptions used to determine OPEB liability - Primary Government:

Actuarial Cost Method	Entry age normal, level % of salary
Discount Rate	2.16% as of June 30, 2021
Healthcare Trend Rate	The rates are 5.40% for the School Board and 5.40% for the Primary Government for fiscal year ending 2021, decreasing to an ultimate rate of 4.00% for the School Board and 4.00% for the Primary Government.
Salary Increase Rates	Non-public safety and School Board: Ranges of increases of 3.5% for 20+ years of service to 5.35% for 1-2 years of service; Public safety: Ranges of increases of 3.5% for 20+ years of service to 4.75% for 1-4 years of service.
Retirement Age	Age 50 and 10 years of service or Age 55 and 5 years of service - Plan 1 employees; Age 60 and 5 years of service - Plan 2 employees
Mortality Rates	Pre-Retirement: RP-2000 Employee Mortaility Tables projected to 2020 using Scale AA with Males set forward 2 years and Females set back 3 years. Post-Retirement: RP-2000 Combined Health Mortality tables projected to 2020 using Scale AA with Females set back 1 year. Post-Disablement: RP-2000 Disables Life mortality tables with Males set back 3 years and no provision for future mortaility improvement.

Schedule of Employer's Share of Net LODA OPEB Liability
Line of Duty Act (LODA) Program
For the Measurement Dates of June 30, 2017 through June 30, 2019

Date	Employer's Proportion of the Net LODA OPEB Liability (Asset)	Employer's Proportionate Share of the Net LODA OPEB Liability (Asset)	Covered-Employee Payroll *	Employer's Proportionate Share of the Net LODA OPEB Liability (Asset) as a Percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of Total LODA OPEB Liability
2020	0.30380%	$ 1,272,361	$ N/A	N/A	1.02%
2019	0.37073%	1,330,128	N/A	N/A	0.79%
2018	0.34091%	1,069,000	N/A	N/A	0.60%
2017	0.33274%	874,000	N/A	N/A	1.30%

* The contributions for the Line of Duty Act Program are based on the number of participants in the Program using a per capita-based contribution versus a payroll-based contribution. Therefore, covered-employee payroll is the relevant measurement, which is the total payroll of the employees in the OPEB plan. However, when volunteers and part-time employees make up a significant percentage of the employer's members in the plan, the employer may determine that covered-employee payroll is misleading and, therefore, not applicable for disclosure.

This schedule is intended to show information for 10 years. However, information prior to the 2017 valuation is not available. Additional years will be included as they become available.

Schedule of Employer Contributions
Line of Duty Act (LODA) Program
For the Years Ended June 30, 2016 through June 30, 2021

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll *	Contributions as a % of Covered - Employee Payroll
2021	$ 38,376	$ 38,376	$ -	N/A	N/A
2020	41,287	41,287	-	N/A	N/A
2019	49,756	49,756	-	N/A	N/A
2018	36,311	36,311	-	N/A	N/A
2017	37,000	37,000	-	N/A	N/A
2016	33,206	33,206	-	N/A	N/A

* The contributions for the Line of Duty Act Program are based on the number of participants in the Program using a per capita-based contribution versus a payroll-based contribution. Therefore, covered-employee payroll is the relevant measurement, which is the total payroll of employees in the OPEB plan. However, when volunteers and part-time employees make up a significant percentage of the employer's members in the plan, the employer may determine that covered-employee payroll is misleading and, therefore, not applicable for disclosure.

FY 2011 was the first year for the Line of Duty Act Program (LODA), but there were no contributions until FY 2016. This schedule is intended to show information for 10 years. Additional years will be included as they become available.

Notes to Required Supplementary Information
Line of Duty Act (LODA) Program
For the Year Ended June 30, 2021

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

Changes of assumptions – The actuarial assumptions used in the June 30, 2019 valuation were based on 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:

Employees in the Non-Largest Ten Locality Employers with Public Safety Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates and lowered rates at older ages
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year
Disability Rates	Adjusted rates to better match experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60.00% to 45.00%

This page intentionally left blank

Other Supplementary Information

Combining and Individual Fund Financial Statements and Schedules

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Debt Service Fund
For the Year Ended June 30, 2021

	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Revenues:				
Charges for services	$ -	$ -	$ 140,000	$ 140,000
Total revenues	$ -	$ -	$ 140,000	$ 140,000
Expenditures:				
Debt service:				
Principal retirement	$ -	$ -	$ 1,251,667	$ (1,251,667)
Interest and fiscal charges	-	-	647,124	(647,124)
Total debt service	$ -	$ -	$ 1,898,791	$ (1,898,791)
Total expenditures	$ -	$ -	$ 1,898,791	$ (1,898,791)
Excess (deficiency) of revenues over (under) expenditures	$ -	$ -	$ (1,758,791)	$ (1,758,791)
Other financing sources (uses):				
Transfers in	$ -	$ -	$ 1,758,791	$ 1,758,791
Total other financing sources (uses)	$ -	$ -	$ 1,758,791	$ 1,758,791
Change in fund balance	$ -	$ -	$ -	$ -
Fund balance at beginning of year	-	-	3,092,831	3,092,831
Fund balance at end of year	$ -	$ -	$ 3,092,831	$ 3,092,831

Combining Balance Sheet - Discretely Presented Component Unit - School Board
June 30, 2021

	School Operating Fund	School Cafeteria Fund	School Activity Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ -	$ 101,366	$ 481,030	$ 582,396
Due from primary government	1,353,765	-	-	1,353,765
Due from other governmental units	883,022	-	-	883,022
Total assets	$ 2,236,787	$ 101,366	$ 481,030	$ 2,819,183
LIABILITIES				
Accounts payable	$ 700,974	$ -	$ -	$ 700,974
Accrued liabilities	1,535,813	-	-	1,535,813
Total liabilities	$ 2,236,787	$ -	$ -	$ 2,236,787
FUND BALANCES				
Committed:				
Education	$ -	$ 101,366	$ 481,030	$ 582,396
Total fund balances	$ -	$ 101,366	$ 481,030	$ 582,396

Detailed explanation of adjustments from fund statements to government-wide statement of net position:

Total fund balances per above		$ 582,396
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Land	$ 127,800	
Buildings and improvements	15,659,933	
Equipment	1,683,372	17,471,105
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.		
Pension related items	$ 7,572,857	
OPEB related items	1,339,021	8,911,878
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Capital leases	$ (364,462)	
Compensated absences	(388,733)	
Net pension liability	(30,271,127)	
Net OPEB liabilities	(7,933,036)	(38,957,358)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.		
Pension related items	$ (3,036,954)	
OPEB related items	(497,350)	(3,534,304)
Net Position of Discretely Presented Component Unit - School Board		$ (15,526,283)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Funds - Discretely Presented Component Unit - School Board
For the Year Ended June 30, 2021

	School Operating Fund	School Cafeteria Fund	School Activity Fund	Total Governmental Funds
Revenues:				
Charges for services	$ -	$ 49,457	$ -	$ 49,457
Miscellaneous	243,479	9,948	201,038	454,465
Intergovernmental:				-
County contribution to School Board	14,332,276	-	-	14,332,276
Commonwealth	20,468,350	-	-	20,468,350
Federal	3,426,191	-	-	3,426,191
Total revenues	$ 38,470,296	$ 59,405	$ 201,038	$ 38,730,739
Expenditures:				
Current:				
Education	$ 34,414,143	$ 1,228,162	$ 247,131	$ 35,889,436
Debt service:				-
Principal retirement	1,468,592	-	-	1,468,592
Interest	1,330,689	-	-	1,330,689
Total expenditures	$ 37,213,424	$ 1,228,162	$ 247,131	$ 38,688,717
Excess (deficiency) of revenues over (under) expenditures	$ 1,256,872	$ (1,168,757)	$ (46,093)	$ 42,022
Other financing sources (uses):				
Transfers in	$ -	$ 1,256,872	$ -	$ 1,256,872
Transfers (out)	(1,256,872)	-	-	(1,256,872)
Total other financing sources (uses)	$ (1,256,872)	$ 1,256,872	$ -	$ -
Change in fund balance	$ -	$ 88,115	$ (46,093)	$ 42,022
Fund balance at beginning of year, as restated	-	13,251	527,123	540,374
Fund balance at end of year	$ -	$ 101,366	$ 481,030	$ 582,396

Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities - Discretely Presented Component Unit - School Board
For the Year Ended June 30, 2021

			Component Unit
			School Board
Amounts reported for governmental activities in the statement of activities are different because:			
Net change in fund balances - total governmental funds			$ 42,022
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation expense in the current period is computed as follows:			
Capital additions	$	4,629,222	
Transfer of joint tenancy assets from Primary Government to the Component Unit		1,202,875	
Depreciation expense		(1,135,614)	4,696,483
The issuance of capital leases provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. A summary of items supporting this adjustment is as follows:			
Principal retired on capital lease obligations			318,671
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. This amount reflects the changes in compensated absences, net OPEB liabilities, and accrued interest payable, etc.			
Change in compensated absences	$	(2,731)	
Change in pension related items		(627,915)	
Change in OPEB related items		(322,419)	(953,065)
Change in net position of governmental activities			$ 4,104,111

COUNTY OF GREENE, VIRGINIA

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Discretely Presented Component Unit - School Board
For the Year Ended June 30, 2021

	School Operating Fund			
	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Revenues:				
Revenue from use of money and property	$ 82,500	$ 82,500	$ -	$ (82,500)
Charges for services	15,000	15,000	-	(15,000)
Miscellaneous	396,500	396,500	243,479	(153,021)
Intergovernmental:				
County contribution to School Board	17,465,112	17,465,112	14,332,276	(3,132,836)
Commonwealth	20,030,630	20,030,630	20,468,350	437,720
Federal	2,080,000	2,588,410	3,426,191	837,781
Total revenues	$ 40,069,742	$ 40,578,152	$ 38,470,296	$ (2,107,856)
Expenditures:				
Current:				
Education:				
Instruction	$ 29,705,797	$ 29,927,496	$ 27,881,720	$ 2,045,776
Administration, attendance and health	1,881,865	1,919,743	1,767,977	151,766
Pupil transportation	1,981,589	1,982,605	1,430,930	551,675
Operation and maintenance	3,014,516	3,255,324	3,333,516	(78,192)
Facilities	8,000	8,000	-	8,000
Food service	-	-	-	-
Total education	$ 36,591,767	$ 37,093,168	$ 34,414,143	$ 2,679,025
Debt service:				
Principal retirement	$ 1,400,000	$ 1,400,000	$ 1,468,592	$ (68,592)
Interest	1,325,975	1,325,975	1,330,689	(4,714)
Total debt service	$ 2,725,975	$ 2,725,975	$ 2,799,281	$ (73,306)
Total expenditures	$ 39,317,742	$ 39,819,143	$ 37,213,424	$ 2,605,719
Excess (deficiency) of revenues over (under) expenditures	$ 752,000	$ 759,009	$ 1,256,872	$ 497,863
Other financing sources (uses):				
Transfers in	$ -	$ -	$ -	$ -
Transfers (out)	(752,000)	(759,009)	(1,256,872)	(497,863)
Total other financing sources (uses)	$ (752,000)	$ (759,009)	$ (1,256,872)	$ (497,863)
Change in fund balance	$ -	$ -	$ -	$ -
Fund balance at beginning of year, as restated	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

School Cafeteria Fund				School Activity Fund			
Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	49,457	49,457	-	-	-	-
-	-	9,948	9,948	-	-	201,038	201,038
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
$ -	$ -	$ 59,405	$ 59,405	$ -	$ -	$ 201,038	$ 201,038
$ -	$ -	$ -	$ -	$ -	$ -	$ 247,131	$ (247,131)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,228,162	(1,228,162)	-	-	-	-
$ -	$ -	$ 1,228,162	$ (1,228,162)	$ -	$ -	$ 247,131	$ (247,131)
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ 1,228,162	$ (1,228,162)	$ -	$ -	$ 247,131	$ (247,131)
$ -	$ -	$ (1,168,757)	$ (1,168,757)	$ -	$ -	$ (46,093)	$ (46,093)
$ -	$ -	$ 1,256,872	$ 1,256,872	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
$ -	$ -	$ 1,256,872	$ 1,256,872	$ -	$ -	$ -	$ -
$ -	$ -	$ 88,115	$ 88,115	$ -	$ -	$ (46,093)	$ (46,093)
-	-	13,251	13,251	-	-	527,123	527,123
$ -	$ -	$ 101,366	$ 101,366	$ -	$ -	$ 481,030	$ 481,030

This page intentionally left blank

Supporting Schedule

Governmental Funds and Discretely Presented Component Unit
Schedule of Revenues -- Budget and Actual
For the Year Ended June 30, 2021

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary government:				
General fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	$ 16,966,266	$ 16,966,266	$ 17,931,274	$ 965,008
Real and personal public service corporation taxes	475,646	475,646	487,513	11,867
Personal property taxes	4,660,479	4,660,479	5,741,892	1,081,413
Mobile home taxes	57,955	57,955	-	(57,955)
Machinery and tools taxes	220,433	220,433	258,790	38,357
Penalties	212,000	212,000	250,857	38,857
Interest	102,000	102,000	144,105	42,105
Total general property taxes	$ 22,694,779	$ 22,694,779	$ 24,814,431	$ 2,119,652
Other local taxes:				
Local sales and use taxes	$ 2,165,000	$ 2,165,000	$ 2,915,365	$ 750,365
Consumer utility taxes	430,000	430,000	444,700	14,700
Business license taxes	695,000	695,000	738,691	43,691
Motor vehicle licenses	470,000	470,000	470,618	618
Bank stock taxes	75,000	75,000	64,690	(10,310)
Taxes on recordation and wills	304,200	304,200	485,216	181,016
Transient lodging taxes	290,000	368,678	471,901	103,223
Meals taxes	740,000	740,000	905,155	165,155
Total other local taxes	$ 5,169,200	$ 5,247,878	$ 6,496,336	$ 1,248,458
Permits, privilege fees and regulatory licenses:				
Animal licenses	$ 7,500	$ 7,500	$ 4,902	$ (2,598)
Other permits and licenses	291,250	291,250	368,715	77,465
Total permits, privilege fees and regulatory licenses	$ 298,750	$ 298,750	$ 373,617	$ 74,867
Fines and Forfeitures:				
Court and other fines and forfeitures	$ 121,500	$ 121,500	$ 58,052	$ (63,448)
Revenue from use of money and property:				
Revenue from use of money	$ 47,000	$ 47,000	$ 59,022	$ 12,022
Revenue from use of property	36,406	36,406	36,407	1
Total revenue from use of money and property	$ 83,406	$ 83,406	$ 95,429	$ 12,023

Governmental Funds and Discretely Presented Component Unit
Schedule of Revenues -- Budget and Actual
For the Year Ended June 30, 2021 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Revenue from local sources: (continued)				
Charges for services:				
Sheriff's fees	$ 1,200	$ 1,200	$ 1,994	$ 794
Law library fees	1,750	1,750	1,324	(426)
Courthouse maintenance	37,500	37,500	32,648	(4,852)
Commonwealth attorney fees	1,600	1,600	1,384	(216)
Dog pound fees	10,500	10,500	8,506	(1,994)
Charges for transportation services	-	4,842	5,000	158
DMV stop fees	-	55,150	54,590	(560)
Parks and recreation	55,000	55,000	18,498	(36,502)
Vehicle maintenance facility	550,000	550,000	415,143	(134,857)
Charges for landfill operations	1,703,970	2,428,900	2,017,949	(410,951)
Revenue recovery	450,000	450,000	496,876	46,876
Charges for water/sewer	1,395,000	1,395,000	-	(1,395,000)
Other charges for services	160	160	-	(160)
Total charges for services	$ 4,206,680	$ 4,991,602	$ 3,053,912	$ (1,937,690)
Miscellaneous:				
Donations	$ -	$ 56,429	$ 56,429	$ -
Miscellaneous	200	582,619	616,885	34,266
Total miscellaneous	$ 200	$ 639,048	$ 673,314	$ 34,266
Recovered costs:				
State health department reimbursement	$ 9,000	$ 9,000	$ 54,561	$ 45,561
Expenditure refunds	107,422	107,422	102,253	(5,169)
Total recovered costs	$ 116,422	$ 116,422	$ 156,814	$ 40,392
Total revenue from local sources	$ 32,690,937	$ 34,193,385	$ 35,721,905	$ 1,528,520
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Mobile home titling taxes	$ 20,000	$ 20,000	$ 11,395	$ (8,605)
Auto rental tax	6,000	6,000	10,536	4,536
Motor vehicle titling tax	20,000	20,000	-	(20,000)

Governmental Funds and Discretely Presented Component Unit
Schedule of Revenues -- Budget and Actual
For the Year Ended June 30, 2021 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Noncategorical aid: (Continued)				
Rolling stock tax	$ 200	$ 200	$ 203	$ 3
Games of skill tax	-	-	37,728	37,728
Communication sales and use taxes	425,000	425,000	362,728	(62,272)
Personal property tax relief act	2,249,911	2,249,911	2,249,911	-
Total noncategorical aid	$ 2,721,111	$ 2,721,111	$ 2,672,501	$ (48,610)
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	$ 247,829	$ 247,829	$ 229,552	$ (18,277)
Sheriff	905,928	905,928	887,661	(18,267)
Commissioner of the Revenue	94,686	94,686	94,009	(677)
Treasurer	100,956	100,956	101,184	228
Registrar/electoral board	37,500	37,500	40,680	3,180
Clerk of the Circuit Court	213,842	213,842	224,412	10,570
Total shared expenses	$ 1,600,741	$ 1,600,741	$ 1,577,498	$ (23,243)
Other categorical aid:				
Law enforcement grants	$ 70,000	$ 70,000	$ 17,152	$ (52,848)
Litter control	4,500	5,608	5,608	-
Fire programs fund	62,428	68,735	68,735	-
Section 18 transportation grant	-	19,371	19,371	-
Juvenile Justice	7,596	7,596	7,596	-
E-911 wireless grant	56,000	56,000	61,213	5,213
Forfeited Property	-	2,117	2,117	-
Public assistance	406,487	406,487	346,965	(59,522)
Domestic violence	-	45,000	49,599	4,599
Children's services	845,000	845,000	945,678	100,678
Other categorical aid	306,000	408,058	77,111	(330,947)
Total other categorical aid	$ 1,758,011	$ 1,933,972	$ 1,601,145	$ (332,827)
Total categorical aid	$ 3,358,752	$ 3,534,713	$ 3,178,643	$ (356,070)
Total revenue from the Commonwealth	$ 6,079,863	$ 6,255,824	$ 5,851,144	$ (404,680)

Governmental Funds and Discretely Presented Component Unit
Schedule of Revenues -- Budget and Actual
For the Year Ended June 30, 2021 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Primary Government: (Continued)				
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Payments in lieu of taxes	$ 46,836	$ 46,836	$ 48,486	$ 1,650
Categorical aid:				
Welfare administration and assistance	$ 886,881	$ 886,881	$ 845,836	$ (41,045)
Federal portion of children's services act	-	-	12,117	12,117
Section 18 transportation grant	-	96,853	163,309	66,456
Bulletproof vest grant	-	2,432	1,517	(915)
Transportation safety grant	-	-	4,264	4,264
Byrne grant	-	6,147	18,747	12,600
Safety grants	-	-	58,734	58,734
CARES coronavirus relief	-	2,905,788	2,869,278	(36,510)
Total categorical aid	$ 886,881	$ 3,898,101	$ 3,973,802	$ 75,701
Total revenue from the federal government	$ 933,717	$ 3,944,937	$ 4,022,288	$ 77,351
Total general fund	$ 39,704,517	$ 44,394,146	$ 45,595,337	$ 1,201,191
Debt service fund:				
Revenue from local sources:				
Charges for services:				
Sewer EDU charges	$ -	$ -	$ 90,000	$ 90,000
Water EDU charges	-	-	50,000	50,000
Total charges for services	$ -	$ -	$ 140,000	$ 140,000
Total debt service fund	$ -	$ -	$ 140,000	$ 140,000
School capital projects fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	$ -	$ -	$ 1,001	$ 1,001
Total school capital projects fund	$ -	$ -	$ 1,001	$ 1,001
Total Primary Government	$ 39,704,517	$ 44,394,146	$ 45,736,338	$ 1,342,192

Governmental Funds and Discretely Presented Component Unit
Schedule of Revenues -- Budget and Actual
For the Year Ended June 30, 2021 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Component Unit -- School Board:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of property	$ 82,500	$ 82,500	$ -	$ (82,500)
Charges for services:				
Charges for education	$ 15,000	$ 15,000	$ -	$ (15,000)
Miscellaneous:				
Expenditure refunds	$ 195,750	$ 195,750	$ 44,081	$ (151,669)
Miscellaneous	200,750	200,750	199,398	(1,352)
Total miscellaneous	$ 396,500	$ 396,500	$ 243,479	$ (153,021)
Total revenue from local sources	$ 494,000	$ 494,000	$ 243,479	$ (250,521)
Intergovernmental:				
County contribution to School Board	$ 17,465,112	$ 17,465,112	$ 14,332,276	$ (3,132,836)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	$ 3,957,408	$ 3,957,408	$ 4,294,623	$ 337,215
Basic school aid	9,437,083	9,437,083	9,350,282	(86,801)
Remedial summer school	92,156	92,156	73,939	(18,217)
Remedial education - SOQ	314,688	314,688	311,257	(3,431)
Special education - SOQ	919,420	919,420	909,395	(10,025)
Textbook	203,732	203,732	201,511	(2,221)
Vocational standards of quality payments	341,228	341,228	337,507	(3,721)
Fringe benefits	1,882,442	1,882,442	1,861,915	(20,527)
Lottery	707,120	707,120	781,926	74,806
Regional program payments	553,353	553,353	545,402	(7,951)
Primary class size reduction	354,669	354,669	349,220	(5,449)
Technology	180,000	180,000	180,000	-
Other state funds	1,087,331	1,087,331	1,271,373	184,042
Total categorical aid	$ 20,030,630	$ 20,030,630	$ 20,468,350	$ 437,720
Total revenue from the Commonwealth	$ 20,030,630	$ 20,030,630	$ 20,468,350	$ 437,720

Governmental Funds and Discretely Presented Component Unit
Schedule of Revenues -- Budget and Actual
For the Year Ended June 30, 2021 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Budget As Amended	Actual	Variance From Amended Budget Positive (Negative)
Component Unit -- School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Title I	$ 427,791	$ 427,791	$ 499,332	$ 71,541
Title VI-B	738,725	738,725	912,236	173,511
Student support and academic enrichment	31,025	31,025	31,025	-
School food program grant	591,456	591,456	1,168,953	577,497
Pre-school SPED	23,000	23,000	24,919	1,919
Vocational education	49,072	49,072	50,784	1,712
Title III-ESL	12,200	12,200	600	(11,600)
BAB subsidy	120,000	120,000	123,681	3,681
Education for Independence	-	-	31,251	31,251
Title II part A	86,731	86,731	75,000	(11,731)
Coronavirus relief funds	-	508,410	508,410	-
Total revenue from the federal government	$ 2,080,000	$ 2,588,410	$ 3,426,191	$ 837,781
Total school operating fund	$ 40,069,742	$ 40,578,152	$ 38,470,296	$ (2,107,856)
Special revenue fund:				
School cafeteria fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	$ -	$ -	$ 49,457	$ 49,457
Miscellaneous:				
Miscellaneous	$ -	$ -	$ 9,948	$ 9,948
Total revenue from local sources	$ -	$ -	$ 59,405	$ 59,405
Total school cafeteria fund	$ -	$ -	$ 59,405	$ 59,405
Special revenue fund:				
School activity fund:				
Revenue from local sources:				
Miscellaneous:				
Miscellaneous	$ -	$ -	$ 201,038	$ 201,038
Total school activity fund	$ -	$ -	$ 201,038	$ 201,038
Total Revenues -- Component Unit -- School Board	$ 40,069,742	$ 40,578,152	$ 38,730,739	$ (1,847,413)

Statistical Information

COUNTY OF GREENE, VIRGINIA

Government-Wide Expenses by Function
Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education
2011-12	$ 2,569,601	$ 796,212	$ 5,925,042	$ 1,668,381	$ 3,283,874	$ 10,876,226
2012-13	2,980,297	857,949	6,446,145	1,633,036	3,359,730	13,691,015
2013-14	2,951,965	872,678	6,524,622	1,556,202	3,356,783	13,111,319
2014-15	3,073,055	802,988	7,053,193	1,823,774	3,389,971	12,645,242
2015-16	3,044,641	806,765	6,945,379	1,659,669	3,889,018	12,321,340
2016-17	2,837,682	902,271	7,588,646	1,846,387	3,377,197	12,833,070
2017-18	2,939,108	800,347	8,051,591	1,750,612	3,269,928	14,308,304
2018-19	3,371,994	857,381	8,095,205	2,296,909	3,210,295	13,950,905
2019-20	3,399,777	811,115	8,732,431	2,396,380	3,563,171	11,806,074
2020-21	3,828,553	977,818	9,062,392	3,168,214	4,169,022	18,363,492

Table 1

Recreation and Cultural	Community Development	Interest on Long-term Obligations	Total
$ 655,517	$ 1,896,573	$ 1,714,067	$ 29,385,493
638,132	2,003,035	1,827,823	33,437,162
624,675	1,993,591	1,752,620	32,744,455
613,315	2,081,033	1,976,446	33,459,017
632,059	2,203,322	1,410,094	32,912,287
610,767	2,226,695	1,317,618	33,540,333
629,044	2,193,642	1,943,405	35,885,981
671,990	2,285,525	2,665,447	37,405,651
678,719	1,970,340	2,654,684	36,012,691
655,319	1,294,530	1,957,720	43,477,060

COUNTY OF GREENE, VIRGINIA

Government-Wide Revenues
Last Ten Fiscal Years

	Program Revenues		
Fiscal Year	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
2011-12	$ 3,891,179	$ 3,892,236	$ 40,000
2012-13	4,036,847	3,947,101	-
2013-14	2,826,399	3,972,855	150,000
2014-15	3,119,888	4,387,697	-
2015-16	3,251,514	4,442,405	-
2016-17	3,057,589	4,287,452	150,000
2017-18	3,493,024	4,284,408	-
2018-19	4,414,795	4,443,099	-
2019-20	4,908,619	4,964,986	-
2020-21	3,625,581	7,152,444	-

General Revenues					
General Property Taxes	Other Local Taxes	Grants and Contributions Not Restricted to Specific Programs	Unrestricted Revenues from the Use of Money & Property	Miscellaneous	Total
$ 16,830,631	$ 3,799,812	$ 2,889,095	$ 53,042	$ 212,158	$ 31,608,153
16,673,523	4,144,565	2,805,709	46,711	178,807	31,833,263
17,656,127	4,017,436	2,889,702	40,988	170,215	31,723,722
17,849,568	4,226,641	2,837,638	51,582	125,203	32,598,217
18,738,446	4,612,880	2,873,049	46,928	223,848	34,189,070
19,762,722	4,656,707	2,835,103	43,079	168,015	34,960,667
20,395,914	4,837,709	2,861,968	409,716	86,852	36,369,591
21,349,097	5,142,529	2,856,941	646,279	208,977	39,061,717
22,932,315	5,530,304	2,798,156	225,190	84,824	41,444,394
24,035,764	6,496,336	2,720,988	96,430	673,314	44,800,857

COUNTY OF GREENE, VIRGINIA

General Government Expenditures by Function (1) (2) (3)
Last Ten Fiscal Years

Fiscal Year	General Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare
2011-12	$ 2,435,313	$ 719,545	$ 5,706,798	$ 1,609,678	$ 3,288,402
2012-13	2,456,653	772,434	6,159,573	1,523,644	3,255,905
2013-14	2,328,762	832,496	6,483,005	1,448,788	3,360,846
2014-15	2,469,394	818,349	6,691,754	1,664,455	3,423,259
2015-16	2,316,270	816,009	6,696,201	1,538,917	3,940,049
2016-17	2,281,044	869,989	7,426,556	1,600,509	3,432,258
2017-18	2,305,953	825,974	7,907,182	1,683,182	3,325,385
2018-19	2,660,055	867,633	7,980,277	2,323,225	3,283,918
2019-20	2,577,032	794,887	7,542,502	2,674,705	3,555,925
2020-21	3,089,590	903,004	8,223,262	5,057,307	4,148,624

(1) Includes current expenditures of the General Fund and Special Revenue Funds of the Primary Government and its discretely presented Component Unit School Board.

(2) The General Fund contributions to the Component Unit School Board are not included.

(3) Capital projects and debt service funds are not included.

Table 3

Education		Recreation and Cultural		Community Development		Non-depart-mental		Debt Service		Total
$	29,961,407	$	561,145	$	1,886,835	$	36,373	$	2,843,001	$ 49,048,497
	31,054,835		539,347		1,848,327		91,223		2,945,886	50,647,827
	30,644,422		541,705		1,977,558		60,455		3,095,848	50,773,885
	32,704,706		536,156		2,181,858		49,655		3,194,774	53,734,360
	32,478,775		554,630		2,167,341		198,752		3,034,168	53,741,112
	34,401,639		578,896		2,200,711		125,755		2,779,862	55,697,219
	35,950,687		569,272		2,355,107		57,560		2,667,697	57,647,999
	36,360,180		597,663		2,348,109		69,523		4,163,995	60,654,578
	35,765,575		601,726		2,057,775		64,404		15,456,930	71,091,461
	35,930,436		587,925		1,648,694		73,435		3,728,128	63,390,405

COUNTY OF GREENE, VIRGINIA

General Government Revenues by Source (1) (2) (3)
Last Ten Fiscal Years

Fiscal Year		General Property Taxes		Other Local Taxes		Permits, Privilege Fees & Regulatory Licenses		Fines & Forfeitures		Revenues from the Use of Money & Property
2011-12	$	16,271,874	$	3,799,812	$	203,805	$	79,514	$	50,473
2012-13		17,202,455		4,144,565		209,061		184,442		59,382
2013-14		17,795,002		4,017,436		193,509		171,559		55,395
2014-15		18,093,338		4,226,642		284,761		136,057		122,085
2015-16		18,757,879		4,612,880		252,716		155,638		128,434
2016-17		19,725,650		4,656,707		230,840		169,249		105,905
2017-18		20,292,818		4,837,708		270,775		139,866		160,838
2018-19		21,392,808		5,142,529		329,425		63,074		220,798
2019-20		22,581,558		5,530,304		400,256		87,554		199,622
2020-21		24,814,431		6,496,336		373,617		58,052		95,429

(1) Includes revenues of the General Fund and Special Revenue Funds of the Primary Government and its discretely presented Component Unit School Board.

(2) The General Fund contributions to the Component Unit School Board are not included.

(3) Capital projects and debt service funds are not included.

Table 4

Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental	Total
$ 2,922,714	$ 435,088	$ 487,567	$ 25,048,588	$ 49,299,435
2,915,632	513,359	985,590	24,339,290	50,553,776
2,855,685	420,380	954,224	24,644,956	51,108,146
3,050,282	345,046	878,284	26,947,201	54,083,696
2,680,445	400,014	897,802	27,367,465	55,253,273
2,770,003	510,918	1,104,136	28,041,390	57,314,798
3,076,995	286,087	931,603	28,444,500	58,441,190
3,488,450	435,617	774,232	28,806,355	60,653,288
3,295,291	277,574	774,833	29,856,201	63,003,193
3,103,369	1,127,779	156,814	33,767,973	69,993,800

This page intentionally left blank

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (1)	Percent of Levy Collected	Delinquent Tax Collections (1) (2)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes (1)	Percent of Delinquent Taxes to Tax Levy
2011-12	$ 18,545,899	$ 17,525,048	94.50%	$ 723,171	$ 18,248,219	98.39%	$ 1,900,921	10.25%
2012-13	18,649,051	18,076,828	96.93%	1,003,270	19,080,098	102.31%	1,767,242	9.48%
2013-14	18,795,003	18,123,626	96.43%	1,436,339	19,559,965	104.07%	1,364,252	7.26%
2014-15	19,199,591	18,939,576	98.65%	1,057,662	19,997,238	104.15%	1,217,356	6.34%
2015-16	20,160,557	20,088,020	99.64%	597,522	20,685,542	102.60%	1,188,962	5.90%
2016-17	21,016,278	20,603,979	98.04%	1,035,362	21,639,341	102.96%	1,116,143	5.31%
2017-18	21,813,843	21,348,590	97.87%	902,975	22,251,565	102.01%	1,303,455	5.98%
2018-19	22,744,081	22,291,124	98.01%	1,037,892	23,329,016	102.57%	1,363,747	6.00%
2019-20	24,228,738	22,834,913	94.25%	1,270,805	24,105,718	99.49%	1,351,537	5.58%
2020-21	25,531,822	24,932,279	97.65%	1,737,101	26,669,380	104.46%	1,151,967	4.51%

(1) Exclusive of penalties and interest.
(2) Does not include land redemptions.

Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Estate (1)	Personal Property	Machinery and Tools	Public Service Corporations	Total
2011-12	$ 1,870,025,214	$ 107,394,386	$ 3,244,434	$ 55,160,407	$ 2,035,824,441
2012-13	1,823,328,015	111,502,339	1,091,649	58,554,406	1,994,476,409
2013-14	1,781,327,215	110,887,337	358,716	57,338,030	1,949,911,298
2014-15	1,795,290,615	114,485,426	2,415,418	60,309,478	1,972,500,937
2015-16	1,810,957,140	118,927,060	4,017,535	72,610,650	2,006,512,385
2016-17	1,879,683,615	122,945,946	2,915,751	63,325,599	2,068,870,911
2017-18	1,953,445,115	126,820,997	2,618,226	68,323,737	2,151,208,075
2018-19	2,001,474,557	131,462,391	5,909,898	45,228,041	2,184,074,887
2019-20	2,060,357,024	139,470,872	8,199,808	58,478,798	2,266,506,502
2020-21	2,155,187,749	149,905,190	8,510,947	59,267,820	2,372,871,706

(1) Real estate is assessed at 100% of fair market value.

Property Tax Rates (1)
Last Ten Fiscal Years

Fiscal Year	Real Estate	Personal Property	Machinery and Tools
2011-12	$ 0.690/0.690	$ 5.00/5.00	$ 2.50/2.50
2012-13	0.690/0.720	5.00/5.00	2.50/2.50
2013-14	0.720/0.720	5.00/5.00	2.50/2.50
2014-15	0.720/0.750	5.00/5.00	2.50/2.50
2015-16	0.750/0.775	5.00/5.00	2.50/2.50
2016-17	0.775/0.775	5.00/5.00	2.50/2.50
2017-18	0.775/0.775	5.00/5.00	2.50/2.50
2018-19	0.775/0.820	5.00/5.00	2.50/2.00
2019-20	0.820/0.820	5.00/5.00	2.00/2.50
2020-21	0.820/0.820	5.00/5.00	2.50/2.50

(1) Per $100 of assessed value, 1st and 2nd half assessments

Ratio of Net General Obligation Bonded Debt to
Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population (1)	Assessed Value (2)	Gross & Net Bonded Debt (3)	Ratio of Net Debt to Assessed Value	Net Bonded Debt per Capita
2011-12	18,484	$ 2,035,824,441	$ 44,887,933	2.20%	$ 2,428
2012-13	18,856	1,994,476,409	44,252,984	2.22%	2,347
2013-14	19,320	1,949,911,298	41,309,088	2.12%	2,138
2014-15	19,618	1,972,500,937	38,523,498	1.95%	1,964
2015-16	19,840	2,006,512,385	35,549,928	1.77%	1,792
2016-17	19,785	2,068,870,911	32,656,383	1.58%	1,651
2017-18	19,959	2,151,208,075	64,627,658	3.00%	3,238
2018-19	19,959	2,184,074,887	63,711,255	2.92%	3,192
2019-20	20,097	2,266,506,502	62,175,789	2.74%	3,094
2020-21	20,323	2,372,871,706	59,227,070	2.50%	2,914

(1) Weldon Cooper Center for Public Service at the University of Virginia

(2) From Table 6.

(3) Includes all long-term general obligation bonded debt, Literary Fund Loans, and revenue bonds; excludes capital leases, compensated absences, landfill closure/postclosure, and other postemployment benefits.

ROBINSON, FARMER, COX ASSOCIATES, PLLC
Certified Public Accountants
CPAs | CONSULTANTS

Independent Auditors' 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
the Board of Supervisors
County of Greene, 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; and the *Specifications for Audits of Counties, Cities, and Towns,* issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Greene, Virginia, as of and for the year June 30, 2021, and the related notes to the financial statements, which collectively comprise the County of Greene, Virginia's basic financial statements and have issued our report thereon dated December 10, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Greene, Virginia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Greene, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Greene, Virginia's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
December 10, 2021

ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

CPAs | CONSULTANTS

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Honorable Members of
The Board of Supervisors
County of Greene, Virginia

Report on Compliance for Each Major Federal Program

We have audited the County of Greene, Virginia's 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 County of Greene, Virginia's major federal programs for the year ended June 30, 2021. County of Greene, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County of Greene, Virginia'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 County of Greene, Virginia'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 County of Greene, Virginia's compliance.

Opinion on Each Major Federal Program

In our opinion, the County of Greene, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the County of Greene, Virginia 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 County of Greene, Virginia'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 County of Greene, Virginia'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 a 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.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
December 10, 2021

COUNTY OF GREENE, VIRGINIA

Schedule of Expenditures of Federal Awards - Primary Government and
Discretely Presented Component Units
For The Year Ended June 30, 2021

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
UNITED STATES DEPARTMENT OF AGRICULTURE:			
Pass through payments:			
Virginia Department of Social Services:			
Supplemental Nutrition Assistance Program (SNAP) Cluster:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010120/0040120/0010121/0040121	$ 247,702
Total United States Department of Agriculture			$ 247,702
DEPARTMENT OF TRANSPORTATION:			
Pass through payments:			
Virginia Department of Motor Vehicles:			
Alcohol Open Container Requirements	20.607	154AL-2020-50343/2021-51372	$ 7,278
Highway Safety Cluster:			
State and Community Highway Safety	20.600	FSC-2020-50113/2021-51321	4,264
Virginia Department of Rail and Public Transportation:			
Formula Grants for Rural Areas	20.509	42020/42520/42021/42521	163,309
Total Department of Transportation			$ 174,851
DEPARTMENT OF JUSTICE:			
Direct payment:			
Bulletproof Vest Partnership Program	16.607	n/a	$ 1,517
Pass through payments:			
Virginia Department of Criminal Justice Services:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	20-A4848AD16	18,747
Crime Victim Assistance	16.575	20-V3029VW18/21-W3029VW19	51,456
Total Department of Justice			$ 71,720
DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Direct payment:			
COVID 19 - Provider Relief Fund	93.498	n/a	$ 19,806
Pass through payments:			
Office of Children's Services:			
Social Services Block Grant	93.667	unavailable	$ 12,117
Virginia Department of Education:			
Social Services Block Grant	93.667	2101VATANF	$ 31,251
Virginia Department of Social Services:			
Social Services Block Grant	93.667	1000120/1000121	79,198
Total Social Services Block Grant			110,449
Promoting Safe and Stable Families Program	93.556	0950119/0950120	$ 4,019
Temporary Assistance For Needy Families	93.558	0400120/0400121	103,500
CCDF Cluster:			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760120/0760121	22,362
Refugee and Entrant Assistance - State/Replacement Designee Administered Programs	93.566	0500120/0500121	190
Low-Income Home Energy Assistance	93.568	0600420/0600421	15,556
Chafee Education and Training Vouchers Program (ETV)	93.599	9160119/9160120	423
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900120/0900121	80
Foster care - Title IV-E	93.658	1100120/1100121	94,503

Schedule of Expenditures of Federal Awards - Primary Government and
Discretely Presented Component Units
For The Year Ended June 30, 2021 (Continued)

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES: (Continued)			
Pass through payments: (Continued)			
Virginia Department of Social Services: (Continued)			
Adoption Assistance	93.659	1120120/1120121	$ 89,737
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	9150119/9150120	1,954
Children's Health Insurance Program	93.767	0540120/0540121	2,210
Medicaid Cluster:			
Medical Assistance Program	93.778	1200120/1200121	184,402
Total Department of Health and Human Services			$ 661,308
DEPARTMENT OF THE TREASURY:			
Pass through payments:			
Virginia Department of Accounts:			
COVID 19 - Coronavirus Relief Fund	21.019	SLT0022	$ 2,869,278
Virginia Department of Education:			
COVID 19 - Coronavirus Relief Fund	21.019	SLT0218	508,410
Total COVID 19 - Coronavirus Relief Fund			$ 3,377,688
Total Department of the Treasury			$ 3,377,688
UNITED STATES DEPARTMENT OF AGRICULTURE:			
Pass through payments:			
Child Nutrition Cluster:			
Department of Agriculture and Consumer Services:			
Food Commodities	10.555	n/a	$ 59,815
Department of Education:			
Summer Food Service Program for Children	10.559	202120N10994/202120N11994	$ 864,753
COVID 19 - Summer Food Service Program for Children	10.559	202020N85034	244,385
Total Summer Food Service Program for Children			1,109,138
Total Child Nutrition Cluster			$ 1,168,953
Total United States Department of Agriculture			$ 1,168,953
DEPARTMENT OF EDUCATION:			
Pass through payments:			
Virginia Department of Education:			
Title I Grants to Local Educational Agencies	84.010	S010A190046/S010A200046	$ 499,332
Special Education Cluster:			
Special Education - Grants to States	84.027	H027A180107/H027A190107/H027A200107	912,236
Special Education - Preschool Grants	84.173	H173A180112/H173A190112/H173A200112	24,919
Subtotal Special Education Cluster			$ 937,155
Career and Technical Education - Basic Grants to States	84.048	V048A180046/V048A190046	50,784
Supporting Effective Instruction State Grants	84.367	S367A200044	75,000
Student Support and Academic Enrichment Program	84.424	S424A190048	31,025
English Language Acquisition State Grants	84.365	S365A180046/S365A190046	600
Total Department of Education			$ 1,593,896
Total Expenditures of Federal Awards			$ 7,296,118

See accompanying notes to schedule of expenditures of federal awards.

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of Greene, Virginia under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the County of Greene, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County of Greene, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 - Food Donation
Nonmonetary assistance in the amount of $59,815 is reported in the Schedule at the fair market value of the commodities received and disbursed.

Note 4 - De Minimis Cost Rate
The County did not elect to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

Note 5 - Subrecipients
No awards were passed through to subrecipients.

Note 6 - Relationship to Financial Statements
Federal expenditures, revenues and capital contributions are reported in the County's basic financial statements as follows:

Intergovernmental federal revenues per the basic financial statements:		
Primary government:		
General Fund	$	4,022,288
Less Payment in lieu of taxes		(48,486)
Provider Relief Fund received during the year ended June 30, 2020		19,806
Total primary government	$	3,993,608
Component Unit School Board:		
School Operating Fund	$	3,426,191
Less BAB subsidy		(123,681)
Total component unit school board	$	3,302,510
Total federal expenditures per basic financial statements	$	7,296,118
Total federal expenditures per the Schedule of Expenditures of Federal Awards	$	7,296,118

Note 7 - Loan Balances
The County has no loans or guarantees which are subject to reporting requirements for the current year.

Note 8 - Provider Relief Funds

For fiscal years ended (FYE) on or before June 29, 2021, no Provider Relief Fund (PRF) expenditures (including lost revenue) should have been reported on the SEFA. Due to guidance available when the FYE 2020 report was issued, the County reported $19,806 of PRF expenditures on the FYE 2020 SEFA with no significant impact on the SEFA. Based on current guidance from the Department of Health and Human Services (HHS), PRF expenditures (including lost revenue) are to be reported on the SEFA based upon PRF reports submitted through the Health Resources and Services Administration (HRSA) reporting portal. Therefore, the amount of PRF expenditures included on the FYE June 30, 2021 SEFA is based upon the PRF reporting portal guidelines for Period 1, as specified by HHS.

COUNTY OF GREENE, VIRGINIA

Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

Identification of major programs:

Assistance Listing #	Name of Federal Program or Cluster
	Special Education Cluster:
84.027	Special Education - Grants to States
84.173	Special Education - Preschool Grants
21.019	COVID-19 - Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

There are no financial statement findings to report.

Section III - Federal Award Findings and Questioned Costs

There are no federal award findings and questioned costs to report.

Section IV - Prior Year Audit Findings

There were no prior year audit findings reported.