

# COUNTY OF BUCKINGHAM, VIRGINIA



FINANCIAL REPORT YEAR ENDED  
JUNE 30, 2023

**County of Buckingham, Virginia**

**Financial Report**

**For the Year Ended June 30, 2023**

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# COUNTY OF BUCKINGHAM, VIRGINIA

## Financial Report For the Year Ended June 30, 2023

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**BOARD OF SUPERVISORS**

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Don Matthews

Joe N. Chambers, Jr., Chairman  
Dennis Davis, Vice-Chairman

Cameron Gilliam

Harry W. Bryant

Danny R. Allen

Thomas Jordan Miles, III

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**BOARD OF SOCIAL SERVICES**

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Joe N. Chambers, Jr., Chairman  
Diane Holman-James, Vice-Chairman  
Nancy H. Stuart

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**COUNTY SCHOOL BOARD**

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Joi W. Goodman

Theresa D. Bryant, Chairman  
Pamela P. Morris, Vice-Chairman

Michelle Ford

Jacqueline J. Newton

Sherry S. Ragland

Rachel M. Castello-Dunn

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**OTHER OFFICIALS**

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

Donald C. Blessing  
Justin D. Midkiff  
Jody H. Fariss  
Marvin H. Dunkum, Jr.  
Kemper M. Beasley, III  
Stephanie D. Love  
Christy L. Christian  
William G. Kidd, Jr.  
Dr. John Keeler  
Stephanie M. Coleman  
Karl R. Carter  
Kevin Hickman



# ROBINSON, FARMER, COX ASSOCIATES, PLLC

*Certified Public Accountants*

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## Independent Auditors' Report

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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, 2023, and the related notes to the financial statements, which collectively comprise the County of Buckingham, Virginia's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the 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 the County of Buckingham, Virginia, as of and for the year ended June 30, 2023, 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.

#### ***Basis for Opinions***

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

#### ***Change in Accounting Principles***

As described in Note 22 to the financial statements, in 2023, the County of Buckingham, Virginia adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based IT arrangements*. Our opinions are not modified with respect to this matter.



## ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Specifications for Audits of Counties, Cities, and Towns*, we:

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

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

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

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

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

### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2024, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County of Buckingham, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Buckingham, Virginia's internal control over financial reporting and compliance.

*Robinson Faxon Cox Associates*

Charlottesville, Virginia

October 11, 2024

**COUNTY OF BUCKINGHAM, VIRGINIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**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, 2023.

**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 \$22,617,5544 (net position). For business-type activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$18,342,768.

**Fund Financial Statements**

In the Governmental Funds, on a current financial resource basis, expenditures exceeded revenues and other financing sources and uses by \$699,451 (Exhibit 5) after making contributions totaling \$6,921,504 to the School Board.

- As of the close of the current fiscal year, the County's governmental funds reported ending fund balances of \$12,118,248, a decrease of \$669,451 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,764,791 or 26% of total general fund expenditures.
- Combined long-term obligations for the governmental funds decreased \$2,049,965 during the current fiscal year. Of that amount, debt (bonds and related items) decreased by \$2,684,208.

The Proprietary Funds, on an accrual basis, reported expenses in excess of revenues and other financing sources by \$287,234.

- As of the close of the current fiscal year, the County's proprietary funds reported ending net position of \$18,342,768, a decrease of \$287,234.
- Combined long-term obligations in the proprietary funds decreased \$269,710 during the current fiscal year. Offset the decrease of \$312,534 directly related to bonds and loans, there was an increase in long-term payroll related liabilities.

**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.

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

## **Overview of the Financial Statements: (Continued)**

The statement of net position presents information on all of the County's 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 and an Industrial Development Authority (IDA) for which the County of Buckingham, Virginia is financially accountable. Financial information for the Component Unit School Board 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 ARPA Fund, the Debt Service Fund, and the County Capital Improvements 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 and the Industrial Development Authority, a blended component unit.

**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. Custodial funds are used to provide accountability of client and other 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 and OPEB funding related to the Virginia Retirement System benefits. Other supplementary information presented includes various combining financial statements for the County's nonmajor funds, budgetary comparison schedules, and the discretely presented component unit School Board. Other information includes statistical tables. The School Board and IDA do 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 \$22,617,554 at the close of the most recent fiscal year.

### **Summary Statement of Net Position**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Totals</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Assets:						
Current and other assets	\$ 24,264,608	\$ 24,744,317	\$ 4,225,795	\$ 4,139,027	\$ 28,490,403	\$ 28,883,344
Capital assets	<u>31,661,522</u>	<u>33,807,185</u>	<u>24,909,606</u>	<u>25,725,999</u>	<u>56,571,128</u>	<u>59,533,184</u>
Total assets	<u>\$ 55,926,130</u>	<u>\$ 58,551,502</u>	<u>\$ 29,135,401</u>	<u>\$ 29,865,026</u>	<u>\$ 85,061,531</u>	<u>\$ 88,416,528</u>
Deferred outflows of resources	<u>\$ 1,064,143</u>	<u>\$ 1,010,959</u>	<u>\$ 109,291</u>	<u>\$ 97,307</u>	<u>\$ 1,173,434</u>	<u>\$ 1,108,266</u>
Liabilities:						
Long-term liabilities	\$ 23,650,578	\$ 25,700,543	\$ 10,470,261	\$ 10,739,971	\$ 34,120,839	\$ 36,440,514
Current liabilities	<u>3,801,347</u>	<u>2,585,367</u>	<u>65,578</u>	<u>38,922</u>	<u>3,866,925</u>	<u>2,624,289</u>
Total liabilities	<u>\$ 27,451,925</u>	<u>\$ 28,285,910</u>	<u>\$ 10,535,839</u>	<u>\$ 10,778,893</u>	<u>\$ 37,987,764</u>	<u>\$ 39,064,803</u>
Deferred inflows of resources	<u>\$ 6,920,794</u>	<u>\$ 8,791,790</u>	<u>\$ 366,085</u>	<u>\$ 553,438</u>	<u>\$ 7,286,879</u>	<u>\$ 9,345,228</u>
Net position:						
Net investment in						
capital assets	\$ 9,443,273	\$ 9,008,606	\$ 14,576,737	\$ 15,080,596	\$ 24,020,010	\$ 24,089,202
Restricted	1,248,117	1,683,771	656,949	727,549	1,905,066	2,411,320
Unrestricted	<u>11,926,164</u>	<u>11,792,384</u>	<u>3,109,082</u>	<u>2,821,857</u>	<u>15,035,246</u>	<u>14,614,241</u>
Total net position	<u>\$ 22,617,554</u>	<u>\$ 22,484,761</u>	<u>\$ 18,342,768</u>	<u>\$ 18,630,002</u>	<u>\$ 40,960,322</u>	<u>\$ 41,114,763</u>

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 \$24,020,010. 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)**

**Governmental Activities** - Governmental activities increased the County's net position by \$132,793 during the fiscal year, and business-type activities decreased the County's net position by \$287,234. This resulted in a total decrease of \$154,441. Key elements of this decrease are as follows:

### **Summary Statement of Changes in Net Position**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Revenues:						
Program revenues:						
Charges for services	\$ 1,339,595	\$ 1,311,602	\$ 1,893,896	\$ 1,839,938	\$ 3,233,491	\$ 3,151,540
Operating grants and contributions	6,206,910	5,936,139	-	-	6,206,910	5,936,139
Capital grants and contributions	964,969	680,613	-	-	964,969	680,613
General revenues:						
General property taxes	17,147,994	16,356,478	-	-	17,147,994	16,356,478
Other local taxes	2,138,265	2,090,866	-	-	2,138,265	2,090,866
Grants and other contributions not restricted	1,572,512	1,612,528	-	-	1,572,512	1,612,528
Use of money	180,025	11,721	3,723	13,798	183,748	25,519
Miscellaneous	125,252	34,644	-	-	125,252	34,644
Gain on disposal of capital assets	-	19,489	-	-	-	19,489
Total revenues	\$ 29,675,522	\$ 28,054,080	\$ 1,897,619	\$ 1,853,736	\$ 31,573,141	\$ 29,907,816
Expenses:						
General government administration	\$ 2,209,448	\$ 2,161,404	\$ -	\$ -	\$ 2,209,448	\$ 2,161,404
Judicial administration	1,158,642	1,040,016	-	-	1,158,642	1,040,016
Public safety	7,902,012	6,799,130	-	-	7,902,012	6,799,130
Public works	2,258,866	1,960,919	-	-	2,258,866	1,960,919
Health and welfare	4,960,026	4,163,737	-	-	4,960,026	4,163,737
Education	8,727,961	9,665,823	-	-	8,727,961	9,665,823
Parks, recreation, and cultural	798,688	744,640	-	-	798,688	744,640
Community development	498,583	288,517	-	-	498,583	288,517
Interest on long-term debt	911,661	1,277,328	-	-	911,661	1,277,328
Water and Sewer	-	-	2,166,029	2,197,427	2,166,029	2,197,427
Industrial development	-	-	135,666	49,778	135,666	49,778
Total expenses	\$ 29,425,887	\$ 28,101,514	\$ 2,301,695	\$ 2,247,205	\$ 31,727,582	\$ 30,348,719
Increase (decrease) in net position before transfers	\$ 249,635	\$ (47,434)	\$ (404,076)	\$ (393,469)	\$ (154,441)	\$ (440,903)
Transfers	(116,842)	(230,954)	116,842	230,954	-	-
Increase (decrease) in net position	\$ 132,793	\$ (278,388)	\$ (287,234)	\$ (162,515)	\$ (154,441)	\$ (440,903)
Net position, July 1	22,484,761	22,763,149	18,630,002	18,792,517	41,114,763	41,555,666
Net position, June 30	\$ 22,617,554	\$ 22,484,761	\$ 18,342,768	\$ 18,630,002	\$ 40,960,322	\$ 41,114,763



### **Government-wide Financial Analysis: (Continued)**

Revenues increased by \$1,665,325 in fiscal year 2023 compared to a decrease of \$4,113,137 in fiscal year 2022. Operating grants and contributions and capital grants and contributions increased by \$270,771 and \$284,356, respectively. General property taxes increased by \$791,516, as a result of a 22% increase in personal property assessments. Expenses closely paralleled the growth in demand and inflation and showed an increase of \$1,378,863. The functions with the more significant changes were public safety and health and welfare showing increases of \$1,102,882 and \$796,289, respectively. While those functions showed significant increases, education decreased by \$937,862. Water and sewer revenues and expenses showed modest changes in comparison to the prior year.

### **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 \$12,330,432, a decrease of \$669,451 from the prior year. Approximately 47% 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, committed, or assigned 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 \$1,830,337 in expenditures and can be briefly summarized as follows:

- \$684,806 in increases for public safety
- \$341,000 in increases for education
- \$387,657 in increases for nondepartmental purposes
- \$416,874 in other net increases

A portion of this increase (\$97,205) was due to an increase in revenues from miscellaneous sources and other governments. The remainder was to be budgeted from available fund balance. During the year, budgetary estimates exceeded revenues by \$2,049,538 and expenditures exceeded budgetary estimates by \$148,144 while fund balance reserves were funded minimizing the need to draw on existing fund balance.



## **Capital Asset and Debt Administration**

Capital assets - The County's net capital assets decreased by \$2,962,056 during the current fiscal year. The County's investment in capital assets for its governmental operations as of June 30, 2023 amounted to \$31,661,522 (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 by \$2,145,663. New vehicles (two ambulances and other commercial vehicles) and other equipment were acquired in the current year as well as parking lots being paved at two different locations. There are future plans to add concession stands and other improvements to Gene Dixon Park, as reflected in committed fund balance. Renovations to the courthouse building were underway at year-end.

The County's investment in capital assets for its proprietary funds was \$24,909,606 (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 decreased by \$816,393 from the prior fiscal year, which was the increase in accumulated depreciation.

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

Long-term obligations - At the end of the current fiscal year, the County had total long-term obligations outstanding of \$23,650,578 for its governmental operations. Of this amount \$18,645,737 comprises debt backed by the full faith and credit of the County, including compensated absences of \$702,778, net pension liability of \$436,999 and net OPEB liability of \$292,552. The remainder of the County's debt for governmental operations (\$4,400,000) represents bonds secured solely by specified revenue sources (i.e., lease revenue bonds). Business-type obligations of \$10,470,261 is comprised of \$1,652,000 bonds secured solely by water and sewer revenues, loans totaling \$8,680,869 from the Virginia Resources Authority, compensated absences of \$74,151, net pension liability of \$36,587 and net OPEB liability of \$26,654.

Additional information on the County of Buckingham, Virginia's long-term debt can be found in Note 11 of this report.

## **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the County is currently 3.6 percent, which is slightly lower than the rate of 3.8 percent a year ago. This is higher than the state's average unemployment rate of 2.6 percent and lower than the national average rate of 3.8 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 2024.

The fiscal year 2024 budget amounted to \$34,006,474 (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**

## **Government-wide Financial Statements**

## Statement of Net Position

June 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	School Board
<b>ASSETS</b>				
Cash and cash equivalents	\$ 11,004,311	\$ 3,045,893	\$ 14,050,204	\$ 3,440,777
Receivables (net of allowance for uncollectibles):				
Taxes receivable	7,597,220	-	7,597,220	-
Accounts receivable	383,239	256,615	639,854	49,445
Interest receivable	262	301	563	-
Due from component unit	4,063,529	-	4,063,529	-
Due from other governmental units	964,471	-	964,471	2,514,733
Prepaid items	25,776	-	25,776	-
Leases receivable	225,800	259,622	485,422	-
Restricted assets:				
Cash and cash equivalents	-	663,364	663,364	-
Other assets:				
Net pension asset	-	-	-	405,602
Capital assets (net of accumulated depreciation):				
Land	720,807	208,974	929,781	306,439
Intangibles	-	712,100	712,100	-
Buildings, improvements, and systems	26,074,081	23,764,064	49,838,145	19,027,387
Improvements other than buildings	1,272,915	13,139	1,286,054	25,417
Machinery, equipment, and vehicles	3,068,095	211,329	3,279,424	2,389,260
Construction in progress	164,203	-	164,203	1,205,078
Lease equipment	19,291	-	19,291	-
Lease towers	242,411	-	242,411	-
Subscription assets	99,719	-	99,719	-
Total assets	\$ 55,926,130	\$ 29,135,401	\$ 85,061,531	\$ 29,364,138
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related items	\$ 954,894	\$ 99,504	\$ 1,054,398	\$ 3,709,199
OPEB related items	109,249	9,787	119,036	462,602
Total deferred outflows of resources	\$ 1,064,143	\$ 109,291	\$ 1,173,434	\$ 4,171,801
<b>LIABILITIES</b>				
Accounts payable	\$ 650,385	\$ 36,861	\$ 687,246	\$ 252,183
Accrued liabilities	-	-	-	988,584
Customers' deposits payable from restricted assets	-	6,415	6,415	-
Accrued interest payable	297,762	22,302	320,064	15,893
Due to primary government	-	-	-	4,063,529
Unearned revenue	2,853,200	-	2,853,200	-
Long-term liabilities:				
Due within one year	2,662,057	326,735	2,988,792	201,012
Due in more than one year	20,988,521	10,143,526	31,132,047	16,470,981
Total liabilities	\$ 27,451,925	\$ 10,535,839	\$ 37,987,764	\$ 21,992,182
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue - property taxes	\$ 5,872,588	\$ -	\$ 5,872,588	\$ -
Lease related items	222,983	256,557	479,540	-
Pension related items	766,115	104,141	870,256	2,854,672
OPEB related items	59,108	5,387	64,495	298,141
Total deferred inflows of resources	\$ 6,920,794	\$ 366,085	\$ 7,286,879	\$ 3,152,813
<b>NET POSITION</b>				
Net investment in capital assets	\$ 9,443,273	\$ 14,576,737	\$ 24,020,010	\$ 22,223,557
Restricted:				
Sheriff's fund - DCJS	14,264	-	14,264	-
Commonwealth's Attorney - DCJS	8,882	-	8,882	-
Courthouse security	67,897	-	67,897	-
Opioid abatement	155,265	-	155,265	-
Glenmore emergency services	170,156	-	170,156	-
School construction	831,653	-	831,653	-
Debt service and bond covenants	-	656,949	656,949	-
Pension benefits	-	-	-	405,602
School activity funds	-	-	-	270,957
Unrestricted (deficit)	11,926,164	3,109,082	15,035,246	(14,509,172)
Total net position	\$ 22,617,554	\$ 18,342,768	\$ 40,960,322	\$ 8,390,944

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

## Statement of Activities

For the Year Ended June 30, 2023

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ 2,209,448	\$ 251,631	\$ 297,591	\$ 44,552
Judicial administration	1,158,642	50,023	551,741	-
Public safety	7,902,012	970,511	1,441,000	433,046
Public works	2,258,866	15,878	6,905	-
Health and welfare	4,960,026	-	3,885,173	-
Education	8,727,961	-	-	487,371
Parks, recreation, and cultural	798,688	51,552	4,500	-
Community development	498,583	-	20,000	-
Interest on long-term debt	911,661	-	-	-
Total governmental activities	\$ 29,425,887	\$ 1,339,595	\$ 6,206,910	\$ 964,969
Business-type activities:				
Water and Sewer Funds	\$ 2,166,029	\$ 1,893,896	\$ -	\$ -
Industrial Development Authority	135,666	-	-	-
Total business-type activities	\$ 2,301,695	\$ 1,893,896	\$ -	\$ -
Total primary government	\$ 31,727,582	\$ 3,233,491	\$ 6,206,910	\$ 964,969
COMPONENT UNIT:				
School Board	\$ 32,752,927	\$ 512,720	\$ 26,892,037	\$ 276,894
Total component unit	\$ 32,752,927	\$ 512,720	\$ 26,892,037	\$ 276,894

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

## Statement of Activities

For the Year Ended June 30, 2023

Functions/Programs	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	School Board
<b>PRIMARY GOVERNMENT:</b>				
Governmental activities:				
General government administration	\$ (1,615,674)	\$ -	\$ (1,615,674)	
Judicial administration	(556,878)	-	(556,878)	
Public safety	(5,057,455)	-	(5,057,455)	
Public works	(2,236,083)	-	(2,236,083)	
Health and welfare	(1,074,853)	-	(1,074,853)	
Education	(8,240,590)	-	(8,240,590)	
Parks, recreation, and cultural	(742,636)	-	(742,636)	
Community development	(478,583)	-	(478,583)	
Interest on long-term debt	(911,661)	-	(911,661)	
Total governmental activities	<u>\$ (20,914,413)</u>	<u>\$ -</u>	<u>\$ (20,914,413)</u>	
Business-type activities:				
Water and Sewer Funds	\$ -	\$ (272,133)	\$ (272,133)	
Industrial Development Authority	-	(135,666)	(135,666)	
Total business-type activities	<u>\$ -</u>	<u>\$ (407,799)</u>	<u>\$ (407,799)</u>	
Total primary government	<u><u>\$ (20,914,413)</u></u>	<u><u>\$ (407,799)</u></u>	<u><u>\$ (21,322,212)</u></u>	
<b>COMPONENT UNIT:</b>				
School Board				\$ (5,071,276)
Total component unit				<u><u>\$ (5,071,276)</u></u>
General revenues:				
General property taxes	\$ 17,147,994	\$ -	\$ 17,147,994	\$ -
Local sales and use taxes	1,169,196	-	1,169,196	-
Consumers' utility taxes	375,159	-	375,159	-
Motor vehicle licenses	347,863	-	347,863	-
Other local taxes	246,047	-	246,047	-
Payment from County of Buckingham - Education	-	-	-	8,660,497
Unrestricted revenues from use of money	180,025	3,723	183,748	-
Miscellaneous	125,252	-	125,252	397,509
Grants and contributions not restricted to specific programs	1,572,512	-	1,572,512	-
Transfers	(116,842)	116,842	-	-
Total general revenues and transfers	<u>\$ 21,047,206</u>	<u>\$ 120,565</u>	<u>\$ 21,167,771</u>	<u>\$ 9,058,006</u>
Change in net position	<u>\$ 132,793</u>	<u>\$ (287,234)</u>	<u>\$ (154,441)</u>	<u>\$ 3,986,730</u>
Net position (deficit) - beginning	<u>22,484,761</u>	<u>18,630,002</u>	<u>41,114,763</u>	<u>4,404,214</u>
Net position (deficit) - ending	<u>\$ 22,617,554</u>	<u>\$ 18,342,768</u>	<u>\$ 40,960,322</u>	<u>\$ 8,390,944</u>

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

## **Fund Financial Statements**

Balance Sheet  
Governmental Funds  
June 30, 2023

	General	Virginia Public Assistance	ARPA Fund	Debt Service	County Capital Improvements	Other Governmental Funds	Total
<b>ASSETS</b>							
Cash and cash equivalents	\$ 7,514,083	\$ 600,000	\$ 2,848,200	\$ -	\$ 42,028	\$ -	\$ 11,004,311
Receivables (net of allowance for uncollectibles):							
Taxes receivable	7,597,220	-	-	-	-	-	7,597,220
Accounts receivable	188,549	338	-	-	-	194,352	383,239
Interest receivable	262	-	-	-	-	-	262
Leases receivable	225,800	-	-	-	-	-	225,800
Due from other funds	733,234	-	-	-	-	-	733,234
Due from component unit	4,063,529	-	-	-	-	-	4,063,529
Due from other governmental units	823,753	135,718	5,000	-	-	-	964,471
Prepaid items	25,776	-	-	-	-	-	25,776
Total assets	<u>\$ 21,172,206</u>	<u>\$ 736,056</u>	<u>\$ 2,853,200</u>	<u>\$ -</u>	<u>\$ 42,028</u>	<u>\$ 194,352</u>	<u>\$ 24,997,842</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 623,367	\$ 2,822	\$ -	\$ -	\$ -	\$ 24,196	\$ 650,385
Due to other funds	-	733,234	-	-	-	-	733,234
Unearned revenue	-	-	2,853,200	-	-	-	2,853,200
Total liabilities	<u>\$ 623,367</u>	<u>\$ 736,056</u>	<u>\$ 2,853,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,196</u>	<u>\$ 4,236,819</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - property taxes	\$ 8,090,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,090,200
Unavailable revenue - opioid settlements	117,408	-	-	-	-	-	117,408
Lease related items	222,983	-	-	-	-	-	222,983
Total deferred inflows of resources	<u>\$ 8,430,591</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,430,591</u>
<b>FUND BALANCES</b>							
Nonspendable:							
Prepaid items	\$ 25,776	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,776
Restricted:							
Sheriff's fund - DCJS	14,264	-	-	-	-	-	14,264
Commonwealth's Attorney - DCJS	8,882	-	-	-	-	-	8,882
Courthouse security	67,897	-	-	-	-	-	67,897
Opioid abatement	37,857	-	-	-	-	-	37,857
Glenmore emergency services	-	-	-	-	-	170,156	170,156
School construction funds	831,653	-	-	-	-	-	831,653
Committed:							
Economic Development	776,385	-	-	-	-	-	776,385
Gene Dixon park expansion	1,694,914	-	-	-	42,028	-	1,736,942
Fire/rescue training	20,000	-	-	-	-	-	20,000
Animal control facility	1,300,000	-	-	-	-	-	1,300,000
Sheriff's fund - non-DCJS	52,368	-	-	-	-	-	52,368
County capital projects	900,000	-	-	-	-	-	900,000
School capital projects	623,461	-	-	-	-	-	623,461
Assigned:							
Unassigned	5,764,791	-	-	-	-	-	5,764,791
Total fund balances	<u>\$ 12,118,248</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,028</u>	<u>\$ 170,156</u>	<u>\$ 12,330,432</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 21,172,206</u>	<u>\$ 736,056</u>	<u>\$ 2,853,200</u>	<u>\$ -</u>	<u>\$ 42,028</u>	<u>\$ 194,352</u>	<u>\$ 24,997,842</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, 2023

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds \$ 12,330,432

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	\$	720,807	
Buildings and improvements		26,074,081	
Land improvements		1,272,915	
Machinery, equipment and vehicles		3,068,095	
Lease equipment		19,291	
Lease towers		242,411	
Subscriptions assets		99,719	
Construction in progress		<u>164,203</u>	31,661,522

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

Unavailable revenue related to property taxes	\$	2,217,612	
Unavailable revenue related to opioid settlements		<u>117,408</u>	2,335,020

Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.

Pension related items	\$	954,894	
OPEB related items		<u>109,249</u>	1,064,143

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	\$	(4,400,000)	
Plus: Issuance premium (to be amortized against interest expense)		(604,841)	
Refunding bonds		(4,325,000)	
Plus: Issuance premium (to be amortized against interest expense)		(453,114)	
General obligation bonds		(11,800,272)	
Plus: Issuance premium (to be amortized against interest expense)		(268,271)	
Net pension liability		(436,999)	
Lease liabilities		(266,102)	
Subscription liability		(100,649)	
Net OPEB liability		(292,552)	
Compensated absences		<u>(702,778)</u>	(23,650,578)

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			(297,762)
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Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.

Pension related items	\$	(766,115)	
OPEB related items		<u>(59,108)</u>	(825,223)

Net position of governmental activities	\$		<u>22,617,554</u>
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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, 2023

	General	Virginia Public Assistance	ARPA Fund	Debt Service	County Capital Improvements	Other Governmental Funds	Total
<b>REVENUES</b>							
General property taxes	\$ 17,065,345	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,065,345
Other local taxes	2,138,265	-	-	-	-	-	2,138,265
Permits, privilege fees, and regulatory licenses	140,524	-	-	-	-	-	140,524
Fines and forfeitures	33,510	-	-	-	-	-	33,510
Revenue from the use of money and property	294,632	-	-	-	-	-	294,632
Charges for services	114,937	-	-	-	-	936,017	1,050,954
Miscellaneous	122,205	3,047	-	-	-	47,884	173,136
Recovered costs	19,800	-	-	-	-	-	19,800
Intergovernmental:							
Commonwealth	5,651,719	621,362	-	-	-	83,131	6,356,212
Federal	111,736	1,182,181	497,598	426,107	-	87,511	2,305,133
Total revenues	\$ 25,692,673	\$ 1,806,590	\$ 497,598	\$ 426,107	\$ -	\$ 1,154,543	\$ 29,577,511
<b>EXPENDITURES</b>							
Current:							
General government administration	\$ 1,994,936	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,994,936
Judicial administration	957,342	-	-	-	-	-	957,342
Public safety	5,455,173	-	383,787	-	-	2,415,853	8,254,813
Public works	1,986,403	-	-	-	-	-	1,986,403
Health and welfare	2,936,277	2,045,223	-	-	-	-	4,981,500
Education	6,988,968	-	-	-	-	-	6,988,968
Parks, recreation, and cultural	603,296	-	-	-	-	-	603,296
Community development	248,839	-	20,000	-	-	-	268,839
Nondepartmental	469,744	-	-	-	-	-	469,744
Capital projects	142,663	-	-	-	-	-	142,663
Debt service:							
Principal retirement	39,169	-	-	2,431,465	-	-	2,470,634
Interest and other fiscal charges	3,849	-	-	1,230,057	-	-	1,233,906
Total expenditures	\$ 21,826,659	\$ 2,045,223	\$ 403,787	\$ 3,661,522	\$ -	\$ 2,415,853	\$ 30,353,044
Excess (deficiency) of revenues over (under) expenditures	\$ 3,866,014	\$ (238,633)	\$ 93,811	\$ (3,235,415)	\$ -	\$ (1,261,310)	\$ (775,533)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	\$ 302,813	\$ 238,633	\$ -	\$ 3,174,151	\$ -	\$ 1,168,128	\$ 4,883,725
Transfers out	(4,906,756)	-	(93,811)	-	-	-	(5,000,567)
Leases and subscriptions	143,047	-	-	-	-	-	143,047
Sale of assets	18,613	-	-	-	-	-	18,613
Advance refunding of bonds - VPSA	-	-	-	61,264	-	-	61,264
Total other financing sources (uses)	\$ (4,442,283)	\$ 238,633	\$ (93,811)	\$ 3,235,415	\$ -	\$ 1,168,128	\$ 106,082
Net change in fund balances	\$ (576,269)	\$ -	\$ -	\$ -	\$ -	\$ (93,182)	\$ (669,451)
Fund balances - beginning	12,694,517	-	-	-	42,028	263,338	12,999,883
Fund balances - ending	\$ 12,118,248	\$ -	\$ -	\$ -	\$ 42,028	\$ 170,156	\$ 12,330,432

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, 2023

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

Net change in fund balances - total governmental funds	\$	(669,451)
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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 capital outlays exceeded the depreciation in the current period.

Capital asset additions	\$	1,525,227	
Depreciation expense		(2,096,211)	
Adjustment for jointly owned assets		<u>(1,437,279)</u>	(2,008,263)

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

Disposal of assets		<u>(137,400)</u>	(137,400)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The changes in unavailable property taxes and unavailable opioid revenue are reported in this category.

56,547

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	\$	2,431,465	
Amortization of premium		252,743	
New lease and subscription liability		(143,047)	
Payment on lease and subscription liabilities		<u>39,169</u>	2,580,330

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	\$	(50,853)	
Change in pension related items		273,706	
Change in OPEB related items		18,675	
Accrued interest payable		<u>69,502</u>	<u>311,030</u>

Change in net position of governmental activities	\$	<u><u>132,793</u></u>
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The notes to the financial statements are an integral part of this statement.

Statement of Net Position  
Proprietary Funds  
June 30, 2023

	Enterprise Funds			
	Water Fund	Sewer Fund	IDA	Total
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 4,568,476	\$ -	\$ 100	\$ 4,568,576
Interest receivable	301	-	-	301
Accounts receivable (net of allowance)	211,178	45,437	-	256,615
Leases receivable - current portion	8,445	-	-	8,445
Total current assets	\$ 4,788,400	\$ 45,437	\$ 100	\$ 4,833,937
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	\$ 449,271	\$ 214,093	\$ -	\$ 663,364
Other assets:				
Leases receivable - net of current portion	251,177	-	-	251,177
Capital assets:				
Land	135,757	73,217	-	208,974
Intangibles	712,100	-	-	712,100
Buildings and systems	19,044,281	15,472,406	-	34,516,687
Land improvements	22,634	-	-	22,634
Machinery, equipment, and vehicles	765,811	305,232	-	1,071,043
Less accumulated depreciation	(7,994,686)	(3,627,146)	-	(11,621,832)
Total capital assets	\$ 12,685,897	\$ 12,223,709	\$ -	\$ 24,909,606
Total noncurrent assets	\$ 13,386,345	\$ 12,437,802	\$ -	\$ 25,824,147
Total assets	\$ 18,174,745	\$ 12,483,239	\$ 100	\$ 30,658,084
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related items	\$ 84,269	\$ 15,235	\$ -	\$ 99,504
OPEB related items	8,100	1,687	-	9,787
Total deferred outflows of resources	\$ 92,369	\$ 16,922	\$ -	\$ 109,291
<b>LIABILITIES</b>				
Current liabilities:				
Reconciled overdraft	\$ -	\$ 1,522,683	\$ -	\$ 1,522,683
Accounts payable	30,783	6,078	-	36,861
Customers' deposits payable from restricted assets	5,146	1,269	-	6,415
Accrued interest payable	15,033	7,269	-	22,302
Compensated absences - current portion	5,536	1,879	-	7,415
Bonds payable - current portion	84,000	-	-	84,000
Loans payable - current portion	141,683	93,637	-	235,320
Total current liabilities	\$ 282,181	\$ 1,632,815	\$ -	\$ 1,914,996
Noncurrent liabilities:				
Bonds payable - net of current portion	\$ 1,568,000	\$ -	\$ -	\$ 1,568,000
Loans payable - net of current portion	4,377,275	4,068,274	-	8,445,549
Compensated absences - net of current portion	49,827	16,909	-	66,736
Net pension liability	29,944	6,643	-	36,587
Net OPEB liability	21,924	4,730	-	26,654
Total noncurrent liabilities	\$ 6,046,970	\$ 4,096,556	\$ -	\$ 10,143,526
Total liabilities	\$ 6,329,151	\$ 5,729,371	\$ -	\$ 12,058,522
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Lease related items	\$ 256,557	\$ -	\$ -	\$ 256,557
Pension related items	88,183	15,958	-	104,141
OPEB related items	4,430	957	-	5,387
Total deferred inflows of resources	\$ 349,170	\$ 16,915	\$ -	\$ 366,085
<b>NET POSITION</b>				
Net investment in capital assets	\$ 6,514,939	\$ 8,061,798	\$ -	\$ 14,576,737
Restricted:				
Debt service and bond covenants	444,125	212,824	-	656,949
Unrestricted (deficit)	4,629,729	(1,520,747)	100	3,109,082
Total net position	\$ 11,588,793	\$ 6,753,875	\$ 100	\$ 18,342,768

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, 2023

	Enterprise Funds			
	Water Fund	Sewer Fund	IDA	Total
<b>OPERATING REVENUES</b>				
Charges for services:				
Water revenues	\$ 1,473,714	\$ -	\$ -	\$ 1,473,714
Sewer revenues	-	330,326	-	330,326
Tap fees	9,452	57,500	-	66,952
Other revenues	12,941	-	-	12,941
Total operating revenues	\$ 1,496,107	\$ 387,826	\$ -	\$ 1,883,933
<b>OPERATING EXPENSES</b>				
Salaries and benefits	\$ 558,828	\$ 121,238	\$ -	\$ 680,066
Contracted services	4,192	14,370	-	18,562
Utilities	71,925	60,389	-	132,314
Supplies and other expenses	174,831	55,823	-	230,654
Economic incentives	-	-	135,666	135,666
Depreciation	471,909	398,207	-	870,116
Total operating expenses	\$ 1,281,685	\$ 650,027	\$ 135,666	\$ 2,067,378
Operating income (loss)	\$ 214,422	\$ (262,201)	\$ (135,666)	\$ (183,445)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	\$ 3,705	\$ 18	\$ -	\$ 3,723
Rental income	9,963	-	-	9,963
Interest expense	(143,489)	(90,828)	-	(234,317)
Total nonoperating revenues (expenses)	\$ (129,821)	\$ (90,810)	\$ -	\$ (220,631)
Income (loss) before transfers	\$ 84,601	\$ (353,011)	\$ (135,666)	\$ (404,076)
<b>TRANSFERS</b>				
Transfers in	\$ -	\$ 181,176	\$ 375,103	\$ 556,279
Transfers out	(200,000)	-	(239,437)	(439,437)
Net transfers	\$ (200,000)	\$ 181,176	\$ 135,666	\$ 116,842
Change in net position	\$ (115,399)	\$ (171,835)	\$ -	\$ (287,234)
Net position - beginning	11,704,192	6,925,710	100	18,630,002
Net position - ending	\$ 11,588,793	\$ 6,753,875	\$ 100	\$ 18,342,768

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, 2023

	Enterprise Funds			
	Water Fund	Sewer Fund	IDA	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 1,494,632	\$ 378,462	\$ -	\$ 1,873,094
Payments to suppliers	(244,772)	(226,911)	-	(471,683)
Payments to and for employees	(583,832)	(116,472)	-	(700,304)
Other receipts (payments)	8,328	-	(135,666)	(127,338)
Net cash provided by (used for) operating activities	\$ 674,356	\$ 35,079	\$ (135,666)	\$ 573,769
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers to other funds	\$ (200,000)	\$ -	\$ (239,437)	\$ (439,437)
Transfers from other funds	-	181,176	375,103	556,279
Net cash provided by (used for) noncapital financing activities	\$ (200,000)	\$ 181,176	\$ 135,666	\$ 116,842
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of property and equipment	\$ (29,379)	\$ (10,844)	\$ -	\$ (40,223)
Principal payments on bonds	(82,000)	-	-	(82,000)
Principal payments on loans	(138,859)	(91,675)	-	(230,534)
Interest payments	(137,143)	(89,502)	-	(226,645)
Net cash provided by (used for) capital and related financing activities	\$ (387,381)	\$ (192,021)	\$ -	\$ (579,402)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends received	\$ 3,714	\$ 18	\$ -	\$ 3,732
Net increase (decrease) in cash and cash equivalents	\$ 90,689	\$ 24,252	\$ -	\$ 114,941
Cash and cash equivalents - beginning - including restricted	4,927,058	189,841	100	5,116,999
Cash and cash equivalents - ending - including restricted	\$ 5,017,747	\$ 214,093	\$ 100	\$ 5,231,940
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	\$ 214,422	\$ (262,201)	\$ (135,666)	\$ (183,445)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	\$ 471,909	\$ 398,207	\$ -	\$ 870,116
Rental income	9,963	-	-	9,963
(Increase) decrease in accounts receivable	(111)	(9,364)	-	(9,475)
(Increase) decrease in leases receivable	8,328	-	-	8,328
(Increase) decrease in net pension asset	105,488	20,824	-	126,312
(Increase) decrease in deferred outflows - pension related	(11,548)	1,017	-	(10,531)
(Increase) decrease in deferred outflows - OPEB related	(2,541)	1,088	-	(1,453)
Increase (decrease) in overdraft	-	(97,001)	-	(97,001)
Increase (decrease) in compensated absences	1,273	3,039	-	4,312
Increase (decrease) in accounts payable	6,176	672	-	6,848
Increase (decrease) in customer deposits	(1,364)	-	-	(1,364)
Increase (decrease) in net pension liability	29,944	6,643	-	36,587
Increase (decrease) in net OPEB liability	(57)	1,982	-	1,925
Increase (decrease) in deferred inflows - lease related	(9,963)	-	-	(9,963)
Increase (decrease) in deferred inflows - pension related	(143,415)	(29,711)	-	(173,126)
Increase (decrease) in deferred inflows - OPEB related	(4,148)	(116)	-	(4,264)
Total adjustments	\$ 459,934	\$ 297,280	\$ -	\$ 757,214
Net cash provided by (used for) operating activities	\$ 674,356	\$ 35,079	\$ (135,666)	\$ 573,769
Schedule of noncash capital and related financing activities:				
Acquisition of assets on account (change in accts payable)	\$ 13,500	\$ -	\$ -	\$ 13,500

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

Statement of Fiduciary Net Position  
 Fiduciary Funds  
 June 30, 2023

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	<b>Custodial Funds</b>
	<hr/>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 442,771
Receivables:	
Other receivables	1,327
Total assets	\$ <u>444,098</u>
	<hr/>
<b>LIABILITIES</b>	
Bonds payable to others	\$ 221,119
Total liabilities	\$ <u>221,119</u>
	<hr/>
<b>NET POSITION</b>	
Restricted for:	
Special welfare	\$ 32,009
Performance bond	190,970
Total net position	\$ <u>222,979</u>
	<hr/>

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

Statement of Changes in Fiduciary Net Position  
 Fiduciary Funds  
 For the Year Ended June 30, 2023

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	<b>Custodial Funds</b>
<b>ADDITIONS</b>	
Special welfare collections	\$ 12,429
Total additions	<u>\$ 12,429</u>
<b>DEDUCTIONS</b>	
Welfare costs	\$ 13,239
Escrow	<u>48,771</u>
Total deductions	<u>\$ 62,010</u>
Net increase (decrease) in fiduciary net position	\$ (49,581)
Net position, beginning	<u>272,560</u>
Net position, ending	<u><u>\$ 222,979</u></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, 2023

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#### **Note 1—Summary of Significant Accounting Policies:**

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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.

#### **A. Description of Government-Wide Financial Statements**

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(s). All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

#### **B. 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 units. Blended component units, although legally separate entities, are, in substance, part of the government's operations, and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is both legally separate from the government.

#### **C. Individual Component Unit Disclosures**

##### *Blended Component Unit*

Buckingham County Industrial Development Authority - The Buckingham County Industrial Development Authority (IDA) was created by the County to attract industry to the County and to provide financing for such industries. The Authority does have separate corporate powers that distinguish it as being legally separate from the County. The County is financially accountable for the Authority because it appoints a voting majority of the Authority's governing body and there exists a financial benefit or burden between the two entities. The IDA is reported as an enterprise fund and does not issue a separate financial report.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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

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#### C. Individual Component Unit Disclosures (Continued)

##### *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.

#### D. 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 Regional 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 \$293,804 to the regional library, \$603,501 to Piedmont Regional Jail Authority, \$513,242 (including contributions to capital projects of \$467,000) to Piedmont Regional Juvenile Detention Center and \$40,000 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.

#### E. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the County of Buckingham, Virginia's enterprise funds. 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.

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

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**E. Basis of Presentation – Government-Wide Financial Statements (Continued)**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the County's water and sewer functions and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**F. Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the County of Buckingham, Virginia's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

During the course of operations the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

**G. 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 accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

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

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

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**G. 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 when they have been earned and 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease and subscription liabilities, as well as expenditures related to compensated absences, claims and judgments, postemployment benefits, and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the government the right to use lease and subscription assets, are reported as expenditures in the governmental funds. Issuance of long-term debt and financing through leases and subscriptions are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the County.

**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.

**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 special revenue funds are the Virginia Public Assistance Fund and the ARPA Fund, which are considered major funds. The Emergency Management Services Fund is a nonmajor special revenue fund.

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

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

1. Governmental Funds: (Continued)

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 Fund

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 is considered a major fund.

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, the Sewer Fund and the IDA.

3. Fiduciary Funds (Trust and Custodial Funds)

Fiduciary Funds (Trust and Custodial Funds) account for assets held by the County in a trustee capacity or as custodian for individuals, private organizations, other governmental units, or other funds. These funds include Custodial Funds, which consist of the Special Welfare Fund and Surety Bond 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.

4. Component Unit School Board

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.

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

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

**4. Component Unit School Board (Continued)**

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

School Activity Fund – This fund accounts for and reports funds collected at the schools in connection with student athletics, clubs, various fundraising activities, and private donations. This fund is considered a nonmajor 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 2023.

**H. Program Revenues**

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

**I. Proprietary Funds Operating and Nonoperating Revenues and Expenses**

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 water and sewer funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost 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.

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

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**J. 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. The budgetary comparison schedules present the original budget, the final budget and the actual activity of the major governmental funds.

**K. Budgets and Budgetary Accounting**

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

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the department level or category level. The appropriation for each department or category can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government departments; however, the School Board is authorized to transfer budgeted amounts within the school system's categories.
5. Formal budgetary integration is employed as a management control device during the year and budgets are legally adopted for the General Fund, VPA Fund, ARPA Fund, and the Debt Service Fund 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.

**L. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the County's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

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



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

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**M. Investments**

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

**N. Inventory and Prepaid Items**

Inventories are valued at the lower of cost (first-in, first-out) or market.

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.

**O. 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).

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 \$232,500 at June 30, 2023 and is comprised solely of property taxes. In addition, water and sewer receivables are reported net of a \$61,359 reserve.

**P. Capital Assets**

Capital assets are tangible and intangible assets, which include property, plant, equipment, lease, subscription, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County and Component Unit School Board as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years.

As the County and Component Unit School Board constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease and subscription assets, the measurement of which is discussed in more detail below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset’s capacity or efficiency or increases its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.



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

**P. Capital Assets (Continued)**

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, lease assets, subscription assets, and infrastructure of the primary government, as well as the component unit School Board, are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Structures, lines and accessories	40-50
Buildings	40
Building improvements	20-40
Land improvements	15
Vehicles	3-5
Office, computer, and equipment	5-20
Buses	10-15
Lease equipment	3-5
Lease towers	15-40
Subscription asset	5

**Q. Leases and Subscription-Based IT Arrangements**

The County has lease assets and subscription-based IT arrangements (SBITAs) requiring recognition. A lease is a contract that conveys control of the right to use another entity’s nonfinancial asset. Lease recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases. A SBITA is defined as a contract that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

*Lessor*

The County recognizes leases receivable and deferred inflows of resources in the government-wide and governmental fund financial statements. At commencement of the lease, the lease receivable is measured at the present value of lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured at the initial amount of the lease receivable, less lease payments received from the lessee at or before the commencement of the lease term (less any lease incentives).

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

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**Q. Leases and Subscription-Based IT Arrangements: (Continued)**

*Lessee*

The County recognizes lease liabilities and intangible right-to-use lease assets (lease assets) with an initial value of \$5,000, individually or in the aggregate in the government-wide financial statements. At the commencement of the lease, the lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease liability is reduced by the principal portion of payments made. The lease asset is measured at the initial amount of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset.

*Subscriptions*

The County recognizes intangible right-to-use subscription assets (subscription assets) and corresponding subscription liabilities with an initial value of \$5,000, individually or in the aggregate, in the government-wide financial statements. At the commencement of the subscription, the subscription liability is measured at the present value of payments expected to be made during the subscription liability term (less any contract incentives). The subscription liability is reduced by the principal portion of payments made. The subscription asset is measured at the initial amount of the subscription liability payments made to the SBITA vendor before commencement of the subscription term, and capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized over the shorter of the subscription term or the useful life of the underlying IT asset.

*Key Estimates and Judgments*

Lease and subscription-based IT arrangement accounting includes estimates and judgments for determining the (1) rate used to discount the expected lease and subscription payments to present value, (2) lease and subscription term, and (3) lease and subscription payments.

- The County uses the interest rate stated in lease or subscription contracts. When the interest rate is not provided or the implicit rate cannot be readily determined, the County uses its estimated incremental borrowing rate as the discount rate for leases and subscriptions.
- The lease and subscription terms include the noncancellable period of the lease or subscription and certain periods covered by options to extend to reflect how long the lease or subscription is expected to be in effect, with terms and conditions varying by the type of underlying asset.
- Fixed and certain variable payments as well as lease or subscription incentives and certain other payments are included in the measurement of the lease receivable (lessor), lease liability (lessee) or subscription liability.

The County monitors changes in circumstances that would require a remeasurement or modification of its leases and subscriptions. The County will remeasure the lease receivable and deferred inflows of resources (lessor), the lease asset and liability (lessee) or the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the lease receivable, lease liability, or subscription liability.

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

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**R. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County's deferred outflows of resources are comprised of certain items related to pension and OPEB. For more detailed information on these items, reference the related notes.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has multiple items that qualify for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of uncollected property taxes due prior to June 30, 2<sup>nd</sup> half installments levied during the fiscal year but due after June 30<sup>th</sup> and amounts prepaid on the 2<sup>nd</sup> half installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. Under the accrual basis, 2<sup>nd</sup> half installments levied during the fiscal year but due after June 30<sup>th</sup> and amounts prepaid on the 2<sup>nd</sup> half installments are reported as deferred inflows of resources. In addition, certain items related to pension, OPEB, leases, and opioid settlements are reported as deferred inflows of resources. For more detailed information on these items, reference the related notes.

**S. Compensated Absences**

*Vacation*

The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

*Sick Leave*

Accumulated sick leave lapses when employees leave the employ of the County and, upon separation from service, no monetary obligation exists.

**T. 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 and School Board's Retirement Plan and the additions to/deductions from the County and School Board's Retirement Plan's fiduciary net position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

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**U. Other Postemployment Benefits (OPEB)**

For purposes of measuring the net VRS related OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about the fiduciary net position of the VRS GLI and HIC OPEB Plans and the additions to/deductions from the VRS OPEB Plans' fiduciary net position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**V. Long-term Obligations**

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities column. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**W. 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.

**X. Net Position**

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

- Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

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

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**X. Net Position: (Continued)**

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.

**Y. Fund Balance**

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

- Nonspendable fund balance – amounts that are either not in spendable form (such as inventory and prepaids) or are legally or contractually required to be maintained intact (corpus of a permanent fund);
- Restricted fund balance – amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers;
- Committed fund balance – amounts that can be used only for the specific purposes determined by the adoption of an ordinance committing fund balance for a specified purpose by the Board of Supervisors prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Board adopts another ordinance to remove or revise the limitation;
- Assigned fund balance – amounts a government intends to use for a specific purpose but do not meet the criteria to be classified as committed; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are only reported in the general fund. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

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.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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

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#### Y. Fund Balance (Continued)

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, which does not lapse at year end, 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:

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#### Deposits

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

#### Investments

Statutes authorize 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 that has received at least two of the following ratings: P-1 by Moody's Investors Service, Inc.; A-1 by Standard & Poor's; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker's acceptances, repurchase agreements, and the State Treasurer's Local Government Investment Pool (LGIP).

The County's investments at June 30, 2023 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, 2023 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.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

Note 2—Deposits and Investments: (Continued)

Interest Rate Risk

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

Investment Maturities (in years)		
Investment Type	Value	Less Than 1 Year
Local Government Investment Pool	\$ 4,709,797	\$ 4,709,797

External Investment Pool

The value of the positions in the external investment pool (Local Government Investment 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 is an amortized cost basis portfolio. There are no withdrawal limitations or restrictions imposed on participants.

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 and public service corporation taxes are due on June 5<sup>th</sup> and December 5<sup>th</sup> and personal property taxes are due on December 5<sup>th</sup>.

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 2022 were levied by the County Board of Supervisors on April 25, 2022, on the assessed values listed as of January 1, 2022. The second half of 2022 real estate taxes was due on December 5, 2022. The first half of 2023 real estate and public service corporation taxes was due on June 5, 2023. The 2023 taxes were levied by the County Board of Supervisors on April 24, 2023 on the assessed value listed as of January 1, 2023.

**COUNTY OF BUCKINGHAM, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 3—Property Taxes: (Continued)**

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, 2023:

	Primary Government				Component Unit
	General	Special Revenue	Governmental Activities	Business-type Activities	School Board
Property taxes	\$ 7,829,720	\$ -	\$ 7,829,720	\$ -	\$ -
Allowance for uncollectibles	(232,500)	-	(232,500)	-	-
Net taxes receivable	<u>\$ 7,597,220</u>	<u>\$ -</u>	<u>\$ 7,597,220</u>	<u>\$ -</u>	<u>\$ -</u>
Accounts Receivable:					
Utility taxes	\$ 30,230	\$ -	\$ 30,230	\$ -	\$ -
Grantee tax	8,481	-	8,481	-	-
Solid waste	9,446	-	9,446	-	-
Recycling revenue	6,094	-	6,094	-	-
Opioids settlement	117,408	-	117,408	-	-
EMS fees	-	194,352	194,352	-	-
Other	16,890	338	17,228	-	5,323
Water and sewer	-	-	-	317,974	-
Rebates and refunds	-	-	-	-	39,151
School activity funds	-	-	-	-	3,106
Insurance recovery	-	-	-	-	1,865
Allowance for uncollectibles	-	-	-	(61,359)	-
Net accounts receivable	<u>\$ 188,549</u>	<u>\$ 194,690</u>	<u>\$ 383,239</u>	<u>\$ 256,615</u>	<u>\$ 49,445</u>



**COUNTY OF BUCKINGHAM, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 5—Due From Other Governmental Units:**

Amounts due from other governments are detailed as follows:

	Governmental Activities				Component Unit
	General	Virginia Public Assistance	ARPA Fund	Total	School Board
<b>Commonwealth of Virginia:</b>					
Local sales taxes	\$ 211,174	\$ -	\$ -	\$ 211,174	\$ -
State sales taxes	-	-	-	-	464,202
Communication taxes	46,652	-	-	46,652	-
Public assistance	-	50,429	-	50,429	-
Comprehensive services	361,490	-	-	361,490	-
Shared expenses and grants	142,045	-	-	142,045	-
Forest land management	17,000	-	-	17,000	-
Motor vehicle carrier tax	11,485	-	-	11,485	-
Mobile home tax	9,213	-	-	9,213	-
Other	19,885	-	-	19,885	10,297
<b>Federal government:</b>					
Tourism	-	-	5,000	5,000	-
Selective enforcement	4,809	-	-	4,809	-
Public assistance	-	85,289	-	85,289	-
Title I	-	-	-	-	620,836
Title II - Part A	-	-	-	-	26,079
ESSER	-	-	-	-	635,946
VDH HEPA grant	-	-	-	-	35,424
Special Education	-	-	-	-	517,432
Twenty-first century	-	-	-	-	114,133
School Food	-	-	-	-	18,667
Other	-	-	-	-	71,717
<b>Total</b>	<b>\$ 823,753</b>	<b>\$ 135,718</b>	<b>\$ 5,000</b>	<b>\$ 964,471</b>	<b>\$ 2,514,733</b>

**Note 6—Interfund Obligations:**

Details of interfund receivables and payables as of June 30, 2023 are as follows:

Fund	Interfund Receivable	Interfund Payable
General	\$ 733,234	\$ -
Virginia Public Assistance	-	733,234
<b>Total</b>	<b>\$ 733,234</b>	<b>\$ 733,234</b>

**COUNTY OF BUCKINGHAM, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 6—Interfund Obligations: (Continued)**

Details of obligations between the primary government and component unit School Board as of June 30, 2023 are as follows:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Primary government general fund	Component Unit - School Board	\$ <u>4,063,529</u>

**Note 7—Unavailable Revenue and Deferred Revenue:**

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

	<u>Government-wide Statements Governmental Activities</u>	<u>Balance Sheet Governmental Funds</u>
<b>Primary Government:</b>		
Property taxes:		
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures	\$ -	\$ 2,217,612
2nd half assessments due in December 2023	5,154,124	5,154,124
Prepaid property taxes due in December 2023, but paid in advance by the taxpayers	<u>718,464</u>	<u>718,464</u>
Total deferred/unavailable revenue - taxes	\$ <u>5,872,588</u>	\$ <u>8,090,200</u>
Unavailable opioid settlements	\$ -	\$ <u>117,408</u>

# COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

## Note 8—Capital Assets:

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

### Primary Government: Governmental Activities:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Capital assets not being depreciated:				
Land	\$ 720,807	\$ -	\$ -	\$ 720,807
Construction in progress	81,413	82,790	-	164,203
Total capital assets not being depreciated	<u>\$ 802,220</u>	<u>\$ 82,790</u>	<u>\$ -</u>	<u>\$ 885,010</u>
Other capital assets:				
Buildings and improvements	\$ 24,312,928	\$ 16,100	\$ -	\$ 24,329,028
Land improvements	1,869,271	227,733	-	2,097,004
Machinery, equipment and vehicles	9,337,074	1,055,557	312,239	10,080,392
Jointly owned assets	14,093,045	-	2,173,648	11,919,397
Lease equipment	13,717	18,398	-	32,115
Lease towers	262,745	-	-	262,745
Subscription asset	-	124,649	-	124,649
Total other capital assets	<u>\$ 49,888,780</u>	<u>\$ 1,442,437</u>	<u>\$ 2,485,887</u>	<u>\$ 48,845,330</u>
Accumulated depreciation:				
Buildings and improvements	\$ 7,550,352	\$ 605,227	\$ -	\$ 8,155,579
Land improvements	725,918	98,171	-	824,089
Machinery, equipment and vehicles	6,139,386	1,047,750	174,839	7,012,297
Jointly owned assets	2,453,420	301,714	736,369	2,018,765
Lease equipment	4,572	8,252	-	12,824
Lease towers	10,167	10,167	-	20,334
Subscription asset	-	24,930	-	24,930
Total accumulated depreciation	<u>\$ 16,883,815</u>	<u>\$ 2,096,211</u>	<u>\$ 911,208</u>	<u>\$ 18,068,818</u>
Other capital assets, net	<u>\$ 33,004,965</u>	<u>\$ (653,774)</u>	<u>\$ 1,574,679</u>	<u>\$ 30,776,512</u>
Net capital assets	<u><u>\$ 33,807,185</u></u>	<u><u>\$ (570,984)</u></u>	<u><u>\$ 1,574,679</u></u>	<u><u>\$ 31,661,522</u></u>
Depreciation is allocated to:				
General government administration		233,745		
Judicial administration		247,659		
Public safety		828,399		
Public works		204,700		
Health and welfare		39,069		
Education		301,714		
Parks, recreation, and cultural		189,422		
Community development		51,503		
Total		<u><u>2,096,211</u></u>		

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 8—Capital Assets: (Continued)**

**Primary Government: (Continued)**

**Business-type Activities:**

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Capital assets not being depreciated:				
Land	\$ 208,974	\$ -	\$ -	\$ 208,974
Intangibles	<u>712,100</u>	<u>-</u>	<u>-</u>	<u>712,100</u>
Total capital assets not being depreciated	<u>\$ 921,074</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 921,074</u>
Other capital assets:				
Buildings and systems	\$ 34,516,687	\$ -	\$ -	\$ 34,516,687
Land improvements	22,634	-	-	22,634
Machinery, equipment and vehicles	<u>1,017,320</u>	<u>53,723</u>	<u>-</u>	<u>1,071,043</u>
Total other capital assets	<u>\$ 35,556,641</u>	<u>\$ 53,723</u>	<u>\$ -</u>	<u>\$ 35,610,364</u>
Accumulated depreciation:				
Buildings and systems	\$ 9,916,343	\$ 836,280	\$ -	\$ 10,752,623
Land improvements	8,220	1,275	-	9,495
Machinery, equipment and vehicles	<u>827,153</u>	<u>32,561</u>	<u>-</u>	<u>859,714</u>
Total accumulated depreciation	<u>\$ 10,751,716</u>	<u>\$ 870,116</u>	<u>\$ -</u>	<u>\$ 11,621,832</u>
Other capital assets, net	<u>\$ 24,804,925</u>	<u>\$ (816,393)</u>	<u>\$ -</u>	<u>\$ 23,988,532</u>
Net capital assets	<u>\$ 25,725,999</u>	<u>\$ (816,393)</u>	<u>\$ -</u>	<u>\$ 24,909,606</u>
Depreciation is allocated to:				
Water operations		\$ 471,909		
Sewer operations		<u>398,207</u>		
Total		<u>\$ 870,116</u>		

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 8—Capital Assets: (Continued)**

**Component Unit-School Board:**

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Capital assets not being depreciated:				
Land	\$ 257,165	\$ 49,274	\$ -	\$ 306,439
Construction in progress	369,103	835,975	-	1,205,078
Total capital assets not being depreciated	\$ 626,268	\$ 885,249	\$ -	\$ 1,511,517
Other capital assets:				
Buildings and improvements	\$ 16,785,966	\$ 288,856	\$ -	\$ 17,074,822
Improvements other than buildings	553,268	-	-	553,268
Machinery, equipment and vehicles	9,589,798	439,028	191,765	9,837,061
Jointly owned assets	22,637,276	2,173,648	-	24,810,924
Total other capital assets	\$ 49,566,308	\$ 2,901,532	\$ 191,765	\$ 52,276,075
Accumulated depreciation:				
Buildings and improvements	\$ 11,901,566	\$ 210,890	\$ -	\$ 12,112,456
Improvements other than buildings	518,938	8,913	-	527,851
Machinery, equipment and vehicles	6,971,814	667,752	191,765	7,447,801
Jointly owned assets	9,389,261	1,356,642	-	10,745,903
Total accumulated depreciation	\$ 28,781,579	\$ 2,244,197	\$ 191,765	\$ 30,834,011
Other capital assets, net	\$ 20,784,729	\$ 657,335	\$ -	\$ 21,442,064
Net capital assets	\$ 21,410,997	\$ 1,542,584	\$ -	\$ 22,953,581
Depreciation is allocated to education		\$ 2,244,197		

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, 2023, is that school financed assets in the amount of \$9,900,632 net are reported in the Primary Government for financial reporting purposes.

**COUNTY OF BUCKINGHAM, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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**Note 9—Leases Receivable:**

The County leases building space and towers to tenants under various lease contracts. For the health department building, the County receives monthly rental payments of \$4,167 through February 20, 2028. For the tower, the County receives monthly rental payments of \$1,000 through March 10, 2049. The County used a discount rate of 1.39% for these leases.

In fiscal year 2023, the County recognized \$47,782 of lease revenue and \$3,436 of interest revenue under the building lease and \$9,963 of lease revenue and \$3,662 of interest revenue under the tower lease.

Future payments due to the General Fund for the Health Department building are as follows:

<u>Year Ending June 30,</u>	<u>Health Dept</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 47,161	\$ 2,839
2025	47,821	2,179
2026	48,490	1,510
2027	49,168	832
2028	33,160	173
Total	<u>\$ 225,800</u>	<u>\$ 7,533</u>

Future payments due to the Water Fund for Tower rent are as follows:

<u>Year Ending June 30,</u>	<u>Tower</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 8,445	\$ 3,555
2025	8,563	3,437
2026	8,683	3,317
2027	8,804	3,196
2028	8,927	3,073
2029-2033	46,546	13,454
2034-2038	49,894	10,106
2039-2043	53,483	6,517
2044-2048	57,330	2,670
2049	8,947	53
Total	<u>\$ 259,622</u>	<u>\$ 49,378</u>

**Note 10—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, 2023 (Continued)

## Note 11—Long-Term Obligations:

The following is a summary of long-term obligation transactions for the County for the year ended June 30, 2023:

	Balance July 1, 2022	Issuances/ Increases	Retirements/ Decreases	Balance June 30, 2023
Primary Government:				
Governmental activities:				
Direct borrowings and direct placements:				
Lease revenue bonds	\$ 4,445,000	\$ -	\$ 45,000	\$ 4,400,000
Premium on issuance	687,961	-	83,120	604,841
Refunding bonds	4,615,000	-	290,000	4,325,000
Premium on issuance	533,684	-	80,570	453,114
General obligation school bonds	13,896,737	-	2,096,465	11,800,272
Premium on issuance	357,324	-	89,053	268,271
Lease liabilities	262,873	18,398	15,169	266,102
Subscription liability	-	124,649	24,000	100,649
Net pension liability	-	1,128,055	691,056	436,999
Net OPEB liability	250,039	195,958	153,445	292,552
Compensated absences	651,925	50,853	-	702,778
Total obligations from governmental activities	\$ 25,700,543	\$ 1,517,913	\$ 3,567,878	\$ 23,650,578
Business-type activities:				
Direct borrowings and direct placements:				
Revenue bonds	\$ 1,734,000	\$ -	\$ 82,000	\$ 1,652,000
Revolving loans	8,911,403	-	230,534	8,680,869
Net pension liability	-	92,515	55,928	36,587
Net OPEB liability	24,729	19,015	17,090	26,654
Compensated absences	69,839	4,312	-	74,151
Total obligations from business-type activities	\$ 10,739,971	\$ 115,842	\$ 385,552	\$ 10,470,261
Long-term obligations from component unit activities:				
School Board:				
Energy improvement financing	\$ 848,752	\$ -	\$ 118,728	\$ 730,024
Net pension liability	10,241,078	9,790,494	7,341,566	12,690,006
Net OPEB liabilities	2,492,736	788,450	767,006	2,514,180
Compensated absences	761,278	-	23,495	737,783
Total obligations from component unit activities	\$ 14,343,844	\$ 10,578,944	\$ 8,250,795	\$ 16,671,993
Total long-term obligations	\$ 50,784,358	\$ 12,212,699	\$ 12,204,225	\$ 50,792,832
Reconciliation to Exhibit 1:				
	Governmental Activities	Business-type Activities	Component Unit School Board	Total
Long-term liabilities:				
Due within one year	\$ 2,662,057	326,735	\$ 201,012	\$ 3,189,804
Due in more than one year	20,988,521	10,143,526	16,470,981	47,603,028
Total long-term obligations	\$ 23,650,578	\$ 10,470,261	\$ 16,671,993	\$ 50,792,832

# COUNTY OF BUCKINGHAM, VIRGINIA

## Notes to Financial Statements As of June 30, 2023 (Continued)

### Note 11—Long-Term Obligations: (Continued)

#### Details of Long-term Obligations:

Type/ Project	Issue Date	Amount of Original Issue	Interest Rates	Amount of Principal Installments	Final Maturity Date	Balance	Amount Due Within One Year
<b>Primary Government:</b>							
Governmental activities:							
Lease revenue bonds:							
Library	8/1/2021	\$ 4,485,000	2.037%-5.125% SA	\$40,000-\$345,000	A 10/1/2038	\$ 4,400,000	\$ 190,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	604,841	80,099
Total lease revenue bonds						\$ 5,004,841	\$ 270,099
Refunding bonds:							
County refunding bonds	11/15/2017	\$ 4,890,000	3.822%-5.125% SA	\$275,000-\$495,000	A 10/1/2033	\$ 4,325,000	\$ 305,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	453,114	75,235
Total refunding bonds						\$ 4,778,114	\$ 380,235
General obligation school bonds:							
School bonds	11/10/2005	\$ 5,856,256	4.60%-5.10% SA	\$222,289-\$370,235	A 7/15/2025	\$ 1,081,872	\$ 351,159
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	7,744	4,290
School bonds	12/1/2011	\$ 10,000,000	4.5% *	\$186,000-\$784,600	A 6/1/2027	3,138,400	784,600
School bonds	11/9/2011	\$ 13,325,000	2.05%-5.05% SA	\$320,000-\$985,000	A 7/15/2031	7,580,000	710,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	260,527	53,054
Net general obligation school bonds						\$ 12,068,543	\$ 1,903,103
* Interest to be refunded by Federal Tax Credit							
Lease liabilities							
Copier lease	4/1/2018	\$ 13,717	3% M	\$432	4/1/2024	\$ 3,844	\$ 3,844
Copier lease	2/1/2023	\$ 18,398	3% M	\$330	1/1/2028	16,926	3,497
Tower leases	Various	\$ 262,745	1.39% M	\$150-\$600	2/1/30-9/1/52	245,332	8,862
Total lease liabilities						\$ 266,102	\$ 16,203
Subscription liability	9/18/2022	\$ 124,649	3% A	\$24,000	9/17/2027	\$ 100,649	\$ 22,139
Other obligations:							
Net pension liability (payable from general fund)						\$ 436,999	\$ -
Net OPEB liability (payable from general fund)						292,552	-
Compensated absences (payable from general fund)						702,778	70,278
Total other obligations						\$ 1,432,329	\$ 70,278
Total long-term obligations from governmental activities						\$ 23,650,578	\$ 2,662,057
Business-type activities:							
Revenue bonds:							
Revenue W&S refinancing bonds	5/5/2022	\$ 1,734,000	2.040% SA	\$52,000-\$109,000	SA 11/1/2041	\$ 1,652,000	\$ 84,000
Total revenue bonds						\$ 1,652,000	\$ 84,000
Revolving loans:							
VRA revolving fund loan	10/30/2004	\$ 1,056,863	1.000% SA	\$20,729 (P&I)	SA 3/1/2034	\$ 430,837	\$ 37,243
Rural Development loan	7/25/2011	\$ 5,000,000	2.375% M	\$16,700 (P&I)	M 8/25/2051	4,088,121	104,440
Rural Development loan **	1/6/2015	\$ 4,718,000	2.125% M	\$15,098 (P&I)	M 12/6/2054	4,161,911	93,637
Total revolving loans						\$ 8,680,869	\$ 235,320
** The IDA has pledged availability fees of up to \$256,068 annually or \$21,339 monthly as security for the loan.							
Other obligations:							
Net pension liability (payable from water and sewer funds)						\$ 36,587	\$ -
Net OPEB liability (payable from water and sewer funds)						26,654	-
Compensated absences (payable from water and sewer funds)						74,151	7,415
Total other obligations						\$ 137,392	\$ 7,415
Total long-term obligations from business-type activities						\$ 10,470,261	\$ 326,735
Total long-term obligations, Primary Government						\$ 34,120,839	\$ 2,988,792
<b>Component Unit School Board:</b>							
Other Obligations:							
Energy Improvement Financing	9/5/2012	\$ 1,596,421	2.75%	\$102,491-\$170,261	A 9/5/2027	\$ 730,024	\$ 127,234
Net pension liability (payable from school operating fund)						12,690,006	-
Net OPEB liabilities (payable from school operating fund)						2,514,180	-
Compensated absences (payable from school operating fund)						737,783	73,778
Total Other Obligations						\$ 16,671,993	\$ 201,012
Total long-term obligations, Component Unit School Board						\$ 16,671,993	\$ 201,012
Total long-term obligations						\$ 50,792,832	\$ 3,189,804

A = annual installments

M = monthly installments

SA = semi-annual installments



## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

### Note 11—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 School Board	
	Direct Borrowings and Placements		Lease Liabilities		Subscription Liability		Energy Improvement Financing	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 2,872,757	\$ 1,369,403	\$ 16,203	\$ 3,862	\$ 22,139	\$ 3,061	\$ 127,234	\$ 20,076
2025	2,929,670	1,283,212	12,590	3,583	24,072	2,388	136,165	16,577
2026	2,982,460	1,200,293	12,825	3,348	26,127	1,656	145,541	12,832
2027	2,660,090	1,127,077	17,630	3,193	28,311	861	155,380	8,830
2028	1,928,910	606,474	9,906	2,818	-	-	165,704	4,557
2029-2033	9,449,650	1,910,729	39,920	12,345	-	-	-	-
2034-2038	4,045,804	790,402	43,757	9,436	-	-	-	-
2039-2043	2,014,914	466,304	45,592	6,292	-	-	-	-
2044-2048	1,627,843	280,037	35,845	3,493	-	-	-	-
2049-2053	1,397,011	95,377	31,834	948	-	-	-	-
2054-2055	275,258	5,108	-	-	-	-	-	-
Total	\$ 32,184,367	\$ 9,134,416	\$ 266,102	\$ 49,318	\$ 100,649	\$ 7,966	\$ 730,024	\$ 62,872

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

### IDA Agreements

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 was due when the 1<sup>st</sup> installment was made on the loan or the new sewer plant became operational, whichever occurred first. In fiscal year 2023, the County made payments of \$181,176 for debt service (principal payments of \$91,674 and interest of \$89,502) to the IDA. However, the debt is reflected on the County's financial statements and not the IDA's.

In fiscal year 2020, the IDA issued debt on behalf of the County for the Library/Community Center project under a lease financing agreement. The County agreed to make rental payments to the Authority for the lease of the leased project. In fiscal year 2022, the County refinanced the debt and began paying the debt directly.

### Advance Refunding

In 2017, the County issued \$4,890,000 in bonds with interest rates ranging from 3.822% to 5.125%. The proceeds were used to partially advance refund \$5,280,000 of outstanding 2010 Series C lease revenue bonds which had interest rates ranging from 2.357% to 5.200%. The net proceeds of \$5,742,302 (including a \$924,757 premium and after payment of \$72,090 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the 2010 Series C lease revenue bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$17,909. This amount is not being netted against the new debt and amortized over the remaining life of the refunding debt; instead it was fully expensed in the year of refunding. The government advance refunded the 2010 Series C lease revenue bond to reduce its total debt service payments over 32 years by \$680,329 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$543,588.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### Note 11—Long-Term Obligations: (Continued)

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#### **Moral Obligations**

If the Piedmont Regional Jail Authority lacks sufficient funds to pay scheduled Debt Service on the Bonds, or to pay any debt service reserve funding requirements, the Authority will promptly notify the Member Jurisdictions of the amount of such insufficiency. Upon such notification, the Member Jurisdictions each agree to pay, subject to certain conditions, an equal portion of such deficit. Any such payment will be subject to the appropriation of funds by the governing body of each Member Jurisdiction and shall constitute a non-binding moral payment obligation. The obligations of the Members shall expire only upon the payment of the Bonds or such earlier date provided therefore, if any, in the documents under which the bonds are issued. In no event shall the obligation of any Member Jurisdiction be deemed to constitute a debt within the meaning of the Constitution of Virginia. The balance of outstanding debt at June 30, 2023 was \$2,554,200.

#### **Events of Default**

Upon the occurrence and continuation of an Event of Default for lease revenue bonds, the entire unpaid amount due can be demanded and with a possibility of the lender taking possession of the associated real estate and improvements.

In the event of default for any general obligation bond, the Commonwealth of Virginia may withhold state aid from the locality until such time that the event of default is cured in accordance with Section 15.2-2659 of the Code of Virginia, 1950 as amended.

In the event of default on revenue bonds, the Lender may declare the entire unpaid principal and interest on the issuance as due and payable.

### Note 12—Pension Plans:

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#### ***Plan Description***

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

**Note 12—Pension Plans: (Continued):**

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***Benefit Structures***

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

- a. Employees with a membership date before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit. Hazardous duty employees (law enforcement officers, firefighters, and sheriffs) are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.
- b. Employees with a membership date from July 1, 2010 to December 31, 2013, that have not taken a refund or employees with a membership date prior to July 1, 2010 and not vested before January 1, 2013, are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age plus service credit equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. Hazardous duty employees are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.
- c. Non-hazardous duty employees with a membership date on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 – April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service credit equals 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

***Average Final Compensation and Service Retirement Multiplier***

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

### Note 12—Pension Plans: (Continued)

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

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

#### *Employees Covered by Benefit Terms*

As of the June 30, 2021 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	65	47
Inactive members:		
Vested inactive members	13	10
Non-vested inactive members	23	18
Inactive members active elsewhere in VRS	47	20
Total inactive members	83	48
Active members	101	49
Total covered employees	249	144

#### *Contributions*

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

The County's contractually required employer contribution rate for the year ended June 30, 2023 was 9.78% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$583,494 and \$455,711 for the years ended June 30, 2023 and June 30, 2022, respectively.

The Component Unit School Board's contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2023 was 3.25% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

**Note 12—Pension Plans: (Continued)**

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***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 Component Unit School Board’s nonprofessional employees were \$23,290 and \$41,404 for the years ended June 30, 2023 and June 30, 2022, respectively.

***Net Pension Liability (Asset)***

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer’s total pension liability determined in accordance with GASB Statement No. 68, less that employer’s fiduciary net position. The County’s and Component Unit School Board’s (nonprofessional) net pension liability (asset) were measured as of June 30, 2022. The total pension liabilities used to calculate the net pension liability (asset) were determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022.

***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, 2021, 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, 2022.

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

**Mortality rates:**

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

Note 12—Pension Plans: (Continued)

Actuarial Assumptions – General Employees: (Continued)

Mortality rates: (Continued)

Mortality Improvement:  
Rates projected generationally with Modified MP-2021 Improvement Scale that is 75% of the MP-2020 rates

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the County’s Retirement Plan was based on an actuarial valuation as of June 30, 2021, 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, 2022.

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### Note 12—Pension Plans: (Continued)

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#### **Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits**

Mortality rates:

All Others (Non-10 Largest) – Hazardous Duty: 45% of deaths are assumed to be service related

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males; 105% of rates for females set forward 2 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males; 105% of rates for females set forward 3 years

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males and females set forward 2 years

Mortality Improvement:

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change



**COUNTY OF BUCKINGHAM, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 12—Pension Plans: (Continued)*****Long-Term Expected Rate of Return***

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

<b>Asset Class (Strategy)</b>	<b>Long-Term Target Asset Allocation</b>	<b>Arithmetic Long-Term Expected Rate of Return</b>	<b>Weighted Average Long-Term Expected Rate of Return*</b>
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS - Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP - Private Investment Partnership	3.00%	6.55%	0.20%
Total	100.00%		5.33%
		Inflation	2.50%
		**Expected arithmetic nominal return	7.83%

\*The above allocation provides a one-year expected return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%.

\*\*On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75% which was roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

***Discount Rate***

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the County and Component Unit School Board (nonprofessional) was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2021 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2022, the rate contributed by the school division for the VRS Teacher Retirement Plan was subject



COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 12—Pension Plans: (Continued)**

***Discount Rate: (Continued)***

to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2022 on, participating employer and school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

***Changes in Net Pension Liability (Asset)***

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2021	\$ 23,475,391	\$ 24,812,122	\$ (1,336,731)
Changes for the year:			
Service cost	\$ 578,155	\$ -	\$ 578,155
Interest	1,570,061	-	1,570,061
Changes in benefit terms	14,607	-	14,607
Differences between expected and actual experience	339,448	-	339,448
Contributions - employer	-	450,266	(450,266)
Contributions - employee	-	273,114	(273,114)
Net investment income	-	(16,436)	16,436
Benefit payments, including refunds of employee contributions	(1,586,759)	(1,586,759)	-
Administrative expenses	-	(15,552)	15,552
Other changes	-	562	(562)
Net changes	\$ 915,512	\$ (894,805)	\$ 1,810,317
Balances at June 30, 2022	\$ 24,390,903	\$ 23,917,317	\$ 473,586

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 12—Pension Plans: (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, 2021	\$ 4,054,520	\$ 4,776,761	\$ (722,241)
Changes for the year:			
Service cost	\$ 74,073	\$ -	\$ 74,073
Interest	271,754	-	271,754
Differences between expected and actual experience	48,553	-	48,553
Contributions - employer	-	41,215	(41,215)
Contributions - employee	-	43,025	(43,025)
Net investment income	-	(3,608)	3,608
Benefit payments, including refunds of employee contributions	(205,205)	(205,205)	-
Administrative expenses	-	(3,000)	3,000
Other changes	-	109	(109)
Net changes	\$ 189,175	\$ (127,464)	\$ 316,639
Balances at June 30, 2022	\$ 4,243,695	\$ 4,649,297	\$ (405,602)

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

	Rate		
	Current Discount		
	1% Decrease (5.75%)	Rate (6.75%)	1% Increase (7.75%)
County's Net Pension Liability (Asset)	\$ 3,734,975	\$ 473,586	\$ (2,188,336)
Component Unit School Board (nonprofessional) Net Pension Liability (Asset)	\$ 117,849	\$ (405,602)	\$ (834,993)

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 12—Pension Plans: (Continued)**

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

For the year ended June 30, 2023, the County and Component Unit School Board (nonprofessional) recognized pension expense of \$283,585 and \$(33,396), respectively. At June 30, 2023, 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:

	<b>Primary Government</b>		<b>Component Unit School Board (nonprofessional)</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 242,691	\$ 122,932	\$ 26,075	\$ 9,748
Changes of assumptions	210,385	-	10,642	-
Net difference between projected and actual earnings on pension plan investments	-	729,496	-	139,169
Change in proportionate share	17,828	17,828	-	-
Employer contributions subsequent to the measurement date	583,494	-	23,290	-
Total	<u>\$ 1,054,398</u>	<u>\$ 870,256</u>	<u>\$ 60,007</u>	<u>\$ 148,917</u>

\$583,494 and \$23,290 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 fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<b>Year ended June 30</b>	<b>Primary Government</b>	<b>Component Unit School Board (nonprofessional)</b>
2024	\$ (90,122)	\$ (30,811)
2025	(189,114)	(52,724)
2026	(452,437)	(93,036)
2027	332,321	64,371
2028	-	-
Thereafter	-	-

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### **Note 12—Pension Plans: (Continued)**

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#### ***Pension Plan Data***

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2022 Annual Comprehensive Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2022-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

#### **Component Unit School Board (professional)**

##### ***Plan Description***

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

##### ***Contributions***

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each School Division's contractually required employer contribution rate for the year ended June 30, 2022 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the school division were \$2,128,120 and \$1,980,149 for the years ended June 30, 2023 and June 30, 2022, respectively.

In June 2022, the Commonwealth made a special contribution of approximately \$442.4 million to the VRS Teacher Retirement Plan. This special payment was authorized by a budget amendment included in Chapter 1 of the 2022 Appropriation Act, and is classified as a non-employer contribution.

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

At June 30, 2023, the school division reported a liability of \$12,690,006 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2022 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2021, and rolled forward to the measurement date of June 30, 2022. 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, 2022, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the school division's proportion was .13329% as compared to .13192% at June 30, 2021.

For the year ended June 30, 2022, the school division recognized pension expense of \$535,546. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022 measurement date, the difference between expected and actual contributions is included with the pension expense calculation.

**COUNTY OF BUCKINGHAM, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 12—Pension Plans: (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)***

At June 30, 2023, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 875,026
Change in assumptions	1,196,412	-
Net difference between projected and actual earnings on pension plan investments	-	1,654,511
Changes in proportion and differences between employer contributions and proportionate share of contributions	324,660	176,218
Employer contributions subsequent to the measurement date	<u>2,128,120</u>	<u>-</u>
Total	<u>\$ 3,649,192</u>	<u>\$ 2,705,755</u>

\$2,128,120 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 fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<b><u>Year ended June 30</u></b>	
2025	\$ (441,595)
2026	(499,327)
2027	(1,022,963)
2028	779,202
2029	-

**Note 12—Pension Plans: (Continued)**

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**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, 2021, 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, 2022.

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

**Mortality rates:**

- Pre-Retirement:
  - Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males
- Post-Retirement:
  - Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females
- Post-Disablement:
  - Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females
- Beneficiaries and Survivors:
  - Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally
- Mortality Improvement:
  - Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

### Note 12—Pension Plans: (Continued)

#### Component Unit School Board (professional) (Continued)

Mortality rates: (Continued)

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

#### ***Net Pension Liability***

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2021, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

		<b>Teacher Employee Retirement Plan</b>
Total Pension Liability	\$	54,732,329
Plan Fiduciary Net Position		45,211,731
Employers' Net Pension Liability	\$	<u>9,520,598</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		82.61%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System's notes to the financial statements and required supplementary information.

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 12—Pension Plans: (Continued)**

**Component Unit School Board (professional) (Continued)**

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

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

	Rate		
	(5.75%)	(6.75%)	(7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan			
Net Pension Liability	\$ 22,665,322	\$ 12,690,006	\$ 4,567,905

***Pension Plan Fiduciary Net Position***

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2022 Annual Comprehensive Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2022-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

**Primary Government and Component Unit School Board**

***Aggregate Pension Information***

VRS Pension Plans:					
	Net Pension Asset	Deferred Outflows	Deferred Inflows	Net Pension Liability	Pension Expense
<b><u>Primary Government</u></b>					
Primary Government	\$ -	\$ 1,054,398	\$ 870,256	\$ 473,586	\$ 283,585
Totals	\$ -	\$ 1,054,398	\$ 870,256	\$ 473,586	\$ 283,585
<b><u>Component Unit School Board</u></b>					
School Board Nonprofessional	\$ 405,602	\$ 60,007	\$ 148,917	\$ -	\$ (33,396)
School Board Professional	-	3,649,192	2,705,755	12,690,006	535,546
Totals	\$ 405,602	\$ 3,709,199	\$ 2,854,672	\$ 12,690,006	\$ 502,150



**COUNTY OF BUCKINGHAM, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 13—Commitments and Contingencies:**

Federal programs in which the County and its component unit participate were audited in accordance with the provisions of Uniform Guidance. 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.

At June 30, 2023, the County had one project underway, which is presented in the financial statements as construction in progress. There were also two other contractual commitments for projects not yet started. Presented is a list of major projects, contract amounts, expenditures to date, and balances of contracts remaining:

<b>Project</b>	<b>Contract Amount</b>	<b>Expenditures to Date</b>	<b>Balance of Contract</b>
Buckingham Courthouse Building Renovations	\$ 220,383	\$ 144,220	\$ 76,163
Arvonias solid waste site (entrance renovations)	41,450	-	41,450
New restroom at community park	149,900	-	149,900
Total	<u>\$ 411,733</u>	<u>\$ 144,220</u>	<u>\$ 267,513</u>

In addition, the School Board had the following projects outstanding:

HVAC Projects	\$ 1,496,726	\$ 935,876	\$ 560,850
Roof Projects	815,000	646,378	168,622
Other Projects	194,997	96,817	98,180
Total	<u>\$ 2,506,723</u>	<u>\$ 1,679,071</u>	<u>\$ 827,652</u>

**Note 14—Surety Bonds:**

	<b>Amount</b>
Fidelity and Deposit Company of Maryland - Surety Management - Faithful Performance of Duty Bond:	
Justin D. Midkiff, Clerk of the Circuit Court	\$ 330,000
Christy L. Christian, Treasurer	400,000
Stephanie D. Love, Commissioner of the Revenue	3,000
William G. Kidd, Jr., Sheriff	30,000
Virginia Association of Counties Group Self-Insurance Risk Pool:	
County Employees - blanket bond	250,000
School Employees - blanket bond	250,000
Commonwealth of Va Division of Risk Management (VaRISK 2)	
Social Services Employees - blanket bond	1,000,000
Western Surety Company - Surety:	
Social Services Employees - blanket bond	100,000
Western Surety Company - Surety:	
Christy L. Christian, Treasurer	20,000

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### **Note 15—Landfill Closure and Postclosure Care Cost:**

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The County of Buckingham, Virginia owns a landfill which was closed with oversight of the Environmental Protection Agency (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 16—Risk Management:**

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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.

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 17—Litigation:**

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At June 30, 2023, 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.

### **Note 18—Expenditures and Appropriations:**

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Expenditures exceeded appropriations in the following functions of the General Fund: General Government Administration (\$4,834), Public Safety (\$433,929), Public Works (\$105,433); Health and Welfare (\$898,844); and Parks, Recreation, and Cultural (\$49,535). In addition, the expenditures in the ARPA and EMS Funds exceeded appropriations by \$388,787 and \$237,292, respectively. However, all disbursements were approved in accordance with operating policies.

**COUNTY OF BUCKINGHAM, VIRGINIA**

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 19—Interfund Transfers:**

Interfund transfers for the year ended June 30, 2023 consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net</u>
Primary Government:			
Governmental Activities:			
General Fund	\$ 302,813	\$ 4,906,756	\$ (4,603,943)
VPA Fund	238,633	-	238,633
ARPA Fund	-	93,811	(93,811)
Debt Service Fund	3,174,151	-	3,174,151
EMS Fund	1,168,128	-	1,168,128
Total interfund transfers	\$ <u>4,883,725</u>	\$ <u>5,000,567</u>	\$ <u>(116,842)</u>
Business-type Activities:			
Water Fund	\$ -	\$ 200,000	\$ (200,000)
Sewer Fund	181,176	-	181,176
IDA	375,103	239,437	135,666
Total interfund transfers	\$ <u>556,279</u>	\$ <u>439,437</u>	\$ <u>116,842</u>
Net interfund transfers			\$ <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 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA:****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, 2023, 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 75. Any liability at June 30, 2023 is not believed to be material to the financial statements. The School Board had no participants on its plan during the year and the benefit is no longer offered so there is minimal impact to the financial statements.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### **Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)**

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#### **Line of Duty Act (LODA)**

The Line of Duty Act (LODA) provides death and healthcare benefits to certain law enforcement and rescue personnel, and their beneficiaries, who were disabled or killed in the line of duty. Benefit provisions and eligibility requirements are established by title 9.1 Chapter 4 of the Code of Virginia. Funding of LODA benefits is provided by employers in one of two ways: (a) participation in the Line of Duty and Health Benefits Trust Fund (LODA Fund), administered by the Virginia Retirement System (VRS) or (b) self-funding by the employer or through an insurance company.

The County has elected to provide LODA benefits through an insurance company. The obligation for the payment of benefits has been effectively transferred from the County to VACORP. VACORP assumes all liability for the County's LODA claims that are approved by VRS. The pool purchases reinsurance to protect the pool from extreme claims costs.

The current-year OPEB expense/expenditure for the insured benefits is defined as the amount of premiums or other payments required for the insured benefits for the reporting period in accordance with the agreement with the insurance company for LODA and a change in liability to the insurer equal to the difference between amounts recognized as OPEB expense and amounts paid by the employer to the insurer. The County's LODA coverage is fully covered or "insured" through VACORP. This is built into the LODA coverage cost presented in the annual renewals. The County's LODA premium for the year ended June 30, 2023 was \$28,480.

#### **Health Insurance Credit (HIC) Plan**

##### ***Plan Description***

The Political Subdivision Health Insurance Credit (HIC) Plan was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision HIC Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The HIC is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

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

**Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)**

**Health Insurance Credit (HIC) Plan (Continued)**

***Eligible Employees***

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

***Benefit Amounts***

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

***HIC Plan Notes***

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

***Employees Covered by Benefit Terms***

As of the June 30, 2021 actuarial valuation, the following employees were covered by the benefit terms of the HIC OPEB plan:

	<b><u>Number</u></b>
Inactive members or their beneficiaries currently receiving benefits	15
Inactive members:	
Vested inactive members	<u>2</u>
Total inactive members	<u>17</u>
Active members	49
Total covered employees	<u><u>66</u></u>

**Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)**

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**Health Insurance Credit (HIC) Plan (Continued)**

***Contributions***

The contribution requirements for active employees is governed by §51.1-1402(E) of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. The Component Unit School Board’s (nonprofessional) contractually required employer contribution rate for the year ended June 30, 2023 was 1.40% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2020. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the Component Unit School Board (nonprofessional) to the HIC Plan were \$12,844 and \$10,680 for the years ended June 30, 2023 and June 30, 2022, respectively.

***Net HIC OPEB Liability***

The Component Unit School Board’s (nonprofessional) net HIC OPEB liability was measured as of June 30, 2022. The total HIC OPEB liability was determined by an actuarial valuation performed as of June 30, 2021, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

***Actuarial Assumptions***

The total HIC OPEB liability was based on an actuarial valuation as of June 30, 2021, 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, 2022.

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

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#### Health Insurance Credit (HIC) Plan (Continued)

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

###### Pre-Retirement:

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

###### Post-Retirement:

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

###### Post-Disablement:

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

###### Beneficiaries and Survivors:

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

###### Mortality Improvement Scale:

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

# COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

## Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)

### Health Insurance Credit (HIC) Plan (Continued)

#### Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Long-term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS - Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP - Private Investment Partnership	3.00%	6.55%	0.20%
Total	100.00%		5.33%
		Inflation	2.50%
		Expected arithmetic nominal return**	7.83%

\*The above allocation provides a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%.

\*\* On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75% which was roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.



COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)**

**Health Insurance Credit (HIC) Plan (Continued)**

***Discount Rate***

The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ended June 30, 2022, the rate contributed by the entity for the HIC OPEB was 100% of the actuarially determined contribution rate. From July 1, 2022 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the HIC OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total HIC OPEB liability.

***Changes in Net HIC OPEB Liability***

	Increase (Decrease)		
	Total HIC OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net HIC OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2021	\$ 126,105	\$ 11,488	\$ 114,617
Changes for the year:			
Service cost	\$ 4,329	\$ -	\$ 4,329
Interest	8,714	-	8,714
Assumption changes	22,208	-	22,208
Differences between expected and actual experience	(11,862)	-	(11,862)
Contributions - employer	-	10,679	(10,679)
Net investment income	-	(195)	195
Benefit payments	(2,663)	(2,663)	-
Administrative expenses	-	(36)	36
Net changes	\$ 20,726	\$ 7,785	\$ 12,941
Balances at June 30, 2022	\$ 146,831	\$ 19,273	\$ 127,558

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)**

**Health Insurance Credit (HIC) Plan (Continued)**

***Sensitivity of the Component Unit School Board's (nonprofessional) HIC Net OPEB Liability to Changes in the Discount Rate***

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

	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
School Board (nonprofessional)			
Net HIC OPEB Liability	\$ 142,219	\$ 127,558	\$ 114,989

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

For the year ended June 30, 2023, the Component Unit School Board (nonprofessional) recognized HIC Plan OPEB expense of \$14,431. At June 30, 2023, the Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to the Component Unit School Board's (nonprofessional) HIC Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 9,322
Net difference between projected and actual earnings on HIC OPEB plan investments	307	-
Change in assumptions	17,906	-
Employer contributions subsequent to the measurement date	12,844	-
Total	\$ 31,057	\$ 9,322

**Note 20—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)**

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**Health Insurance Credit (HIC) Plan (Continued)**

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

\$12,844 reported as deferred outflows of resources related to the HIC OPEB resulting from the Component Unit School Board’s (nonprofessional) contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>		
2024	\$	2,396
2025		2,396
2026		2,366
2027		1,733
2028		-
Thereafter		-

***HIC Plan Data***

Information about the VRS Political Subdivision HIC Plan is available in the separately issued VRS 2022 Annual Comprehensive Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at <https://www.varetire.org/pdf/publications/2022-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

**Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans:**

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**Group Life Insurance (GLI) Plan:**

***Plan Description***

The Group Life Insurance (GLI) Plan was established pursuant to §51.1-500 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of the state agencies, teachers, and employees of participating political subdivisions are automatically covered by the VRS GLI Plan upon employment. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI Plan. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured plan, it is not included as part of the GLI Plan OPEB.

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

***Eligible Employees***

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

***Benefit Amounts***

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, seatbelt benefit, repatriation benefit, felonious assault benefit, and accelerated death benefit option. The benefit amounts are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. For covered members with at least 30 years of service credit, the minimum benefit payable was set at \$8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was \$8,984 as of June 30, 2023.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### **Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)**

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#### **Group Life Insurance (GLI) Plan: (Continued)**

##### ***Contributions***

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% x 60%) and the employer component was 0.54% (1.34% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2023 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Plan from the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) were \$34,058 and \$4,954, \$72,366 and \$31,141 and \$5,046, \$66,581 for the years ended June 30, 2023 and June 30, 2022, respectively.

In June 2022, the Commonwealth made a special contribution of approximately \$30.4 million to the Group Life Insurance Plan. This special payment was authorized by a budget amendment included in Chapter 1 of the 2022 Appropriation Act, and is classified as a non-employer contribution.

##### ***GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the GLI Plan OPEB***

At June 30, 2023, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) reported a liability of \$319,206, \$51,776, and \$682,482, respectively, for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2022 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2021, and rolled forward to the measurement date of June 30, 2022. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2022, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the County's, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) proportion was .02650%, .00430%, and .05670%, respectively as compared to .02360%, .00420%, and .05668% at June 30, 2021.

For the year ended June 30, 2023, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) recognized GLI OPEB expense of \$19,660, \$1,247, and \$14,541, respectively. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)**

**Group Life Insurance (GLI) Plan: (Continued)**

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

At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>Primary Government</b>		
Differences between expected and actual experience	\$ 25,277	\$ 12,806
Net difference between projected and actual earnings on GLI OPEB plan investments	-	19,946
Change in assumptions	11,906	31,092
Changes in proportionate share	47,795	651
Employer contributions subsequent to the measurement date	34,058	-
Total	<u>\$ 119,036</u>	<u>\$ 64,495</u>
<b>School Board - Nonprofessional</b>		
Differences between expected and actual experience	\$ 4,100	\$ 2,077
Net difference between projected and actual earnings on GLI OPEB plan investments	-	3,235
Change in assumptions	1,931	5,043
Changes in proportionate share	706	1,981
Employer contributions subsequent to the measurement date	4,954	-
Total	<u>\$ 11,691</u>	<u>\$ 12,336</u>
<b>School Board - Professional</b>		
Differences between expected and actual experience	\$ 54,044	\$ 27,380
Net difference between projected and actual earnings on GLI OPEB plan investments	-	42,645
Change in assumptions	25,455	66,476
Changes in proportionate share	18,419	15,854
Employer contributions subsequent to the measurement date	72,366	-
Total	<u>\$ 170,284</u>	<u>\$ 152,355</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

Group Life Insurance (GLI) Plan: (Continued)

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

\$34,058, \$4,954, and \$72,366 reported as deferred outflows of resources related to the GLI OPEB resulting from the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional)’s contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Year Ended June 30	Primary Government	School Board (nonprofessional)	School Board (professional)
2024	\$ 4,611	\$ (1,314)	\$ (16,746)
2025	5,371	(1,289)	(11,630)
2026	(5,636)	(3,023)	(31,043)
2027	11,782	278	8,435
2028	4,355	(251)	(3,453)
Thereafter	-	-	-

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2021, 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, 2022. The assumptions include several employer groups. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS Annual Report.

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### **Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)**

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#### **Group Life Insurance (GLI) Plan: (Continued)**

#### ***Actuarial Assumptions: (Continued)***

#### **Mortality Rates – Teachers**

##### Pre-Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males

##### Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females

##### Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females

##### Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

##### Mortality Improvement Scale:

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change



## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### **Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)**

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#### **Group Life Insurance (GLI) Plan: (Continued)**

#### ***Actuarial Assumptions: (Continued)***

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

##### Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years

##### Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year

##### Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years

##### Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally

##### Mortality Improvement Scale:

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

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#### Group Life Insurance (GLI) Plan: (Continued)

#### *Actuarial Assumptions: (Continued)*

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

##### Pre-Retirement:

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

##### Post-Retirement:

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

##### Post-Disablement:

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

##### Beneficiaries and Survivors:

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

##### Mortality Improvement Scale:

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

**Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)**

**Group Life Insurance (GLI) Plan: (Continued)**

***NET GLI OPEB Liability***

The net OPEB liability (NOL) for the GLI Plan represents the plan’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2022, NOL amounts for the GLI Plan is as follows (amounts expressed in thousands):

		<b>GLI OPEB Plan</b>
Total GLI OPEB Liability	\$	3,672,085
Plan Fiduciary Net Position		2,467,989
GLI Net OPEB Liability (Asset)	\$	<u>1,204,096</u>
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability		67.21%

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

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

***Plan Description***

The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) Plan was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee HIC Plan. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The HIC is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree’s death.

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

***Eligible Employees***

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

**Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)**

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

***Benefit Amounts***

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

***HIC Plan Notes***

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

***Contributions***

The contribution requirements for active employees is governed by §51.1-1401(E) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Each school division's contractually required employer contribution rate for the year ended June 30, 2023 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Plan. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the school division to the VRS Teacher Employee HIC Plan were \$162,154 and \$149,191 for the years ended June 30, 2023 and June 30, 2022, respectively.

In June 2022, the Commonwealth made a special contribution of approximately \$12 million to the VRS Teacher HIC Plan. This special payment was authorized by a budget amendment included in Chapter 1 of the 2022 Appropriation Act, and is classified as a non-employer contribution.

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

At June 30, 2023, the school division reported a liability of \$1,652,364 for its proportionate share of the VRS Teacher Employee HIC Plan Net OPEB Liability. The Net VRS Teacher Employee HIC Plan OPEB Liability was measured as of June 30, 2022 and the total VRS Teacher Employee HIC Plan OPEB liability used to calculate the Net VRS Teacher Employee HIC Plan OPEB Liability was determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The school division's proportion of the Net VRS Teacher Employee HIC Plan OPEB Liability was based on the school division's actuarially determined employer contributions to the VRS Teacher Employee HIC Plan OPEB plan for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the school division's proportion of the VRS Teacher Employee HIC Plan was .13229% as compared to .13066% at June 30, 2021.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)**

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

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

For the year ended June 30, 2023, the school division recognized VRS Teacher Employee HIC Plan OPEB expense of \$118,537. Since there was a change in proportionate share between measurement dates a portion of the VRS Teacher Employee HIC Plan Net OPEB expense was related to deferred amounts from changes in proportionate share and differences between actual and expected contributions.

At June 30, 2023, the school division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee HIC Plan OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 67,353
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	-	1,659
Change in assumptions	48,274	4,220
Changes in proportionate share and differences between actual and expected contributions	39,142	50,896
Employer contributions subsequent to the measurement date	162,154	-
Total	<u>\$ 249,570</u>	<u>\$ 124,128</u>

\$162,154 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	
2024	\$ (18,560)
2025	(14,608)
2026	(6,646)
2027	4,678
2028	612
Thereafter	(2,188)

**Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)**

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

***Actuarial Assumptions***

The total Teacher Employee HIC OPEB liability for the VRS Teacher Employee HIC Plan was based on an actuarial valuation as of June 30, 2021, 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, 2022.

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

**Mortality Rates – Teachers**

- Pre-Retirement:
  - Pub-2010 Amount Weighted Teacher Employee Rates projected generationally; 110% of rates for males
- Post-Retirement:
  - Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females
- Post-Disablement:
  - Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females
- Beneficiaries and Survivors:
  - Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally
- Mortality Improvement Scale:
  - Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

### Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

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

##### **Mortality Rates – Teachers (Continued)**

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

##### **Net Teacher Employee HIC OPEB Liability**

The net OPEB liability (NOL) for the Teacher Employee HIC Plan represents the plan's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2022, NOL amounts for the VRS Teacher Employee HIC Plan are as follows (amounts expressed in thousands):

		<b>Teacher Employee HIC OPEB Plan</b>
Total Teacher Employee HIC OPEB Liability	\$	1,470,891
Plan Fiduciary Net Position		221,845
Teacher Employee HIC Net OPEB Liability (Asset)	\$	<u>1,249,046</u>
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability		15.08%

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

### Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)

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

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

Asset Class (Strategy)	Long-term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS - Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP - Private Investment Partnership	3.00%	6.55%	0.20%
Total	100.00%		5.33%
		Inflation	2.50%
		Expected arithmetic nominal return**	7.83%

\*The above allocation provides a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%.

\*\*On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which was roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

#### *Discount Rate*

The discount rate used to measure the total Teacher Employee HIC OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ended June 30, 2022, the rate contributed by each school division for the VRS Teacher Employee HIC Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2022 on, all agencies are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Teacher Employee HIC OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total Teacher Employee HIC OPEB liability.



COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

**Note 21—Other Postemployment Benefits (OPEB) – VRS Cost-Sharing Plans: (Continued)**

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

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

Proportionate Share of GLI Plan Net OPEB Liability	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
Primary Government	\$ 464,482	\$ 319,206	\$ 201,803
School Board (nonprofessional)	75,340	51,776	32,733
School Board (professional)	993,091	682,482	431,467
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
Net HIC OPEB Liability	\$ 1,862,233	\$ 1,652,364	\$ 1,474,463

***GLI and Teacher HIC Plan Fiduciary Net Position***

Detailed information about the GLI and Teacher HIC Plan's Fiduciary Net Position is available in the separately issued VRS 2022 Annual Comprehensive Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2022-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

***Aggregate OPEB Information***

	VRS OPEB Plans:			
	Deferred Outflows	Deferred Inflows	Net OPEB Liability	OPEB Expense
<b>Primary Government</b>				
Primary Government - GLI	\$ 119,036	\$ 64,495	\$ 319,206	\$ 19,660
Totals	\$ 119,036	\$ 64,495	\$ 319,206	\$ 19,660
<b>Component Unit School Board</b>				
School Board Nonprofessional - GLI	\$ 11,691	\$ 12,336	\$ 51,776	\$ 1,247
School Board Nonprofessional - HIC	31,057	9,322	127,558	14,431
School Board Professional - GLI	170,284	152,355	682,482	14,541
School Board Professional - HIC	249,570	124,128	1,652,364	118,537
Totals	\$ 462,602	\$ 298,141	\$ 2,514,180	\$ 148,756

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### **Note 22—Adoption of Accounting Principle:**

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The County implemented provisions of Governmental Accounting Standards Board Statement No. 96, Subscription-Based IT Arrangements (SBITAs) during the fiscal year ended June 30, 2023. Statement No. 96, SBITAs requires recognition of certain subscription assets and liabilities for certain contracts that convey control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. No restatement of beginning net position was required as a result of this implementation and there were no balances to be recognized as of July 1, 2022, but an asset and liability were recognized during the year for a new transaction.

### **Note 23—Tax Incentives:**

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#### **Central Virginia Electric Cooperative**

On February 7, 2019, the County IDA entered into an agreement with Central Virginia Electric Cooperative (CVEC) and Central Virginia Services, Inc. (CVSI) granting tax incentives. CVEC began a project to install fiber optic cable for the purpose of making broadband available in 2018 at an estimated cost of \$100,000,000 with an estimated completion date five years from the beginning of work.

The IDA agreed to grant to CVSI annually, subject to certain terms and conditions, for a period of five years a sum equal to the County machinery and tools and personal property taxes attributable to each year's construction costs of the Project in the County (the "Local Taxes Grant"). For example, if CVEC expends \$1,000,000 in construction costs in the County in calendar year 2019, then the machinery and tools and personal property taxes attributable to \$1,000,000 shall be payable to CVSI by the IDA during the calendar years 2020, 2021, 2022, 2023, and 2024. If an additional \$2,000,000 is expended in construction costs in the County in 2020, then the Local Taxes Grant shall be increased to include the machinery and tools and personal property taxes attributable to \$2,000,000 and shall be payable to CVSI during the calendar years 2021, 2022, 2023, 2024, and 2025. For each subsequent year of the construction of the Project the Local Taxes Grant shall be so calculated until the installation is complete. No construction after 2023 shall qualify for a grant.

The IDA shall make payment of the Local Taxes Grant to CVSI within ninety days of each semi-annual tax due date provided that CVEC shall have paid all local taxes to the County as they fall due. The grants shall be discontinued should CVSI and CVEC discontinue, suspend or otherwise not pursue the project to completion.

CVEC shall report, document, and verify to the IDA the construction cost and the price of its related new equipment and personal property for the Project installed in the County by no later than January 31st for the preceding year. An abatement of \$122,915 was processed in April 2023 in accordance with the agreement.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### Note 23—Tax Incentives: (Continued)

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#### In-House Pharmacy Partners

On November 17, 2020, the County sold the Gold Hill School building and 25.741 acres to David and Ramona Christian as partners of In-House Pharmacy Partners for \$600,000. The payment of the purchase price included a \$50,000 deposit at the delivery of the deed and future payments as follows: \$200,000 due January 1, 2023, \$200,000 due January 1, 2025, and \$150,000 due January 1, 2026. However, the full amount of \$550,000 was paid to the County in September 2022.

The transaction included an agreement for a two-year tax abatement. The IDA agreed to rebate the real estate taxes for the 2020, 2021, and 2022 tax years, provided that the buyers were current in their obligations to the county and the taxes were paid timely. June 2022 real estate taxes of \$12,751 were abated in November 2022 in accordance with the agreement.

### Note 24—Upcoming Pronouncements:

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Statement No. 99, *Omnibus 2022*, enhances the comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The effective dates differ based on the requirements of the Statement, ranging from April 2022 to reporting periods beginning after June 15, 2023.

Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62, enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. It aligns the recognition and measurement guidance under a unified model and amends certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

Statement No. 102, *Certain Risk Disclosures*, provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Implementation Guide No. 2021-1, *Implementation Guidance Update—2021, with dates ranging from reporting periods beginning after June 15, 2022 to reporting periods beginning after June 15, 2023*.

Implementation Guide No. 2023-1, *Implementation Guidance Update—2023, effective for fiscal years beginning after June 15, 2023*.

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2023 (Continued)

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### **Note 25—Subsequent Events:**

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#### **COVID-19 Pandemic and CARES Funding**

The COVID-19 pandemic and its impact on operations continues to evolve. Specific to the County, COVID-19 impacted various parts of its 2022 operations and financial results including, but not limited to, taking over rescue operations, costs for emergency preparedness and shortages of personnel. Federal relief has been received through various programs. Management believes the County is taking appropriate actions to mitigate the negative impact. The extent to which COVID-19 may impact operations in subsequent years remains uncertain, and management is unable to estimate the effects on future results of operations, financial condition, or liquidity for future fiscal years.

#### **ARPA Funding**

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

In June 2021, the County received its share of the first half of the CSLFRF funds and the second allocation of \$1,665,399 was received on July 25, 2022. As a condition of receiving CSLFRF funds, any funds unobligated by December 31, 2024, and unexpended by December 31, 2026, will be returned to the federal government. Unspent funds in the amount of \$2,853,200 from the County's allocation are reported as unearned revenue as of June 30, 2024.

#### **Other Subsequent Events**

On March 11, 2024, the Board of Supervisors approved the bid from Piney Ridge Construction and Consulting in the amount of \$1,203,105 with 140 days completion for the courthouse renovations. To fund the project, \$1 million is to be taken from reserves with the remainder from the ending year balance.

### **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.

## General Fund

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
General property taxes	\$ 16,310,000	\$ 16,310,000	\$ 17,065,345	\$ 755,345
Other local taxes	1,809,400	1,809,400	2,138,265	328,865
Permits, privilege fees, and regulatory licenses	113,000	113,000	140,524	27,524
Fines and forfeitures	35,200	35,200	33,510	(1,690)
Revenue from the use of money and property	89,849	89,849	294,632	204,783
Charges for services	62,016	62,016	114,937	52,921
Miscellaneous	17,000	49,339	122,205	72,866
Recovered costs	-	-	19,800	19,800
Intergovernmental:				
Commonwealth	4,996,463	5,033,914	5,651,719	617,805
Federal	113,002	140,417	111,736	(28,681)
Total revenues	\$ 23,545,930	\$ 23,643,135	\$ 25,692,673	\$ 2,049,538
EXPENDITURES				
Current:				
General government administration	\$ 1,914,198	\$ 1,990,102	\$ 1,994,936	\$ (4,834)
Judicial administration	971,437	1,004,584	957,342	47,242
Public safety	4,336,438	5,021,244	5,455,173	(433,929)
Public works	1,736,896	1,880,970	1,986,403	(105,433)
Health and welfare	2,037,433	2,037,433	2,936,277	(898,844)
Education	7,656,780	7,997,780	6,988,968	1,008,812
Parks, recreation, and cultural	536,810	553,761	603,296	(49,535)
Community development	254,946	259,081	248,839	10,242
Nondepartmental	403,240	790,897	469,744	321,153
Capital projects	-	142,663	142,663	-
Debt service:				
Principal retirement	-	-	39,169	(39,169)
Interest and other fiscal charges	-	-	3,849	(3,849)
Total expenditures	\$ 19,848,178	\$ 21,678,515	\$ 21,826,659	\$ (148,144)
Excess (deficiency) of revenues over (under) expenditures	\$ 3,697,752	\$ 1,964,620	\$ 3,866,014	\$ 1,901,394
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 200,000	\$ 244,552	\$ 302,813	\$ 58,261
Transfers out	(3,904,842)	(3,941,276)	(4,906,756)	(965,480)
Leases and subscriptions	-	-	143,047	143,047
Sale of assets	200,000	200,000	18,613	(181,387)
Total other financing sources (uses)	\$ (3,504,842)	\$ (3,496,724)	\$ (4,442,283)	\$ (945,559)
Net change in fund balance	\$ 192,910	\$ (1,532,104)	\$ (576,269)	\$ 955,835
Fund balance - beginning	(192,910)	1,532,104	12,694,517	11,162,413
Fund balance - ending	\$ -	\$ -	\$ 12,118,248	\$ 12,118,248

## Virginia Public Assistance Fund

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2023

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Miscellaneous	\$ 5,000	\$ 5,000	\$ 3,047	\$ (1,953)
Intergovernmental:				
Commonwealth	727,054	727,054	621,362	(105,692)
Federal	925,341	925,341	1,182,181	256,840
Total revenues	<u>\$ 1,657,395</u>	<u>\$ 1,657,395</u>	<u>\$ 1,806,590</u>	<u>\$ 149,195</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	\$ 2,198,262	\$ 2,198,262	\$ 2,045,223	\$ 153,039
Total expenditures	<u>\$ 2,198,262</u>	<u>\$ 2,198,262</u>	<u>\$ 2,045,223</u>	<u>\$ 153,039</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (540,867)</u>	<u>\$ (540,867)</u>	<u>\$ (238,633)</u>	<u>\$ 302,234</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 540,867	\$ 540,867	\$ 238,633	\$ (302,234)
Total other financing sources (uses)	<u>\$ 540,867</u>	<u>\$ 540,867</u>	<u>\$ 238,633</u>	<u>\$ (302,234)</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

## ARPA Fund

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental:				
Federal	\$ -	\$ 15,000	\$ 497,598	\$ 482,598
Total revenues	\$ -	\$ 15,000	\$ 497,598	\$ 482,598
EXPENDITURES				
Current:				
Public safety	\$ -	\$ -	\$ 383,787	\$ (383,787)
Community development	-	15,000	20,000	(5,000)
Total expenditures	\$ -	\$ 15,000	\$ 403,787	\$ (388,787)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ 93,811	\$ 93,811
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ -	\$ (93,811)	\$ (93,811)	\$ -
Total other financing sources (uses)	\$ -	\$ (93,811)	\$ (93,811)	\$ -
Net change in fund balance	\$ -	\$ (93,811)	\$ -	\$ 93,811
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ (93,811)	\$ -	\$ 93,811



## Schedule Changes in Net Pension Liability and Related Ratios

Primary Government

For the Measurement Dates of June 30, 2014 through June 30, 2022

	2022	2021	2020	2019
<b>Total pension liability</b>				
Service cost	\$ 578,155	\$ 473,289	\$ 439,293	\$ 454,381
Interest	1,570,061	1,465,687	1,378,194	1,316,068
Changes in benefit terms	14,607	-	-	-
Changes in assumptions	-	618,899	-	587,817
Differences between expected and actual experience	339,448	(361,632)	327,356	49,587
Benefit payments	(1,586,759)	(869,477)	(827,823)	(754,453)
<b>Net change in total pension liability</b>	\$ 915,512	\$ 1,326,766	\$ 1,317,020	\$ 1,653,400
<b>Total pension liability - beginning</b>	23,475,391	22,148,625	20,831,605	19,178,205
<b>Total pension liability - ending (a)</b>	<u>\$ 24,390,903</u>	<u>\$ 23,475,391</u>	<u>\$ 22,148,625</u>	<u>\$ 20,831,605</u>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 450,266	\$ 368,794	\$ 354,700	\$ 338,487
Contributions - employee	273,114	231,568	222,370	209,610
Net investment income	(16,436)	5,393,653	375,715	1,240,953
Benefit payments	(1,586,759)	(869,477)	(827,823)	(754,453)
Administrator charges	(15,552)	(13,323)	(12,715)	(12,184)
Other	562	509	(444)	(782)
<b>Net change in plan fiduciary net position</b>	\$ (894,805)	\$ 5,111,724	\$ 111,803	\$ 1,021,631
<b>Plan fiduciary net position - beginning</b>	24,812,122	19,700,398	19,588,595	18,566,964
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 23,917,317</u>	<u>\$ 24,812,122</u>	<u>\$ 19,700,398</u>	<u>\$ 19,588,595</u>
<b>County's net pension liability - ending (a) - (b)</b>	\$ 473,586	\$ (1,336,731)	\$ 2,448,227	\$ 1,243,010
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	98.06%	105.69%	88.95%	94.03%
<b>Covered payroll</b>	\$ 5,766,860	\$ 4,869,337	\$ 4,661,779	\$ 4,346,613
<b>County's net pension liability as a percentage of covered payroll</b>	8.21%	-27.45%	52.52%	28.60%

Information prior to the 2014 valuation is not available.

## Schedule Changes in Net Pension Liability and Related Ratios (Continued)

Primary Government

For the Measurement Dates of June 30, 2014 through June 30, 2022

	2018	2017	2016	2015	2014
<b>Total pension liability</b>					
Service cost	\$ 460,741	\$ 443,105	\$ 458,107	\$ 464,384	\$ 460,562
Interest	1,251,987	1,231,009	1,179,405	1,102,964	1,033,309
Changes of benefit terms	-	-	-	-	-
Changes in assumptions	-	(490,053)	-	-	-
Differences between expected and actual experience	(110,542)	(272,201)	(335,084)	43,830	-
Benefit payments	(619,030)	(605,297)	(525,169)	(513,164)	(484,431)
<b>Net change in total pension liability</b>	\$ 983,156	\$ 306,563	\$ 777,259	\$ 1,098,014	\$ 1,009,440
<b>Total pension liability - beginning</b>	18,195,049	17,888,486	17,111,227	16,013,213	15,003,773
<b>Total pension liability - ending (a)</b>	<u>\$ 19,178,205</u>	<u>\$ 18,195,049</u>	<u>\$ 17,888,486</u>	<u>\$ 17,111,227</u>	<u>\$ 16,013,213</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 372,656	\$ 366,099	\$ 468,270	\$ 455,429	\$ 502,256
Contributions - employee	206,589	202,249	202,312	197,041	210,098
Net investment income	1,285,517	1,895,714	272,613	661,502	1,940,568
Benefit payments	(619,030)	(605,297)	(525,169)	(513,164)	(484,431)
Administrator charges	(10,925)	(10,770)	(9,247)	(8,779)	(10,150)
Other	(1,152)	(1,694)	(113)	(141)	102
<b>Net change in plan fiduciary net position</b>	\$ 1,233,655	\$ 1,846,301	\$ 408,666	\$ 791,888	\$ 2,158,443
<b>Plan fiduciary net position - beginning</b>	17,333,309	15,487,008	15,078,342	14,286,454	12,128,011
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 18,566,964</u>	<u>\$ 17,333,309</u>	<u>\$ 15,487,008</u>	<u>\$ 15,078,342</u>	<u>\$ 14,286,454</u>
<b>County's net pension liability - ending (a) - (b)</b>	\$ 611,241	\$ 861,740	\$ 2,401,478	\$ 2,032,885	\$ 1,726,759
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	96.81%	95.26%	86.58%	88.12%	89.22%
<b>Covered payroll</b>	\$ 4,202,658	\$ 4,093,208	\$ 4,066,784	\$ 3,950,804	\$ 3,874,861
<b>County's net pension liability as a percentage of covered payroll</b>	14.54%	21.05%	59.05%	51.45%	44.56%

Schedule Changes in Net Pension Liability (Asset) and Related Ratios  
 Component Unit School Board (nonprofessional)  
 For the Measurement Dates of June 30, 2014 through June 30, 2022

	2022	2021	2020	2019
<b>Total pension liability</b>				
Service cost	\$ 74,073	\$ 87,133	\$ 94,922	\$ 85,661
Interest	271,754	255,519	238,053	235,535
Changes in assumptions	-	89,470	-	97,533
Differences between expected and actual experience	48,553	(81,952)	89,418	(98,586)
Benefit payments	(205,205)	(162,227)	(165,045)	(151,386)
<b>Net change in total pension liability</b>	\$ 189,175	\$ 187,943	\$ 257,348	\$ 168,757
<b>Total pension liability - beginning</b>	4,054,520	3,866,577	3,609,229	3,440,472
<b>Total pension liability - ending (a)</b>	<u>\$ 4,243,695</u>	<u>\$ 4,054,520</u>	<u>\$ 3,866,577</u>	<u>\$ 3,609,229</u>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 41,215	\$ 39,199	\$ 34,682	\$ 35,439
Contributions - employee	43,025	41,227	42,118	41,963
Net investment income	(3,608)	1,041,987	72,384	243,580
Benefit payments	(205,205)	(162,227)	(165,045)	(151,386)
Administrator charges	(3,000)	(2,604)	(2,520)	(2,430)
Other	109	98	(86)	(153)
<b>Net change in plan fiduciary net position</b>	\$ (127,464)	\$ 957,680	\$ (18,467)	\$ 167,013
<b>Plan fiduciary net position - beginning</b>	4,776,761	3,819,081	3,837,548	3,670,535
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 4,649,297</u>	<u>\$ 4,776,761</u>	<u>\$ 3,819,081</u>	<u>\$ 3,837,548</u>
<b>School Division's net pension liability (asset) - ending (a) - (b)</b>	\$ (405,602)	\$ (722,241)	\$ 47,496	\$ (228,319)
<b>Plan fiduciary net position as a percentage of the total liability</b>	109.56%	117.81%	98.77%	106.33%
<b>Covered payroll</b>	\$ 928,690	\$ 874,365	\$ 884,357	\$ 874,540
<b>School Division's net pension liability (asset) as a percentage of covered payroll</b>	-43.67%	-82.60%	5.37%	-26.11%

Schedule is intended to show information for 10 years. Information prior to the 2014 valuation is not available. However, additional years will be included as they become available.

Schedule Changes in Net Pension Liability (Asset) and Related Ratios  
Component Unit School Board (nonprofessional)  
For the Measurement Dates of June 30, 2014 through June 30, 2022

	2018	2017	2016	2015	2014
<b>Total pension liability</b>					
Service cost	\$ 83,525	\$ 82,904	\$ 82,952	\$ 88,072	\$ 89,530
Interest	230,217	220,434	213,652	207,919	198,288
Changes in assumptions	-	(21,292)	-	-	-
Differences between expected and actual experience	(89,756)	4,293	(52,634)	(70,545)	-
Benefit payments	(144,665)	(148,483)	(145,680)	(141,428)	(159,042)
<b>Net change in total pension liability</b>	\$ 79,321	\$ 137,856	\$ 98,290	\$ 84,018	\$ 128,776
<b>Total pension liability - beginning</b>	3,361,151	3,223,295	3,125,005	3,040,987	2,912,211
<b>Total pension liability - ending (a)</b>	<u>\$ 3,440,472</u>	<u>\$ 3,361,151</u>	<u>\$ 3,223,295</u>	<u>\$ 3,125,005</u>	<u>\$ 3,040,987</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 38,697	\$ 39,046	\$ 68,989	\$ 66,646	\$ 68,290
Contributions - employee	41,184	41,222	41,524	40,260	39,920
Net investment income	256,712	383,857	55,416	139,344	418,583
Benefit payments	(144,665)	(148,483)	(145,680)	(141,428)	(159,042)
Administrator charges	(2,229)	(2,240)	(1,962)	(1,915)	(2,281)
Other	(228)	(340)	(23)	(29)	22
<b>Net change in plan fiduciary net position</b>	\$ 189,471	\$ 313,062	\$ 18,264	\$ 102,878	\$ 365,492
<b>Plan fiduciary net position - beginning</b>	3,481,064	3,168,002	3,149,738	3,046,860	2,681,368
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 3,670,535</u>	<u>\$ 3,481,064</u>	<u>\$ 3,168,002</u>	<u>\$ 3,149,738</u>	<u>\$ 3,046,860</u>
<b>School Division's net pension liability (asset) - ending (a) - (b)</b>	\$ (230,063)	\$ (119,913)	\$ 55,293	\$ (24,733)	\$ (5,873)
<b>Plan fiduciary net position as a percentage of the total liability</b>	106.69%	103.57%	98.28%	100.79%	100.19%
<b>Covered payroll</b>	\$ 852,394	\$ 843,268	\$ 844,944	\$ 814,326	\$ 799,196
<b>School Division's net pension liability (asset) as a percentage of covered payroll</b>	-26.99%	-14.22%	6.54%	-3.04%	-0.73%

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan  
For the Measurement Dates of June 30, 2014 through June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.13329%	0.13192%	0.13091%	0.12886%	0.13290%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 12,690,006	\$ 10,241,078	\$ 19,050,843	\$ 16,958,708	\$ 15,629,000
Employer's Covered Payroll	\$ 12,329,830	\$ 11,555,596	\$ 11,388,840	\$ 10,743,884	\$ 10,887,129
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	102.92%	88.62%	167.28%	157.85%	143.55%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.61%	85.46%	71.47%	73.51%	74.81%

Schedule is intended to show information for 10 years. Information prior to the 2014 valuation is not 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 Measurement Dates of June 30, 2014 through June 30, 2022

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.13584%	0.14033%	0.13779%	0.14235%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 16,705,000	\$ 19,666,000	\$ 17,343,000	\$ 17,202,000
Employer's Covered Payroll	\$ 10,667,516	\$ 9,980,456	\$ 10,294,522	\$ 10,268,842
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	156.60%	197.05%	168.47%	167.52%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.92%	68.28%	70.68%	70.88%

## Schedule of Employer Contributions

## Pension Plans

For the Years Ended June 30, 2014 through June 30, 2023

Date	Contractually Required Contribution (1)*	Contributions in Relation to Contractually Required Contribution (2)*	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
<b>Primary Government</b>					
2023	\$ 583,494	\$ 583,494	\$ -	\$ 6,307,068	9.25%
2022	455,711	455,711	-	5,766,860	7.90%
2021	366,148	366,148	-	4,869,337	7.52%
2020	354,698	354,698	-	4,661,779	7.61%
2019	338,486	338,486	-	4,346,613	7.79%
2018	373,457	373,457	-	4,202,658	8.89%
2017	366,096	366,096	-	4,093,208	8.94%
2016	469,307	469,307	-	4,066,784	11.54%
2015	455,923	455,923	-	3,950,804	11.54%
2014	502,569	502,569	-	3,874,861	12.97%
<b>Component Unit School Board (nonprofessional)</b>					
2023	\$ 23,290	\$ 23,290	\$ -	\$ 917,458	2.54%
2022	41,404	41,404	-	928,690	4.46%
2021	39,369	39,369	-	874,365	4.50%
2020	34,685	34,685	-	884,357	3.92%
2019	35,439	35,439	-	874,540	4.05%
2018	38,992	38,992	-	852,394	4.57%
2017	36,777	36,777	-	843,268	4.36%
2016	69,623	69,623	-	844,944	8.24%
2015	67,100	67,100	-	814,326	8.24%
2014	68,331	68,331	-	799,196	8.55%
<b>Component Unit School Board (professional)</b>					
2023	\$ 2,128,120	\$ 2,128,120	\$ -	\$ 13,401,134	15.88%
2022	1,980,149	1,980,149	-	12,329,830	16.06%
2021	1,866,299	1,866,299	-	11,555,596	16.15%
2020	1,739,502	1,739,502	-	11,388,840	15.27%
2019	1,651,385	1,651,385	-	10,743,884	15.37%
2018	1,708,817	1,708,817	-	10,887,129	15.70%
2017	1,465,897	1,465,897	-	10,667,516	13.74%
2016	1,485,652	1,485,652	-	9,980,456	14.89%
2015	1,448,771	1,448,771	-	10,294,522	14.07%
2014	1,197,347	1,197,347	-	10,268,842	11.66%

\*Excludes contributions (mandatory and match on voluntary) to the defined contribution portion of the Hybrid plan.

Notes to Required Supplementary Information  
Pension Plans  
For the Year Ended June 30, 2023

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

**Changes of assumptions** – The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

**Component Unit School Board - Professional Employees**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change



Schedule of County's and School Board's Share of Net OPEB Liability  
 Cost-Sharing OPEB Plans  
 For the Measurement Dates of June 30, 2017 through June 30, 2022

Date (1)	Employer's Proportion of the Net OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total OPEB Liability (6)
<b>Group Life Insurance (GLI) Plan</b>					
<b>Primary Government</b>					
2022	0.02650% \$	319,206 \$	5,766,860	5.54%	67.21%
2021	0.02360%	274,768	4,872,549	5.64%	67.45%
2020	0.02265%	377,991	4,661,779	8.11%	52.64%
2019	0.02217%	360,765	4,346,613	8.30%	52.00%
2018	0.02210%	336,000	4,202,658	7.99%	51.22%
2017	0.02219%	334,000	4,093,208	8.16%	48.86%
<b>Component Unit School Board (nonprofessional)</b>					
2022	0.00430% \$	51,776 \$	934,372	5.54%	67.21%
2021	0.00420%	49,365	875,764	5.64%	67.45%
2020	0.00430%	71,760	884,357	8.11%	52.64%
2019	0.00446%	72,576	874,540	8.30%	52.00%
2018	0.00448%	68,000	852,394	7.98%	51.22%
2017	0.00462%	70,000	852,080	8.22%	48.86%
<b>Component Unit School Board (professional)</b>					
2022	0.05670% \$	682,482 \$	12,329,830	5.54%	67.21%
2021	0.05668%	651,643	11,555,596	5.64%	67.45%
2020	0.05534%	923,534	11,388,840	8.11%	52.64%
2019	0.05485%	892,556	10,751,719	8.30%	52.00%
2018	0.05615%	853,000	10,675,973	7.99%	51.22%
2017	0.05785%	870,000	10,669,622	8.15%	48.86%
<b>Teacher Employee Health Insurance Credit (HIC) Plan</b>					
<b>Component Unit School Board (professional)</b>					
2022	0.13229% \$	1,652,364 \$	12,329,830	13.40%	15.08%
2021	0.13066%	1,677,111	11,555,596	14.51%	13.15%
2020	0.12991%	1,694,697	11,388,840	14.88%	9.95%
2019	0.12809%	1,676,822	10,743,884	15.61%	8.97%
2018	0.13195%	1,676,000	10,671,599	15.71%	8.08%
2017	0.13517%	1,715,000	10,667,720	16.08%	7.04%

Schedule is intended to show information for 10 years. Information prior to the 2017 valuation is not available. However, additional years will be included as they become available.

## Schedule of Employer Contributions

VRS OPEB Plan - Group Life Insurance (GLI) Plans

For the Years Ended June 30, 2014 through June 30, 2023

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
<b>Primary Government</b>					
2023	\$ 34,058	\$ 34,058	\$ -	\$ 6,307,068	0.54%
2022	31,141	31,141	-	5,766,860	0.54%
2021	26,312	26,312	-	4,872,549	0.54%
2020	24,240	24,240	-	4,661,779	0.52%
2019	22,602	22,602	-	4,346,613	0.52%
2018	21,854	21,854	-	4,202,658	0.52%
2017	21,285	21,285	-	4,093,208	0.52%
2016	19,521	19,521	-	4,066,784	0.48%
2015	18,964	18,964	-	3,950,804	0.48%
2014	18,599	18,599	-	3,874,861	0.48%
<b>Component Unit School Board (nonprofessional)</b>					
2023	\$ 4,954	\$ 4,954	\$ -	\$ 917,458	0.54%
2022	5,046	5,046	-	934,372	0.54%
2021	4,729	4,729	-	875,764	0.54%
2020	4,599	4,599	-	884,357	0.52%
2019	4,548	4,548	-	874,540	0.52%
2018	4,432	4,432	-	852,394	0.52%
2017	4,431	4,431	-	852,080	0.52%
2016	4,056	4,056	-	844,944	0.48%
2015	3,909	3,909	-	814,326	0.48%
2014	3,844	3,844	-	800,764	0.48%
<b>Component Unit School Board (professional)</b>					
2023	\$ 72,366	\$ 72,366	\$ -	\$ 13,401,134	0.54%
2022	66,581	66,581	-	12,329,830	0.54%
2021	62,400	62,400	-	11,555,596	0.54%
2020	59,222	59,222	-	11,388,840	0.52%
2019	55,909	55,909	-	10,751,719	0.52%
2018	55,515	55,515	-	10,675,973	0.52%
2017	55,482	55,482	-	10,669,622	0.52%
2016	51,359	51,359	-	10,699,857	0.48%
2015	49,173	49,173	-	10,244,402	0.48%
2014	49,969	49,969	-	10,410,173	0.48%

Schedule of Changes in the School Board's Net OPEB Liability and Related Ratios  
Health Insurance Credit (HIC) Plan  
For the Measurement Dates of June 30, 2020 through June 30, 2022

	2022	2021	2020
<b>Total HIC OPEB Liability</b>			
Service cost	\$ 4,329	\$ 2,227	\$ -
Interest	8,714	7,784	-
Changes in benefit terms	-	-	115,319
Changes of assumptions	22,208	775	-
Differences between expected and actual experience	(11,862)	-	-
Benefit payments	(2,663)	-	-
<b>Net change in total HIC OPEB liability</b>	<b>\$ 20,726</b>	<b>\$ 10,786</b>	<b>\$ 115,319</b>
<b>Total HIC OPEB Liability - beginning</b>	<b>126,105</b>	<b>115,319</b>	<b>-</b>
<b>Total HIC OPEB Liability - ending (a)</b>	<b>\$ 146,831</b>	<b>\$ 126,105</b>	<b>\$ 115,319</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 10,679	\$ 10,055	\$ -
Net investment income	(195)	1,478	-
Benefit payments	(2,663)	-	-
Administrator charges	(36)	(45)	-
<b>Net change in plan fiduciary net position</b>	<b>\$ 7,785</b>	<b>\$ 11,488</b>	<b>\$ -</b>
<b>Plan fiduciary net position - beginning</b>	<b>11,488</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 19,273</b>	<b>\$ 11,488</b>	<b>\$ -</b>
<b>School Board's net HIC OPEB liability - ending (a) - (b)</b>	<b>\$ 127,558</b>	<b>\$ 114,617</b>	<b>\$ 115,319</b>
<b>Plan fiduciary net position as a percentage of the total HIC OPEB liability</b>	<b>13.13%</b>	<b>9.11%</b>	<b>0.00%</b>
<b>Covered payroll</b>	<b>\$ 928,690</b>	<b>\$ 874,365</b>	<b>\$ -</b>
<b>School Board's net HIC OPEB liability as a percentage of covered payroll</b>	<b>13.74%</b>	<b>13.11%</b>	<b>N/A</b>

Schedule is intended to show information for 10 years. The School Board began participating in the program during 2020. Additional years will be included as they become available.

## Schedule of Employer Contributions

VRS OPEB Plan - Health Insurance Credit (HIC) Plans

For the Years Ended June 30, 2014 through June 30, 2023

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
<b>Component Unit School Board (nonprofessional)</b>					
2023	\$ 12,844	\$ 12,844	\$ -	\$ 917,458	1.40%
2022	10,680	10,680	-	928,690	1.15%
2021	10,055	10,055	-	874,365	1.15%
<b>Component Unit School Board (professional)</b>					
2023	\$ 162,154	\$ 162,154	\$ -	\$ 13,401,134	1.21%
2022	149,191	149,191	-	12,329,830	1.21%
2021	139,823	139,823	-	11,555,596	1.21%
2020	136,666	136,666	-	11,388,840	1.20%
2019	128,927	128,927	-	10,743,884	1.20%
2018	131,261	131,261	-	10,671,599	1.23%
2017	118,412	118,412	-	10,667,720	1.11%
2016	113,418	113,418	-	10,699,857	1.06%
2015	108,591	108,591	-	10,244,402	1.06%
2014	115,553	115,553	-	10,410,173	1.11%

Schedule is intended to show information for 10 years. The School Board began participating in the nonprofessional plan during 2020. Additional years will be included as they become available.

Notes to Required Supplementary Information  
VRS OPEB Plan - Group Life Insurance (GLI) Plans  
For the Year Ended June 30, 2023

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

**Changes of assumptions** – The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

**Teachers**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

**Non-Largest Ten Locality Employers - General Employees**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

**Non-Largest Ten Locality Employers - Hazardous Duty Employees**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Notes to Required Supplementary Information  
VRS OPEB Plan - Health Insurance Credit (HIC) Plans  
For the Year Ended June 30, 2023

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

**Changes of assumptions** – The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

**Component Unit School Board - Non-Largest Ten Locality Employers - General Employees**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

**Component Unit School Board - Professional Employees (Teacher HIC)**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

## **OTHER SUPPLEMENTARY INFORMATION**

## **Combining and Individual Fund Financial Statements and Schedules**



Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2023

	Emergency Management Services (EMS) Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 700,000	\$ 700,000	\$ 936,017	\$ 236,017
Miscellaneous	-	36,434	47,884	11,450
Intergovernmental revenues:				
Commonwealth	-	151,868	83,131	(68,737)
Federal	-	-	87,511	87,511
Total revenues	\$ 700,000	\$ 888,302	\$ 1,154,543	\$ 266,241
<b>EXPENDITURES</b>				
Current:				
Public safety	\$ 1,941,000	\$ 2,178,561	\$ 2,415,853	\$ (237,292)
Total expenditures	\$ 1,941,000	\$ 2,178,561	\$ 2,415,853	\$ (237,292)
Excess (deficiency) of revenues over (under) expenditures	\$ (1,241,000)	\$ (1,290,259)	\$ (1,261,310)	\$ 28,949
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ -	\$ 49,259	\$ 1,168,128	\$ 1,118,869
Total other financing sources (uses)	\$ -	\$ 49,259	\$ 1,168,128	\$ 1,118,869
Net change in fund balances	\$ (1,241,000)	\$ (1,241,000)	\$ (93,182)	\$ 1,147,818
Fund balances - beginning	1,241,000	1,241,000	263,338	(977,662)
Fund balances - ending	\$ -	\$ -	\$ 170,156	\$ 170,156

## Debt Service Fund

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental:				
Federal	\$ 430,000	\$ 430,000	\$ 426,107	\$ (3,893)
Total revenues	\$ 430,000	\$ 430,000	\$ 426,107	\$ (3,893)
EXPENDITURES				
Debt service:				
Principal retirement	\$ 2,431,465	\$ 2,431,465	\$ 2,431,465	\$ -
Interest and other fiscal charges	1,229,847	1,229,847	1,230,057	(210)
Total expenditures	\$ 3,661,312	\$ 3,661,312	\$ 3,661,522	\$ (210)
Excess (deficiency) of revenues over (under) expenditures	\$ (3,231,312)	\$ (3,231,312)	\$ (3,235,415)	\$ (4,103)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 3,170,048	\$ 3,170,048	\$ 3,174,151	\$ 4,103
Advance refunding of bonds - VPSA	61,264	61,264	61,264	-
Total other financing sources (uses)	\$ 3,231,312	\$ 3,231,312	\$ 3,235,415	\$ 4,103
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
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, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ -	\$ -
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Capital projects	\$ -	\$ -	\$ -	\$ -
Total expenditures	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	42,028	42,028
Fund balance - ending	\$ -	\$ -	42,028	\$ 42,028

Combining Statement of Fiduciary Net Position  
 Fiduciary Funds  
 June 30, 2023

	Custodial Funds		
	Special Welfare Fund	Surety Bond Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 30,682	\$ 412,089	\$ 442,771
Receivables:			
Other receivables	1,327	-	1,327
Total assets	<u>\$ 32,009</u>	<u>\$ 412,089</u>	<u>\$ 444,098</u>
<b>LIABILITIES</b>			
Bonds payable to others	\$ -	\$ 221,119	\$ 221,119
Total liabilities	<u>\$ -</u>	<u>\$ 221,119</u>	<u>\$ 221,119</u>
<b>NET POSITION</b>			
Restricted for:			
Special welfare	\$ 32,009	\$ -	\$ 32,009
Performance bond	-	190,970	190,970
Total net position	<u>\$ 32,009</u>	<u>\$ 190,970</u>	<u>\$ 222,979</u>

## Combining Statement of Changes in Fiduciary Net Position

## Fiduciary Funds

For the Year Ended June 30, 2023

	Custodial Funds		
	Special Welfare Fund	Surety Bond Fund	Total
<b>ADDITIONS</b>			
Special welfare collections	\$ 12,429	\$ -	\$ 12,429
Total additions	\$ 12,429	\$ -	\$ 12,429
<b>DEDUCTIONS</b>			
Welfare costs	\$ 13,239	\$ -	\$ 13,239
Escrow	-	48,771	48,771
Total deductions	\$ 13,239	\$ 48,771	\$ 62,010
Net increase (decrease) in fiduciary net position	\$ (810)	\$ (48,771)	\$ (49,581)
Net position - beginning	32,819	239,741	272,560
Net position - ending	\$ 32,009	\$ 190,970	\$ 222,979

## **Discretely Presented Component Unit-School Board**

Combining Balance Sheet  
Discretely Presented Component Unit - School Board  
June 30, 2023

	School Operating Fund	School Cafeteria Fund	Nonmajor Governmental Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,726,711	\$ 432,932	\$ 281,134	\$ 3,440,777
Receivables (net of allowance for uncollectibles):				
Accounts receivable	42,937	3,402	3,106	49,445
Due from other governmental units	2,488,865	25,868	-	2,514,733
Total assets	<u>\$ 5,258,513</u>	<u>\$ 462,202</u>	<u>\$ 284,240</u>	<u>\$ 6,004,955</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 238,818	\$ 82	\$ 13,283	\$ 252,183
Accrued liabilities	956,166	32,418	-	988,584
Due to primary government	4,063,529	-	-	4,063,529
Total liabilities	<u>\$ 5,258,513</u>	<u>\$ 32,500</u>	<u>\$ 13,283</u>	<u>\$ 5,304,296</u>
<b>FUND BALANCES</b>				
Restricted:				
School activity funds	\$ -	\$ -	\$ 270,957	\$ 270,957
Committed:				
Cafeteria operations	-	429,702	-	429,702
Total fund balances	<u>\$ -</u>	<u>\$ 429,702</u>	<u>\$ 270,957</u>	<u>\$ 700,659</u>
Total liabilities and fund balances	<u>\$ 5,258,513</u>	<u>\$ 462,202</u>	<u>\$ 284,240</u>	<u>\$ 6,004,955</u>

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Total fund balances per above \$ 700,659

The net pension asset is not available to pay for current-period expenditures and, therefore, is not reported in the funds. 405,602

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Land	\$ 306,439	
Construction in progress	1,205,078	
Buildings and improvements	4,962,366	
Improvements other than buildings	25,417	
Machinery, equipment, and vehicles	2,389,260	
Jointly owned assets	<u>14,065,021</u>	22,953,581

Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.

Pension related items	\$ 3,709,199	
OPEB related items	<u>462,602</u>	4,171,801

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 financing	\$ (730,024)	
Compensated absences	(737,783)	
Net pension liability	(12,690,006)	
Net OPEB liabilities	(2,514,180)	
Accrued interest payable	<u>(15,893)</u>	(16,687,886)

Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.

Pension related items	\$ (2,854,672)	
OPEB related items	<u>(298,141)</u>	(3,152,813)

Net position of governmental activities \$ 8,390,944

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds - Discretely Presented Component Unit - School Board  
 For the Year Ended June 30, 2023

	School Operating Fund	School Cafeteria Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Revenue from the use of money and property	\$ 4,838	\$ -	\$ -	\$ 4,838
Charges for services	11,450	80,010	416,422	507,882
Miscellaneous	397,509	-	-	397,509
Intergovernmental:				
Local government	6,921,504	-	-	6,921,504
Commonwealth	19,045,439	21,347	-	19,066,786
Federal	6,010,126	1,486,491	-	7,496,617
Total revenues	<u>\$ 32,390,866</u>	<u>\$ 1,587,848</u>	<u>\$ 416,422</u>	<u>\$ 34,395,136</u>
<b>EXPENDITURES</b>				
Current:				
Education	\$ 32,248,797	\$ 1,667,238	\$ 414,415	\$ 34,330,450
Debt service:				
Principal retirement	118,728	-	-	118,728
Interest and other fiscal charges	23,341	-	-	23,341
Total expenditures	<u>\$ 32,390,866</u>	<u>\$ 1,667,238</u>	<u>\$ 414,415</u>	<u>\$ 34,472,519</u>
Net change in fund balances	\$ -	\$ (79,390)	\$ 2,007	\$ (77,383)
Fund balances - beginning	-	509,092	268,950	778,042
Fund balances - ending	<u>\$ -</u>	<u>\$ 429,702</u>	<u>\$ 270,957</u>	<u>\$ 700,659</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	\$ (77,383)
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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	\$ 1,613,133	
Depreciation in current year	(887,555)	
Adjustment for jointly owned assets	<u>817,006</u>	1,542,584

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This represents special contributions received from the Commonwealth for the teacher pension cost sharing pools.	605,528
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The issuance of long-term debt 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 financing.	118,728
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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	\$ 23,495	
Change in pension related items	1,649,072	
Change in OPEB related items	122,121	
Accrued interest payable	<u>2,585</u>	1,797,273

Change in net position of governmental activities	\$ <u>3,986,730</u>
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## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Discretely Presented Component Unit - School Board

For the Year Ended June 30, 2023

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 6,000	\$ 6,000	\$ 4,838	\$ (1,162)
Charges for services	19,000	23,000	11,450	(11,550)
Miscellaneous	319,500	338,900	397,509	58,609
Intergovernmental:				
Local government	7,598,316	7,933,316	6,921,504	(1,011,812)
Commonwealth	18,731,990	19,319,043	19,045,439	(273,604)
Federal	7,875,123	8,380,509	6,010,126	(2,370,383)
Total revenues	\$ 34,549,929	\$ 36,000,768	\$ 32,390,866	\$ (3,609,902)
EXPENDITURES				
Current:				
Education	\$ 34,407,861	\$ 35,858,700	\$ 32,248,797	\$ 3,609,903
Debt service:				
Principal retirement	118,728	118,728	118,728	-
Interest and other fiscal charges	23,340	23,340	23,341	(1)
Total expenditures	\$ 34,549,929	\$ 36,000,768	\$ 32,390,866	\$ 3,609,902
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Discretely Presented Component Unit - School Board

For the Year Ended June 30, 2023

	School Cafeteria Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Revenue from the use of money and property	\$ -	\$ -	\$ -	\$ -
Charges for services	200,000	200,000	80,010	(119,990)
Miscellaneous	-	-	-	-
Intergovernmental:				
Local government	-	-	-	-
Commonwealth	34,987	27,087	21,347	(5,740)
Federal	986,802	1,000,685	1,486,491	485,806
Total revenues	\$ 1,221,789	\$ 1,227,772	\$ 1,587,848	\$ 360,076
<b>EXPENDITURES</b>				
Current:				
Education	\$ 1,471,789	\$ 1,477,772	\$ 1,667,238	\$ (189,466)
Debt service:				
Principal retirement	-	-	-	-
Interest and other fiscal charges	-	-	-	-
Total expenditures	\$ 1,471,789	\$ 1,477,772	\$ 1,667,238	\$ (189,466)
Net change in fund balances	\$ (250,000)	\$ (250,000)	\$ (79,390)	\$ 170,610
Fund balances - beginning	250,000	250,000	509,092	259,092
Fund balances - ending	\$ -	\$ -	\$ 429,702	\$ 429,702

## **Supporting Schedules**

Schedule of Revenues - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2023

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund:</b>				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 8,600,000	\$ 8,600,000	\$ 8,732,407	\$ 132,407
Real and personal public service corporation taxes	3,450,000	3,450,000	2,484,318	(965,682)
Personal property taxes	3,350,000	3,350,000	4,815,304	1,465,304
Mobile home taxes	50,000	50,000	51,149	1,149
Machinery and tools taxes	290,000	290,000	321,936	31,936
Merchants' capital taxes	210,000	210,000	196,917	(13,083)
Aircraft taxes	-	-	462	462
Penalties	180,000	180,000	239,010	59,010
Interest	180,000	180,000	223,842	43,842
Total general property taxes	\$ 16,310,000	\$ 16,310,000	\$ 17,065,345	\$ 755,345
Other local taxes:				
Local sales and use taxes	\$ 900,000	\$ 900,000	\$ 1,169,196	\$ 269,196
ATV sales taxes	400	400	360	(40)
Consumers' utility taxes	360,000	360,000	375,159	15,159
Franchise license taxes	46,000	46,000	47,835	1,835
Transient occupancy taxes	4,000	4,000	14,540	10,540
Motor vehicle licenses	350,000	350,000	347,863	(2,137)
Bank stock taxes	55,000	55,000	59,856	4,856
Taxes on recordation and wills	94,000	94,000	123,456	29,456
Total other local taxes	\$ 1,809,400	\$ 1,809,400	\$ 2,138,265	\$ 328,865
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 4,000	\$ 4,000	\$ 3,500	\$ (500)
Permits and other licenses	109,000	109,000	137,024	28,024
Total permits, privilege fees, and regulatory licenses	\$ 113,000	\$ 113,000	\$ 140,524	\$ 27,524
Fines and forfeitures:				
Court fines and forfeitures	\$ 24,000	\$ 24,000	\$ 18,995	\$ (5,005)
Parking fines	-	-	180	180
Other fines and forfeitures	11,200	11,200	14,335	3,135
Total fines and forfeitures	\$ 35,200	\$ 35,200	\$ 33,510	\$ (1,690)
Revenue from use of money and property:				
Revenue from use of money	\$ 10,000	\$ 10,000	\$ 180,025	\$ 170,025
Revenue from use of property	79,849	79,849	114,607	34,758
Total revenue from use of money and property	\$ 89,849	\$ 89,849	\$ 294,632	\$ 204,783
Charges for services:				
Sheriff's fees	\$ 1,216	\$ 1,216	\$ 1,088	\$ (128)
Charges for law library	2,500	2,500	5,056	2,556
Excess fees of clerk	6,000	6,000	5,321	(679)
Charges for courthouse maintenance	5,000	5,000	3,870	(1,130)
Charges for parks and recreation	-	-	51,552	51,552
Miscellaneous jail and inmate fees	1,000	1,000	874	(126)
Courthouse security fees	30,000	30,000	29,032	(968)
Charges for Commonwealth's Attorney	1,500	1,500	2,098	598
Charges for local court appointed attorney	-	-	168	168
Charges for sanitation and waste removal	14,800	14,800	15,878	1,078
Total charges for services	\$ 62,016	\$ 62,016	\$ 114,937	\$ 52,921

Schedule of Revenues - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Revenue from local sources: (Continued)				
Miscellaneous:				
Miscellaneous	\$ 12,000	\$ 49,334	\$ 50,773	\$ 1,439
Service charge on tax exempt properties	5,000	5	5,019	5,014
Sale of salvage and surplus	-	-	16,315	16,315
Donations, etc. (Sheriff)	-	-	17,405	17,405
Opioid Settlements	-	-	32,693	32,693
Total miscellaneous	\$ 17,000	\$ 49,339	\$ 122,205	\$ 72,866
Recovered costs:				
Insurance recovery	\$ -	\$ -	\$ 19,800	\$ 19,800
Total recovered costs	\$ -	\$ -	\$ 19,800	\$ 19,800
Total revenue from local sources	\$ 18,436,465	\$ 18,468,804	\$ 19,929,218	\$ 1,460,414
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Communications taxes	\$ 350,000	\$ 350,000	\$ 293,814	\$ (56,186)
Motor vehicle carriers' tax	10,000	10,000	11,496	1,496
Animal friendly plates - DMV	-	-	10	10
Mobile home titling tax	60,000	60,000	111,293	51,293
Grantor's tax on deeds	22,000	22,000	-	(22,000)
Auto rental tax	2,000	2,000	1,985	(15)
Forest product sales	20,000	20,000	17,000	(3,000)
Personal property tax relief funds	1,136,914	1,136,914	1,136,914	-
Total noncategorical aid	\$ 1,600,914	\$ 1,600,914	\$ 1,572,512	\$ (28,402)
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 322,504	\$ 322,504	\$ 264,189	\$ (58,315)
Sheriff	945,737	945,737	990,277	44,540
Commissioner of revenue	87,555	87,555	91,539	3,984
Treasurer	105,036	105,036	105,876	840
Registrar/electoral board	84,500	84,500	66,084	(18,416)
Clerk of the Circuit Court	233,615	233,615	254,406	20,791
Total shared expenses	\$ 1,778,947	\$ 1,778,947	\$ 1,772,371	\$ (6,576)
Other categorical aid:				
Recordation tax	\$ 30,000	\$ 30,000	\$ 34,092	\$ 4,092
Fire program funds	67,589	67,589	65,750	(1,839)
Preservation grant	33,146	66,292	33,146	(33,146)
Arts grant	4,500	4,500	4,500	-
E-911 grants	55,000	55,000	62,752	7,752
Litter control grant	3,700	8,005	6,905	(1,100)
Miscellaneous grants	5,000	5,000	1,616	(3,384)
Comprehensive Services Act program	1,400,000	1,400,000	2,080,014	680,014
Victim and witness assistance	17,667	17,667	14,903	(2,764)
Asset forfeiture DCJS	-	-	3,158	3,158
Total other categorical aid	\$ 1,616,602	\$ 1,654,053	\$ 2,306,836	\$ 652,783
Total categorical aid	\$ 3,395,549	\$ 3,433,000	\$ 4,079,207	\$ 646,207
Total revenue from the Commonwealth	\$ 4,996,463	\$ 5,033,914	\$ 5,651,719	\$ 617,805

## Schedule of Revenues - Budget and Actual

## Governmental Funds

For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Categorical aid:				
State and community highway safety	\$ -	\$ -	\$ 39,285	\$ 39,285
Other sheriff grants	-	27,415	30,178	2,763
Emergency management grants	-	-	7,500	7,500
Victim Witness	53,002	53,002	34,773	(18,229)
Comprehensive Services Act program - SSBG	60,000	60,000	-	(60,000)
Total categorical aid	\$ 113,002	\$ 140,417	\$ 111,736	\$ (28,681)
Total revenue from the federal government	\$ 113,002	\$ 140,417	\$ 111,736	\$ (28,681)
Total General Fund	\$ 23,545,930	\$ 23,643,135	\$ 25,692,673	\$ 2,049,538
<b>Special Revenue Funds:</b>				
<b>Virginia Public Assistance Fund:</b>				
Revenue from local sources:				
Miscellaneous:				
Other miscellaneous	\$ 5,000	\$ 5,000	\$ 3,047	\$ (1,953)
Total miscellaneous	\$ 5,000	\$ 5,000	\$ 3,047	\$ (1,953)
Total revenue from local sources	\$ 5,000	\$ 5,000	\$ 3,047	\$ (1,953)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Public assistance and welfare administration	\$ 727,054	\$ 727,054	\$ 621,362	\$ (105,692)
Total revenue from the Commonwealth	\$ 727,054	\$ 727,054	\$ 621,362	\$ (105,692)
Revenue from the federal government:				
Categorical aid:				
Public assistance and welfare administration	\$ 925,341	\$ 925,341	\$ 1,168,444	\$ 243,103
Public assistance and welfare administration - COVID-19	-	-	13,737	13,737
Total categorical aid	\$ 925,341	\$ 925,341	\$ 1,182,181	\$ 256,840
Total revenue from the federal government	\$ 925,341	\$ 925,341	\$ 1,182,181	\$ 256,840
Total Virginia Public Assistance Fund	\$ 1,657,395	\$ 1,657,395	\$ 1,806,590	\$ 149,195
<b>American Rescue Plan (ARPA) Fund:</b>				
Revenue from the federal government:				
Categorical aid:				
ARPA Funds	\$ -	\$ -	\$ 477,598	\$ 477,598
ARPA Tourism Funds	-	15,000	20,000	5,000
Total categorical aid	\$ -	\$ 15,000	\$ 497,598	\$ 482,598
Total revenue from the federal government	\$ -	\$ 15,000	\$ 497,598	\$ 482,598
Total American Rescue Plan (ARPA) Fund	\$ -	\$ 15,000	\$ 497,598	\$ 482,598

Schedule of Revenues - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Special Revenue Funds: (Continued)</b>				
<b>Emergency Management Services (EMS) Fund:</b>				
Revenue from local sources:				
Charges for services:				
Charges for emergency services	\$ 700,000	\$ 700,000	\$ -	\$ (700,000)
Charges for emergency services - insurance	-	-	936,017	936,017
Total charges for services	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 936,017</u>	<u>\$ 236,017</u>
Miscellaneous:				
Donations	\$ -	\$ -	\$ 11,450	\$ 11,450
Local grants	-	36,434	36,434	-
Total miscellaneous	<u>\$ -</u>	<u>\$ 36,434</u>	<u>\$ 47,884</u>	<u>\$ 11,450</u>
Total revenue from local sources	<u>\$ 700,000</u>	<u>\$ 736,434</u>	<u>\$ 983,901</u>	<u>\$ 247,467</u>
Revenue from the Commonwealth:				
Categorical aid:				
Emergency services grants	\$ -	\$ 151,868	\$ 83,131	\$ (68,737)
Total categorical aid	<u>\$ -</u>	<u>\$ 151,868</u>	<u>\$ 83,131</u>	<u>\$ (68,737)</u>
Total revenue from the Commonwealth	<u>\$ -</u>	<u>\$ 151,868</u>	<u>\$ 83,131</u>	<u>\$ (68,737)</u>
Revenue from the federal government:				
Categorical aid:				
Emergency services grants	\$ -	\$ -	\$ 87,511	\$ 87,511
Total categorical aid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,511</u>	<u>\$ 87,511</u>
Total revenue from the federal government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,511</u>	<u>\$ 87,511</u>
Total Emergency Management Services (EMS) Fund	<u>\$ 700,000</u>	<u>\$ 888,302</u>	<u>\$ 1,154,543</u>	<u>\$ 266,241</u>
<b>Debt Service Fund:</b>				
<b>School Debt Service Fund:</b>				
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Federal tax credit	\$ 430,000	\$ 430,000	\$ 426,107	\$ (3,893)
Total revenue from the federal government	<u>\$ 430,000</u>	<u>\$ 430,000</u>	<u>\$ 426,107</u>	<u>\$ (3,893)</u>
Total Debt Service Fund	<u>\$ 430,000</u>	<u>\$ 430,000</u>	<u>\$ 426,107</u>	<u>\$ (3,893)</u>
<b>Capital Projects Funds:</b>				
<b>County Capital Improvements Fund:</b>				
Total County Capital Improvements Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Primary Government	<u>\$ 26,333,325</u>	<u>\$ 26,633,832</u>	<u>\$ 29,577,511</u>	<u>\$ 2,943,679</u>

## Schedule of Revenues - Budget and Actual

## Governmental Funds

For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Discretely Presented Component Unit - School Board:</b>				
<b>School Operating Fund:</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 6,000	\$ 6,000	\$ 4,838	\$ (1,162)
Charges for services:				
Tuition and other payments	\$ 19,000	\$ 23,000	\$ 11,450	\$ (11,550)
Miscellaneous:				
Other miscellaneous	\$ 319,500	\$ 338,900	\$ 397,509	\$ 58,609
Total revenue from local sources	\$ 344,500	\$ 367,900	\$ 413,797	\$ 45,897
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Buckingham, Virginia	\$ 7,598,316	\$ 7,933,316	\$ 6,921,504	\$ (1,011,812)
Total revenues from local governments	\$ 7,598,316	\$ 7,933,316	\$ 6,921,504	\$ (1,011,812)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 2,882,301	\$ 3,221,414	\$ 3,055,173	\$ (166,241)
Basic school aid	7,243,216	7,156,334	7,039,155	(117,179)
ISAP	8,233	8,203	8,203	-
Remedial summer education	44,000	56,571	56,571	-
Supplemental GF pay in lieu of sales tax	-	703,748	172,540	(531,208)
Gifted and talented	68,450	69,503	69,495	(8)
Remedial education	374,033	379,786	379,741	(45)
Infrastructure and operations per pupil fund	172,540	505,486	501,346	(4,140)
Special education- SOQ	664,947	675,176	675,095	(81)
Textbooks	161,812	164,301	164,281	(20)
Vocational standards of quality payments	234,687	238,297	238,269	(28)
School construction funds	-	1,478,454	1,478,454	-
Social security fringe benefits	408,258	414,538	414,488	(50)
Retirement fringe benefits	950,972	965,600	965,485	(115)
Group life fringe benefits	29,336	29,787	29,784	(3)
Early reading intervention	113,119	80,440	80,440	-
Project graduation	10,618	4,293	4,293	-
Homebound education	4,331	13,344	18,638	5,294
Vocational education - equipment	38,705	4,253	4,253	-
Vocational occupational preparedness	1,600	-	32,753	32,753
Skilled trades programs	-	-	125,000	125,000
Special ed foster care	1,235,903	-	-	-
At risk payments	357,939	1,254,535	1,254,535	-
Primary class size/K-3 initiative	303,647	366,122	366,122	-
Virginia Preschool Initiative	703,748	466,717	313,768	(152,949)
Standards of Learning algebra readiness	48,532	45,898	45,898	-
Hold harmless for rebench - COVID19	-	43,000	703,748	660,748
Compensation supplement	435,334	446,197	442,367	(3,830)
VPSA technology funds	154,000	154,000	145,697	(8,303)
Other state funds	2,081,729	373,046	259,847	(113,199)
Total categorical aid	\$ 18,731,990	\$ 19,319,043	\$ 19,045,439	\$ (273,604)



## Schedule of Revenues - Budget and Actual

## Governmental Funds

For the Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Discretely Presented Component Unit - School Board: (Continued)</b>				
<b>School Operating Fund: (Continued)</b>				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Title I	\$ 728,933	\$ 959,525	\$ 1,006,483	\$ 46,958
School Improvement Grant	-	393,827	148,675	(245,152)
Title VI-B, special education flow-through	674,359	699,230	683,074	(16,156)
Title VI-B, special education pre-school	11,079	11,747	10,887	(860)
Vocational education	-	-	58,786	58,786
Drug free schools	112,984	332,673	299,215	(33,458)
Title II, Part A	101,896	124,562	121,366	(3,196)
ROTC	60,000	60,000	50,487	(9,513)
Title IV, Part A	49,707	62,314	44,453	(17,861)
Rural and low-income schools	47,816	60,301	54,958	(5,343)
CARES Act - ESSERF Funds	6,026,704	5,535,365	3,217,567	(2,317,798)
ARPA HVAC	-	79,130	276,894	197,764
Other federal funds	61,645	61,835	37,281	(24,554)
Total categorical aid	\$ 7,875,123	\$ 8,380,509	\$ 6,010,126	\$ (2,370,383)
Total School Operating Fund	\$ 34,549,929	\$ 36,000,768	\$ 32,390,866	\$ (3,609,902)
<b>Special Revenue Funds:</b>				
<b>School Cafeteria Fund:</b>				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	\$ 200,000	\$ 200,000	\$ 80,010	\$ (119,990)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 13,015	\$ 14,810	\$ 9,070	\$ (5,740)
School breakfast program	21,972	12,277	12,277	-
Total revenue from the Commonwealth	\$ 34,987	\$ 27,087	\$ 21,347	\$ (5,740)
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 925,000	\$ 925,000	\$ 1,350,488	\$ 425,488
Summer feeding program - USDA	25,000	25,000	-	(25,000)
Commodities	-	-	119,282	119,282
CARES Act - ESSERF Funds	-	863	8,064	7,201
CACFP food	-	10,664	5,522	(5,142)
Other Federal Funds	36,802	39,158	3,135	(36,023)
Total categorical aid	\$ 986,802	\$ 1,000,685	\$ 1,486,491	\$ 485,806
Total revenue from the federal government	\$ 986,802	\$ 1,000,685	\$ 1,486,491	\$ 485,806
Total School Cafeteria Fund	\$ 1,221,789	\$ 1,227,772	\$ 1,587,848	\$ 360,076
<b>SAF Fund:</b>				
Revenue from local sources:				
Charges for services:				
School activity funds	\$ -	\$ -	\$ 416,422	\$ 416,422
Total SAF Fund	\$ -	\$ -	\$ 416,422	\$ 416,422
Total Discretely Presented Component Unit - School Board	\$ 35,771,718	\$ 37,228,540	\$ 34,395,136	\$ (2,833,404)

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2023

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund:</b>				
General government administration:				
Legislative:				
Board of supervisors	\$ 107,943	\$ 107,947	\$ 175,016	\$ (67,069)
General and financial administration:				
County administrator	\$ 240,736	\$ 251,573	\$ 258,555	\$ (6,982)
County attorney	185,000	185,000	165,779	19,221
Accounting and Auditing Services	50,000	50,000	75,000	(25,000)
Cost allocation plan	4,000	4,000	4,000	-
Commissioner of revenue	307,771	307,772	306,210	1,562
Treasurer	351,100	351,101	352,050	(949)
Finance/Human Resource	211,129	256,576	259,810	(3,234)
Information Technology	151,744	156,358	158,664	(2,306)
Total general and financial administration	\$ 1,501,480	\$ 1,562,380	\$ 1,580,068	\$ (17,688)
Board of elections:				
Electoral board and officials	\$ 120,188	\$ 135,188	\$ 56,112	\$ 79,076
Registrar	184,587	184,587	183,740	847
Total board of elections	\$ 304,775	\$ 319,775	\$ 239,852	\$ 79,923
Total general government administration	\$ 1,914,198	\$ 1,990,102	\$ 1,994,936	\$ (4,834)
Judicial administration:				
Courts:				
Circuit court	\$ 21,300	\$ 21,300	\$ 24,349	\$ (3,049)
General district court	8,100	8,100	8,167	(67)
Special magistrates	2,475	2,475	-	2,475
Clerk of the circuit court	458,595	491,742	473,963	17,779
Victim and witness assistance	81,009	81,009	75,087	5,922
Total courts	\$ 571,479	\$ 604,626	\$ 581,566	\$ 23,060
Commonwealth's attorney:				
Commonwealth's attorney	\$ 399,958	\$ 399,958	\$ 375,776	\$ 24,182
Total commonwealth's attorney	\$ 399,958	\$ 399,958	\$ 375,776	\$ 24,182
Total judicial administration	\$ 971,437	\$ 1,004,584	\$ 957,342	\$ 47,242
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 2,610,511	\$ 2,665,341	\$ 2,792,418	\$ (127,077)
Selective enforcement	-	-	25,436	(25,436)
Sheriff's fund	-	-	3,600	(3,600)
Triad	2,500	2,500	-	2,500
Total law enforcement and traffic control	\$ 2,613,011	\$ 2,667,841	\$ 2,821,454	\$ (153,613)
Fire and rescue services:				
Volunteer fire department	\$ 524,566	\$ 524,566	\$ 531,778	\$ (7,212)
Buckingham Firefighters Association	-	150,000	150,000	-
Forest fire prevention	27,601	27,601	27,601	-
Emergency services	223,893	234,923	343,739	(108,816)
Total fire and rescue services	\$ 776,060	\$ 937,090	\$ 1,053,118	\$ (116,028)

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2023 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Public safety: (Continued)				
Correction and detention:				
Piedmont Regional Jail Authority	\$ 509,932	\$ 509,931	\$ 603,501	\$ (93,570)
Piedmont Regional Juvenile Detention Center	30,000	30,000	46,242	(16,242)
Piedmont Regional Juvenile Detention Center - Capital Projects	-	467,000	467,000	-
Total correction and detention	\$ 539,932	\$ 1,006,931	\$ 1,116,743	\$ (109,812)
Inspections:				
Building	\$ 159,320	\$ 165,930	\$ 173,489	\$ (7,559)
Total inspections	\$ 159,320	\$ 165,930	\$ 173,489	\$ (7,559)
Other protection:				
Animal control	\$ 241,915	\$ 243,252	\$ 290,329	\$ (47,077)
Medical Examiner	200	200	40	160
Southside Center for Violence Prevention	6,000	-	-	-
Total other protection	\$ 248,115	\$ 243,452	\$ 290,369	\$ (46,917)
Total public safety	\$ 4,336,438	\$ 5,021,244	\$ 5,455,173	\$ (433,929)
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Streetlights	\$ 4,800	\$ 4,800	\$ 5,411	\$ (611)
Total maintenance of highways, streets, bridges and sidewalks	\$ 4,800	\$ 4,800	\$ 5,411	\$ (611)
Sanitation and waste removal:				
Refuse collection and disposal	\$ 945,077	\$ 957,504	\$ 1,057,526	\$ (100,022)
Anti-Litter	3,700	8,005	2,417	5,588
Total sanitation and waste removal	\$ 948,777	\$ 965,509	\$ 1,059,943	\$ (94,434)
Maintenance of general buildings and grounds:				
General properties	\$ 783,319	\$ 910,661	\$ 921,049	\$ (10,388)
Total maintenance of general buildings and grounds	\$ 783,319	\$ 910,661	\$ 921,049	\$ (10,388)
Total public works	\$ 1,736,896	\$ 1,880,970	\$ 1,986,403	\$ (105,433)
Health and welfare:				
Health:				
Health Department	\$ 129,080	\$ 129,080	\$ 96,810	\$ 32,270
Total health	\$ 129,080	\$ 129,080	\$ 96,810	\$ 32,270
Mental health and mental retardation:				
Crossroads Board	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Total mental health and mental retardation	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Welfare:				
Piedmont Sr Resources Area on Aging	\$ 18,353	\$ 18,353	\$ 18,353	\$ -
Buckingham County active seniors	5,000	5,000	-	5,000
Tax relief for the elderly	-	-	38,488	(38,488)
Jaunt Inc transportation service	40,497	40,497	40,497	-
Piedmont area transit	10,600	10,600	10,600	-
VA legal aid	7,986	7,986	7,986	-
Pregnancy Support Center	3,000	3,000	3,000	-
Comprehensive services	1,777,917	1,777,917	2,675,543	(897,626)
Habitat for Humanities	5,000	5,000	5,000	-
Total welfare	\$ 1,868,353	\$ 1,868,353	\$ 2,799,467	\$ (931,114)
Total health and welfare	\$ 2,037,433	\$ 2,037,433	\$ 2,936,277	\$ (898,844)

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2023 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Education:				
Other instructional costs:				
Contributions to colleges and agencies	\$ 58,464	\$ 64,464	\$ 67,464	\$ (3,000)
Contribution to Buckingham County School Board	7,598,316	7,933,316	6,921,504	1,011,812
Total education	<u>\$ 7,656,780</u>	<u>\$ 7,997,780</u>	<u>\$ 6,988,968</u>	<u>\$ 1,008,812</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 218,463	\$ 235,414	\$ 225,748	\$ 9,666
Programs	-	-	55,846	(55,846)
Ellis Acres Memorial Park	5,000	5,000	5,000	-
Total parks and recreation	<u>\$ 223,463</u>	<u>\$ 240,414</u>	<u>\$ 286,594</u>	<u>\$ (46,180)</u>
Cultural enrichment:				
Arts Council	\$ 9,000	\$ 9,000	\$ 12,335	\$ (3,335)
Longwood Center For the Visual Arts	1,063	1,063	1,063	-
VA Retreat	4,500	4,500	4,500	-
Piedmont Area Veterans Council	5,000	5,000	5,000	-
Total cultural enrichment	<u>\$ 19,563</u>	<u>\$ 19,563</u>	<u>\$ 22,898</u>	<u>\$ (3,335)</u>
Library:				
Regional library	\$ 293,784	\$ 293,784	\$ 293,804	\$ (20)
Total library	<u>\$ 293,784</u>	<u>\$ 293,784</u>	<u>\$ 293,804</u>	<u>\$ (20)</u>
Total parks, recreation, and cultural	<u>\$ 536,810</u>	<u>\$ 553,761</u>	<u>\$ 603,296</u>	<u>\$ (49,535)</u>
Community development:				
Planning and community development:				
Planning	\$ 116,906	\$ 121,041	\$ 116,007	\$ 5,034
Planning District Commission	19,000	19,000	19,000	-
Longwood Small Business Development Center	5,849	5,849	5,849	-
Total planning and community development	<u>\$ 141,755</u>	<u>\$ 145,890</u>	<u>\$ 140,856</u>	<u>\$ 5,034</u>
Environmental management:				
Peter Francisco Soil and Water Conservation	\$ 11,880	\$ 11,880	\$ 11,880	\$ -
Total environmental management	<u>\$ 11,880</u>	<u>\$ 11,880</u>	<u>\$ 11,880</u>	<u>\$ -</u>
Cooperative extension program:				
Cooperative extension office	\$ 101,311	\$ 101,311	\$ 96,103	\$ 5,208
Total cooperative extension program	<u>\$ 101,311</u>	<u>\$ 101,311</u>	<u>\$ 96,103</u>	<u>\$ 5,208</u>
Total community development	<u>\$ 254,946</u>	<u>\$ 259,081</u>	<u>\$ 248,839</u>	<u>\$ 10,242</u>
Nondepartmental:				
Proposed salary increase	\$ 130,000	\$ -	\$ -	\$ -
Settlements and judgments	-	517,657	181,827	335,830
Bank Charges - Bank of America	-	-	2,429	(2,429)
Unemployment insurance	2,000	2,000	2,368	(368)
Worker's compensation	60,000	60,000	54,136	5,864
General liability insurance	101,240	101,240	108,138	(6,898)
LODA insurance	20,000	20,000	28,480	(8,480)
School sewer contract	90,000	90,000	90,000	-
Unclaimed Property	-	-	2,366	(2,366)
Total nondepartmental	<u>\$ 403,240</u>	<u>\$ 790,897</u>	<u>\$ 469,744</u>	<u>\$ 321,153</u>

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2023 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Capital projects:				
Solid Waste site	\$ -	\$ 142,663	\$ 142,663	\$ -
Total capital projects	\$ -	\$ 142,663	\$ 142,663	\$ -
Debt service:				
Principal retirement	\$ -	\$ -	\$ 39,169	\$ (39,169)
Interest and other fiscal charges	-	-	3,849	(3,849)
Total debt service	\$ -	\$ -	\$ 43,018	\$ (43,018)
Total General Fund	\$ 19,848,178	\$ 21,678,515	\$ 21,826,659	\$ (148,144)
<b>Special Revenue Funds:</b>				
<b>Virginia Public Assistance Fund:</b>				
Welfare and social services:				
Welfare administration	\$ 1,627,561	\$ 1,627,561	\$ 1,600,836	\$ 26,725
Public assistance	570,701	570,701	444,387	126,314
Total welfare and social services	\$ 2,198,262	\$ 2,198,262	\$ 2,045,223	\$ 153,039
Total Virginia Public Assistance Fund	\$ 2,198,262	\$ 2,198,262	\$ 2,045,223	\$ 153,039
<b>American Rescue Plan (ARPA) Fund:</b>				
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ -	\$ -	\$ 83,090	\$ (83,090)
Fire and rescue services:				
Emergency services	\$ -	\$ -	\$ 300,697	\$ (300,697)
Total public safety	\$ -	\$ -	\$ 383,787	\$ (383,787)
Community development:				
Planning and community development:				
Tourism grant	\$ -	\$ 15,000	\$ 20,000	\$ (5,000)
Total community development	\$ -	\$ 15,000	\$ 20,000	\$ (5,000)
Total American Rescue Plan (ARPA) Fund	\$ -	\$ 15,000	\$ 403,787	\$ (388,787)
<b>Emergency Management Services (EMS) Fund:</b>				
Public Safety:				
Fire and rescue services:				
Emergency services	\$ 1,941,000	\$ 2,178,561	\$ 2,415,853	\$ (237,292)
Total Emergency Management Services (EMS) Fund	\$ 1,941,000	\$ 2,178,561	\$ 2,415,853	\$ (237,292)
<b>Debt Service Fund:</b>				
Debt service:				
Principal retirement	\$ 2,431,465	\$ 2,431,465	\$ 2,431,465	\$ -
Interest and other fiscal charges	1,229,847	1,229,847	1,230,057	(210)
Total Debt Service Fund	\$ 3,661,312	\$ 3,661,312	\$ 3,661,522	\$ (210)
<b>Capital Projects Fund:</b>				
Total County Capital Improvements Fund	\$ -	\$ -	\$ -	\$ -
Total Primary Government	\$ 27,648,752	\$ 29,731,650	\$ 30,353,044	\$ (621,394)

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2023 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Discretely Presented Component Unit - School Board:</b>				
<b>School Operating Fund:</b>				
Education:				
Administration of schools:				
Administration, attendance and health	\$ 1,711,502	\$ 1,792,164	\$ 1,792,145	\$ 19
Instruction	22,160,546	22,713,372	20,730,104	1,983,268
Operation and maintenance services	3,189,142	3,848,080	3,827,359	20,721
Pupil transportation	2,609,433	2,646,403	2,657,959	(11,556)
Facilities	2,710,244	3,373,066	1,761,253	1,611,813
Total administration of schools	\$ 32,380,867	\$ 34,373,085	\$ 30,768,820	\$ 3,604,265
Capital Projects:				
Technology	\$ 2,026,994	\$ 1,485,615	\$ 1,479,977	\$ 5,638
Total Capital Projects	\$ 2,026,994	\$ 1,485,615	\$ 1,479,977	\$ 5,638
Total education	\$ 34,407,861	\$ 35,858,700	\$ 32,248,797	\$ 3,609,903
Debt service:				
Principal retirement	\$ 118,728	\$ 118,728	\$ 118,728	\$ -
Interest and other fiscal charges	23,340	23,340	23,341	(1)
Total debt service	\$ 142,068	\$ 142,068	\$ 142,069	\$ (1)
Total School Operating Fund	\$ 34,549,929	\$ 36,000,768	\$ 32,390,866	\$ 3,609,902
<b>Special Revenue Fund:</b>				
<b>School Cafeteria Fund:</b>				
Education:				
School food services:				
Administration of school food program	\$ 1,471,789	\$ 1,477,772	\$ 1,547,956	\$ (70,184)
Commodities	-	-	119,282	(119,282)
Total school food services	\$ 1,471,789	\$ 1,477,772	\$ 1,667,238	\$ (189,466)
Total education	\$ 1,471,789	\$ 1,477,772	\$ 1,667,238	\$ (189,466)
Total School Cafeteria Fund	\$ 1,471,789	\$ 1,477,772	\$ 1,667,238	\$ (189,466)
<b>SAF Fund:</b>				
Education:				
Instruction	\$ -	\$ -	\$ 414,415	\$ (414,415)
Total SAF Fund	\$ -	\$ -	\$ 414,415	\$ (414,415)
Total Discretely Presented Component Unit - School Board	\$ 36,021,718	\$ 37,478,540	\$ 34,472,519	\$ 3,006,021

## **STATISTICAL INFORMATION**

COUNTY OF BUCKINGHAM, VIRGINIA

Table 1

Government-Wide Expenses by Function  
Last Ten Fiscal Years

Fiscal Year	General										Water and Sewer Funds			Total
	Government Administration	Judicial Administration	Public Safety (1)	Public Works	Health and Welfare	Education	Parks, Recreation, and Cultural	Community Development	Interest on Long-Term Debt				Industrial Development	
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
2015-16	1,700,580	987,071	3,653,291	1,653,036	3,555,122	8,666,368	413,473	220,325	1,382,617	1,662,310	-	-	-	23,894,193
2016-17	1,463,715	1,061,769	3,594,958	1,706,511	3,512,614	8,998,345	438,922	411,948	1,326,584	1,521,786	-	-	-	24,037,152
2017-18	1,601,653	1,001,768	3,922,202	1,866,685	3,427,967	9,317,443	437,508	282,258	1,269,360	1,543,224	-	-	-	24,670,068
2018-19	1,788,696	989,861	3,920,161	1,798,682	3,600,983	8,944,546	468,722	255,855	1,142,741	2,015,374	-	-	-	24,925,621
2019-20	2,028,997	1,076,738	4,412,405	1,926,025	4,033,129	8,762,701	474,074	304,277	1,308,506	2,041,691	-	-	-	26,368,543
2020-21	2,333,628	1,053,033	5,746,753	2,354,266	4,256,211	8,885,369	690,333	568,066	1,151,416	2,634,854	-	-	-	29,673,929
2021-22	2,161,404	1,040,016	6,799,130	1,960,919	4,163,737	9,665,823	744,640	288,517	1,277,328	2,197,427	49,778			30,348,719
2022-23	2,209,448	1,158,642	7,902,012	2,258,866	4,960,026	8,727,961	798,688	498,583	911,661	2,166,029	135,666			31,727,582

(1) Increase in public safety reflects the County taking over rescue operations beginning in fiscal year 2020.



COUNTY OF BUCKINGHAM, VIRGINIA

Table 2

Government-Wide Revenues  
Last Ten Fiscal Years

PROGRAM REVENUES				GENERAL REVENUES						
Fiscal Year	Charges for Services (2)	Operating Grants and Contributions (3)	Capital Grants and Contributions (4)	General Property Taxes	Other Local Taxes	Unrestricted Investment Earnings	Miscellaneous (1)	Grants and Contributions Not Restricted to Specific Programs	Gain on Disposal of Assets	Total
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
2015-16	1,811,877	4,446,058	2,190,206	15,796,716	1,531,218	88,822	32,599	1,604,344	-	27,501,840
2016-17	1,805,861	4,517,168	2,652,093	15,240,213	1,544,266	97,973	41,055	1,621,690	-	27,520,319
2017-18	1,971,648	4,436,609	927,906	15,316,841	1,667,879	114,609	43,353	1,587,349	5,211	26,071,405
2018-19	1,956,344	4,762,701	566,716	15,282,463	1,812,988	157,617	17,544	1,615,875	-	26,172,248
2019-20	1,978,002	5,379,629	489,639	15,530,458	1,777,159	227,498	445,255	1,624,263	-	27,451,903
2020-21	2,669,898	8,661,713	2,521,756	16,032,384	1,969,209	98,821	34,208	1,592,397	440,567	34,020,953
2021-22	3,151,540	5,936,139	680,613	16,356,478	2,090,866	25,519	34,644	1,612,528	19,489	29,907,816
2022-23	3,233,491	6,206,910	964,969	17,147,994	2,138,265	183,748	125,252	1,572,512	-	31,573,141

(1) Increase in miscellaneous revenues represents private donations received for a new animal control facility in fiscal year 2020.

(2) Increase in charges for services reflects the County collecting payments for rescue operations beginning in fiscal year 2021.

(3) Increase in operating grants reflects coronavirus relief funds received in fiscal year 2021.

(4) Increase in capital grants reflects the transfer of land, building, and vehicles for rescue operations and COVID funding for squad improvements in fiscal year 2021.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 3

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

Fiscal Year	General Government		Judicial Administration	Public Safety	Public Works	Health and Welfare	Education (2)	Parks, Recreation, and Cultural		Community Development	Non-departmental	Debt Service (3)		Total
	Administration													
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			
2015-16	1,456,920	780,627	3,616,697	1,537,630	3,584,376	24,182,516	398,855	212,814	169,951	3,194,871	39,135,257			
2016-17	1,368,455	832,656	3,495,764	1,588,409	3,470,753	23,282,800	385,309	360,841	136,847	3,591,459	38,513,293			
2017-18	1,435,902	823,038	3,908,298	1,851,969	3,540,904	24,203,403	391,698	236,136	283,133	3,660,339	40,334,820			
2018-19	1,556,018	861,657	4,115,478	1,696,635	3,660,348	24,638,321	439,265	214,648	247,185	3,606,853	41,036,408			
2019-20	1,778,772	866,284	4,482,529	1,752,994	4,051,018	25,080,683	436,980	249,516	245,426	3,929,640	42,873,842			
2020-21	2,162,677	929,409	5,838,753	2,339,175	4,183,912	27,210,662	493,498	513,005	267,694	3,827,877	47,766,662			
2021-22	1,865,617	882,577	6,753,877	1,871,642	4,223,652	30,763,906	575,156	246,158	332,262	9,054,232	56,569,079			
2022-23	1,994,936	957,342	8,254,813	1,986,403	4,981,500	34,396,861	603,296	268,839	469,744	3,846,609	57,760,343			

(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) 2021-22 includes current refunding of library 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	Permits, Privilege Fees, Regulatory Licenses	Fines and Forfeitures	Revenue from the Use of Money and Property	Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental (2)	Total
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
2015-16	15,710,523	1,531,218	63,097	37,720	94,724	303,587	511,867	-	23,225,245	41,477,981
2016-17	15,179,208	1,544,266	80,714	34,051	101,148	283,853	291,014	-	22,881,258	40,395,512
2017-18	15,324,281	1,667,879	219,657	34,513	116,362	260,264	248,070	15,875	23,088,994	40,975,895
2018-19	15,416,355	1,812,988	84,651	41,662	166,009	269,163	270,200	23,475	24,194,522	42,279,025
2019-20	15,235,350	1,777,159	82,863	43,638	156,048	189,182	751,191	13,225	25,408,917	43,657,573
2020-21	15,989,227	1,969,209	274,780	36,573	86,769	611,346	1,724,913	-	29,598,198	50,291,015
2021-22	16,394,350	2,090,866	120,450	23,564	102,601	1,516,102	418,776	37,953	30,547,672	51,252,334
2022-23	17,065,345	2,138,265	140,524	33,510	299,470	1,558,836	570,645	19,800	35,224,748	57,051,143

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

(2) 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	Collected within the Fiscal									Percent of Delinquent Taxes to Tax Levy
	Total Tax Levy (1)	Year of the Levy		Delinquent		Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes (1,2)		
		Amount Collected (1,3)	Percent of Levy Collected	Tax Collections (1)	Total Tax Collections					
2013-14	\$ 13,805,588	\$ 13,240,204	95.90%	\$ 480,597	\$ 13,720,801	99.39%	\$ 84,787	0.61%		
2014-15	14,467,711	13,743,751	95.00%	637,021	14,380,772	99.40%	86,939	0.60%		
2015-16	16,658,592	15,801,943	94.86%	759,223	16,561,166	99.42%	97,426	0.58%		
2016-17	16,015,659	15,123,883	94.43%	779,303	15,903,186	99.30%	112,473	0.70%		
2017-18	15,983,840	15,084,303	94.37%	758,745	15,843,048	99.12%	140,792	0.88%		
2018-19	16,012,888	15,169,420	94.73%	690,392	15,859,812	99.04%	153,076	0.96%		
2019-20	16,333,715	15,388,780	94.21%	759,306	16,148,086	98.86%	185,629	1.14%		
2020-21	16,727,366	15,845,050	94.73%	655,458	16,500,508	98.64%	226,858	1.36%		
2021-22	16,805,991	15,920,223	94.73%	527,129	16,447,352	97.87%	358,639	2.13%		
2022-23	18,166,798	17,076,301	94.00%	-	17,076,301	94.00%	1,090,497	6.00%		

(1) Exclusive of penalties and interest.

(2) Includes all delinquent taxes.

(3) Includes revenue from the Commonwealth for Personal Property Tax Relief Act.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 6

Assessed Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year	Real Estate (1)	Personal Property		Machinery and Tools	Merchants'		Aircraft	Total
		Homes (1)	Property and Mobile		Capital	Service (2,3)		
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	
2015-16	1,412,731,450	103,671,456	7,255,010	18,854,949	962,370,653	130,400	2,505,013,918	
2016-17	1,418,184,000	109,294,993	7,425,880	19,487,757	673,628,750	126,400	2,228,147,780	
2017-18	1,425,087,600	112,131,988	7,479,530	19,318,250	640,842,630	99,000	2,204,958,998	
2018-19	1,432,653,300	115,490,423	7,654,800	19,081,530	614,469,116	165,000	2,189,514,169	
2019-20	1,510,039,100	118,815,597	9,010,020	18,530,910	626,128,254	169,000	2,282,692,881	
2020-21	1,589,844,750	122,779,567	10,824,530	23,701,060	629,167,226	166,000	2,376,483,133	
2021-22	1,602,846,100	132,303,395	11,348,690	20,859,740	576,204,217	62,000	2,343,624,142	
2022-23	1,618,352,150	161,478,475	11,618,970	19,370,530	531,511,446	84,000	2,342,415,571	

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

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

(3) Elected to do semi-annual billing of Public Service Corp taxes beginning in fiscal year 2016.

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
	1st Half	2nd Half					
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
2015-16	0.50	0.55	0.50	4.05	2.90	1.00	0.55
2016-17	0.55	0.55	0.55	4.05	2.90	1.00	0.55
2017-18	0.55	0.55	0.55	4.05	2.90	1.00	0.55
2018-19	0.55	0.55	0.55	4.05	2.90	1.00	0.55
2019-20	0.55	0.52	0.55	4.05	2.90	1.00	0.55
2020-21	0.52	0.52	0.52	4.05	2.90	1.00	0.55
2021-22	0.52	0.52	0.52	4.05	2.90	1.00	0.55
2022-23	0.52	0.52	0.52	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.

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)	Less:		Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
			Gross Bonded Debt (3)	Debt Service Monies Available		
2013-14	17,185	\$ 2,227,836	\$ 34,763,484	- \$	1.56%	2,023
2014-15	17,152	2,186,502	33,345,895	-	1.53%	1,944
2015-16	16,988	2,186,502	31,853,527	-	1.46%	1,875
2016-17	16,913	2,505,014	31,272,870	-	1.25%	1,849
2017-18	16,957	2,228,148	29,107,711	-	1.31%	1,717
2018-19	16,952	2,204,959	26,796,584	-	1.22%	1,581
2019-20	17,075	2,189,514	24,117,858	-	1.10%	1,412
2020-21	17,162	2,282,693	21,931,412	-	0.96%	1,278
2021-22	16,810	2,376,483	19,402,745	-	0.82%	1,154
2022-23	16,673	2,343,624	16,846,657	-	0.72%	1,010

(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, leases, and subscriptions.

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
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%
2015-16	1,562,051	1,632,820	3,194,871	39,135,257	8.16%
2016-17	2,025,176	1,756,691	3,781,867	38,513,293	9.82%
2017-18	2,111,988	1,476,261	3,588,249	40,334,820	8.90%
2018-19	2,205,521	1,401,332	3,606,853	41,036,408	8.79%
2019-20	2,406,810	1,418,644	3,825,454	42,873,842	8.92%
2020-21	2,434,893	1,392,984	3,827,877	47,766,662	8.01%
2021-22 (2)	7,526,396	1,345,619	8,872,015	56,569,079	15.68%
2022-23	2,550,193	1,253,398	3,803,591	57,760,343	6.59%

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

(2) 2021-22 includes current refunding of library debt.



## **COMPLIANCE**



**Independent Auditors' Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

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**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, 2023, 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 October 11, 2024.

**Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 or significant deficiencies may exist that were not identified.

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

### Purpose of This Report

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

*Robinson Faren Cox Associates*

Charlottesville, Virginia

October 11, 2024



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

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited County of Buckingham, Virginia's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of County of Buckingham, Virginia's major federal programs for the year ended June 30, 2023. 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.

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, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to County of Buckingham, Virginia's federal programs.

## ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control over Compliance**

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

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

## Report on Internal Control over Compliance (Continued)

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

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

*Robinson Faren Cox Associates*

Charlottesville, Virginia

October 11, 2024

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number		Federal Expenditures	Sub- recipients
Department of Health and Human Services:					
Pass Through Payments:					
Virginia Department of Health:					
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	BUCSST610-GY23		\$ 37,277	\$ -
Virginia Department of Social Services:					
Guardianship Assistance	93.090	Not assigned		70	-
Title IV-E Prevention Program	93.472	Not assigned		2,698	-
Promoting Safe and Stable Families	93.556	Not assigned	\$ (239)		-
COVID-19 - Promoting Safe and Stable Families	93.556	Not assigned	16,944	16,705	-
Temporary Assistance for Needy Families (TANF)	93.558	Not assigned		162,343	-
Refugee and Entrant Assistance - State Administered Programs	93.566	Not assigned		682	-
Low-Income Home Energy Assistance	93.568	Not assigned		33,421	-
CCDF Cluster:					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	Not assigned		38,393	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Not assigned		289	-
Foster Care - Title IV-E	93.658	Not assigned		94,404	-
Adoption Assistance	93.659	Not assigned		171,491	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	Not assigned		2,736	-
COVID-19 - Elder Abuse Prevention Interventions Program	93.747	Not assigned		5,571	-
Children's Health Insurance Program (CHIP)	93.767	Not assigned		1,384	-
Medicaid Cluster:					
Medical Assistance Program	93.778	Not assigned		173,243	-
Social Services Block Grant	93.667	Not assigned		138,615	-
Total Department of Health and Human Services				\$ 879,322	\$ -
Department of Agriculture:					
Pass Through Payments:					
Child Nutrition Cluster:					
Virginia Department of Agriculture and Consumer Services:					
Food Distribution - School Nutrition Program	10.555	APE40254	\$ 119,282		\$ -
Virginia Department of Education:					
National School Lunch Program (NSLP)	10.555	APE40254/41106	976,274	\$ 1,095,556	-
School Breakfast Program (SBP)	10.553	APE40253/41110		374,214	\$ 1,469,770
Virginia Department of Social Services:					
SNAP Cluster:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Not assigned		339,284	-
Virginia Department of Education:					
COVID-19 - State Pandemic Electronic Benefit Transfer (P-EBT)					
Administrative Costs Grant	10.649	DOE86556		3,135	-
Virginia Department of Health:					
Child and Adult Care Food Program	10.558	APE70027		5,522	-
Total Department of Agriculture				\$ 1,817,711	\$ -
Department of Defense:					
Direct Payments:					
ROTC	12.U00	N/A		\$ 50,487	\$ -
Total Department of Defense				\$ 50,487	\$ -
Department of Homeland Security:					
Pass Through Payments:					
Virginia Department of Emergency Management:					
Emergency Management Performance Grants	97.042	EMP-2021-EP-00004	\$ 7,500		\$ -
COVID-19 - Emergency Management Performance Grants	97.042	EMP-2020-EP-00010	18,774	\$ 26,274	-
Homeland Security Grant Program (SHSP)	97.067	EMW-2019-SS-00079-S01		68,736	-
Total Department of Homeland Security				\$ 95,010	\$ -

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2023

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Sub- recipients
Department of Justice:				
Pass Through Payments:				
Virginia Department of Criminal Justice Services:				
Crime Victim Assistance	16.575	20V2GX0048 2020MUBX0035/	\$ 34,773	\$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA21GG00258MUMU	2,763	-
Body Worn Camera Policy and Implementation	16.835	Unknown	27,415	-
Total Department of Justice			\$ 64,951	\$ -
Department of Transportation:				
Pass Through Payments:				
Virginia Department of Motor Vehicles:				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	FOP-2022-52294-22294 FSC-2022-52295-22295 BPT-2023-53376-23376	\$ 22,715	\$ -
Alcohol Open Container Requirements	20.607	154AL-2022-52290-22290/ ENF_AL-2023-53372-23372	16,571	-
Total Department of Transportation			\$ 39,286	\$ -
Department of Treasury:				
Direct Payments:				
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	N/A	\$ 477,598	\$ -
Pass Through Payments:				
Virginia Department of Education:				
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	APE45277	276,894	-
Virginia Department of Social Services:				
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	Unknown	852	-
Virginia Tourism Corporation:				
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	Unknown	20,000	\$ 775,344
Total Department of Treasury			\$ 775,344	\$ -
Department of Education:				
Pass Through Payments:				
Virginia Department of Education:				
Title I - Grants to Local Educational Agencies	84.010	APE42901/42892	\$ 1,006,483	\$ -
Special Education Cluster (IDEA):				
Special Education - Grants to States (IDEA, Part B)	84.027	APE43071	\$ 683,074	-
Special Education - Preschool Grants (IDEA Preschool)	84.173	APE62521	10,887	693,961
Career and Technical Education - Basic Grants to States	84.048	APE60031		58,786
Twenty-First Century Community Learning Centers	84.287	APE60565		299,215
Rural Education	84.358	APE43481		54,958
Supporting Effective Instruction State Grants	84.367	APE61480		121,366
School Improvement Grants	84.377	APE43040		148,675
Student Support and Academic Enrichment Program	84.424	APE60281		44,453
COVID-19 - Education Stabilization Fund (ESF) - Governor's Emergency Education Relief Fund	84.425C	APE70037	\$ 17,313	-
COVID-19 - Education Stabilization Fund (ESF) - Elementary and Secondary School Emergency Relief Fund	84.425D	APE60170/71/73/77&50195	984,625	-
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	APE50193 / 40299	2,223,693	3,225,631
Virginia Polytechnic Institute:				
English Language Acquisition State Grants	84.365	APE60512/60509	4	-
Total Department of Education			\$ 5,653,532	\$ -
Total Expenditures of Federal Awards			\$ 9,375,643	\$ -

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, 2023

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#### Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of County of Buckingham, Virginia under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the County of 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

#### Note 3 - Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

#### Note 4 - Subrecipients

There were no funds passed through to subrecipients.

#### Note 5 - Indirect Costs

The County has elected not to use the 10% de minimis indirect cost rate.

#### Note 6 - Relationship to Financial Statements

Federal expenditures, revenues and capital contributions are reported in the County's basic financial statements as follows:

##### Intergovernmental federal revenues per the basic financial statements:

##### Primary government:

General Fund	\$ 111,736
Special Revenue Funds:	
Virginia Public Assistance Fund	1,182,181
ARPA Fund	497,598
Emergency Management Services Fund	87,511
Debt Service Fund	426,107
Total primary government	<u>\$ 2,305,133</u>

##### Component Unit School Board:

School Operating Fund	\$ 6,010,126
School Cafeteria Fund	1,486,491
Total component unit school board	<u>\$ 7,496,617</u>

Total federal expenditures per basic financial statements	<u>\$ 9,801,750</u>
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BABs interest subsidy	<u>\$ (426,107)</u>
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Total federal expenditures per the Schedule of Expenditures of Federal Awards	<u><u>\$ 9,375,643</u></u>
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COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2023

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**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

Type of auditors' report issued on compliance  
for major programs: Unmodified

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

Identification of major programs:

**Assistance**

<b><u>Listing #</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
10.553/10.555/10.559	Child Nutrition Cluster
21.027	COVID-19 - Coronavirus State And Local Fiscal Recovery Funds
84.425	COVID-19 - Education Stabilization Fund (Governor's Emergency Education Relief Fund)
84.425	COVID-19 - Education Stabilization Fund (Elementary and Secondary Emergency Relief Fund)
84.425	COVID-19 - American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER)

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

Auditee qualified as low-risk auditee? No

**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, 2023

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There were no findings reported for the year ended June 30, 2022.