

COUNTY OF BUCKINGHAM, VIRGINIA



FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015

County of Buckingham, Virginia

Financial Report

For the Year Ended June 30, 2015

COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report
For the Year Ended June 30, 2015

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-9
<u>BASIC FINANCIAL STATEMENTS:</u>	
Government-wide Financial Statements:	
Exhibit 1 Statement of Net Position	10
Exhibit 2 Statement of Activities	11-12
Fund Financial Statements:	
Exhibit 3 Balance Sheet—Governmental Funds	13
Exhibit 4 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	14
Exhibit 5 Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds	15
Exhibit 6 Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16
Exhibit 7 Statement of Net Position—Proprietary Funds	17
Exhibit 8 Statement of Revenues, Expenses, and Changes in Net Position—Proprietary Funds	18
Exhibit 9 Statement of Cash Flows—Proprietary Funds	19
Exhibit 10 Statement of Fiduciary Net Position—Fiduciary Funds	20
Notes to Financial Statements	21-75

COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report
For the Year Ended June 30, 2015

TABLE OF CONTENTS

	<u>PAGE</u>
<u>REQUIRED SUPPLEMENTARY INFORMATION:</u>	
Exhibit 11 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—General Fund	76
Exhibit 12 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—Virginia Public Assistance Fund	77
Exhibit 13 Schedule of Components of and Changes in Net Pension Liability and Related Ratios—Primary Government	78
Exhibit 14 Schedule of Components of and Changes in Net Pension Liability (Asset) and Related Ratios—Component Unit School Board (nonprofessional)	79
Exhibit 15 Schedule of Employer’s Share of Net Pension Liability VRS Teacher Retirement Plan	80
Exhibit 16 Schedule of Employer Contributions	81
Exhibit 17 Notes to Required Supplementary Information	82
<u>OTHER SUPPLEMENTARY INFORMATION:</u>	
Combining and Individual Fund Statements and Schedules:	
Exhibit 18 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—Debt Service Fund	83
Exhibit 19 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual— County Capital Improvements Fund	84
Exhibit 20 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—Debt Financed School Capital Projects Fund	85
Exhibit 21 Statement of Changes in Assets and Liabilities—Agency Funds	86
Exhibit 22 Combining Balance Sheet—Discretely Presented Component Unit—School Board	87
Exhibit 23 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds—Discretely Presented Component Unit—School Board	88
Exhibit 24 Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Discretely Presented Component Unit—School Board	89-90

COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report
For the Year Ended June 30, 2015

TABLE OF CONTENTS

	<u>PAGE</u>
<u>OTHER SUPPLEMENTARY INFORMATION: (CONTINUED)</u>	
Supporting Schedules:	
Schedule 1 Schedule of Revenues–Budget and Actual–Governmental Funds	91-96
Schedule 2 Schedule of Expenditures–Budget and Actual–Governmental Funds	97-101
Statistical Information:	
Table 1 Government-Wide Expenses by Function–Last Ten Fiscal Years	102
Table 2 Government-Wide Revenues–Last Ten Fiscal Years	103
Table 3 General Governmental Expenditures by Function–Last Ten Fiscal Years	104
Table 4 General Governmental Revenues by Source–Last Ten Fiscal Years	105
Table 5 Property Tax Levies and Collections–Last Ten Fiscal Years	106
Table 6 Assessed Value of Taxable Property–Last Ten Fiscal Years	107
Table 7 Property Tax Rates–Last Ten Fiscal Years	108
Table 8 Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita–Last Ten Fiscal Years	109
Table 9 Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures–Last Ten Fiscal Years	110
<u>COMPLIANCE</u>	
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 <i>Government Auditing Standards</i>	111-112
Independent Auditors’ Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133	113-114
Schedule of Expenditures of Federal Awards	115-116
Notes to Schedule of Expenditures of Federal Awards	117
Schedule of Findings and Questioned Costs	118
Summary Schedule of Prior Audit Findings	119

BOARD OF SUPERVISORS

I. Monroe Snoddy	Danny R. Allen, Chairman Joe N. Chambers, Jr., Vice-Chairman	John N. Staton
E.A. "Bill" Talbert	Cassandra L. Stish	Donald E. Bryan

BOARD OF SOCIAL SERVICES

Ophelia Washington, Chairman
Linda Page
I. Monroe Snoddy, Vice-Chairman

COUNTY SCHOOL BOARD

David W. Christian	H. Ed Wise, Jr., Chairman Sherry S. Ragland, Vice-Chairman	Thomas W. Hutcherson, Jr.
Russell P. Gowin	Theresa D. Bryant	Kathy F. Midkiff

OTHER OFFICIALS

Presiding Judge of the Circuit Court
Clerk of the Circuit Court
Presiding Judge of the General District Court
Commonwealth's Attorney
Commissioner of the Revenue
Treasurer
Sheriff
Superintendent of Schools
Director of Social Services
County Administrator
Finance Director

Kimberly S. White
Malcolm A. Booker, Jr.
Robert G. Woodson, Jr.
E.M. Wright, Jr.
Stephanie L. Allen
Christy L. Christian
William G. Kidd, Jr.
Dr. Cecil C. Snead, II
Braxton L. Apperson
Rebecca S. Carter
Karl Carter

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of County of Buckingham, Virginia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise County of Buckingham, Virginia'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 business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of County of Buckingham, Virginia, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 22 to the financial statements, in 2015, the County adopted new accounting guidance, GASB Statement Nos. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. 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 funding on pages 4-9, 76-77, and 78-82, 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 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise County of Buckingham, Virginia's basic financial statements. The combining and individual fund financial statements and schedules, supporting schedules, 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The combining and individual fund financial statements and schedules, supporting schedules, 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 combining and individual fund financial statements and schedules, supporting schedules, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Matters: (Continued)

Other Information: (Continued)

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 February 12, 2016, on our consideration of County of Buckingham, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Buckingham, Virginia's internal control over financial reporting and compliance.

Robinson, Fawcett, Cox Associates

Charlottesville, Virginia

February 12, 2016

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COUNTY OF BUCKINGHAM, VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS

To the Citizens of County of Buckingham, Virginia

As management of the County of Buckingham, 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, 2015.

Financial Highlights

Government-wide Financial Statements

- On a government-wide basis for governmental activities, 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 \$11,132,947 (net position). For business-type activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$15,628,172.

Fund Financial Statements

In the Governmental Funds, on a current financial resource basis, expenditures exceeded revenues and other financing sources by \$225,980 (Exhibit 5) after making contributions totaling \$6,643,645 to the School Board.

- As of the close of the current fiscal year, the County's governmental funds reported ending fund balances of \$6,060,412, a decrease of \$225,980 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,793,057 or 31% of total general fund expenditures.
- Combined long-term obligations for the governmental funds decreased \$2,657,846 during the current fiscal year.

The Proprietary Funds, on an accrual basis, reported revenues and other financing sources in excess of expenses by \$379,128.

- As of the close of the current fiscal year, the County's proprietary funds reported ending net position of \$15,628,172, an increase of \$379,128.
- Combined long-term obligations in the proprietary funds increased \$1,045,009 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is 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 required and other supplementary information in addition to the basic financial statements themselves.

Overview of the Financial Statements: (Continued)

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.

The statement of net position presents information on all of the County's a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 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 administration, courts, police protection, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Buckingham, Virginia itself (known as the primary government), but also a legally separate school district for which the County of Buckingham, Virginia is financially accountable. Financial information for this component unit is reported separately from the financial information presented 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 Buckingham, 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 three categories: governmental, proprietary, 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 following the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The County's major funds are the General Fund, the Virginia Public Assistance Fund, the Debt Service Fund, the County Capital Improvements Fund, and the Debt Financed School Capital Projects Fund.

Proprietary Funds - Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. The Proprietary Funds utilize the accrual basis of accounting where the measurement focus is upon determination of net income, financial position, and changes in financial position. Proprietary funds consist of Enterprise Funds.

Fiduciary funds - The County is the trustee, or fiduciary, for the County's agency funds. It is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations. Agency funds are County custodial funds used to provide accountability of client monies for which the County is custodian.

Overview of the Financial Statements: (Continued)

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

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and the schedules of pension funding for the Virginia Retirement System. Other supplementary information presented includes various combining financial statements for the County's non-major funds, budgetary comparison schedules, and the discretely presented component unit - School Board as well as statistical tables. 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's governmental activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$11,132,947 at the close of the most recent fiscal year. Beginning balances were restated for GASB 68 implementation during the year; however, information is not available to present fully comparative data related to this implementation.

Summary Statement of Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Assets:						
Current and other assets	\$ 12,031,448	\$ 12,178,491	\$ 4,146,807	\$ 2,682,650	\$ 16,178,255	\$ 14,861,141
Capital assets	41,129,537	42,931,594	21,558,267	20,965,420	62,687,804	63,897,014
Total assets	\$ 53,160,985	\$ 55,110,085	\$ 25,705,074	\$ 23,648,070	\$ 78,866,059	\$ 78,758,155
Deferred outflows of resources:						
Pension related items	\$ 410,039	\$ -	\$ 45,884	\$ -	\$ 455,923	\$ -
Liabilities:						
Long-term liabilities	\$ 37,185,861	\$ 37,287,245	\$ 9,156,451	\$ 7,792,142	\$ 46,342,312	\$ 45,079,387
Current liabilities	974,461	880,359	863,255	340,704	1,837,716	1,221,063
Total liabilities	\$ 38,160,322	\$ 38,167,604	\$ 10,019,706	\$ 8,132,846	\$ 48,180,028	\$ 46,300,450
Deferred inflows of resources:						
Deferred revenue	\$ 3,513,650	\$ 3,562,667	\$ -	\$ -	\$ 3,513,650	\$ 3,562,667
Pension related items	764,105	-	103,080	-	867,185	-
Total deferred inflows of resources	\$ 4,277,755	\$ 3,562,667	\$ 103,080	\$ -	\$ 4,380,835	\$ 3,562,667
Net position:						
Net investment in capital assets	\$ 6,161,166	\$ 6,326,325	\$ 12,646,774	\$ 13,236,863	\$ 18,807,940	\$ 19,563,188
Restricted	36,936	39,661	1,139,435	1,101,815	1,176,371	1,141,476
Unrestricted	4,934,845	7,013,828	1,841,963	1,176,546	6,776,808	8,190,374
Total net position	\$ 11,132,947	\$ 13,379,814	\$ 15,628,172	\$ 15,515,224	\$ 26,761,119	\$ 28,895,038

At the end of the current fiscal year, the County's investment in capital assets net of related debt used to acquire those assets was \$18,807,940. The County uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate

these liabilities.

Government-wide Financial Analysis: (Continued)

The County's net capital assets decreased by \$1,209,210 during the current fiscal year. Depreciation outweighed capital acquisitions in governmental activities in addition to the transfer of debt financed assets to the school board. A construction project contributed to an increase in business-type activity capital assets.

Governmental Activities - Governmental activities decreased the County's net position by \$14,195 during the fiscal year, while business-type activities increased the County's net position by \$379,128. This resulted in a net increase of \$364,933. Key elements of this increase are as follows:

Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 197,062	\$ 207,045	\$ 1,705,567	\$ 1,691,149	\$ 1,902,629	\$ 1,898,194
Operating grants and contributions	4,299,529	4,315,514	-	-	4,299,529	4,315,514
Capital grants and contributions	681,315	448,792	289,249	274,954	970,564	723,746
General revenues:						
General property taxes	13,631,179	12,986,630	-	-	13,631,179	12,986,630
Other local taxes	1,663,458	1,604,503	-	-	1,663,458	1,604,503
Grants and other contributions not restricted	1,626,021	1,673,742	-	-	1,626,021	1,673,742
Use of money and property	83,502	85,077	90	90	83,592	85,167
Miscellaneous	71,861	87,704	-	-	71,861	87,704
Total revenues	\$ 22,253,927	\$ 21,409,007	\$ 1,994,906	\$ 1,966,193	\$ 24,248,833	\$ 23,375,200
Expenses:						
General government administration	\$ 1,565,410	\$ 1,685,556	\$ -	\$ -	\$ 1,565,410	\$ 1,685,556
Judicial administration	1,002,077	1,060,639	-	-	1,002,077	1,060,639
Public safety	4,017,264	3,842,550	-	-	4,017,264	3,842,550
Public works	1,646,492	1,529,098	-	-	1,646,492	1,529,098
Health and welfare	3,523,182	3,294,797	-	-	3,523,182	3,294,797
Education	8,427,308	8,147,210	-	-	8,427,308	8,147,210
Parks, recreation, and cultural	432,069	389,563	-	-	432,069	389,563
Community development	218,033	207,163	-	-	218,033	207,163
Interest on long-term debt	1,436,287	1,553,742	-	-	1,436,287	1,553,742
Water and Sewer	-	-	1,615,778	1,580,946	1,615,778	1,580,946
Total expenses	\$ 22,268,122	\$ 21,710,318	\$ 1,615,778	\$ 1,580,946	\$ 23,883,900	\$ 23,291,264
Increase (decrease) in net position	\$ (14,195)	\$ (301,311)	\$ 379,128	\$ 385,247	\$ 364,933	\$ 83,936
Net position, July 1	13,379,814	13,681,125	15,515,224	15,129,977	28,895,038	28,811,102
Restatement	(2,232,672)	-	(266,180)	-	(2,498,852)	-
Net position, June 30	\$ 11,132,947	\$ 13,379,814	\$ 15,628,172	\$ 15,515,224	\$ 26,761,119	\$ 28,895,038

Government-wide Financial Analysis: (Continued)

Revenues increased by \$873,633 in fiscal year 2015 compared to a decrease of \$4,093,279 in fiscal year 2014. This increase was attributable to an increase of \$644,549 in property taxes. The decrease in 2014 was driven by business-type activities where the completion of the water project was funded by \$5,277,797 in Rural Development grant funds after loan proceeds were completely drawn in fiscal year 2013. Expenses closely paralleled the growth in demand and inflation and showed an increase of \$592,636. Notable increases include the health and welfare and education functions in the amount of \$228,385 and \$280,098, respectively.

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, unassigned 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 \$6,060,412, a decrease of \$225,980 in comparison with the prior year. Approximately 79% of this total amount constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reflected as nonspendable, restricted, or committed as appropriate to indicate that it is not available for new spending.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was an increase of \$1,378,444 in expenditures and can be briefly summarized as follows:

- \$55,702 in increases for general government administration
- \$342,947 in increases for public safety
- \$910,692 in increases for education, which includes a contribution for the purchase of two school buses
- \$69,103 in other net increases

A portion of this increase (\$163,254) was due to a change in anticipated funding from intergovernmental state and federal revenues. The remainder was to be budgeted from available fund balance. During the year, budgetary estimates exceeded expenditures by \$81,984 eliminating the need to draw on existing fund balance. In addition, commitments of \$1,162,385 were unspent resulting in unspent items totaling \$1,244,369.

Capital Asset and Debt Administration

Capital assets - The County's investment in capital assets for its governmental operations as of June 30, 2015 amounts to \$41,129,537 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and construction in progress. The County's net capital assets for governmental activities decreased \$1,802,057. Although vehicles were acquired in the current year, there was an offsetting increase of \$1,106,776 in accumulated depreciation. Gene Dixon Park expansion and the Streetscape project are still reflected as construction in progress as the projects were not complete at year end.

Capital Asset and Debt Administration: (Continued)

The County's investment in capital assets for its proprietary funds was \$21,558,267 (net of accumulated depreciation) at year-end. This investment in capital assets includes land, construction in progress, water and sewer systems, and machinery and equipment. The proprietary net capital assets increased by \$592,847 during the current fiscal year, including an increase of \$615,183 in accumulated depreciation. Most additions during fiscal year 2015 were related to construction in progress, including the start of construction for the new sewer plant and the initial phase of the sewer line expansion project.

Additional information on the County's capital assets can be found in note 8 of this report.

Long-term debt - At the end of the current fiscal year, the County had total long-term debt outstanding of \$37,185,861 for its governmental operations. Of this amount \$29,775,878 comprises debt backed by the full faith and credit of the County, including compensated absences of \$571,061 and net pension liability of \$1,544,131. The remainder of the County's debt for governmental operations (\$6,780,000) represents bonds secured solely by specified revenue sources (i.e., lease revenue bonds) and the related premium (\$629,983). Business-type debt of \$9,156,451 is comprised of \$988,500 bonds secured solely by water and sewer revenues, loans totaling \$7,922,993 from the Virginia Resources Authority, compensated absences of \$62,330 and net pension liability of \$182,628.

Additional information on the County of Buckingham, Virginia's long-term debt can be found in Note 10 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County is currently 5.5 percent, which is a decrease from a rate of 5.8 percent a year ago. This is higher than the state's average unemployment rate of 4.2 percent and the national average rate of 4.9 percent.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the County budget for fiscal year 2015.

The fiscal year 2015 budget amounted to \$21,703,550 (does not include School Funds). The budget includes capital improvements.

Requests for Information

This financial report is designed to provide a general overview of the County of Buckingham, 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 252, Buckingham, VA 23921.

BASIC FINANCIAL STATEMENTS

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Government-wide Financial Statements

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Statement of Net Position

June 30, 2015

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Unit School Board
ASSETS				
Cash and cash equivalents	\$ 5,123,489	\$ 2,890,537	\$ 8,014,026	\$ 1,606,561
Investments in custody of others	102,448	-	102,448	-
Receivables (net of allowance for uncollectibles):				
Taxes receivable	5,137,598	-	5,137,598	-
Accounts receivable	76,908	289,449	366,357	178,764
Due from component unit	713,115	-	713,115	-
Due from other governmental units	717,141	535,387	1,252,528	875,408
Inventories	159,433	-	159,433	-
Prepaid items	1,316	3,885	5,201	-
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents	-	427,549	427,549	-
Other assets:				
Net pension asset	-	-	-	5,873
Capital assets (net of accumulated depreciation):				
Land	571,884	170,974	742,858	216,387
Intangibles	-	712,100	712,100	-
Buildings, improvements, and systems	37,789,801	18,555,837	56,345,638	13,052,566
Improvements other than buildings	-	-	-	181,798
Machinery, equipment, and vehicles	1,498,263	284,082	1,782,345	3,416,293
Construction in progress	1,269,589	1,835,274	3,104,863	-
Total assets	<u>\$ 53,160,985</u>	<u>\$ 25,705,074</u>	<u>\$ 78,866,059</u>	<u>\$ 19,533,650</u>
DEFERRED OUTFLOWS OF RESOURCES				
Items related to measurement of net pension liability (asset)	\$ 410,039	\$ 45,884	\$ 455,923	\$ 2,408,871
Total deferred inflows of resources	<u>\$ 410,039</u>	<u>\$ 45,884</u>	<u>\$ 455,923</u>	<u>\$ 2,408,871</u>
LIABILITIES				
Accounts payable	\$ 402,913	\$ 2,691	\$ 405,604	\$ 283,882
Accrued liabilities	-	-	-	1,619,892
Contracts payable	-	535,387	535,387	-
Retainage payable	-	308,667	308,667	-
Customers' deposits payable from restricted assets	-	4,114	4,114	-
Accrued interest payable	505,212	12,396	517,608	32,087
Due to primary government	-	-	-	713,115
Unearned revenue	66,336	-	66,336	-
Long-term liabilities:				
Due within one year	1,732,052	172,091	1,904,143	126,915
Due in more than one year	35,453,809	8,984,360	44,438,169	19,121,242
Total liabilities	<u>\$ 38,160,322</u>	<u>\$ 10,019,706</u>	<u>\$ 48,180,028</u>	<u>\$ 21,897,133</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue - property taxes	\$ 3,513,650	\$ -	\$ 3,513,650	\$ -
Items related to measurement of net pension liability (asset)	764,105	103,080	867,185	2,739,196
Total deferred inflows of resources	<u>\$ 4,277,755</u>	<u>\$ 103,080</u>	<u>\$ 4,380,835</u>	<u>\$ 2,739,196</u>
NET POSITION				
Net investment in capital assets	\$ 6,161,166	\$ 12,646,774	\$ 18,807,940	\$ 15,393,204
Restricted:				
Sheriff's fund - DCJS	14,903	-	14,903	-
Courthouse security	22,033	-	22,033	-
Debt service and bond covenants	-	423,435	423,435	-
Water plant capital improvements	-	716,000	716,000	-
Unrestricted (deficit)	4,934,845	1,841,963	6,776,808	(18,087,012)
Total net position	<u>\$ 11,132,947</u>	<u>\$ 15,628,172</u>	<u>\$ 26,761,119</u>	<u>\$ (2,693,808)</u>

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

COUNTY OF BUCKINGHAM, VIRGINIA

Statement of Activities
For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ 1,565,410	\$ 52,845	\$ 223,594	\$ -
Judicial administration	1,002,077	63,369	394,762	-
Public safety	4,017,264	42,009	1,116,954	-
Public works	1,646,492	17,012	7,155	-
Health and welfare	3,523,182	-	2,552,064	-
Education	8,427,308	-	-	417,150
Parks, recreation, and cultural	432,069	21,827	5,000	-
Community development	218,033	-	-	264,165
Interest on long-term debt	1,436,287	-	-	-
Total governmental activities	<u>\$ 22,268,122</u>	<u>\$ 197,062</u>	<u>\$ 4,299,529</u>	<u>\$ 681,315</u>
Business-type activities:				
Water and Sewer Funds	\$ 1,615,778	\$ 1,705,567	\$ -	\$ 289,249
Total business-type activities	<u>\$ 1,615,778</u>	<u>\$ 1,705,567</u>	<u>\$ -</u>	<u>\$ 289,249</u>
Total primary government	<u>\$ 23,883,900</u>	<u>\$ 1,902,629</u>	<u>\$ 4,299,529</u>	<u>\$ 970,564</u>
COMPONENT UNIT:				
School Board	\$ 24,826,510	\$ 219,570	\$ 16,055,208	\$ -
Total component unit	<u>\$ 24,826,510</u>	<u>\$ 219,570</u>	<u>\$ 16,055,208</u>	<u>\$ -</u>

General revenues:
 General property taxes
 Local sales and use taxes
 Consumers' utility taxes
 Motor vehicle licenses
 Other local taxes
 Payment from County of Buckingham - Education
 Unrestricted revenues from use of money and property
 Miscellaneous
 Grants and contributions not restricted to specific programs
 Total general revenues
 Change in net position
 Net position - beginning, as restated
 Net position - ending

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	School Board
\$ (1,288,971)	\$ -	\$ (1,288,971)	
(543,946)	-	(543,946)	
(2,858,301)	-	(2,858,301)	
(1,622,325)	-	(1,622,325)	
(971,118)	-	(971,118)	
(8,010,158)	-	(8,010,158)	
(405,242)	-	(405,242)	
46,132	-	46,132	
(1,436,287)	-	(1,436,287)	
<u>\$ (17,090,216)</u>	<u>\$ -</u>	<u>\$ (17,090,216)</u>	
\$ -	\$ 379,038	\$ 379,038	
\$ -	\$ 379,038	\$ 379,038	
<u>\$ (17,090,216)</u>	<u>\$ 379,038</u>	<u>\$ (16,711,178)</u>	
			\$ (8,551,732)
			<u>\$ (8,551,732)</u>
\$ 13,631,179	\$ -	\$ 13,631,179	\$ -
803,764	-	803,764	-
348,920	-	348,920	-
336,090	-	336,090	-
174,684	-	174,684	-
-	-	-	8,384,573
83,502	90	83,592	3,518
71,861	-	71,861	743,733
1,626,021	-	1,626,021	-
<u>\$ 17,076,021</u>	<u>\$ 90</u>	<u>\$ 17,076,111</u>	<u>\$ 9,131,824</u>
\$ (14,195)	\$ 379,128	\$ 364,933	\$ 580,092
11,147,142	15,249,044	26,396,186	(3,273,900)
<u>\$ 11,132,947</u>	<u>\$ 15,628,172</u>	<u>\$ 26,761,119</u>	<u>\$ (2,693,808)</u>

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Fund Financial Statements

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Balance Sheet
 Governmental Funds
 June 30, 2015

	General	Virginia Public Assistance	Debt Service	County Capital Improvements	Debt Financed School Capital Projects	Total
ASSETS						
Cash and cash equivalents	\$ 5,081,461	\$ -	\$ -	\$ 42,028	\$ -	\$ 5,123,489
Investments in custody of others	-	-	-	-	102,448	102,448
Receivables (net of allowance for uncollectibles):						
Taxes receivable	5,137,598	-	-	-	-	5,137,598
Accounts receivable	75,913	995	-	-	-	76,908
Due from other funds	207,820	-	-	-	-	207,820
Due from component unit	713,115	-	-	-	-	713,115
Due from other governmental units	390,929	326,212	-	-	-	717,141
Prepaid items	1,316	-	-	-	-	1,316
Total assets	<u>\$ 11,608,152</u>	<u>\$ 327,207</u>	<u>\$ -</u>	<u>\$ 42,028</u>	<u>\$ 102,448</u>	<u>\$ 12,079,835</u>
LIABILITIES						
Accounts payable	\$ 283,526	\$ 119,387	\$ -	\$ -	\$ -	\$ 402,913
Due to other funds	-	207,820	-	-	-	207,820
Unearned revenue	66,336	-	-	-	-	66,336
Total liabilities	<u>\$ 349,862</u>	<u>\$ 327,207</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 677,069</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	\$ 5,342,354	\$ -	\$ -	\$ -	\$ -	\$ 5,342,354
FUND BALANCES						
Nonspendable:						
Prepaid items	\$ 1,316	\$ -	\$ -	\$ -	\$ -	\$ 1,316
Restricted:						
Sheriff's fund - DCJS	14,903	-	-	-	-	14,903
Courthouse security	22,033	-	-	-	-	22,033
Committed:						
Upper and Lower Elementary renovation	-	-	-	-	102,448	102,448
Economic Development	681,385	-	-	-	-	681,385
Gene Dixon park expansion	303,916	-	-	42,028	-	345,944
Solid waste vehicle	50,000	-	-	-	-	50,000
Fire/rescue training	36,000	-	-	-	-	36,000
Sheriff's fund - non-DCJS	13,326	-	-	-	-	13,326
Unassigned:						
General fund	4,793,057	-	-	-	-	4,793,057
Total fund balances	<u>\$ 5,915,936</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,028</u>	<u>\$ 102,448</u>	<u>\$ 6,060,412</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,608,152</u>	<u>\$ 327,207</u>	<u>\$ -</u>	<u>\$ 42,028</u>	<u>\$ 102,448</u>	<u>\$ 12,079,835</u>

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

Reconciliation of the Balance Sheet of Governmental Funds
 To the Statement of Net Position
 June 30, 2015

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds \$ 6,060,412

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Jointly owned assets are included in the total for buildings and improvements.

Land	\$	571,884	
Buildings and improvements		37,789,801	
Machinery, equipment and vehicles		1,498,263	
Construction in progress		<u>1,269,589</u>	41,129,537

Inventory held for sale is not a financial resource and, therefore, is not reported in the funds. This represents the book value of Gold Hill Elementary School assets transferred from the Component Unit School Board. 159,433

Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. 1,828,704

Pension contributions subsequent to the measurement date will be a reduction to the net pension liability in the next fiscal year, and therefore, are not reported in the funds. 410,039

Items related to measurement of the net pension liability are considered deferred outflows and will be amortized and recognized in pension expense over future years. (764,105)

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Lease revenue bonds	\$	(6,780,000)	
Plus: Issuance premium (to be amortized against interest expense)		(629,983)	
General obligation bonds		(26,565,895)	
Plus: Issuance premium (to be amortized against interest expense)		(1,094,791)	
Net pension liability		(1,544,131)	
Compensated absences		<u>(571,061)</u>	<u>(37,185,861)</u>

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.

Accrued interest payable (505,212)

Net position of governmental activities \$ 11,132,947

The notes to the 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, 2015

	General	Virginia Public Assistance	Debt Service	County Capital Improvements	Debt Financed School Capital Projects	Total
REVENUES						
General property taxes	\$ 13,495,901	\$ -	\$ -	\$ -	\$ -	\$ 13,495,901
Other local taxes	1,663,458	-	-	-	-	1,663,458
Permits, privilege fees, and regulatory licenses	57,211	-	-	-	-	57,211
Fines and forfeitures	48,488	-	-	-	-	48,488
Revenue from the use of money and property	83,352	-	-	-	150	83,502
Charges for services	91,363	-	-	-	-	91,363
Miscellaneous	33,780	38,081	-	-	-	71,861
Intergovernmental:						
Commonwealth	3,171,126	1,704,071	-	-	-	4,875,197
Federal	466,525	847,993	417,150	-	-	1,731,668
Total revenues	\$ 19,111,204	\$ 2,590,145	\$ 417,150	\$ -	\$ 150	\$ 22,118,649
EXPENDITURES						
Current:						
General government administration	\$ 1,352,741	\$ -	\$ -	\$ -	\$ -	\$ 1,352,741
Judicial administration	765,866	-	-	-	-	765,866
Public safety	3,994,971	-	-	-	-	3,994,971
Public works	1,532,059	-	-	-	-	1,532,059
Health and welfare	207,667	3,328,284	-	-	-	3,535,951
Education	6,686,380	-	-	-	-	6,686,380
Parks, recreation, and cultural	420,234	-	-	-	-	420,234
Community development	210,616	-	-	-	-	210,616
Nondepartmental	173,601	-	-	-	-	173,601
Capital projects	334,435	-	-	240,670	-	575,105
Debt service:						
Principal retirement	27,000	-	1,417,589	-	-	1,444,589
Interest and other fiscal charges	118	-	1,652,398	-	-	1,652,516
Total expenditures	\$ 15,705,688	\$ 3,328,284	\$ 3,069,987	\$ 240,670	\$ -	\$ 22,344,629
Excess (deficiency) of revenues over (under) expenditures	\$ 3,405,516	\$ (738,139)	\$ (2,652,837)	\$ (240,670)	\$ 150	\$ (225,980)
OTHER FINANCING SOURCES (USES)						
Transfers in	\$ -	\$ 738,139	\$ 2,657,337	\$ 375,830	\$ -	\$ 3,771,306
Transfers out	(3,771,306)	-	-	-	-	(3,771,306)
Total other financing sources (uses)	\$ (3,771,306)	\$ 738,139	\$ 2,657,337	\$ 375,830	\$ -	\$ -
Net change in fund balances	\$ (365,790)	\$ -	\$ 4,500	\$ 135,160	\$ 150	\$ (225,980)
Fund balances - beginning, as restated	6,281,726	-	(4,500)	(93,132)	102,298	6,286,392
Fund balances - ending	\$ 5,915,936	\$ -	\$ -	\$ 42,028	\$ 102,448	\$ 6,060,412

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

Reconciliation of Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2015

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

Net change in fund balances - total governmental funds \$ (225,980)

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 depreciation exceeded the capital outlays in the current period.

Capital asset additions	\$ 716,670	
Depreciation expense	(1,469,019)	
Adjustment for jointly owned assets	<u>(1,049,708)</u>	(1,802,057)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The change in unavailable property taxes is reported as revenues in the governmental funds. 135,278

The change in deferred inflows related to the measurement of the net pension liability is not reported in governmental funds. (764,105)

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. This amount is the net effect of these differences in the treatment of long-term obligations and related items.

Payment of principal	\$ 1,444,589	
Amortization of premium	<u>192,309</u>	1,636,898

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.

Compensated absences	\$ 8,617	
Net pension liability	1,012,331	
Deferred outflows - pension contributions subsequent to measurement date	(39,097)	
Accrued interest payable	<u>23,920</u>	<u>1,005,771</u>

Change in net position of governmental activities \$ (14,195)

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

Statement of Net Position
 Proprietary Funds
 June 30, 2015

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,975,488	\$ -	\$ 2,975,488
Accounts receivable	256,958	32,491	289,449
Due from other governmental units	-	535,387	535,387
Prepaid items	3,885	-	3,885
Total current assets	\$ 3,236,331	\$ 567,878	\$ 3,804,209
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	\$ 378,764	\$ 48,785	\$ 427,549
Capital assets:			
Land	\$ 135,757	\$ 35,217	\$ 170,974
Intangibles	712,100	-	712,100
Construction in progress	-	1,835,274	1,835,274
Utility plant in service	19,147,871	4,262,485	23,410,356
Machinery, equipment, and vehicles	624,602	181,509	806,111
Less accumulated depreciation	(4,025,065)	(1,351,483)	(5,376,548)
Total capital assets	\$ 16,595,265	\$ 4,963,002	\$ 21,558,267
Total noncurrent assets	\$ 16,974,029	\$ 5,011,787	\$ 21,985,816
Total assets	\$ 20,210,360	\$ 5,579,665	\$ 25,790,025
DEFERRED OUTFLOWS OF RESOURCES			
Pension contributions subsequent to measurement date	\$ 41,305	\$ 4,579	\$ 45,884
LIABILITIES			
Current liabilities:			
Reconciled overdraft	\$ -	\$ 84,951	\$ 84,951
Accounts payable	2,691	-	2,691
Contracts payable	-	535,387	535,387
Retainage payable	266,091	42,576	308,667
Customers' deposits payable from restricted assets	2,845	1,269	4,114
Accrued interest payable	5,668	6,728	12,396
Compensated absences - current portion	4,157	2,077	6,234
Bonds payable - current portion	25,912	-	25,912
Loans payable - current portion	120,770	19,175	139,945
Total current liabilities	\$ 428,134	\$ 692,163	\$ 1,120,297
Noncurrent liabilities:			
Bonds payable - net of current portion	\$ 962,588	\$ -	\$ 962,588
Loans payable - net of current portion	5,435,120	1,003,305	6,438,425
Drawdowns on loans	-	1,344,623	1,344,623
Compensated absences - net of current portion	37,408	18,688	56,096
Net pension liability	164,945	17,683	182,628
Total noncurrent liabilities	\$ 6,600,061	\$ 2,384,299	\$ 8,984,360
Total liabilities	\$ 7,028,195	\$ 3,076,462	\$ 10,104,657
DEFERRED INFLOWS OF RESOURCES			
Items related to measurement of net pension liability	\$ 67,138	\$ 35,942	\$ 103,080
NET POSITION			
Net investment in capital assets	\$ 10,050,875	\$ 2,595,899	\$ 12,646,774
Restricted:			
Debt service and bond covenants	375,919	47,516	423,435
Water plant capital improvements	716,000	-	716,000
Unrestricted (deficit)	2,013,538	(171,575)	1,841,963
Total net position	\$ 13,156,332	\$ 2,471,840	\$ 15,628,172

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

Statement of Revenues, Expenses, and Changes in Net Position
 Proprietary Funds
 For the Year Ended June 30, 2015

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
OPERATING REVENUES			
Charges for services:			
Water revenues	\$ 1,414,427	\$ -	\$ 1,414,427
Sewer revenues	-	266,481	266,481
Tap fees	9,153	-	9,153
Other revenues	15,506	-	15,506
Total operating revenues	<u>\$ 1,439,086</u>	<u>\$ 266,481</u>	<u>\$ 1,705,567</u>
OPERATING EXPENSES			
Water	\$ 664,938	\$ -	\$ 664,938
Sewer	-	126,020	126,020
Depreciation	496,767	118,416	615,183
Total operating expenses	<u>\$ 1,161,705</u>	<u>\$ 244,436</u>	<u>\$ 1,406,141</u>
Operating income (loss)	<u>\$ 277,381</u>	<u>\$ 22,045</u>	<u>\$ 299,426</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	\$ 78	\$ 12	\$ 90
Interest expense	(167,489)	(42,148)	(209,637)
Total nonoperating revenues (expenses)	<u>\$ (167,411)</u>	<u>\$ (42,136)</u>	<u>\$ (209,547)</u>
Income (loss) before contributions	<u>\$ 109,970</u>	<u>\$ (20,091)</u>	<u>\$ 89,879</u>
CAPITAL CONTRIBUTIONS			
Capital contributions and construction grants	<u>\$ 289,249</u>	<u>\$ -</u>	<u>\$ 289,249</u>
Change in net position	\$ 399,219	\$ (20,091)	\$ 379,128
Total net position - beginning, as restated	12,757,113	2,491,931	15,249,044
Total net position - ending	<u>\$ 13,156,332</u>	<u>\$ 2,471,840</u>	<u>\$ 15,628,172</u>

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

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended June 30, 2015

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,376,526	\$ 265,084	\$ 1,641,610
Payments to suppliers	(177,924)	(424,280)	(602,204)
Payments to and for employees	(501,125)	(69,145)	(570,270)
Net cash provided by (used for) operating activities	<u>\$ 697,477</u>	<u>\$ (228,341)</u>	<u>\$ 469,136</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Additions to utility plant	\$ (167,718)	\$ (518,381)	\$ (686,099)
Principal payments on bonds	(24,773)	-	(24,773)
Principal payments on loans	(118,403)	(18,511)	(136,914)
Contributions in aid of construction	289,249	-	289,249
Proceeds from indebtedness	-	809,236	809,236
Interest payments	(168,546)	(37,890)	(206,436)
Net cash provided by (used for) capital and related financing activities	<u>\$ (190,191)</u>	<u>\$ 234,454</u>	<u>\$ 44,263</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends received	<u>\$ 78</u>	<u>\$ 12</u>	<u>\$ 90</u>
Net increase (decrease) in cash and cash equivalents	\$ 507,364	\$ 6,125	\$ 513,489
Cash and cash equivalents - beginning - including restricted	2,846,888	42,660	2,889,548
Cash and cash equivalents - ending - including restricted	<u>\$ 3,354,252</u>	<u>\$ 48,785</u>	<u>\$ 3,403,037</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	<u>\$ 277,381</u>	<u>\$ 22,045</u>	<u>\$ 299,426</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation expense	\$ 496,767	\$ 118,416	\$ 615,183
Pension contributions subsequent to measurement date	(41,305)	(4,579)	(45,884)
Pension expense per GASB 68 calculation	26,290	(6,762)	19,528
(Increase) decrease in accounts receivable	(63,211)	(1,397)	(64,608)
Increase (decrease) in overdraft	-	(350,673)	(350,673)
Increase (decrease) in compensated absences	1,004	(2,259)	(1,255)
Increase (decrease) in accounts payable	(100)	(3,132)	(3,232)
Increase (decrease) in customer deposits	651	-	651
Total adjustments	<u>\$ 420,096</u>	<u>\$ (250,386)</u>	<u>\$ 169,710</u>
Net cash provided by (used for) operating activities	<u>\$ 697,477</u>	<u>\$ (228,341)</u>	<u>\$ 469,136</u>
Schedule of noncash capital and related financing activities:			
Acquisition of assets on account (change in accts payable)	\$ (56,032)	\$ 577,963	\$ 521,931

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

Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2015

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ <u>58,913</u>
LIABILITIES	
Amounts held for social services clients	\$ 40,257
Amounts held for others	<u>18,656</u>
Total liabilities	<u>\$ 58,913</u>

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements As of June 30, 2015

Note 1—Summary of Significant Accounting Policies:

The County of Buckingham, Virginia was formed in 1761, and it is governed by an elected seven 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 Buckingham, 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 - GASB Statement No. 34 requires the financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis" (MD&A).

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 unit. For the most part, effects 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 the financial position of the primary government (government and business-type activities) and its discretely presented component unit. 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).

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

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

Separate 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 original budget and a 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 Buckingham, Virginia (the primary government) and its component unit. 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 Unit. The County has no blended component units to be included for the fiscal year ended June 30, 2015.

Discretely Presented Component Unit

Buckingham County School Board - The School Board members are elected by the citizens of Buckingham County and are responsible for the operations of the County's School System. The School Board is fiscally dependent on the County. The County has the ability to approve its budget and any amendments. The primary funding is from the General Fund of the County. The School Fund does not issue a separate financial report.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

C. Other Related Organizations

Included in the County's Financial Report

None

Excluded from the County's Financial Report

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointment. The Board of Supervisors appoints the board members of the Buckingham County Industrial Development Authority.

Jointly Governed Organizations

The County, in conjunction with other localities, has created the Central Virginia Regional Library, the Piedmont Regional Jail, the Piedmont Juvenile Detention Center, and the Crossroads Community Services Board. The governing bodies of these organizations are appointed by the respective governing bodies of the participating jurisdictions. During the year, the County contributed \$152,800 to the regional library, \$437,534 to Piedmont Regional Jail, \$58,862 to Piedmont Regional Juvenile Detention Center and \$36,000 to the Crossroads Community Services Board.

Complete financial statements of the jointly governed organizations may be obtained by contacting the County of Buckingham, Virginia, County Administrator, P.O. Box 252, Buckingham, VA 23921.

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.

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

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

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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues consist of charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 financial 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 governmental funds.

a. General Fund

The General Fund is the primary operating fund of the County. This fund is used to account for and report all financial resources except those required to be 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 are used principally to finance the operations of the Component Unit School Board. The General Fund is considered a major fund for reporting purposes.

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

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

1. Governmental Funds: (Continued)

b. Special Revenue Funds

Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The only special revenue fund is the Virginia Public Assistance Fund, which is considered a major fund.

c. Debt Service Fund

The Debt Service Fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should also be used to report financial resources being accumulated for future debt service. The Debt Service Fund is considered a major fund.

d. Capital Projects Funds

Capital Projects Funds account for and report all financial resources that are restricted, committed, or assigned to expenditure for capital outlays, except those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments. The County Capital Improvements Fund and Debt Financed School Capital Projects Fund are considered major funds for reporting purposes.

2. Proprietary Funds

Proprietary Funds account for operations that are financed in a manner similar to those found in private business enterprises. The measurement focus is upon determination of net income, financial position, and changes in financial position. Proprietary Funds consist of Enterprise Funds.

Enterprise Funds

Enterprise Funds account for the financing of services to the general public where all or most of the operating expenses involved are recorded in the form of charges to users of such services. Enterprise Funds consist of the Water Fund and the Sewer Fund.

3. Fiduciary Funds (Trust and Agency Funds)

Fiduciary Funds (Trust and Agency Funds) account for assets held by the County in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include Agency Funds, which consist of the Special Welfare Fund. 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. These funds utilize the accrual basis of accounting.

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

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

4. Component Unit

The Buckingham County School Board has the following funds:

Governmental Funds:

School Operating Fund - This fund is the primary operating fund of the School Board and accounts for and reports 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 Buckingham and state and federal grants. The School Operating Fund is considered a major fund of the School Board for financial reporting purposes.

Special Revenue Funds: Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

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.

Capital Projects Fund: Capital projects funds account for and report 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.

School Capital Projects Fund - This fund accounts for all financial resources used for the acquisition or construction of major capital facilities. This fund had no activity in fiscal year 2015.

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.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

E. Budgets and Budgetary Accounting (Continued)

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, VPA Fund, and the County Capital Improvements Funds of the primary government and the School Operating Fund, School Cafeteria Fund, and School Capital Projects Fund of the 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 budget at June 30. Several supplemental appropriations were necessary during the year and at year end because they were not included in the original budget.

F. 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.

G. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

Restricted cash consists of reserve accounts established as required by Rural Development bond covenants.

Investments in custody of others include unspent bond proceeds and accumulated interest that the County intends to use for elementary school renovations.

H. Investments

Investments are stated at fair value.

I. Receivables and Payables

Activity 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" (i.e. the noncurrent portion of interfund loans).

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

I. Receivables and Payables: (Continued)

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 \$346,000 at June 30, 2015 and is comprised solely of property taxes.

J. Inventory and Prepaid Items

All inventories are valued at the lower of cost (first-in, first-out) or market. Inventory represents Gold Hill Elementary School which was transferred from the School Board and is being held for sale.

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

K. Capital Assets

Capital assets, which include property, plant and equipment, and intangibles are reported in the applicable columns in the government-wide financial statements. Capital assets are defined by the County and Component Unit School Board as land, buildings, utility plant, 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 estimated fair market 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Interest in the amount of \$214,401 was incurred during fiscal year 2015, of which \$4,764 was capitalized.

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

<u>Assets</u>	<u>Years</u>
Structures, lines and accessories	40-50
Buildings	40
Building improvements	20-40
Vehicles	5
Office and computer equipment	5
Buses	8
Police vehicles	3

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

L. 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 only has one item that qualifies for reporting in this category. It is comprised of certain items related to the measurement of the net pension asset and liabilities. These include differences between expected and actual experience, change in assumptions, the net difference between projected and actual earnings on pension plan investments, changes in proportion and differences between employer contributions and proportionate share of contributions, and contributions to the pension plan made during the current year and subsequent to the net pension asset or liability measurement date, which will be recognized as an increase to or a reduction of the net pension asset or liability next fiscal year. For more detailed information on these items, reference the pension note.

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 two types of 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 30, 2nd half installments levied during the fiscal year but due after June 30th, and amounts prepaid on the 2nd half installments and is 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 asset and liabilities are reported as deferred inflows of resources. These include differences between expected and actual experience, change in assumptions, and the net difference between projected and actual earnings on pension plan investments. For more detailed information on these items, reference the pension note.

M. Pensions

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

N. 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.

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

N. Long-term Obligations: (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, 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.

O. 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. In accordance with the provisions of Governmental Accounting Standards No. 16, *Accounting for Compensated Absences*, 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.

P. Net Position

Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related 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 also included in this component of net position.

Q. Net Position Flow Assumption

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.

R. Fund Equity

The reports fund balance in accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (corpus of a permanent fund);
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

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

R. Fund Equity: (Continued)

- 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 generally 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 an ordinance/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 the 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) or other official to which the Board has delegated the authority to assign amounts to the Director of Finance.

It is the County's policy to maintain an unassigned fund balance in the general fund equal to 10% of expenditures/operating revenues. The County considers a balance less than 7% to be cause for concern barring unusual or deliberate circumstances.

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.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 2—Deposits and Investments: (Continued)

Investments

Statutes authorize the County to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes, banker’s acceptances, repurchase agreements and the State Treasurer’s Local Government Investment Pool (LGIP).

Custodial Credit Risk (Investments)

The County’s investments at June 30, 2015 were held in the County’s name by the County’s custodial banks.

Credit Risk of Debt Securities

The County’s rated debt investments as of June 30, 2015 were rated by Standard & Poor’s and/or an equivalent national rating organization and the ratings are presented below using the Standard & Poor’s rating scale.

<u>Rated Debt Investments' Values</u>	
<u>Rated Debt Investments</u>	<u>Fair Quality Ratings</u>
	<u>AAAm</u>
Local Government Investment Pool	\$ 2,679,108
Virginia State Non-Arbitrage Pool	<u>104,146</u>
Total	<u>\$ 2,783,254</u>

Interest Rate Risk

The County invests funds in low risk investments backed by U.S. government agencies

External Investment Pools

The State Non-Arbitrage Pool (SNAP) is an open-end management investment company registered with the Securities and Exchange Commission.

The fair value of the positions in the external investment pools (Local Government Investment Pool and State Non-Arbitrage Pool) is the same as the value of the pool shares. As LGIP is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. LGIP maintains a policy to operate in a manner consistent with SEC Rule 2a-7.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 3—Property Taxes:

Real property taxes are assessed on property values as of January 1, and attach as an enforceable lien on property as of the date levied by the Board of Supervisors. Personal property taxes are assessed on a prorated basis for the period the property is located in the County and also attach as an enforceable lien on the property.

Real estate taxes are due on June 5th and December 5th and personal property taxes are due on December 5th.

A ten percent penalty is levied on all taxes not collected on or before their due date. An interest charge of ten percent per annum is also levied on such taxes beginning on their due date.

Property taxes for calendar year 2014 were levied by the County Board of Supervisors on April 21, 2014, on the assessed values listed as of January 1, 2014. The second half of 2014 real estate taxes was due on December 5, 2014. The first half of 2015 real estate taxes was due on June 5, 2015. The 2015 taxes were levied by the County Board of Supervisors on April 20, 2015 on the assessed value listed as of January 1, 2015.

Property taxes levied in the prior year have been recorded as receivables as of the date the County has the legal right to receive payments thereon. The receivables collected during the fiscal year and during the first 60 days of the succeeding fiscal year are recognized as revenues in the current fiscal year. Taxes receivable as of the end of the year (June 30) and not collected until the succeeding year are reported as deferred inflows of resources.

Note 4—Receivables:

The following is a summary of accounts receivable at June 30, 2015:

	Primary Government				Component Unit
	General	Special Revenue	Governmental Activities	Business-Type Activities	School Board
Property taxes	\$ 5,483,598	\$ -	\$ 5,483,598	\$ -	\$ -
Allowance for uncollectibles	(346,000)	-	(346,000)	-	-
Net taxes receivable	<u>\$ 5,137,598</u>	<u>\$ -</u>	<u>\$ 5,137,598</u>	<u>\$ -</u>	<u>\$ -</u>
Accounts Receivable:					
Utility taxes	\$ 28,729	\$ -	\$ 28,729	\$ -	\$ -
Grantee tax	4,155	-	4,155	-	-
Solid waste	9,139	-	9,139	-	-
Insurance reimbursement	19,077	-	19,077	-	-
Other	14,813	-	14,813	-	1,990
Water and Sewer	-	-	-	289,449	-
Rebates and Refunds	-	995	995	-	176,774
Total accounts receivable	<u>\$ 75,913</u>	<u>\$ 995</u>	<u>\$ 76,908</u>	<u>\$ 289,449</u>	<u>\$ 178,764</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 5—Due From Other Governmental Units:

Amounts due from other governments are detailed as follows:

	Governmental Activities			Business- Type Activities	Component
	General	Special Revenue	Total		Unit School Board
Commonwealth of Virginia:					
Local sales taxes	\$ 113,562	\$ -	\$ 113,562	\$ -	-
State sales taxes	-	-	-	-	410,724
Communication taxes	69,309	-	69,309	-	-
Public assistance	-	40,423	40,423	-	-
Comprehensive services	-	217,302	217,302	-	-
Shared expenses and grants	111,742	-	111,742	-	-
Forest product sales	14,118	-	14,118	-	-
Motor vehicle carrier tax	11,780	-	11,780	-	-
Other	25,365	-	25,365	-	2,901
Federal government:					
VDOT grant	36,053	-	36,053	-	-
Sheriff's grants	9,000	-	9,000	-	-
Public assistance	-	68,487	68,487	-	-
Rural Development	-	-	-	535,387	-
Title I	-	-	-	-	204,095
Title VI-B	-	-	-	-	130,666
Title IV Part B -21st Century	-	-	-	-	8,220
Title II Part A	-	-	-	-	25,161
School Food	-	-	-	-	52,236
Other school funds	-	-	-	-	41,405
Total	\$ 390,929	\$ 326,212	\$ 717,141	\$ 535,387	\$ 875,408

Note 6—Interfund Obligations:

Details of interfund receivables and payables as of June 30, 2015 are as follows:

Fund	Interfund Receivable	Interfund Payable
General	\$ 207,820	\$ -
Virginia Public Assistance	-	207,820
Total	\$ 207,820	\$ 207,820

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 6—Interfund Obligations: (Continued)

Details of obligations between the primary government and its component unit as of June 30, 2015 are as follows:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Primary government general fund	Component Unit - School Board	\$ <u>713,115</u>

Note 7—Unavailable Revenue and Deferred Inflows of Resources:

Deferred inflows of resources/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.

	<u>Government-wide Statements Governmental Activities</u>	<u>Balance Sheet Governmental Funds</u>
Primary Government:		
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures	\$ -	\$ 1,828,704
2nd half assessments due in December 2015	3,153,970	3,153,970
Prepaid property taxes due in December 2015, but paid in advance by the taxpayers	<u>359,680</u>	<u>359,680</u>
Total deferred inflows/unavailable revenue	<u>\$ 3,513,650</u>	<u>\$ 5,342,354</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 8—Capital Assets:

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

Primary Government:

	<u>Balance July 1, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2015</u>
Capital assets not being depreciated:				
Land	\$ 571,884	\$ -	\$ -	\$ 571,884
Construction in progress	<u>754,954</u>	<u>514,635</u>	<u>-</u>	<u>1,269,589</u>
Total capital assets not being depreciated	<u>\$ 1,326,838</u>	<u>\$ 514,635</u>	<u>\$ -</u>	<u>\$ 1,841,473</u>
Other capital assets:				
Buildings and improvements	\$ 17,229,765	\$ -	\$ -	\$ 17,229,765
Machinery, equipment and vehicles	4,253,335	202,035	74,837	4,380,533
Jointly owned assets	<u>28,836,784</u>	<u>-</u>	<u>1,337,114</u>	<u>27,499,670</u>
Total other capital assets	<u>\$ 50,319,884</u>	<u>\$ 202,035</u>	<u>\$ 1,411,951</u>	<u>\$ 49,109,968</u>
Accumulated depreciation:				
Buildings and improvements	\$ 4,051,400	\$ 437,314	\$ -	\$ 4,488,714
Machinery, equipment and vehicles	2,616,622	340,485	74,837	2,882,270
Jointly owned assets	<u>2,047,106</u>	<u>691,220</u>	<u>287,406</u>	<u>2,450,920</u>
Total accumulated depreciation	<u>\$ 8,715,128</u>	<u>\$ 1,469,019</u>	<u>\$ 362,243</u>	<u>\$ 9,821,904</u>
Other capital assets, net	<u>\$ 41,604,756</u>	<u>\$ (1,266,984)</u>	<u>\$ 1,049,708</u>	<u>\$ 39,288,064</u>
Net capital assets	<u>\$ 42,931,594</u>	<u>\$ (752,349)</u>	<u>\$ 1,049,708</u>	<u>\$ 41,129,537</u>
Depreciation is allocated to:				
General government administration		\$ 172,501		
Judicial administration		264,118		
Public safety		245,293		
Public works		31,497		
Health and welfare		34,510		
Education		691,220		
Parks and recreation		19,622		
Community Development		<u>10,258</u>		
Total		<u>\$ 1,469,019</u>		

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 8—Capital Assets: (Continued)

Business-type Activities:

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
Capital assets not being depreciated:				
Land	\$ 170,974	\$ -	\$ -	\$ 170,974
Intangibles	712,100	-	-	712,100
Construction in progress	<u>738,930</u>	<u>1,096,344</u>	<u>-</u>	<u>1,835,274</u>
Total capital assets not being depreciated	<u>\$ 1,622,004</u>	<u>\$ 1,096,344</u>	<u>\$ -</u>	<u>\$ 2,718,348</u>
Other capital assets:				
Buildings and systems	\$ 23,386,954	\$ 23,402	\$ -	\$ 23,410,356
Machinery, equipment and vehicles	<u>717,827</u>	<u>88,284</u>	<u>-</u>	<u>806,111</u>
Total other capital assets	<u>\$ 24,104,781</u>	<u>\$ 111,686</u>	<u>\$ -</u>	<u>\$ 24,216,467</u>
Accumulated depreciation:				
Buildings and systems	\$ 4,276,536	\$ 577,983	\$ -	\$ 4,854,519
Machinery, equipment and vehicles	<u>484,829</u>	<u>37,200</u>	<u>-</u>	<u>522,029</u>
Total accumulated depreciation	<u>\$ 4,761,365</u>	<u>\$ 615,183</u>	<u>\$ -</u>	<u>\$ 5,376,548</u>
Other capital assets, net	<u>\$ 19,343,416</u>	<u>\$ (503,497)</u>	<u>\$ -</u>	<u>\$ 18,839,919</u>
Net capital assets	<u>\$ 20,965,420</u>	<u>\$ 592,847</u>	<u>\$ -</u>	<u>\$ 21,558,267</u>
Depreciation is allocated to:				
Water operations		\$ 496,767		
Sewer operations		<u>118,416</u>		
		<u>\$ 615,183</u>		

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 8—Capital Assets: (Continued)

Component Unit-School Board:

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
Capital assets not being depreciated:				
Land	\$ 232,313	\$ -	\$ 15,926	\$ 216,387
Total capital assets not being depreciated	\$ 232,313	\$ -	\$ 15,926	\$ 216,387
Other capital assets:				
Buildings and improvements	\$ 16,828,499	\$ 155,734	\$ 216,667	\$ 16,767,566
Improvements other than buildings	502,842	14,141	-	516,983
Machinery, equipment and vehicles	6,657,975	805,994	685,627	6,778,342
Jointly owned assets	7,893,537	1,337,114	-	9,230,651
Total other capital assets	\$ 31,882,853	\$ 2,312,983	\$ 902,294	\$ 33,293,542
Accumulated depreciation:				
Buildings and improvements	\$ 9,776,006	\$ 446,867	\$ 215,077	\$ 10,007,796
Improvements other than buildings	309,592	25,593	-	335,185
Machinery, equipment and vehicles	3,395,092	639,828	672,871	3,362,049
Jointly owned assets	2,419,683	518,172	-	2,937,855
Total accumulated depreciation	\$ 15,900,373	\$ 1,630,460	\$ 887,948	\$ 16,642,885
Other capital assets, net	\$ 15,982,480	\$ 682,523	\$ 14,346	\$ 16,650,657
Net capital assets	\$ 16,214,793	\$ 682,523	\$ 30,272	\$ 16,867,044
Depreciation is allocated to education		\$ 1,630,460		

Legislation enacted during the year ended June 30, 2002, Section 15.2-1800.1 of the Code of Virginia (1950), as amended, has changed the reporting of local capital assets and related debt for financial statement purposes. Historically, debt incurred by local governments "on-behalf" of school boards was reported in the school board's discrete column along with the related capital assets. Under the law, local governments have a "tenancy in common" with the school board whenever the locality incurs any financial obligation for any school property which is payable over more than one year. For financial reporting purposes, the legislation permits the locality to report the portion of school property related to any outstanding financial obligation eliminating any potential deficit from capitalizing assets financed with debt. The effect on the County of Buckingham, Virginia for the year ended June 30, 2015, is that school financed assets in the amount of \$25,048,750 net are reported in the Primary Government for financial reporting purposes.

Note 9—Compensated Absences:

In accordance with GASB statement 16, "Accounting for Compensated Absences," the County has accrued the liability arising from outstanding claims and judgments and compensated absences.

County employees earn vacation and sick leave at various rates.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 10—Long-Term Obligations:

The following is a summary of long-term obligation transactions for the County for the year ended June 30, 2015:

	As Restated Balance July 1, 2014	Issuances/ Increases	Retirements/ Decreases	Balance June 30, 2015
Primary Government:				
Governmental activities:				
Lease revenue bonds	\$ 6,990,000	\$ -	\$ 210,000	\$ 6,780,000
Premium on issuance	692,767	-	62,784	629,983
General obligation school bonds	27,773,484	-	1,207,589	26,565,895
Premium on issuance	1,224,316	-	129,525	1,094,791
Vehicle loan	27,000	-	27,000	-
Net pension liability	2,556,462	1,360,102	2,372,433	1,544,131
Compensated absences	579,678	-	8,617	571,061
Total obligations from governmental activities	<u>\$ 39,843,707</u>	<u>\$ 1,360,102</u>	<u>\$ 4,017,948</u>	<u>\$ 37,185,861</u>
Business-type activities:				
Revenue bonds	\$ 1,013,273	\$ -	\$ 24,773	\$ 988,500
Revolving loans	6,715,284	1,344,623	136,914	7,922,993
Net pension liability	319,300	180,001	316,673	182,628
Compensated absences	63,585	-	1,255	62,330
Total obligations from business-type activities	<u>\$ 8,111,442</u>	<u>\$ 1,524,624</u>	<u>\$ 479,615</u>	<u>\$ 9,156,451</u>
Long-term obligations from component unit activities:				
School Board:				
Compensated absences	\$ 577,410	\$ -	\$ 5,093	\$ 572,317
Net pension liability	18,520,000	1,558,000	2,876,000	17,202,000
Energy improvement lease	1,537,832	-	63,992	1,473,840
Total obligations from component unit activities	<u>\$ 20,635,242</u>	<u>\$ 1,558,000</u>	<u>\$ 2,945,085</u>	<u>\$ 19,248,157</u>
Total long-term obligations	<u><u>\$ 68,590,391</u></u>	<u><u>\$ 4,442,726</u></u>	<u><u>\$ 7,442,648</u></u>	<u><u>\$ 65,590,469</u></u>
Reconciliation to Exhibit 1:				
	<u>Governmental</u>	<u>Business-</u>	<u>Component</u>	<u>Total</u>
	<u>Activities</u>	<u>Type</u>	<u>Unit</u>	<u> </u>
	<u> </u>	<u>Activities</u>	<u> </u>	<u> </u>
Long-term liabilities:				
Due within one year	\$ 1,732,052	\$ 172,091	\$ 126,915	\$ 2,031,058
Due in more than one year	35,453,809	8,984,360	19,121,242	63,559,411
Total long-term obligations	<u><u>\$ 37,185,861</u></u>	<u><u>\$ 9,156,451</u></u>	<u><u>\$ 19,248,157</u></u>	<u><u>\$ 65,590,469</u></u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 10—Long-Term Obligations: (Continued)

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

Year Ending June 30,	Primary Government		Component Unit	
	Principal	Interest	Principal	Interest
2016	\$ 1,840,803	\$ 1,797,669	\$ 69,683	\$ 40,531
2017	2,293,245	1,728,517	75,674	38,614
2018	2,370,238	1,656,853	81,979	36,533
2019	2,453,233	1,581,810	88,612	34,279
2020	2,538,240	1,504,011	95,588	31,842
2021-2025	13,072,643	6,295,205	595,678	115,589
2026-2030	9,559,135	3,184,573	466,626	26,219
2031-2035	5,251,025	820,996	-	-
2036-2040	1,135,076	350,323	-	-
2041-2045	1,017,016	196,614	-	-
2046-2050	923,386	78,614	-	-
2051	183,499	2,206	-	-
Total	\$ 42,637,539	\$ 19,197,391	\$ 1,473,840	\$ 323,607

Note: The above includes long-term obligations and premiums.

Compensated absences and drawdowns on the new Rural Development loan are not included.

Details of Long-term Obligations:

	Amount Outstanding	Due within One year
<u>Governmental Activities:</u>		
<u>Lease Revenue Bonds:</u>		
\$9,255,000 lease revenue bonds, issued November 23, 2010 payable in various annual installments ranging from \$230,000 to \$590,000, due on October 1, 2011 through 2033, interest payable semi-annually at 2.357%-5.200%	\$ 6,780,000	\$ 220,000
Plus: Premium on issuance	629,983	58,256
Total Lease Revenue Bonds	\$ 7,409,983	\$ 278,256

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 10—Long-Term Obligations: (Continued)

Details of Long-term Obligations: (Continued)

	<u>Amount Outstanding</u>	<u>Due within One year</u>
<u>Governmental Activities: (Continued)</u>		
<u>General Obligation School Bonds:</u>		
\$5,930,000 School Bonds, 2002, issued November 7, 2002, maturing in various annual installments of \$295,000 to \$300,000 through July 15, 2022, interest payable semi-annually at 2.35%-5.10%	\$ 2,360,000	\$ 295,000
Plus: Premium on issuance	106,839	11,871
\$5,856,256 School Bonds, 2005, issued November 10, 2005, maturing in various annual installments of \$222,289 to \$370,235 through July 15, 2025, interest payable semi-annually at 4.60%-5.10%	3,570,895	283,368
Plus: Premium on issuance	101,528	17,164
\$10,000,000 School Bonds, 2011, issued June 28, 2011, maturing in various annual installments of \$186,000 to \$784,600, due on June 1, 2013 through June 1, 2027, interest payable semi-annually at 4.50%. However, the bonds were issued as qualified tax credit bonds allowing a direct payment of a refundable credit to the issuer, which will completely offset interest payments.	8,515,000	224,000
\$13,325,000 School Bonds, 2011B, issued November 9, 2011, maturing in various annual installments of \$320,000 to \$985,000, due on July 15, 2012 through July 15, 2031, interest payable semi-annually at 2.05%-5.05%	12,120,000	470,000
Plus: Premium on issuance	886,424	95,287
Total General Obligation School Bonds	<u>\$ 27,660,686</u>	<u>\$ 1,396,690</u>
<u>Net pension liability (payable from general fund)</u>	<u>\$ 1,544,131</u>	<u>\$ -</u>
<u>Compensated absences (payable from general fund)</u>	<u>\$ 571,061</u>	<u>\$ 57,106</u>
Total long-term obligations from governmental activities	<u><u>\$ 37,185,861</u></u>	<u><u>\$ 1,732,052</u></u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 10—Long-Term Obligations: (Continued)

Details of Long-term Obligations: (Continued)

	<u>Amount Outstanding</u>	<u>Due within One year</u>
<u>Business-type Activities:</u>		
<u>Revenue bonds:</u>		
\$1,268,000 Water System Revenue Bonds authorized April 16, 1998, due in monthly installments of \$5,822 including interest at 4.5%, beginning March 31, 2000 through 2038	\$ 988,500	\$ 25,912
Total Revenue Bonds	\$ 988,500	\$ 25,912
<u>Revolving loans:</u>		
\$1,056,863 VRA revolving fund loan originated October 30, 2004. The loan is due in semi-annual installments of \$20,729 including interest at 1%, beginning March 1, 2005 through 2034	\$ 715,777	\$ 34,386
\$1,170,700 Rural Development loan originated in 2007, due in monthly installments of \$5,097 including interest at 4.125%, beginning October 13, 2007 through 2044	1,022,480	19,175
\$5,000,000 Rural Development loan originated July 25, 2011, due in monthly installments of \$16,700 including interest at 2.375%, beginning August 25, 2013 through 2051. Interest only payments due July 25, 2012 and July 25, 2013. The interest only payments included principal components.	4,840,113	86,384
\$4,718,000 Rural Development loan originated January 6, 2015, due in monthly installments of \$15,098 including interest at 2.125%, beginning February 6, 2017. Interest only payments are due January 6, 2016 and January 6, 2017. The total drawn to date is \$1,344,623	1,344,623	-
Total Revolving Loans	\$ 7,922,993	\$ 139,945
<u>Net pension liability</u>	\$ 182,628	\$ -
<u>Compensated absences</u>	\$ 62,330	\$ 6,234
Total long-term obligations from business-type activities	\$ 9,156,451	\$ 172,091

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 10—Long-Term Obligations: (Continued)

Details of Long-term Obligations: (Continued)

	<u>Amount Outstanding</u>	<u>Due within One year</u>
<u>Component Unit Activities:</u>		
<u>Energy improvement lease:</u>		
\$1,596,421 equipment lease/purchase agreement for energy improvements dated September 5, 2012. The lease is to be repaid in annual installments ranging from \$102,491 on September 5, 2013 to \$170,261 on September 5, 2027. Interest is charged at a rate of 2.75%	\$ 1,473,840	\$ 69,683
<u>Net pension liability</u>	\$ 17,202,000	\$ -
<u>Compensated absences (payable from school operating fund)</u>	\$ 572,317	\$ 57,232
Total long-term obligations from component unit activities	\$ 19,248,157	\$ 126,915
Total long-term obligations	<u>\$ 65,590,469</u>	<u>\$ 2,031,058</u>

On June 16, 2014, the County paid \$725,000 to defease a portion of its payments under the financing lease allocable to the 2010C bonds and payable in 2014 and 2015 (on November 1st). Defeased principal payments were made by the Trustee as follows: \$355,000 in 2014 and \$370,000 in 2015.

The County entered into an agreement with the Buckingham Industrial Development Authority (IDA) in 2013 pledged as security for the USDA Rural Development loan for construction of the new sewer plant. The IDA has agreed to pay an availability fee up to \$256,068 annually or \$21,339 per month to help fund loan payments. The first payment will be due when the 1st installment is made on the loan or the new sewer plant becomes operational, whichever occurs first.

Note 11—Pension Plan:

Plan Description

Name of Plan: Virginia Retirement System (VRS)
 Identification of Plan: Agent and Cost-Sharing Multiple-Employer Pension Plan
 Administering Entity: Virginia Retirement System (System)

All full-time, salaried permanent employees of the County and (nonprofessional) employees of public school divisions are automatically covered by 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.

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

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

RETIREMENT PLAN PROVISIONS		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>About Plan 1 Plan 1 is a defined benefit plan. The retirement benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p>	<p>About Plan 2 Plan 2 is a defined benefit plan. The retirement benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p>	<p>About the Hybrid Retirement Plan The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. Most members hired on or after January 1, 2014 are in this plan, as well as Plan 1 and Plan 2 members who were eligible and opted into the plan during a special election window. (see “Eligible Members”)</p> <ul style="list-style-type: none"> • The defined benefit is based on a member’s age, creditable service and average final compensation at retirement using a formula. • The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>About Plan 1 (Cont.)</p>	<p>About Plan 2 (Cont.)</p>	<p>About the Hybrid Retirement Plan (Cont.)</p> <ul style="list-style-type: none"> In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.
<p>Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p>	<p>Eligible Members Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p>	<p>Eligible Members Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <ul style="list-style-type: none"> Political subdivision employees* School division employees Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014. <p>*Non-Eligible Members Some employees are not eligible to participate in the Hybrid Retirement Plan. They include:</p> <ul style="list-style-type: none"> Political subdivision employees who are covered by enhanced benefits for hazardous duty employees.

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Hybrid Opt-In Election (Cont.) Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.</p>	<p>Hybrid Opt-In Election (Cont.) Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.</p>	<p>*Non-Eligible Members (Cont.) Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.</p>
<p>Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions and school divisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by July 1, 2016. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.</p>	<p>Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions and school divisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by July 1, 2016.</p>	<p>Retirement Contributions A member’s retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee’s creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.</p>

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Creditable Service Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member’s total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p>	<p>Creditable Service Same as Plan 1.</p>	<p>Creditable Service <u>Defined Benefit Component:</u> Under the defined benefit component of the plan, creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member’s total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p> <p><u>Defined Contributions Component:</u> Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.</p>

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Vesting Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.</p> <p>Members are always 100% vested in the contributions that they make.</p>	<p>Vesting Same as Plan 1.</p>	<p>Vesting <u>Defined Benefit Component:</u> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.</p> <p><u>Defined Contributions Component:</u> Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.</p> <p>Members are always 100% vested in the contributions that they make.</p>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Vesting (Cont.)	Vesting (Cont.)	<p>Vesting (Cont.) <u>Defined Contributions Component:</u> (Cont.) Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.</p> <ul style="list-style-type: none"> • After two years, a member is 50% vested and may withdraw 50% of employer contributions. • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. <p>Distribution is not required by law until age 70½.</p>
<p>Calculating the Benefit The Basic Benefit is calculated based on a formula using the member’s average final compensation, a retirement multiplier and total service credit at retirement. It is one of the benefit payout options available to a member at retirement.</p>	<p>Calculating the Benefit See definition under Plan 1.</p>	<p>Calculating the Benefit <u>Defined Benefit Component:</u> See definition under Plan 1</p>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Calculating the Benefit (Cont.) An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.</p>	<p>Calculating the Benefit (Cont.)</p>	<p>Calculating the Benefit (Cont.) <u>Defined Contribution Component:</u> The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.</p>
<p>Average Final Compensation A member’s average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation A member’s average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.</p>
<p>Service Retirement Multiplier VRS: The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%.</p> <p>Sheriffs and regional jail superintendents: The retirement multiplier for sheriffs and regional jail superintendents is 1.85%.</p> <p>Political subdivision hazardous duty employees: The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.</p>	<p>Service Retirement Multiplier VRS: Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for creditable service earned, purchased or granted on or after January 1, 2013.</p> <p>Sheriffs and regional jail superintendents: Same as Plan 1.</p> <p>Political subdivision hazardous duty employees: Same as Plan 1.</p>	<p>Service Retirement Multiplier <u>Defined Benefit Component:</u> VRS: The retirement multiplier for the defined benefit component is 1.00%.</p> <p>For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.</p> <p>Sheriffs and regional jail superintendents: Not applicable.</p> <p>Political subdivision hazardous duty employees: Not applicable.</p> <p>Defined Contribution Component: Not applicable.</p>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Normal Retirement Age VRS: Age 65.</p> <p>Political subdivisions hazardous duty employees: Age 60.</p>	<p>Normal Retirement Age VRS: Normal Social Security retirement age.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Normal Retirement Age <u>Defined Benefit Component:</u> VRS: Same as Plan 2.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Earliest Unreduced Retirement Eligibility VRS: Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service.</p> <p>Political subdivisions hazardous duty employees: Age 60 with at least five years of creditable service or age 50 with at least 25 years of creditable service.</p>	<p>Earliest Unreduced Retirement Eligibility VRS: Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Earliest Unreduced Retirement Eligibility <u>Defined Benefit Component:</u> VRS: Normal Social Security retirement age and have at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Earliest Reduced Retirement Eligibility VRS: Age 55 with at least five years (60 months) of creditable service or age 50 with at least 10 years of creditable service.</p>	<p>Earliest Reduced Retirement Eligibility VRS: Age 60 with at least five years (60 months) of creditable service.</p>	<p>Earliest Reduced Retirement Eligibility <u>Defined Benefit Component:</u> VRS: Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of creditable service.</p>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Earliest Reduced Retirement Eligibility (Cont.)</p> <p>Political subdivisions hazardous duty employees: 50 with at least five years of creditable service.</p>	<p>Earliest Reduced Retirement Eligibility (Cont.)</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Earliest Reduced Retirement Eligibility (Cont.)</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.</p> <p><u>Eligibility:</u> For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date.</p> <p>For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%.</p> <p><u>Eligibility:</u> Same as Plan 1</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement <u>Defined Benefit Component:</u> Same as Plan 2.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p> <p><u>Eligibility:</u> Same as Plan 1 and Plan 2.</p>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</p> <p><u>Exceptions to COLA Effective Dates:</u> The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:</p> <ul style="list-style-type: none"> • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. • The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP). • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. • The member dies in service and the member’s survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins. 	<p>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</p> <p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</p> <p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1 and Plan 2.</p>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.</p> <p>VSDP members are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>	<p>Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.</p> <p>VSDP members are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.</p>	<p>Disability Coverage Employees of political subdivisions and School divisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members.</p> <p>Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>
<p>Purchase of Prior Service Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.</p>	<p>Purchase of Prior Service Same as Plan 1.</p>	<p>Purchase of Prior Service <u>Defined Benefit Component:</u> Same as Plan 1, with the following exceptions:</p> <ul style="list-style-type: none"> • Hybrid Retirement Plan members are ineligible for ported service. • The cost for purchasing refunded service is the higher of 4% of creditable compensation or average final compensation. • Plan members have one year from their date of hire or return from leave to purchase all but refunded prior service at approximate normal cost. After that one-year period, the rate for most categories of service will change to actuarial cost. <p><u>Defined Contribution Component:</u> Not applicable.</p>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Plan Description (Continued)

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of the most recent report may be obtained from the VRS website at <http://www.varetire.org/Pdf/Publications/2014-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Employees Covered by Benefit Terms

As of the June 30, 2013 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	47	44
Inactive members:		
Vested inactive members	9	12
Non-vested inactive members	16	21
Inactive members active elsewhere in VRS	36	23
Total inactive members	61	56
Active members	91	52
Total covered employees	199	152

Contributions

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

The County’s contractually required contribution rate for the year ended June 30, 2015 was 11.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2013.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Contributions (Continued)

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 County were \$455,923 and \$502,256 for the years ended June 30, 2015 and June 30, 2014, respectively.

The Component Unit School Board's contractually required contribution rate for nonprofessional employees for the year ended June 30, 2015 was 8.24% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2013.

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 \$67,100 and \$68,290 for the years ended June 30, 2015 and June 30, 2014, respectively.

Net Pension Liability (Asset)

The County's and Component Unit School Board's (nonprofessional) net pension liability (asset) were measured as of June 30, 2014. The total pension liabilities used to calculate the net pension liability (asset) were determined by an actuarial valuation performed as of June 30, 2013, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Actuarial Assumptions - General Employees

The total pension liability for General Employees in the County's and Component Unit School Board's (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2013, 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, 2014.

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Actuarial Assumptions - General Employees (Continued)

Mortality rates: 14% of deaths are assumed to be service related

Largest 10 - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

All Others (Non 10 Largest) - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Actuarial Assumptions - Public Safety Employees

The total pension liability for Public Safety employees in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2013, 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, 2014.

Inflation	2.5%
Salary increases, including inflation	3.5% - 4.75%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

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

Mortality rates: 60% of deaths are assumed to be service related

Largest 10 - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Actuarial Assumptions - Public Safety Employees: (Continued)

All Others (Non 10 Largest) - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 - LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) - LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
Total	100.00%		5.83%
		Inflation	2.50%
		*Expected arithmetic nominal return	8.33%

* Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2018, the rate contributed by the employer for the County and Component Unit School Board (nonprofessional) Retirement Plans will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2013	\$ 15,003,773	\$ 12,128,011	\$ 2,875,762
Changes for the year:			
Service cost	\$ 460,562	\$ -	\$ 460,562
Interest	1,033,309	-	1,033,309
Contributions - employer	-	502,256	(502,256)
Contributions - employee	-	210,098	(210,098)
Net investment income	-	1,940,568	(1,940,568)
Benefit payments, including refunds of employee contributions	(484,431)	(484,431)	-
Administrative expenses	-	(10,150)	10,150
Other changes	-	102	(102)
Net changes	\$ 1,009,440	\$ 2,158,443	\$ (1,149,003)
Balances at June 30, 2014	\$ 16,013,213	\$ 14,286,454	\$ 1,726,759

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Changes in Net Pension Liability (Asset) (Continued)

	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, 2013	\$ 2,912,211	\$ 2,681,368	\$ 230,843
Changes for the year:			
Service cost	\$ 89,530	\$ -	\$ 89,530
Interest	198,288	-	198,288
Contributions - employer	-	68,290	(68,290)
Contributions - employee	-	39,920	(39,920)
Net investment income	-	418,583	(418,583)
Benefit payments, including refunds of employee contributions	(159,042)	(159,042)	-
Administrative expenses	-	(2,281)	2,281
Other changes	-	22	(22)
Net changes	<u>\$ 128,776</u>	<u>\$ 365,492</u>	<u>\$ (236,716)</u>
Balances at June 30, 2014	<u>\$ 3,040,987</u>	<u>\$ 3,046,860</u>	<u>\$ (5,873)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the County and Component Unit School Board (nonprofessional) using the discount rate of 7.00%, as well as what the County's and Component Unit School Board's (nonprofessional) net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	Rate		
	(6.00%)	(7.00%)	(8.00%)
County Net Pension Liability (Asset)	\$ 3,834,364	\$ 1,726,759	\$ (15,086)
Component Unit School Board (nonprofessional) Net Pension Liability (Asset)	\$ 366,262	\$ (5,873)	\$ (316,335)

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

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

For the year ended June 30, 2015, the County and Component Unit School Board (nonprofessional) recognized pension expense of \$220,438 and \$17,770, respectively. At June 30, 2015, the County 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
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 867,185	\$ -	\$ 186,196
Employer contributions subsequent to the measurement date	455,923	-	67,100	-
Total	<u>\$ 455,923</u>	<u>\$ 867,185</u>	<u>\$ 67,100</u>	<u>\$ 186,196</u>

\$455,923 and \$67,100 reported as deferred outflows of resources related to pensions resulting from the County'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 or addition to the Net Pension Asset in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30	Primary Government	Component Unit School Board (nonprofessional)
2016	\$ (216,796)	\$ (46,549)
2017	(216,796)	(46,549)
2018	(216,796)	(46,549)
2019	(216,797)	(46,549)
Thereafter	-	-

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

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 regarding the plan description can be found 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 options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012, new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

Each School Division's contractually required contribution rate for the year ended June 30, 2015 was 14.50% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2013. The actuarial rate for the Teacher Retirement Plan was 18.20%. 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. Based on the provisions of §51.1-145 of the Code of Virginia, as amended the contributions were funded at 79.69% of the actuarial rate for the year ended June 30, 2015. Contributions to the pension plan from the School Board were \$1,448,771 and \$1,216,000 for the years ended June 30, 2015 and June 30, 2014, respectively.

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

At June 30, 2015, the school division reported a liability of \$17,202,000 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2014 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The school division's proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2014 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2014, the school division's proportion was 14.235% as compared to 13.444% at June 30, 2013.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Component Unit School Board (professional) (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, 2015, the school division recognized pension expense of \$1,558,000. Since there was a change in proportionate share between June 30, 2013 and June 30, 2014, 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, 2015, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 2,553,000
Changes in proportion and differences between employer contributions and proportionate share of contributions	893,000	-
Employer contributions subsequent to the measurement date	<u>1,448,771</u>	<u>-</u>
Total	<u>\$ 2,341,771</u>	<u>\$ 2,553,000</u>

\$1,448,771 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30</u>	
2016	\$ (441,000)
2017	(441,000)
2018	(441,000)
2019	(441,000)
Thereafter	104,000

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Component Unit School Board (professional) (Continued)

Actuarial Assumptions

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2013, 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, 2014.

Inflation	2.5%
Salary increases, including inflation	3.5% - 5.95%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

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

Mortality rates:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 3 years and females set back 5 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 3 years

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 1 year and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

- Update mortality table
- Adjustments to the rates of service retirement
- Decrease in rates of withdrawals for 3 through 9 years of service
- Decrease in rates of disability
- Reduce rates of salary increase by 0.25% per year

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Component Unit School Board (professional) (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:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-Term Expected Rate of Return</u>	<u>Weighted Average Long-Term Expected Rate of Return</u>
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
Total	<u>100.00%</u>		<u>5.83%</u>
		Inflation	<u>2.50%</u>
		*Expected arithmetic nominal return	<u>8.33%</u>

* Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 11—Pension Plan: (Continued)

Component Unit School Board (professional) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2018, the rate contributed by the school division for the VRS Teacher Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 on, school divisions are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	Rate		
	(6.00%)	(7.00%)	(8.00%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan			
Net Pension Liability (Asset) \$	\$ 25,260,000	\$ 17,202,000	\$ 10,568,000

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2014 Comprehensive Annual Financial Report (CAFR). A copy of the 2014 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2014-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 12—Commitments and Contingencies:

Federal programs in which the County and its component unit participate were audited in accordance with the provisions of U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 Board of Supervisors has authorized wastewater upgrades for Buckingham County. The estimated cost of this project is \$9,052,000. The project will be funded primarily with loans and grants through the Rural Development division of the U.S. Department of Agriculture. A grant of \$4,334,000 and loan of \$4,718,000 have been awarded to the County for this project. Engineering work on the new sewer plant began in fiscal year 2011.

At June 30, 2015, the County had several major projects underway, which are presented in the financial statements as construction in progress. Presented is a list of major projects, contract amounts, expenditures to date, and balances of contracts remaining:

<u>Project</u>	<u>Contract Amount</u>	<u>Expenditures to Date</u>	<u>Balance of Contract</u>
Various water and sewer engineering and design work	\$ 841,780	\$ 518,678	\$ 323,102
Wastewater treatment plant expansion	6,828,320	808,945	6,019,375
Sidewalk improvements	124,840	118,407	6,433

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 13—Surety Bonds:

	<u>Amount</u>
Fidelity and Deposit Company of Maryland - Surety Management - Faithful Performance of Duty Bond:	
Malcolm A. Booker, Jr., Clerk of the Circuit Court	\$ 330,000
Christy L. Christian, Treasurer	400,000
Stephanie L. Allen, Commissioner of the Revenue	3,000
William G. Kidd, Jr., Sheriff	30,000
The above constitutional officers' employees-blanket bond	50,000
Virginia Association of Counties Group Self-Insurance Risk Pool:	
County Employees - blanket bond	250,000
Virginia Association of Counties Group Self-Insurance Risk Pool:	
School Employees - blanket bond	250,000
Western Surety Company - Surety:	
Social Services Employees - blanket bond	100,000
Western Surety Company - Surety:	
Christy L. Christian, Treasurer	20,000

Note 14—Landfill Closure and Postclosure Care Cost:

The County of Buckingham, Virginia owns a landfill in which contaminated material was found. The Environmental Protection Agency (EPA) classified the site as hazardous and negotiated the remedial action required for the closure of the site. The County and private parties, who contributed to the waste at the site were involved in the closure. The closure of the landfill has now been completed with oversight of the EPA. Under the closure plan, continuing monitoring and evaluation of the site is required. The County's responsibility under the monitoring and evaluation is met by performing in-kind services. The County's financial obligation for the landfill as a hazardous waste site has been met. The County at this time does not have an operating landfill. The County hauls waste to other surrounding localities.

Note 15—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; and natural disasters for which the government carries insurance.

The County is a member of the Virginia Municipal Group Self Insurance Association for workers' compensation. This program is administered by a servicing contractor, which furnishes claims review and processing.

Each Association member jointly and severally agrees to assume, pay and discharge any liability. The County pays Virginia Municipal Group contributions and assessments based upon classifications and rates into a designated cash reserve fund out of which expenses of the Association and claims and awards are to be paid. In the event of a loss deficit and depletion of all available excess insurance, the Association may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 15—Risk Management: (Continued)

The County continues to carry commercial insurance for all other risks of losses. For the previous three fiscal years, settled claims from these risks have not exceeded commercial coverage.

Note 16—Litigation:

At June 30, 2015, there were no matters of litigation involving the County which would materially affect the County's financial position should any court decisions on pending matters not be favorable. However, the County and contractor of the water plant are in disagreement regarding final payment. The parties are in discussion and no legal action has been taken by the contractor. It is anticipated the dispute will be resolved and covered by existing project funds.

Note 17—Expenditures and Appropriations:

Expenditures exceeded appropriations in all functions except for Community Development and Education in the General Fund and in the Virginia Public Assistance and County Capital Improvements Funds at June 30, 2015; however, all disbursements were approved in accordance with operating policies. In addition, expenditures exceeded appropriations in the school cafeteria fund.

Note 18—Interfund Transfers:

Interfund transfers for the year ended June 30, 2015 consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net</u>
Primary Government:			
Governmental Activities:			
General Fund	\$ -	\$ 3,771,306	\$ (3,771,306)
VPA Fund	738,139	-	738,139
Debt Service Fund	2,657,337	-	2,657,337
County Capital Improvements Fund	<u>375,830</u>	<u>-</u>	<u>375,830</u>
Total interfund transfers	<u>\$ 3,771,306</u>	<u>\$ 3,771,306</u>	<u>\$ -</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect 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.

Note 19—Other Postemployment Benefits-Health Insurance:

The County offers postemployment medical coverage to their retired employees. Retirees and their spouses are permitted to remain on the respective County plan until they are eligible for Medicare benefits. Premiums are paid by the retirees. At June 30, 2015, the County has elected not to obtain an actuarial valuation to determine liability for this benefit in accordance with the financial reporting requirements of GASB 45. Any liability at June 30, 2015 is not believed to be material to the financial statements. The School Board has two participants on its plan and the benefit is no longer offered so there is minimal impact to the financial statements.

Note 20—Other Postemployment Benefits—VRS Health Insurance Credit:

A. Plan Description

The School Board participates in the Health Insurance Credit Program, a plan designed to assist retirees with the cost of health insurance coverage. This program is a cost sharing, multiple-employer defined benefit plan administered by the Virginia Retirement System (VRS). The Virginia General Assembly establishes the dollar amount of the health insurance credit for each year of creditable service. The credit amount and eligibility differs for state, school division, political subdivision, local officer, local social services department and general registrar retirees.

A teacher, who retires under VRS with at least 15 years of total creditable service under the System and is enrolled in a health insurance plan, is eligible to receive a monthly health insurance credit of \$4 per year of creditable service. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive a monthly health insurance credit of \$4 multiplied by the smaller of (i) twice the amount of their creditable service or (ii) the amount of creditable service they would have completed at age 60 if they had remained in service to that age.

Benefit provisions and eligibility requirements are established by Title 51.1, Chapter 14 of the Code of Virginia. The VRS actuarially determines the amount necessary to fund all credits provided, reflects the cost of such credits in the applicable employer contribution rate pursuant to §51.1-145, and prescribes such terms and conditions as are necessary to carry out the provisions of the health insurance credit program. VRS issues separate financial statements as previously discussed in Note 11.

B. Funding Policy

The School Board is required to contribute, at an actuarially determined rate, the entire amount necessary to fund participation in the program. The current rate is 1.07% of annual covered payroll. The School Board's contributions to VRS for the years ended June 30, 2015, 2014, and 2013 were \$108,651, \$113,984, and \$104,922, respectively and equaled the required contributions for each year.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 21—Operating Leases:

The County leases the newly renovated County Administration building to the Departments of Health and Social Services. In fiscal year 2013, the Health Department entered into a 15 year lease with the County and future payments are as follows:

<u>Year Ending June 30,</u>	<u>Health Dept</u>	<u>DSS</u>
2016	\$ 50,000	\$ 29,052
2017	50,000	29,052
2018	50,000	29,052
2019	50,000	29,052
2020	50,000	24,210
2021-2025	250,000	-
2026-2028	141,666	-
Total	<u>\$ 641,666</u>	<u>\$ 140,418</u>

In addition, the County rents land from a private individual under a 20 year lease. Payments under the lease are due as follows:

<u>Year Ending June 30,</u>	<u>Land</u>
2016	\$ 7,200
2017	7,200
2018	7,200
2019	7,200
2020	7,200
2021-2025	36,612
2026-2030	37,080
2031-2033	16,068
Total	<u>\$ 125,760</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2015 (Continued)

Note 22—Adoption of Accounting Principles:

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*:

The County implemented the financial reporting provisions of the above Statements for the fiscal year ended June 30, 2015. These Statements establish standards for measuring and recognizing assets, liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and required supplementary information requirements about pensions are also addressed. The requirements of these Statements will improve financial reporting by improving accounting and financial reporting by state and local governments for pensions. The implementation of these Statements and other adjustments resulted in the following restatement of net position:

	Primary Government						Discretely Presented Component Unit	
	General Fund	Capital Improv. Fund	Governmental Activities	Water Fund	Sewer Fund	Business-Type Activities		Total
Beginning balance, as originally reported	\$ 6,373,740	\$ (59,800)	\$ 13,379,814	\$ 12,962,906	\$ 2,552,318	\$ 15,515,224	\$ 28,895,038	\$ 14,192,653
Unrecorded accounts payable	(92,014)	-	(92,014)	-	-	-	(92,014)	-
Write off of reserve funds	-	(33,332)	(33,332)	-	-	-	(33,332)	-
Implementation of GASB 68	-	-	(2,107,326)	(205,793)	(60,387)	(266,180)	(2,373,506)	(17,466,553)
Beginning balance, as restated	<u>\$ 6,281,726</u>	<u>\$ (93,132)</u>	<u>\$ 11,147,142</u>	<u>\$ 12,757,113</u>	<u>\$ 2,491,931</u>	<u>\$ 15,249,044</u>	<u>\$ 26,396,186</u>	<u>\$ (3,273,900)</u>

Note 23—Upcoming Pronouncements:

Statement No. 72, *Fair Value Measurement and Application*, amends the definitions of fair value used throughout GASB literature to be consistent with the definition and principles provided in FASB Accounting Standards Codification Topic 820, *Fair Value Measurement*. This Statement provides guidance for determining a fair value measurement for financial reporting purposes and for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. No formal study or estimate of the impact of this standard has been performed.

Note 23—Upcoming Pronouncements: (Continued)

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, improves the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. No formal study or estimate of the impact of this standard has been performed.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. This Statement is effective for fiscal years beginning after June 15, 2017. No formal study or estimate of the impact of this standard has been performed.

Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, objective is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. No formal study or estimate of the impact of this standard has been performed.

Statement No. 77, *Tax Abatement Disclosures*, will increase the disclosure of tax abatement agreements to disclose information about the agreements. The requirements of this Statement improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. No formal study or estimate of the impact of this standard has been performed.

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REQUIRED SUPPLEMENTARY INFORMATION

Note to Required Supplementary Information:

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

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General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
General property taxes	\$ 13,230,700	\$ 13,230,700	\$ 13,495,901	\$ 265,201
Other local taxes	1,431,500	1,431,500	1,663,458	231,958
Permits, privilege fees, and regulatory licenses	66,100	66,100	57,211	(8,889)
Fines and forfeitures	67,300	67,300	48,488	(18,812)
Revenue from the use of money and property	136,800	136,800	83,352	(53,448)
Charges for services	68,016	68,016	91,363	23,347
Miscellaneous	15,100	15,100	33,780	18,680
Intergovernmental:				
Commonwealth	3,163,728	3,172,238	3,171,126	(1,112)
Federal	-	154,744	466,525	311,781
Total revenues	<u>\$ 18,179,244</u>	<u>\$ 18,342,498</u>	<u>\$ 19,111,204</u>	<u>\$ 768,706</u>
EXPENDITURES				
Current:				
General government administration	\$ 1,270,245	\$ 1,325,947	\$ 1,352,741	\$ (26,794)
Judicial administration	756,571	764,793	765,866	(1,073)
Public safety	3,236,847	3,579,794	3,994,971	(415,177)
Public works	1,313,338	1,313,946	1,532,059	(218,113)
Health and welfare	201,772	205,022	207,667	(2,645)
Education	6,071,248	6,981,940	6,686,380	295,560
Parks, recreation, and cultural	336,207	365,207	420,234	(55,027)
Community development	189,294	217,317	210,616	6,701
Nondepartmental	265,000	265,000	173,601	91,399
Capital projects	-	-	334,435	(334,435)
Debt service:				
Principal retirement	-	-	27,000	(27,000)
Interest and other fiscal charges	-	-	118	(118)
Total expenditures	<u>\$ 13,640,522</u>	<u>\$ 15,018,966</u>	<u>\$ 15,705,688</u>	<u>\$ (686,722)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 4,538,722</u>	<u>\$ 3,323,532</u>	<u>\$ 3,405,516</u>	<u>\$ 81,984</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>\$ (3,191,823)</u>	<u>\$ (3,296,723)</u>	<u>\$ (3,771,306)</u>	<u>\$ (474,583)</u>
Total other financing sources (uses)	<u>\$ (3,191,823)</u>	<u>\$ (3,296,723)</u>	<u>\$ (3,771,306)</u>	<u>\$ (474,583)</u>
Net change in fund balance	\$ 1,346,899	\$ 26,809	\$ (365,790)	\$ (392,599)
Fund balance - beginning	(1,363,536)	(43,446)	6,281,726	6,325,172
Fund balance - ending	<u>\$ (16,637)</u>	<u>\$ (16,637)</u>	<u>\$ 5,915,936</u>	<u>\$ 5,932,573</u>

Virginia Public Assistance Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 17,000	\$ 17,000	\$ 38,081	\$ 21,081
Intergovernmental:				
Commonwealth	1,526,979	1,526,979	1,704,071	177,092
Federal	826,326	826,326	847,993	21,667
Total revenues	<u>\$ 2,370,305</u>	<u>\$ 2,370,305</u>	<u>\$ 2,590,145</u>	<u>\$ 219,840</u>
EXPENDITURES				
Current:				
Health and welfare	\$ 2,942,141	\$ 3,047,041	\$ 3,328,284	\$ (281,243)
Total expenditures	<u>\$ 2,942,141</u>	<u>\$ 3,047,041</u>	<u>\$ 3,328,284</u>	<u>\$ (281,243)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (571,836)</u>	<u>\$ (676,736)</u>	<u>\$ (738,139)</u>	<u>\$ (61,403)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 571,836	\$ 676,736	\$ 738,139	\$ 61,403
Total other financing sources (uses)	<u>\$ 571,836</u>	<u>\$ 676,736</u>	<u>\$ 738,139</u>	<u>\$ 61,403</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule of Components of and Changes in Net Pension Liability and Related Ratios
 Primary Government
 For the Year Ended June 30, 2015

	<u>2014</u>
Total pension liability	
Service cost	\$ 460,562
Interest	1,033,309
Benefit payments, including refunds of employee contributions	(484,431)
Net change in total pension liability	\$ 1,009,440
Total pension liability - beginning	15,003,773
Total pension liability - ending (a)	\$ 16,013,213
Plan fiduciary net position	
Contributions - employer	\$ 502,256
Contributions - employee	210,098
Net investment income	1,940,568
Benefit payments, including refunds of employee contributions	(484,431)
Administrative expense	(10,150)
Other	102
Net change in plan fiduciary net position	\$ 2,158,443
Plan fiduciary net position - beginning	12,128,011
Plan fiduciary net position - ending (b)	\$ 14,286,454
County's net pension liability - ending (a) - (b)	\$ 1,726,759
Plan fiduciary net position as a percentage of the total pension liability	89.22%
Covered-employee payroll	\$ 3,874,861
County's net pension liability as a percentage of covered-employee payroll	44.56%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

Schedule of Components of and Changes in Net Pension Liability (Asset) and Related Ratios
 Component Unit School Board (nonprofessional)
 For the Year Ended June 30, 2015

	<u>2014</u>
Total pension liability	
Service cost	\$ 89,530
Interest	198,288
Benefit payments, including refunds of employee contributions	(159,042)
Net change in total pension liability	<u>\$ 128,776</u>
Total pension liability - beginning	<u>2,912,211</u>
Total pension liability - ending (a)	<u><u>\$ 3,040,987</u></u>
Plan fiduciary net position	
Contributions - employer	\$ 68,290
Contributions - employee	39,920
Net investment income	418,583
Benefit payments, including refunds of employee contributions	(159,042)
Administrative expense	(2,281)
Other	22
Net change in plan fiduciary net position	<u>\$ 365,492</u>
Plan fiduciary net position - beginning	<u>2,681,368</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 3,046,860</u></u>
School Division's net pension liability (asset) - ending (a) - (b)	\$ (5,873)
Plan fiduciary net position as a percentage of the total pension liability	100.19%
Covered-employee payroll	\$ 799,196
School Division's net pension liability (asset) as a percentage of covered-employee payroll	-0.73%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
 For the Year Ended June 30, 2015*

	<u>2015</u>
Employer's Proportion of the Net Pension Liability (Asset)	14.235%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 17,202,000
Employer's Covered-Employee Payroll	10,540,528
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	163.20%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.88%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

* The amounts presented have a measurement date of the previous fiscal year end.

Schedule of Employer Contributions
 For the Year Ended June 30, 2015

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Employee Payroll (4)	Contributions as a % of Covered Employee Payroll (5)
Primary Government					
2015	\$ 455,923	\$ 455,923	\$ -	\$ 3,950,804	11.54%
Component Unit School Board (nonprofessional)					
2015	\$ 67,100	\$ 67,100	\$ -	\$ 814,326	8.24%
Component Unit School Board (professional)					
2015	\$ 1,448,771	\$ 1,448,771	\$ -	\$ 10,294,522	14.07%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

Notes to Required Supplementary Information
For the Year Ended June 30, 2015

Changes of benefit terms - There have been no significant changes to the System benefit provisions since the prior actuarial valuation. A hybrid plan with changes to the defined benefit plan structure and a new defined contribution component were adopted in 2012. The hybrid plan applies to most new employees hired on or after January 1, 2014 and not covered by enhanced hazardous duty benefits. The liabilities presented do not reflect the hybrid plan since it covers new members joining the System after the valuation date of June 30, 2013 and the impact on the liabilities as of the measurement date of June 30, 2014 are minimal.

Changes of assumptions - The following changes in actuarial assumptions were made effective June 30, 2013 based on the most recent experience study of the System for the four-year period ending June 30, 2012:

Largest 10 - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

Largest 10 - LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) - LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

Component Unit School Board - Professional Employees

- Update mortality table
- Adjustments to the rates of service retirement
- Decrease in rates withdrawals for 3 through 9 years of service
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

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OTHER SUPPLEMENTARY INFORMATION

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Combining and Individual Fund Statements and Schedules

Debt Service Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Federal	\$ 450,000	\$ 450,000	\$ 417,150	\$ (32,850)
Total revenues	\$ 450,000	\$ 450,000	\$ 417,150	\$ (32,850)
EXPENDITURES				
Debt service:				
Principal retirement	\$ 1,417,589	\$ 1,417,589	\$ 1,417,589	\$ -
Interest and other fiscal charges	1,652,398	1,652,398	1,652,398	-
Total expenditures	\$ 3,069,987	\$ 3,069,987	\$ 3,069,987	\$ -
Excess (deficiency) of revenues over (under) expenditures	\$ (2,619,987)	\$ (2,619,987)	\$ (2,652,837)	\$ (32,850)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 2,619,987	\$ 2,619,987	\$ 2,657,337	\$ 37,350
Total other financing sources (uses)	\$ 2,619,987	\$ 2,619,987	\$ 2,657,337	\$ 37,350
Net change in fund balance	\$ -	\$ -	\$ 4,500	\$ 4,500
Fund balance - beginning	-	-	(4,500)	(4,500)
Fund balance - ending	\$ -	\$ -	\$ -	\$ -

County Capital Improvements Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Capital projects	\$ -	\$ -	\$ 240,670	\$ (240,670)
Total expenditures	\$ -	\$ -	\$ 240,670	\$ (240,670)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ (240,670)	\$ (240,670)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 375,830	\$ 375,830
Total other financing sources (uses)	\$ -	\$ -	\$ 375,830	\$ 375,830
Net change in fund balance	\$ -	\$ -	\$ 135,160	\$ 135,160
Fund balance - beginning, as restated	-	-	(93,132)	(93,132)
Fund balance - ending	\$ -	\$ -	\$ 42,028	\$ 42,028

Debt Financed School Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 150	\$ 150
Total revenues	\$ -	\$ -	\$ 150	\$ 150
Net change in fund balance	\$ -	\$ -	\$ 150	\$ 150
Fund balance - beginning	-	-	102,298	102,298
Fund balance - ending	\$ -	\$ -	\$ 102,448	\$ 102,448

Statement of Changes in Assets and Liabilities
 Agency Funds
 For the Year Ended June 30, 2015

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Special Welfare Fund:				
ASSETS				
Cash and cash equivalents	\$ 39,554	\$ 6,461	\$ 5,758	\$ 40,257
Total assets	<u>\$ 39,554</u>	<u>\$ 6,461</u>	<u>\$ 5,758</u>	<u>\$ 40,257</u>
LIABILITIES				
Amounts held for social services clients	\$ 39,554	\$ 6,461	\$ 5,758	\$ 40,257
Total liabilities	<u>\$ 39,554</u>	<u>\$ 6,461</u>	<u>\$ 5,758</u>	<u>\$ 40,257</u>
Surety Bond Fund:				
ASSETS				
Cash and cash equivalents	\$ -	\$ 18,656	\$ -	\$ 18,656
Total assets	<u>\$ -</u>	<u>\$ 18,656</u>	<u>\$ -</u>	<u>\$ 18,656</u>
LIABILITIES				
Amounts held for others	\$ -	\$ 18,656	\$ -	\$ 18,656
Total liabilities	<u>\$ -</u>	<u>\$ 18,656</u>	<u>\$ -</u>	<u>\$ 18,656</u>
Totals - All Agency Funds:				
ASSETS				
Cash and cash equivalents	\$ 39,554	\$ 25,117	\$ 5,758	\$ 58,913
Total assets	<u>\$ 39,554</u>	<u>\$ 25,117</u>	<u>\$ 5,758</u>	<u>\$ 58,913</u>
LIABILITIES				
Amounts held for social services clients	\$ 39,554	\$ 6,461	\$ 5,758	\$ 40,257
Amounts held for others	-	18,656	-	18,656
Total liabilities	<u>\$ 39,554</u>	<u>\$ 25,117</u>	<u>\$ 5,758</u>	<u>\$ 58,913</u>

Combining Balance Sheet
 Discretely Presented Component Unit - School Board
 June 30, 2015

	<u>School Operating Fund</u>	<u>School Cafeteria Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 1,541,929	\$ 64,632	\$ 1,606,561
Receivables (net of allowance for uncollectibles):			
Accounts receivable	178,764	-	178,764
Due from other governmental units	<u>818,233</u>	<u>57,175</u>	<u>875,408</u>
Total assets	<u>\$ 2,538,926</u>	<u>\$ 121,807</u>	<u>\$ 2,660,733</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 283,882	\$ -	\$ 283,882
Accrued liabilities	1,541,929	77,963	1,619,892
Due to primary government	713,115	-	713,115
Total liabilities	<u>\$ 2,538,926</u>	<u>\$ 77,963</u>	<u>\$ 2,616,889</u>
Fund balances:			
Committed:			
Cafeteria operations	\$ -	\$ 43,844	\$ 43,844
Total fund balances	<u>\$ -</u>	<u>\$ 43,844</u>	<u>\$ 43,844</u>
Total liabilities and fund balances	<u>\$ 2,538,926</u>	<u>\$ 121,807</u>	<u>\$ 2,660,733</u>
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:			
Total fund balances per above			\$ 43,844
The net pension asset is not an available resource and, therefore, is not reported in the funds.			5,873
Pension contributions subsequent to the measurement date will be a reduction to or increase in net pension liability or asset in the next fiscal year, and therefore, are not reported in the funds. Deferred outflows also include the change in proportion.			2,408,871
Items related to measurement of the net pension liability (asset) are considered deferred outflows and will be amortized and recognized in pension expense over future years.			(2,739,196)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Land		\$ 216,387	
Buildings and improvements		6,759,770	
Improvements other than buildings		181,798	
Machinery, equipment, and vehicles		3,416,293	
Jointly owned assets		<u>6,292,796</u>	16,867,044
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.			
Energy improvement lease		\$ (1,473,840)	
Compensated absences		(572,317)	
Net pension liability (asset)		(17,202,000)	
Accrued interest payable		<u>(32,087)</u>	(19,280,244)
Net position of governmental activities			<u>\$ (2,693,808)</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds - Discretely Presented Component Unit - School Board
 For the Year Ended June 30, 2015

	School Operating Fund	School Cafeteria Fund	Total Governmental Funds
REVENUES			
Revenue from the use of money and property	\$ 3,518	\$ -	\$ 3,518
Charges for services	12,500	207,070	219,570
Miscellaneous	743,733	-	743,733
Intergovernmental:			
Local government	6,643,645	-	6,643,645
Commonwealth	12,975,465	20,308	12,995,773
Federal	2,133,405	926,030	3,059,435
Total revenues	<u>\$ 22,512,266</u>	<u>\$ 1,153,408</u>	<u>\$ 23,665,674</u>
EXPENDITURES			
Current:			
Education	\$ 22,405,984	\$ 1,244,956	\$ 23,650,940
Debt service:			
Principal retirement	63,992	-	63,992
Interest and other fiscal charges	42,290	-	42,290
Total expenditures	<u>\$ 22,512,266</u>	<u>\$ 1,244,956</u>	<u>\$ 23,757,222</u>
Net change in fund balances	\$ -	\$ (91,548)	\$ (91,548)
Fund balances - beginning	-	135,392	135,392
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ 43,844</u></u>	<u><u>\$ 43,844</u></u>

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net change in fund balances - total governmental funds - per above \$ (91,548)

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 (did not exceed) depreciation in the current period.

Capital asset additions	\$ 975,869	
Depreciation in current year	(1,112,288)	
Adjustment for jointly owned assets	<u>818,942</u>	682,523

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. (30,272)

The change in deferred inflows related to the measurement of the net pension liability (asset) is not reported in governmental funds. (2,739,196)

The issuance of long-term debt (e.g. bonds, 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. This amount is the net effect of these differences in the treatment of long-term debt and related items. It represents principal payments on the energy improvement lease. 63,992

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 details of changes in the following items which comprise this adjustment are:

Compensated absences	\$ 5,093	
Net pension liability/asset	1,554,716	
Deferred outflows - pension related items	1,124,581	
Accrued interest payable	<u>10,203</u>	2,694,593

Change in net position of governmental activities \$ 580,092

COUNTY OF BUCKINGHAM, 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, 2015

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 1,500	\$ 5,000	\$ 3,518	\$ (1,482)
Charges for services	11,000	15,000	12,500	(2,500)
Miscellaneous	775,000	805,861	743,733	(62,128)
Intergovernmental:				
Local government	6,349,678	6,939,205	6,643,645	(295,560)
Commonwealth	13,006,614	13,017,840	12,975,465	(42,375)
Federal	2,044,863	2,498,045	2,133,405	(364,640)
Total revenues	<u>\$ 22,188,655</u>	<u>\$ 23,280,951</u>	<u>\$ 22,512,266</u>	<u>\$ (768,685)</u>
EXPENDITURES				
Current:				
Education	\$ 22,082,372	\$ 23,174,668	\$ 22,405,984	\$ 768,684
Debt service:				
Principal retirement	63,992	63,992	63,992	-
Interest and other fiscal charges	42,291	42,291	42,290	1
Total expenditures	<u>\$ 22,188,655</u>	<u>\$ 23,280,951</u>	<u>\$ 22,512,266</u>	<u>\$ 768,685</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Exhibit 24

School Cafeteria Fund			
Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ -	\$ -
296,564	296,564	207,070	(89,494)
-	-	-	-
-	-	-	-
22,575	22,575	20,308	(2,267)
708,587	708,587	926,030	217,443
<u>\$ 1,027,726</u>	<u>\$ 1,027,726</u>	<u>\$ 1,153,408</u>	<u>\$ 125,682</u>
\$ 1,199,726	\$ 1,163,118	\$ 1,244,956	\$ (81,838)
-	-	-	-
-	-	-	-
<u>\$ 1,199,726</u>	<u>\$ 1,163,118</u>	<u>\$ 1,244,956</u>	<u>\$ (81,838)</u>
\$ (172,000)	\$ (135,392)	\$ (91,548)	\$ 43,844
172,000	135,392	135,392	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,844</u>	<u>\$ 43,844</u>

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Supporting Schedules

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Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 7,070,000	\$ 7,070,000	\$ 6,932,846	\$ (137,154)
Real and personal public service corporation taxes	2,900,000	2,900,000	3,207,066	307,066
Personal property taxes	2,490,000	2,490,000	2,574,260	84,260
Mobile home taxes	70,000	70,000	49,280	(20,720)
Machinery and tools taxes	230,000	230,000	203,489	(26,511)
Merchants' capital taxes	160,000	160,000	170,046	10,046
Aircraft taxes	700	700	739	39
Penalties	160,000	160,000	170,865	10,865
Interest	150,000	150,000	187,310	37,310
Total general property taxes	<u>\$ 13,230,700</u>	<u>\$ 13,230,700</u>	<u>\$ 13,495,901</u>	<u>\$ 265,201</u>
Other local taxes:				
Local sales and use taxes	\$ 610,000	\$ 610,000	\$ 803,764	\$ 193,764
Consumers' utility taxes	330,000	330,000	348,920	18,920
Franchise license taxes	75,000	75,000	67,173	(7,827)
Transient occupancy taxes	4,000	4,000	3,055	(945)
Motor vehicle licenses	320,000	320,000	336,090	16,090
Bank stock taxes	30,000	30,000	42,210	12,210
Taxes on recordation and wills	62,500	62,500	62,246	(254)
Total other local taxes	<u>\$ 1,431,500</u>	<u>\$ 1,431,500</u>	<u>\$ 1,663,458</u>	<u>\$ 231,958</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 4,000	\$ 4,000	\$ 4,366	\$ 366
Permits and other licenses	62,100	62,100	52,845	(9,255)
Total permits, privilege fees, and regulatory licenses	<u>\$ 66,100</u>	<u>\$ 66,100</u>	<u>\$ 57,211</u>	<u>\$ (8,889)</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 61,000	\$ 61,000	\$ 39,149	\$ (21,851)
Other fines and forfeitures	6,300	6,300	9,339	3,039
Total fines and forfeitures	<u>\$ 67,300</u>	<u>\$ 67,300</u>	<u>\$ 48,488</u>	<u>\$ (18,812)</u>
Revenue from use of money and property:				
Revenue from use of money	\$ 6,800	\$ 6,800	\$ 3,383	\$ (3,417)
Revenue from use of property	130,000	130,000	79,969	(50,031)
Total revenue from use of money and property	<u>\$ 136,800</u>	<u>\$ 136,800</u>	<u>\$ 83,352</u>	<u>\$ (53,448)</u>
Charges for services:				
Sheriff's fees	\$ 1,416	\$ 1,416	\$ 1,216	\$ (200)
Charges for law library	2,400	2,400	2,466	66
Excess fees of clerk	4,700	4,700	5,094	394
Charges for courthouse maintenance	6,500	6,500	7,321	821
Charges for parks and recreation	-	-	21,827	21,827
Miscellaneous jail and inmate fees	1,000	1,000	913	(87)
Courthouse security fees	30,000	30,000	32,549	2,549
Charges for Commonwealth's Attorney	1,000	1,000	1,858	858
Charges for local court appointed attorney	2,000	2,000	1,107	(893)
Charges for sanitation and waste removal	19,000	19,000	17,012	(1,988)
Total charges for services	<u>\$ 68,016</u>	<u>\$ 68,016</u>	<u>\$ 91,363</u>	<u>\$ 23,347</u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Revenue from local sources: (Continued)				
Miscellaneous revenue:				
Miscellaneous	\$ 5,100	\$ 5,100	\$ 14,078	\$ 8,978
Service charge on tax exempt properties	10,000	10,000	9,174	(826)
Sale of salvage and surplus	-	-	9,478	9,478
Donations, etc (Sheriff)	-	-	1,050	1,050
Total miscellaneous revenue	<u>\$ 15,100</u>	<u>\$ 15,100</u>	<u>\$ 33,780</u>	<u>\$ 18,680</u>
Total revenue from local sources	<u>\$ 15,015,516</u>	<u>\$ 15,015,516</u>	<u>\$ 15,473,553</u>	<u>\$ 458,037</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Communications taxes	\$ 430,000	\$ 430,000	\$ 422,237	\$ (7,763)
Motor vehicle carriers' tax	15,000	15,000	11,780	(3,220)
Animal friendly plates - DMV	100	100	10	(90)
Mobile home titling tax	30,000	30,000	32,031	2,031
Grantor's tax on deeds	20,000	20,000	22,022	2,022
Auto rental tax	1,000	1,000	1,027	27
Personal property tax relief funds	1,136,914	1,136,914	1,136,914	-
Total noncategorical aid	<u>\$ 1,633,014</u>	<u>\$ 1,633,014</u>	<u>\$ 1,626,021</u>	<u>\$ (6,993)</u>
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 197,758	\$ 197,758	\$ 197,699	\$ (59)
Sheriff	788,720	788,720	796,655	7,935
Commissioner of revenue	75,600	75,600	75,813	213
Treasurer	82,076	82,076	79,238	(2,838)
Registrar/electoral board	46,583	46,583	35,155	(11,428)
Clerk of the Circuit Court	203,977	203,977	197,063	(6,914)
Total shared expenses	<u>\$ 1,394,714</u>	<u>\$ 1,394,714</u>	<u>\$ 1,381,623</u>	<u>\$ (13,091)</u>
Other categorical aid:				
Recordation tax	\$ 16,000	\$ 16,000	\$ 19,270	\$ 3,270
Fire program funds	42,000	42,000	52,905	10,905
Forest products sales	20,000	20,000	14,118	(5,882)
Arts grant	5,000	5,000	5,000	-

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
Other categorical aid: (Continued)				
4 for life	\$ -	\$ -	\$ 14,591	\$ 14,591
E-911 grants	40,000	40,000	43,943	3,943
Litter control grant	8,000	8,288	7,155	(1,133)
Miscellaneous grants	5,000	5,000	-	(5,000)
Technology funds	-	8,222	-	(8,222)
Asset forfeiture DCJS	-	-	6,500	6,500
Total other categorical aid	<u>\$ 136,000</u>	<u>\$ 144,510</u>	<u>\$ 163,482</u>	<u>\$ 18,972</u>
Total categorical aid	<u>\$ 1,530,714</u>	<u>\$ 1,539,224</u>	<u>\$ 1,545,105</u>	<u>\$ 5,881</u>
Total revenue from the Commonwealth	<u>\$ 3,163,728</u>	<u>\$ 3,172,238</u>	<u>\$ 3,171,126</u>	<u>\$ (1,112)</u>
Revenue from the federal government:				
Categorical aid:				
State and community highway safety	\$ -	\$ -	\$ 46,747	\$ 46,747
VDOT transportation enhancement	-	-	264,165	264,165
Local law enforcement block grant	-	2,249	2,249	-
Emergency management grants	-	152,495	152,013	(482)
Other grants	-	-	1,351	1,351
Total categorical aid	<u>\$ -</u>	<u>\$ 154,744</u>	<u>\$ 466,525</u>	<u>\$ 311,781</u>
Total revenue from the federal government	<u>\$ -</u>	<u>\$ 154,744</u>	<u>\$ 466,525</u>	<u>\$ 311,781</u>
Total General Fund	<u><u>\$ 18,179,244</u></u>	<u><u>\$ 18,342,498</u></u>	<u><u>\$ 19,111,204</u></u>	<u><u>\$ 768,706</u></u>
Special Revenue Fund:				
Virginia Public Assistance Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
Other miscellaneous	\$ 17,000	\$ 17,000	\$ 38,081	\$ 21,081
Total revenue from local sources	<u>\$ 17,000</u>	<u>\$ 17,000</u>	<u>\$ 38,081</u>	<u>\$ 21,081</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Public assistance and welfare administration	\$ 474,303	\$ 474,303	\$ 454,947	\$ (19,356)
Comprehensive Services Act program	1,052,676	1,052,676	1,249,124	196,448
Total categorical aid	<u>\$ 1,526,979</u>	<u>\$ 1,526,979</u>	<u>\$ 1,704,071</u>	<u>\$ 177,092</u>
Revenue from the federal government:				
Categorical aid:				
Public assistance and welfare administration	\$ 826,326	\$ 826,326	\$ 847,993	\$ 21,667
Total categorical aid	<u>\$ 826,326</u>	<u>\$ 826,326</u>	<u>\$ 847,993</u>	<u>\$ 21,667</u>
Total Virginia Public Assistance Fund	<u><u>\$ 2,370,305</u></u>	<u><u>\$ 2,370,305</u></u>	<u><u>\$ 2,590,145</u></u>	<u><u>\$ 219,840</u></u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Debt Service Fund:				
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Federal tax credit	\$ 450,000	\$ 450,000	\$ 417,150	\$ (32,850)
Total revenue from the federal government	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 417,150</u>	<u>\$ (32,850)</u>
 Total Debt Service Fund	 <u>\$ 450,000</u>	 <u>\$ 450,000</u>	 <u>\$ 417,150</u>	 <u>\$ (32,850)</u>
 Debt Financed School Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 150	\$ 150
Total revenue from local sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ 150</u>
 Total Debt Financed School Capital Projects Fund	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 150</u>	 <u>\$ 150</u>
 Total Primary Government	 <u>\$ 20,999,549</u>	 <u>\$ 21,162,803</u>	 <u>\$ 22,118,649</u>	 <u>\$ 955,846</u>
 Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 1,500	\$ 5,000	\$ 3,518	\$ (1,482)
 Charges for services:				
Tuition and other payments	\$ 11,000	\$ 15,000	\$ 12,500	\$ (2,500)
 Miscellaneous revenue:				
Other miscellaneous	\$ 775,000	\$ 805,861	\$ 743,733	\$ (62,128)
Total revenue from local sources	<u>\$ 787,500</u>	<u>\$ 825,861</u>	<u>\$ 759,751</u>	<u>\$ (66,110)</u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Buckingham, Virginia	\$ 6,349,678	\$ 6,939,205	\$ 6,471,341	\$ (467,864)
Contribution from County of Buckingham, Virginia - Buses	-	-	172,304	172,304
Total revenues from local governments	<u>\$ 6,349,678</u>	<u>\$ 6,939,205</u>	<u>\$ 6,643,645</u>	<u>\$ (295,560)</u>
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 2,203,003	\$ 2,203,003	\$ 2,240,887	\$ 37,884
Basic school aid	6,425,681	6,425,681	6,436,861	11,180
Remedial summer education	63,956	44,024	44,024	-
Regular foster care	14,576	14,576	5,227	(9,349)
Adult secondary education	2,754	2,754	-	(2,754)
Gifted and talented	61,418	61,418	61,561	143
Remedial education	309,703	309,703	310,425	722
Special education- SOQ	814,115	814,115	816,011	1,896
Vocational standards of quality payments	211,696	216,591	212,189	(4,402)
Social security fringe benefits	377,655	377,655	378,535	880
Retirement fringe benefits	773,605	773,605	768,858	(4,747)
Group life fringe benefits	26,135	26,135	23,577	(2,558)
Early reading intervention	37,976	37,976	48,518	10,542
ISAEP	7,859	7,859	7,859	-
Homebound education	6,519	6,519	10,567	4,048
Mentor teaching	981	2,033	2,033	-
Vocational education - equipment	-	-	4,895	4,895
Vocational occupational preparedness	29,480	29,480	26,864	(2,616)
At risk payments	434,990	434,990	436,075	1,085
Textbooks	125,737	125,737	126,030	293
Primary class size/K-3 initiative	508,260	508,260	436,590	(71,670)
Virginia Preschool Initiative	323,384	323,384	323,336	(48)
Standards of Learning algebra readiness	32,389	32,389	32,384	(5)
VPSA technology funds	154,000	154,000	154,000	-
Other state funds	60,742	85,953	68,159	(17,794)
Total categorical aid	<u>\$ 13,006,614</u>	<u>\$ 13,017,840</u>	<u>\$ 12,975,465</u>	<u>\$ (42,375)</u>
Revenue from the federal government:				
Categorical aid:				
Title I	\$ 1,066,965	\$ 1,302,294	\$ 1,078,217	\$ (224,077)
Title VI-B, special education flow-through	522,665	522,665	522,665	-
Vocational education	44,750	46,624	45,382	(1,242)
Title VI-B, special education pre-school	9,546	9,571	9,546	(25)
Title II, Part A	183,116	196,761	118,943	(77,818)

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the federal government: (Continued)				
Categorical aid: (Continued)				
ROTC	\$ 59,175	\$ 59,175	\$ 60,689	\$ 1,514
Rural and low-income schools	48,801	48,914	32,135	(16,779)
Twenty-first century community learning centers	109,845	312,041	264,473	(47,568)
Other federal funds	-	-	1,355	1,355
Total categorical aid	<u>\$ 2,044,863</u>	<u>\$ 2,498,045</u>	<u>\$ 2,133,405</u>	<u>\$ (364,640)</u>
Total School Operating Fund	<u>\$ 22,188,655</u>	<u>\$ 23,280,951</u>	<u>\$ 22,512,266</u>	<u>\$ (768,685)</u>
Special Revenue Fund:				
School Cafeteria Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	\$ 296,564	\$ 296,564	\$ 207,070	\$ (89,494)
Total revenue from local sources	<u>\$ 296,564</u>	<u>\$ 296,564</u>	<u>\$ 207,070</u>	<u>\$ (89,494)</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 11,544	\$ 11,544	\$ 11,535	\$ (9)
School breakfast program	11,031	11,031	8,773	(2,258)
Total revenue from the Commonwealth	<u>\$ 22,575</u>	<u>\$ 22,575</u>	<u>\$ 20,308</u>	<u>\$ (2,267)</u>
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 628,587	\$ 628,587	\$ 772,748	\$ 144,161
Fresh fruit and vegetables - FFV	25,000	25,000	57,131	32,131
Summer feeding program	-	-	25,180	25,180
USDA	55,000	55,000	8,462	(46,538)
Commodities	-	-	62,509	62,509
Total revenue from the federal government	<u>\$ 708,587</u>	<u>\$ 708,587</u>	<u>\$ 926,030</u>	<u>\$ 217,443</u>
Total School Cafeteria Fund	<u>\$ 1,027,726</u>	<u>\$ 1,027,726</u>	<u>\$ 1,153,408</u>	<u>\$ 125,682</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 23,216,381</u>	<u>\$ 24,308,677</u>	<u>\$ 23,665,674</u>	<u>\$ (643,003)</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 72,584	\$ 74,584	\$ 87,825	\$ (13,241)
General and financial administration:				
County administrator	\$ 207,096	\$ 215,545	\$ 224,834	\$ (9,289)
Accounting and Auditing Services	35,000	35,000	52,187	(17,187)
Cost allocation plan	3,500	3,500	3,500	-
Commissioner of revenue	227,152	227,152	225,807	1,345
Assessor	-	-	7,528	(7,528)
Treasurer	270,234	313,581	306,669	6,912
Finance/Human Resource	212,471	214,377	202,538	11,839
Information Technology	102,123	102,123	112,297	(10,174)
Total general and financial administration	\$ 1,057,576	\$ 1,111,278	\$ 1,135,360	\$ (24,082)
Board of elections:				
Electoral board and officials	\$ 49,968	\$ 49,968	\$ 42,605	\$ 7,363
Registrar	90,117	90,117	86,951	3,166
Total board of elections	\$ 140,085	\$ 140,085	\$ 129,556	\$ 10,529
Total general government administration	\$ 1,270,245	\$ 1,325,947	\$ 1,352,741	\$ (26,794)
Judicial administration:				
Courts:				
Circuit court	\$ 13,280	\$ 13,280	\$ 13,970	\$ (690)
General district court	8,870	8,870	10,433	(1,563)
Court appointed attorney	-	-	1,600	(1,600)
Special magistrates	3,000	3,000	196	2,804
Clerk of the circuit court	338,913	347,135	353,478	(6,343)
Total courts	\$ 364,063	\$ 372,285	\$ 379,677	\$ (7,392)
Commonwealth's attorney:				
Commonwealth's attorney	\$ 392,508	\$ 392,508	\$ 386,189	\$ 6,319
Total commonwealth's attorney	\$ 392,508	\$ 392,508	\$ 386,189	\$ 6,319
Total judicial administration	\$ 756,571	\$ 764,793	\$ 765,866	\$ (1,073)
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 1,901,884	\$ 2,222,562	\$ 2,270,740	\$ (48,178)
Selective enforcement	-	-	39,136	(39,136)
Sheriff's fund	-	-	3,023	(3,023)
Triad	2,500	2,500	2,500	-
Total law enforcement and traffic control	\$ 1,904,384	\$ 2,225,062	\$ 2,315,399	\$ (90,337)

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Public safety: (Continued)				
Fire and rescue services:				
Volunteer fire department	\$ 269,767	\$ 276,167	\$ 289,017	\$ (12,850)
Ambulance and rescue services	196,250	211,791	225,131	(13,340)
Forest fire prevention	27,000	27,000	26,178	822
Emergency services	219,327	219,327	371,510	(152,183)
Total fire and rescue services	<u>\$ 712,344</u>	<u>\$ 734,285</u>	<u>\$ 911,836</u>	<u>\$ (177,551)</u>
Correction and detention:				
Piedmont Regional Jail	\$ 330,000	\$ 330,000	\$ 437,534	\$ (107,534)
Piedmont Regional Juvenile Detention Center	40,000	40,000	58,862	(18,862)
Total correction and detention	<u>\$ 370,000</u>	<u>\$ 370,000</u>	<u>\$ 496,396</u>	<u>\$ (126,396)</u>
Inspections:				
Building	\$ 115,779	\$ 115,779	\$ 117,434	\$ (1,655)
Total inspections	<u>\$ 115,779</u>	<u>\$ 115,779</u>	<u>\$ 117,434</u>	<u>\$ (1,655)</u>
Other protection:				
Animal control	\$ 129,140	\$ 129,468	\$ 148,826	\$ (19,358)
Medical Examiner	200	200	80	120
Southside Center for Violence Prevention	5,000	5,000	5,000	-
Total other protection	<u>\$ 134,340</u>	<u>\$ 134,668</u>	<u>\$ 153,906</u>	<u>\$ (19,238)</u>
Total public safety	<u>\$ 3,236,847</u>	<u>\$ 3,579,794</u>	<u>\$ 3,994,971</u>	<u>\$ (415,177)</u>
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Streetlights	\$ 4,200	\$ 4,200	\$ 4,912	\$ (712)
Total maintenance of highways, streets, bridges and sidewalks	<u>\$ 4,200</u>	<u>\$ 4,200</u>	<u>\$ 4,912</u>	<u>\$ (712)</u>
Sanitation and waste removal:				
Refuse collection and disposal	\$ 784,631	\$ 784,832	\$ 884,162	\$ (99,330)
Anti-Litter	6,867	7,155	6,056	1,099
Total sanitation and waste removal	<u>\$ 791,498</u>	<u>\$ 791,987</u>	<u>\$ 890,218</u>	<u>\$ (98,231)</u>
Maintenance of general buildings and grounds:				
General properties	\$ 517,640	\$ 517,759	\$ 636,929	\$ (119,170)
Total maintenance of general buildings and grounds	<u>\$ 517,640</u>	<u>\$ 517,759</u>	<u>\$ 636,929</u>	<u>\$ (119,170)</u>
Total public works	<u>\$ 1,313,338</u>	<u>\$ 1,313,946</u>	<u>\$ 1,532,059</u>	<u>\$ (218,113)</u>
Health and welfare:				
Health:				
Health Department	\$ 110,763	\$ 110,763	\$ 106,462	\$ 4,301
Total health	<u>\$ 110,763</u>	<u>\$ 110,763</u>	<u>\$ 106,462</u>	<u>\$ 4,301</u>
Mental health and mental retardation:				
Crossroads Board	\$ 36,000	\$ 36,000	\$ 36,000	\$ -
Total mental health and mental retardation	<u>\$ 36,000</u>	<u>\$ 36,000</u>	<u>\$ 36,000</u>	<u>\$ -</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Health and welfare: (Continued)				
Welfare:				
Piedmont Sr Resources Area on Aging	\$ 1,249	\$ 1,249	\$ 1,249	\$ -
Buckingham County active seniors	10,000	10,000	-	10,000
Tax relief for the elderly	-	-	16,946	(16,946)
Jaunt Inc transportation service	22,948	22,948	22,948	-
Piedmont area transit	10,000	10,000	10,000	-
VA legal aid	4,812	4,812	4,812	-
Meals on Wheels of Buckingham	6,000	6,000	6,000	-
Habitat for Humanities	-	3,250	3,250	-
Total welfare	<u>\$ 55,009</u>	<u>\$ 58,259</u>	<u>\$ 65,205</u>	<u>\$ (6,946)</u>
Total health and welfare	<u>\$ 201,772</u>	<u>\$ 205,022</u>	<u>\$ 207,667</u>	<u>\$ (2,645)</u>
Education:				
Other instructional costs:				
Contributions to colleges and agencies	\$ 23,570	\$ 42,735	\$ 42,735	\$ -
Contribution to Buckingham County School Board	6,047,678	6,939,205	6,471,341	467,864
Contribution to Buckingham County School Board - Buses	-	-	172,304	(172,304)
Total education	<u>\$ 6,071,248</u>	<u>\$ 6,981,940</u>	<u>\$ 6,686,380</u>	<u>\$ 295,560</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 160,844	\$ 162,844	\$ 190,578	\$ (27,734)
Programs	-	-	27,293	(27,293)
Ellis Acres Memorial Park	5,000	5,000	5,000	-
Total parks and recreation	<u>\$ 165,844</u>	<u>\$ 167,844</u>	<u>\$ 222,871</u>	<u>\$ (55,027)</u>
Cultural enrichment:				
Arts Council	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Longwood Center For the Visual Arts	1,063	1,063	1,063	-
Hatton ferry fund	2,000	2,000	2,000	-
VA Retreat	4,500	4,500	4,500	-
Cattleman's Association	-	27,000	27,000	-
Total cultural enrichment	<u>\$ 17,563</u>	<u>\$ 44,563</u>	<u>\$ 44,563</u>	<u>\$ -</u>
Library:				
Regional library	\$ 152,800	\$ 152,800	\$ 152,800	\$ -
Total library	<u>\$ 152,800</u>	<u>\$ 152,800</u>	<u>\$ 152,800</u>	<u>\$ -</u>
Total parks, recreation, and cultural	<u>\$ 336,207</u>	<u>\$ 365,207</u>	<u>\$ 420,234</u>	<u>\$ (55,027)</u>
Community development:				
Planning and community development:				
Planning	\$ 90,699	\$ 90,699	\$ 89,638	\$ 1,061
Planning District Commission	15,700	15,700	15,700	-
Economic Development	-	-	359	(359)
Longwood Small Business Development Center	5,849	5,849	5,849	-
Virginia's Growth Alliance	-	17,146	17,146	-
Total planning and community development	<u>\$ 112,248</u>	<u>\$ 129,394</u>	<u>\$ 128,692</u>	<u>\$ 702</u>
Environmental management:				
Peter Francisco Soil and Water Conservation	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
RC&D	1,543	1,543	1,543	-
Total environmental management	<u>\$ 11,543</u>	<u>\$ 11,543</u>	<u>\$ 11,543</u>	<u>\$ -</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Community development: (Continued)				
Cooperative extension program:				
Cooperative extension office	\$ 65,503	\$ 76,380	\$ 70,381	\$ 5,999
Total cooperative extension program	<u>\$ 65,503</u>	<u>\$ 76,380</u>	<u>\$ 70,381</u>	<u>\$ 5,999</u>
Total community development	<u>\$ 189,294</u>	<u>\$ 217,317</u>	<u>\$ 210,616</u>	<u>\$ 6,701</u>
Nondepartmental:				
Bank Charges - Bank of America	\$ 30,000	\$ 30,000	\$ 31,463	\$ (1,463)
Unemployment insurance	5,000	5,000	4,456	544
Worker's compensation	50,000	50,000	47,682	2,318
School sewer contract	180,000	180,000	90,000	90,000
Total nondepartmental	<u>\$ 265,000</u>	<u>\$ 265,000</u>	<u>\$ 173,601</u>	<u>\$ 91,399</u>
Capital projects:				
Sidewalk	\$ -	\$ -	\$ 306,185	\$ (306,185)
Radio system upgrade	-	-	28,250	(28,250)
Total capital projects	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 334,435</u>	<u>\$ (334,435)</u>
Debt service:				
Principal retirement	\$ -	\$ -	\$ 27,000	\$ (27,000)
Interest and other fiscal charges	-	-	118	(118)
Total debt service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,118</u>	<u>\$ (27,118)</u>
Total General Fund	<u>\$ 13,640,522</u>	<u>\$ 15,018,966</u>	<u>\$ 15,705,688</u>	<u>\$ (686,722)</u>
Special Revenue Fund:				
Virginia Public Assistance Fund:				
Health and welfare:				
Welfare and social services:				
Welfare administration	\$ 1,309,440	\$ 1,309,440	\$ 1,271,998	\$ 37,442
Public assistance	344,025	344,025	335,277	8,748
Comprehensive services	1,288,676	1,393,576	1,721,009	(327,433)
Total welfare and social services	<u>\$ 2,942,141</u>	<u>\$ 3,047,041</u>	<u>\$ 3,328,284</u>	<u>\$ (281,243)</u>
Total Virginia Public Assistance Fund	<u>\$ 2,942,141</u>	<u>\$ 3,047,041</u>	<u>\$ 3,328,284</u>	<u>\$ (281,243)</u>
Debt Service Fund:				
Debt service:				
Principal retirement	\$ 1,417,589	\$ 1,417,589	\$ 1,417,589	\$ -
Interest and other fiscal charges	1,652,398	1,652,398	1,652,398	-
Total Debt Service Fund	<u>\$ 3,069,987</u>	<u>\$ 3,069,987</u>	<u>\$ 3,069,987</u>	<u>\$ -</u>
Capital Projects Fund:				
County Capital Improvements Fund:				
Capital projects expenditures:				
Ball field complex	\$ -	\$ -	\$ 240,670	\$ (240,670)
Total capital projects	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 240,670</u>	<u>\$ (240,670)</u>
Total County Capital Improvements Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 240,670</u>	<u>\$ (240,670)</u>
Total Primary Government	<u>\$ 19,652,650</u>	<u>\$ 21,135,994</u>	<u>\$ 22,344,629</u>	<u>\$ (1,208,635)</u>

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2015 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Education:				
Administration, attendance and health	\$ 1,096,290	\$ 1,096,290	\$ 1,057,703	\$ 38,587
Instruction	15,840,508	16,268,477	15,670,145	598,332
Operation and maintenance services	2,122,899	2,445,926	2,329,314	116,612
Pupil transportation	1,986,267	2,296,706	2,195,381	101,325
Total administration of schools	<u>\$ 21,045,964</u>	<u>\$ 22,107,399</u>	<u>\$ 21,252,543</u>	<u>\$ 854,856</u>
Capital Projects:				
School capital outlay/capital projects	\$ -	\$ -	\$ 172,304	\$ (172,304)
Technology	1,036,408	1,067,269	981,137	86,132
Total Capital Projects	<u>\$ 1,036,408</u>	<u>\$ 1,067,269</u>	<u>\$ 1,153,441</u>	<u>\$ (86,172)</u>
Total education	<u>\$ 22,082,372</u>	<u>\$ 23,174,668</u>	<u>\$ 22,405,984</u>	<u>\$ 768,684</u>
Debt service:				
Principal retirement	\$ 63,992	\$ 63,992	\$ 63,992	\$ -
Interest and other fiscal charges	42,291	42,291	42,290	1
Total debt service	<u>\$ 106,283</u>	<u>\$ 106,283</u>	<u>\$ 106,282</u>	<u>\$ 1</u>
Total School Operating Fund	<u>\$ 22,188,655</u>	<u>\$ 23,280,951</u>	<u>\$ 22,512,266</u>	<u>\$ 768,685</u>
Special Revenue Fund:				
School Cafeteria Fund:				
Education:				
School food services:				
Administration of school food program	\$ 1,199,726	\$ 1,163,118	\$ 1,182,447	\$ (19,329)
Commodities	-	-	62,509	(62,509)
Total school food services	<u>\$ 1,199,726</u>	<u>\$ 1,163,118</u>	<u>\$ 1,244,956</u>	<u>\$ (81,838)</u>
Total education	<u>\$ 1,199,726</u>	<u>\$ 1,163,118</u>	<u>\$ 1,244,956</u>	<u>\$ (81,838)</u>
Total School Cafeteria Fund	<u>\$ 1,199,726</u>	<u>\$ 1,163,118</u>	<u>\$ 1,244,956</u>	<u>\$ (81,838)</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 23,388,381</u>	<u>\$ 24,444,069</u>	<u>\$ 23,757,222</u>	<u>\$ 686,847</u>

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Statistical Information

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COUNTY OF BUCKINGHAM, VIRGINIA

Table 1

Government-Wide Expenses by Function
Last Ten Fiscal Years

Fiscal Year	General Government										Water and Sewer Funds	Total
	Admini- stration	Judicial Admini- stration	Public Safety	Public Works	Health and Welfare	Education	Parks, Recreation, and Cultural	Community Develop- ment	Interest on Long- Term Debt			
2005-06	\$ 1,201,386	\$ 824,131	\$ 2,713,172	\$ 1,214,832	\$ 2,444,849	\$ 5,451,424	\$ 220,718	\$ 156,233	\$ 971,104	\$ 1,136,364	\$ 16,334,213	
2006-07	1,264,777	743,234	2,414,710	1,415,181	2,443,364	4,538,970	257,120	170,984	917,298	1,072,142	15,237,780	
2007-08	1,235,723	805,582	2,789,740	1,471,478	2,317,682	6,117,949	293,220	174,795	879,572	1,058,409	17,144,150	
2008-09	1,321,992	865,246	2,688,440	1,437,105	2,859,230	5,855,367	306,125	191,422	829,980	1,074,621	17,429,528	
2009-10	1,559,861	896,908	2,670,689	1,422,145	2,612,133	4,994,689	291,273	189,236	780,565	1,203,612	16,621,111	
2010-11	1,384,736	917,801	2,762,662	1,408,760	2,737,450	6,040,884	325,171	201,937	1,165,465	1,207,953	18,152,819	
2011-12	1,257,550	985,318	2,690,813	1,451,262	2,939,399	6,306,702	348,226	188,906	1,569,248	1,268,953	19,006,377	
2012-13	2,595,482	1,035,208	3,363,851	1,498,252	2,239,623	7,749,790	387,451	193,740	1,569,221	1,267,501	21,900,119	
2013-14	1,685,556	1,060,639	3,842,550	1,529,098	3,294,797	8,147,210	389,563	207,163	1,553,742	1,580,946	23,291,264	
2014-15	1,565,410	1,002,077	4,017,264	1,646,492	3,523,182	8,427,308	432,069	218,033	1,436,287	1,615,778	23,883,900	

COUNTY OF BUCKINGHAM, VIRGINIA

Government-Wide Revenues
Last Ten Fiscal Years

Fiscal Year	PROGRAM REVENUES					GENERAL REVENUES					Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	General Property Taxes (1)	Other Local Taxes (2)(3)	Unrestricted Investment Earnings	Miscellaneous	Grants and Contributions Not Restricted to Specific Programs (2)	Gain on Disposal of Assets		
2005-06	\$ 1,329,047	\$ 4,838,410	\$ 58,060	\$ 6,604,700	\$ 1,870,553	\$ 366,690	\$ 64,055	\$ 1,270,508	\$ -	\$ 16,402,023	
2006-07	1,450,044	3,505,405	1,266	6,679,291	1,869,757	431,411	177,598	1,300,462	-	15,415,234	
2007-08	1,561,548	3,438,106	80,000	8,263,540	1,944,916	366,768	214,461	1,228,275	96,844	17,194,458	
2008-09	1,698,605	3,847,111	1,835,364	9,894,353	1,865,115	178,571	104,985	1,206,892	-	20,630,996	
2009-10	1,831,477	3,452,561	860,616	12,489,199	3,129,756	114,255	110,822	1,650,350	-	23,639,036	
2010-11	1,802,334	3,593,877	313,505	10,616,164	1,558,471	114,818	105,766	1,643,192	-	19,748,127	
2011-12	1,720,579	3,680,538	463,673	11,745,730	1,405,633	94,894	56,144	1,617,869	-	20,785,060	
2012-13	1,762,976	3,900,775	5,911,322	12,678,306	1,440,590	75,566	56,263	1,652,039	-	27,477,837	
2013-14	1,898,194	4,315,514	723,746	12,986,630	1,604,503	85,167	87,704	1,673,742	-	23,375,200	
2014-15	1,902,629	4,299,529	970,564	13,631,179	1,663,458	83,592	71,861	1,626,021	-	24,248,833	

- (1) General property taxes increased in fiscal year 2010 due to a change in presentation in accordance with GASB 33.
- (2) In fiscal year 2010, communication taxes were reclassified from local taxes to noncategorical state aid in accordance with APA guidelines.
- (3) Increase in local taxes is related to new power plant locating in the County in fiscal year 2010, which impacted sales and other taxes.

COUNTY OF BUCKINGHAM, VIRGINIA

General Governmental Expenditures by Function (1)
Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education (2)	Parks, Recreation, and Cultural			Community Development	Non-departmental	Debt Service (3)	Total
2005-06	\$ 1,012,110	\$ 481,403	\$ 2,637,375	\$ 1,092,758	\$ 2,434,159	\$ 19,210,783	\$ 208,743	\$ 145,759	\$ 132,266	\$ 1,374,382	\$ 28,729,738		
2006-07	1,134,174	478,940	2,446,075	1,297,576	2,440,479	21,053,222	250,021	168,603	117,448	1,980,474	31,367,012		
2007-08	1,082,319	541,288	2,734,527	1,327,749	2,318,517	22,069,288	288,233	164,538	153,775	2,051,733	32,731,967		
2008-09	1,205,801	600,952	3,281,609	1,290,292	2,844,876	22,981,348	320,903	181,164	148,315	1,896,398	34,751,658		
2009-10	1,456,324	632,614	2,616,176	1,277,735	2,619,740	22,756,388	474,857	178,977	174,583	1,866,657	34,054,051		
2010-11	1,153,471	654,802	2,587,032	1,268,721	2,745,685	21,371,496	337,377	191,679	176,258	1,812,632	32,299,153		
2011-12	1,228,193	726,999	2,519,559	1,541,936	2,933,693	21,963,359	337,794	178,648	174,677	2,593,520	34,198,378		
2012-13	1,429,691	737,529	3,316,080	1,385,267	3,139,453	21,565,379	373,627	183,482	159,694	3,944,365	36,234,567		
2013-14	1,521,630	802,694	3,528,585	1,409,089	3,237,366	22,805,455	402,645	196,905	172,235	4,811,303	38,887,907		
2014-15	1,352,741	765,866	3,994,971	1,532,059	3,535,951	23,693,675	420,234	210,616	173,601	3,203,387	38,883,101		

(1) Includes General, Special Revenue, and Debt Service funds of the Primary Government and its Discretely Presented Component Unit excluding capital projects.

(2) Excludes contribution from Primary Government to Discretely Presented Component Unit.

(3) 2011-12 excludes payoff of interim financing funded with issuance of new debt.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 4

General Governmental Revenues by Source (1)
Last Ten Fiscal Years

Fiscal Year	General Property Taxes		Other Local Taxes (2)		Permits, Privilege Fees, Regulatory Licenses		Fines and Forfeitures		Revenue from the Use of Money and Property		Charges for Services		Miscellaneous		Recovered Costs		Inter-governmental (3)		Total
2005-06	\$ 6,661,461	\$ 1,870,553	\$ 105,963	\$ 29,580	\$ 326,564	\$ 402,581	\$ 389,918	\$ -	\$ 20,824,727	\$ 30,611,347									
2006-07	7,166,185	1,869,757	79,173	33,535	363,992	419,510	582,653	45,262	20,908,339	31,468,406									
2007-08	8,165,190	1,972,396	89,059	32,426	268,844	421,092	688,166	19,738	20,835,242	32,492,153									
2008-09	9,451,458	1,865,115	75,292	68,577	127,372	409,788	850,476	37,901	22,393,726	35,279,705									
2009-10	9,741,625	3,129,756	84,822	58,038	77,656	357,233	714,329	30,929	21,705,834	35,900,222									
2010-11	10,563,656	1,558,471	61,439	56,670	69,642	338,340	906,055	22,447	20,923,637	34,500,357									
2011-12	11,465,915	1,405,633	58,249	44,598	62,663	350,436	784,144	3,034	21,201,190	35,375,862									
2012-13	12,443,638	1,440,590	85,392	78,760	67,085	336,213	926,178	-	21,294,948	36,672,804									
2013-14	13,147,771	1,604,503	60,746	54,451	84,140	328,259	852,561	-	22,217,446	38,349,877									
2014-15	13,495,901	1,663,458	57,211	48,488	86,870	310,933	815,594	-	22,662,073	39,140,528									

(1) Includes General, Special Revenue, and Debt Service funds of the Primary Government and its Discretely Presented Component Unit.
 (2) Increase in local taxes is related to new power plant locating in the County in fiscal year 2010, which impacted sales and other taxes.
 (3) Excludes contribution from Primary Government to Discretely Presented Component Unit.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 5

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)		Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes (1,2)		Percent of Delinquent Taxes to Tax Levy
	Levy (1)	Levy (1)	Collections (1)	Collections (1)		Delinquent Tax Collections (1)	Delinquent Tax Collections (1)			Outstanding Delinquent Taxes (1,2)	Outstanding Delinquent Taxes (1,2)	
2005-06	\$ 7,627,643	\$ 7,178,830	\$ 7,178,830	\$ 94.12%	\$ 414,961	\$ 7,593,791	\$ 99.56%	\$ 1,349,168	17.69%			
2006-07	7,978,350	7,598,725	7,598,725	95.24%	441,133	8,039,858	100.77%	1,590,644	19.94%			
2007-08	9,261,316	8,944,524	8,944,524	96.58%	325,943	9,270,467	100.10%	1,725,865	18.64%			
2008-09	10,777,878	9,787,442	9,787,442	90.81%	542,113	10,329,555	95.84%	2,080,149	19.30%			
2009-10	10,589,590	9,923,038	9,923,038	93.71%	619,631	10,542,669	99.56%	1,715,573	16.20%			
2010-11	11,439,032	10,550,992	10,550,992	92.24%	851,970	11,402,962	99.68%	1,670,822	14.61%			
2011-12	12,433,137	11,649,756	11,649,756	93.70%	654,278	12,304,034	98.96%	2,229,361	17.93%			
2012-13	13,446,472	12,776,284	12,776,284	95.02%	485,934	13,262,218	98.63%	2,411,202	17.93%			
2013-14	13,805,588	13,240,204	13,240,204	95.90%	647,154	13,887,358	100.59%	2,383,197	17.26%			
2014-15	14,467,711	13,743,751	13,743,751	95.00%	530,889	14,274,640	98.67%	2,315,509	16.00%			

(1) Exclusive of penalties and interest.

(2) Includes all delinquent taxes.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 6

Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Estate (1)	Personal Property and Mobile Homes (1)	Machinery and Tools	Merchants' Capital	Public Service (2,4)	Aircraft (3)	Total
2005-06	\$ 694,368,050	\$ 87,771,138	\$ 6,034,540	\$ 6,485,942	\$ 57,064,341	\$ -	\$ 851,724,011
2006-07	715,188,609	93,701,415	6,565,610	7,274,988	54,286,338	-	877,016,960
2007-08	1,072,958,030	98,823,429	6,864,290	11,023,763	46,496,132	-	1,236,165,644
2008-09	1,421,037,892	110,182,035	8,250,120	10,032,815	83,407,789	-	1,632,910,651
2009-10	1,431,613,499	104,059,189	7,949,090	10,486,865	76,947,351	2,073,500	1,633,129,494
2010-11	1,445,038,406	102,709,557	7,411,150	11,029,035	274,324,587	147,150	1,840,659,885
2011-12	1,452,096,856	104,942,505	7,685,500	12,406,003	466,323,519	151,500	2,043,605,883
2012-13	1,461,765,706	107,585,400	8,184,860	17,701,611	647,876,531	139,400	2,243,253,508
2013-14	1,447,598,003	108,393,316	7,216,720	17,311,230	647,182,004	135,200	2,227,836,473
2014-15	1,419,142,650	101,741,211	7,016,330	17,054,639	641,413,099	134,400	2,186,502,329

(1) Assessed at 100% of fair market value.

(2) Assessed values are established by the State Corporation Commission.

(3) 2009-10 was the first year of levy.

(4) Increase in public service assessment is related to new power plant locating in the County in fiscal year 2010.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 7

Property Tax Rates (1)
Last Ten Fiscal Years

Fiscal Year	Real Estate		Mobile Homes	Personal Property (2)	Machinery and Tools (2)	Merchants' Capital	Aircraft (3)
	1st Half	2nd Half					
2005-06	\$ 0.58	\$ 0.58	\$ 0.58	4.05	\$ 2.90	1.00	-
2006-07	0.58	0.58	0.58	4.05	2.90	1.00	-
2007-08	0.58	0.44	0.58	4.05	2.90	1.00	-
2008-09	0.44	0.44	0.44	4.05	2.90	1.00	-
2009-10	0.44	0.44	0.44	4.05	2.90	1.00	0.55
2010-11	0.44	0.44	0.44	4.05	2.90	1.00	0.55
2011-12	0.44	0.44	0.44	4.05	2.90	1.00	0.55
2012-13	0.44	0.44	0.44	4.05	2.90	1.00	0.55
2013-14	0.44	0.50	0.44	4.05	2.90	1.00	0.55
2014-15	0.50	0.50	0.50	4.05	2.90	1.00	0.55

(1) Per \$100 of assessed value.

(2) Per \$100 of assessed value based on loan NADA value.

(3) 2009-10 was the first year of levy.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 8

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

Fiscal Year	Population (1)	Assessed Value (in thousands) (2)	Gross Bonded Debt (3)	Less:		Net Bonded Debt	Ratio of	
				Debt Service Monies Available	Net Bonded Debt		Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2005-06	15,977	\$ 851,724	\$ 22,537,793	-	\$ -	22,537,793	2.65%	\$ 1,411
2006-07	16,341	877,017	21,539,200	-	-	21,539,200	2.46%	1,318
2007-08	16,342	1,236,166	20,511,736	-	-	20,511,736	1.66%	1,255
2008-09	16,547	1,632,911	19,463,062	-	-	19,463,062	1.19%	1,176
2009-10	16,814	1,633,129	18,395,228	-	-	18,395,228	1.13%	1,094
2010-11	17,182	1,840,660	42,076,504	-	-	42,076,504	2.29%	2,449
2011-12	17,143	2,043,606	39,714,254	-	-	39,714,254	1.94%	2,317
2012-13	17,296	2,243,254	37,684,292	-	-	37,684,292	1.68%	2,179
2013-14	17,185	2,227,836	34,763,484	-	-	34,763,484	1.56%	2,023
2014-15	17,152	2,186,502	33,345,895	-	-	33,345,895	1.53%	1,944

(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, bonded anticipation notes, and literary fund loans. Excludes revenue bonds, capital leases, and compensated absences.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 9

Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures (1)
Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
2005-06	\$ 527,049	\$ 847,333	\$ 1,374,382	\$ 28,729,738	4.78%
2006-07	952,629	1,027,845	1,980,474	31,367,012	6.31%
2007-08	1,115,489	936,244	2,051,733	32,731,967	6.27%
2008-09	1,010,442	885,956	1,896,398	34,751,658	5.46%
2009-10	1,030,872	835,785	1,866,657	34,054,051	5.48%
2010-11	830,343	982,289	1,812,632	32,299,153	5.61%
2011-12	1,343,921	1,249,599	2,593,520	34,198,378	7.58%
2012-13	2,029,962	1,914,403	3,944,365	36,234,567	10.89%
2013-14	2,979,397	1,831,906	4,811,303	38,887,907	12.37%
2014-15	1,508,581	1,694,806	3,203,387	38,883,101	8.24%

(1) Includes Debt Service funds of the Primary Government and Discretely Presented Component Unit School Board excluding capital projects.

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COMPLIANCE

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ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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 Buckingham, 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, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Buckingham, Virginia as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise County of Buckingham, Virginia's basic financial statements and have issued our report thereon dated February 12, 2016.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Robinson, Fawcett, Cox Associates

Charlottesville, Virginia

February 12, 2016

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133

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

Report on Compliance for Each Major Federal Program

We have audited County of Buckingham, Virginia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of County of Buckingham, Virginia's major federal programs for the year ended June 30, 2015. County of Buckingham, 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of County of Buckingham, 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 County of Buckingham, 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 County of Buckingham, Virginia's compliance.

Opinion on Each Major Federal Program

In our opinion, County of Buckingham, 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, 2015.

Report on Internal Control over Compliance

Management of County of Buckingham, 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 County of Buckingham, 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 OMB Circular A-133, 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 County of Buckingham, 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Robinson, Fauer, Cox Associates
Charlottesville, Virginia
February 12, 2016

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Pass Through Payments:			
Virginia Department of Social Services:			
Promoting Safe and Stable Families	93.556	0950113/0950114	\$ 7,585
Temporary Assistance for Needy Families (TANF)	93.558	0400114/0400115	168,763
Refugee and Entrant Assistance - State Administered Programs	93.566	0500114/0500115	245
Low-Income Home Energy Assistance	93.568	0600414/0600415	18,312
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760114/0760115	26,989
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900114/0900115	1,137
Foster Care - Title IV-E	93.658	1100114/1100115	72,545
Adoption Assistance	93.659	1120114/1120115	52,168
Social Services Block Grant	93.667	1000114/1000115	122,959
Chafee Foster Care Independence Program	93.674	9150114/9150115	1,297
Children's Health Insurance Program (CHIP)	93.767	0540114/0540115	5,519
Medical Assistance Program	93.778	1200114/1200115	195,465
Total Department of Health and Human Services			<u>\$ 672,984</u>
Department of Agriculture:			
Direct Payments:			
Water and Waste Disposal Systems for Rural Communities	10.760	N/A	<u>\$ 1,633,872</u>
Total Department of Agriculture - direct payments			<u>\$ 1,633,872</u>
Pass Through Payments:			
Child Nutrition Cluster:			
Virginia Department of Agriculture and Consumer Services:			
Food Distribution - School Nutrition Program	10.555	406230	\$ 61,834
Virginia Department of Education:			
National School Lunch Program	10.555	406230	<u>537,332</u> \$ 599,166
Virginia Department of Agriculture and Consumer Services:			
Food Distribution - Summer Food Service Program for Children	10.559	Unknown	\$ 675
Virginia Department of Health:			
Summer Food Service Program for Children	10.559	58857	<u>25,180</u> \$ 25,855
Virginia Department of Education:			
School Breakfast Program	10.553	405910	235,416
Virginia Department of Education:			
Fresh Fruit and Vegetable Program	10.582	405990	57,131
Virginia Department of Health:			
Child and Adult Care Food Program	10.558	59099	8,462
Virginia Department of Social Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010114/ 0010115/0040114/0040115	<u>175,009</u>
Total Department of Agriculture - pass-through payments			<u>\$ 1,101,039</u>
Total Department of Agriculture			<u>\$ 2,734,911</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)
 For the Year Ended June 30, 2015

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Defense:			
Direct Payments:			
ROTC	12.000	N/A	\$ 60,689
Total Department of Defense			<u>\$ 60,689</u>
Department of Homeland Security:			
Pass Through Payments:			
Department of Emergency Management:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Project 158	\$ 1,203
State Homeland Security Program (SHSP)	97.067	6835	150,810
Total Department of Homeland Security			<u>\$ 152,013</u>
Department of Justice:			
Pass Through Payments:			
Department of Criminal Justice Services:			
Bulletproof Vest Partnership Program	16.607	Unknown	\$ 1,351
Edward Byrne Memorial Justice Assistance Grant Program	16.738	14-P1127L013	2,249
Total Department of Justice			<u>\$ 3,600</u>
Department of Transportation:			
Pass Through Payments:			
Virginia Department of Transportation:			
Highway Planning and Construction	20.205	EN05-014-110, P101	\$ 264,165
Department of Motor Vehicles:			
Highway Safety Cluster:		SC-2014-54410-5658/	
State and Community Highway Safety	20.600	OP-2015-55315-6054	23,122
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	K8-2014-54405-5653	13,550
Alcohol Open Container Requirements	20.607	154AL-2015-55183-5922	10,075
Total Department of Transportation			<u>\$ 310,912</u>
Department of Education:			
Pass Through Payments:			
Virginia Department of Education:			
Title I - Grants to Local Educational Agencies	84.010	429010/428920	\$ 1,078,217
Special Education Cluster:			
Special Education - Grants to States (IDEA, Part B)	84.027	430710	522,665
Special Education - Preschool Grants (IDEA Preschool)	84.173	625210	9,546
Career and Technical Education - Basic Grants to States (Perkins IV)	84.048	610950	46,737
Twenty-first Century Community Learning Centers	84.287	605650	264,473
Rural Education	84.358	434810	32,135
Improving Teacher Quality State Grants	84.367	614800	118,943
Total Department of Education			<u>\$ 2,072,716</u>
Total Expenditures of Federal Awards			<u>\$ 6,007,825</u>

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of County of Buckingham, Virginia under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the County of Buckingham, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County of Buckingham, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, 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 is reported in the schedule at the fair market value of the commodities received and disbursed.

Note 4 - 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	\$ 466,525
Special Revenue Fund:	
Virginia Public Assistance Fund	847,993
Debt Service Fund	417,150
Proprietary Funds:	
Water and Sewer Funds (including loan proceeds)	1,633,872
Total primary government	<u>\$ 3,365,540</u>
Component Unit School Board:	
School Operating Fund	\$ 2,133,405
School Cafeteria Fund	926,030
Total component unit school board	<u>\$ 3,059,435</u>
Total federal expenditures per basic financial statements	<u>\$ 6,424,975</u>
BABs interest subsidy	<u>\$ (417,150)</u>
Total federal expenditures per the Schedule of Expenditures of Federal Awards	<u><u>\$ 6,007,825</u></u>

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COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

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 Circular A-133, Section .510 (a)?	No

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
10.553/10.555/10.559	Child Nutrition Cluster
84.010	Title I - Grants to Local Educational Agencies

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
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 to report.

COUNTY OF BUCKINGHAM, VIRGINIA

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2015

There were no findings reported for the year ended June 30, 2014.