

## **COUNTY OF DINWIDDIE, VIRGINIA**

**Prepared by:**

**Accounting Department  
County of Dinwiddie, Virginia**

### **ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2021**

## CONTENTS

### INTRODUCTORY SECTION (UNAUDITED)

Letter of Transmittal.....	1
Certificate of Achievement for Excellence in Financial Reporting .....	6
Organizational Chart .....	7
Official Directory .....	8

### FINANCIAL SECTION

Independent Auditor's Report.....	9
Management's Discussion and Analysis.....	12

### BASIC FINANCIAL STATEMENTS

#### Exhibit

#### Government-Wide Financial Statements

Statement of Net Position .....	A	20
Statement of Activities.....	B	22

#### Fund Financial Statements

##### Governmental Fund Financial Statements

Balance Sheet .....	C	23
Reconciliation of Balance Sheet to the Statement of Net Position .....	D	24
Statement of Revenues, Expenditures and Changes in Fund Balances.....	E	25
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities .....	F	26

##### Fiduciary Fund Financial Statements

Statement of Fiduciary Net Position .....	G	27
Statement of Changes in Fiduciary Net Position .....	H	28

##### Discretely Presented Component Unit Financial Statements

Statement of Net Position .....	I	29
Statement of Activities .....	J	30

Notes to Financial Statements .....	31
-------------------------------------	----

### REQUIRED SUPPLEMENTARY INFORMATION, OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

#### General Fund Budget Analysis

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund .....	K	81
--	---	----

#### Special Revenue Fund Budget Analysis

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Special Revenue Fund .....	L	82
--	---	----

#### Other Post-Employment Benefit (OPEB) Programs

Schedule of Employer's Share of Net OPEB Liabilities .....	M	83
Schedule of Employer OPEB Contributions.....	N	84
Schedule of Employer's Total Retiree Health Insurance (RHI) OPEB Liability and Related Ratios - Primary Government .....	O	85
Schedule of Employer's Total Retiree Health Insurance (RHI) OPEB Liability and Related Ratios - Component Unit - School Board .....	P	86
Schedule of Employer's Total Non-Professional Health Insurance Credit Program OPEB Liability and Related Ratios - Component Unit - School Board .....	Q	87

## CONTENTS (Continued)

### REQUIRED SUPPLEMENTARY INFORMATION, OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Pension Plans	<b>Exhibit</b>	
Schedule of Changes in Net Pension Liability and Related Ratios - Primary Government.....	R	88
Schedule of Changes in Net Pension Liability and Related Ratios - Component Unit - School Board - Non-Professional Plan .....	S	89
Schedule of Employer's Share of Net Pension Liability - Component Unit - School Board - Professional Plan.....	T	90
Schedule of Employer Pension Contributions .....	U	91
Notes To Required Supplementary Information, Other Than Management's Discussion and Analysis.....		92

### OTHER SUPPLEMENTARY INFORMATION

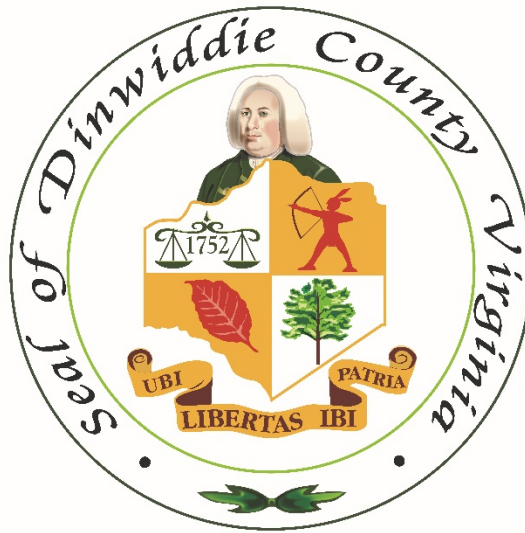
Combining and Individual Fund Statements and Schedules		
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Debt Service Fund .....	V	97
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Capital Projects Fund.....	W	98
Combining Statement of Private Purpose Trust Funds - Fiduciary Funds.....	X	99
Combining Statement of Changes in Fiduciary Net Position - Fiduciary Funds .....	Y	100
Discretely Presented Component Unit - School Board		
Combining Balance Sheet - Governmental Funds .....	Z	101
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	AA	102
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Operating Fund .....	BB	103
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Special Revenue Fund .....	CC	104
Supporting Schedules - Budget and Actual - Governmental Funds	<b>Schedule</b>	
Schedule of Revenues .....	1	105
Schedule of Expenditures.....	2	112

## CONTENTS (Continued)

STATISTICAL SECTION (UNAUDITED)	Table	
Net Position by Component .....	1	118
Changes in Net Position .....	2	119
Fund Balances - Governmental Funds .....	3	121
Changes in Fund Balances - Governmental Funds .....	4	122
Assessed Value and Estimated Actual Value of Taxable Property .....	5	123
Direct Property Tax Rates .....	6	124
Principal Property Taxpayers .....	7	125
Property Tax Levies and Collections .....	8	126
Ratios of Outstanding Debt by Type .....	9	127
Ratios of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita .....	10	128
Demographic and Economic Statistics .....	11	129
Principal Employers .....	12	130
Full-Time Equivalent County Government Employees by Function .....	13	131
Operating Indicators by Function .....	14	132
Capital Asset Statistics by Function .....	15	133
 <b>COMPLIANCE SECTION</b>		
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....		134
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance .....		136
Schedule of Expenditures of Federal Awards .....		138
Notes to Schedule of Expenditures of Federal Awards .....		141
Summary of Compliance Matters .....		142
Schedule of Findings and Questioned Costs .....		143
Summary Schedule of Prior Audit Findings .....		145
Client's Corrective Action Plan .....		146

# INTRODUCTORY SECTION (UNAUDITED)

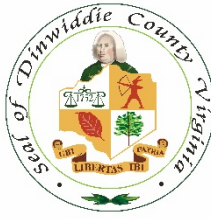
June 30, 2021



# County of Dinwiddie

## BOARD OF SUPERVISORS

WILLIAM D. CHAVIS  
BRENDA K. EBRON-BONNER  
DANIEL D. LEE  
HARRISON A. MOODY  
DR. MARK E. MOORE



## COUNTY ADMINISTRATOR

W. KEVIN MASSENGILL

**FOUNDED 1752**

November 18, 2021

To the Honorable Members of the Board of Supervisors and the citizens of Dinwiddie County, Virginia:

We are pleased to submit to you the Annual Financial Report (AFR) for Dinwiddie County (the County) for the fiscal year ended June 30, 2021. The Code of Virginia (Section 15.2-2511) requires that local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed Certified Public Accountants. This report has been prepared by the County's Accounting Department in accordance with standards of financial reporting as prescribed by the Governmental Accounting Standards Board (GASB), the Financial Accounting Standards Board (FASB), and the Auditor of Public Accounts (APA).

County management assumes full responsibility for the completeness and reliability of the information presented in this report. To this end, the County has established a comprehensive framework of internal controls to ensure compliance with applicable laws, regulations, and County policies; to safeguard the County's assets; and to compile sufficient reliable information for the preparation of GAAP financial statements. Because the cost of internal controls should not outweigh their benefits, this internal control framework has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of material misstatement. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that fairly presents the financial position and results of the various funds and component units of the County.

To provide the required, independent review and confirmation of management's representations, Brown, Edwards & Company, L.L.P., licensed certified public accountants, has audited the County's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. Therefore, the independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2020, are fairly presented in all material respects and in conformity with GAAP. The auditors' report is presented as the first component of the financial section of the AFR.

Immediately following the independent auditors' report in the AFR is Management's Discussion and Analysis (MD&A). GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and to be read in conjunction with the MD&A.

The audited basic financial statements and notes to those financial statements then follow the MD&A in the AFR. The supplementary information, supporting schedules, and statistical tables provided after the basic financial statements and notes contain information in support of the basic financial statements that is more detailed and unaudited.

Dinwiddie County, as a recipient of federal funds, is also required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act as amended; Title 2 US Code of Federal Regulations Part 200 *Uniform Administrative Requirements, Cost Principles and Audit, Requirements for Federal Awards* ("Uniform Guidance"); and the specifications of *Audits of Counties, Cities and Towns* issued by the Auditor of Public Accounts. The standards governing Single Audit engagements require the independent auditor to report on the fair presentation of the financial statements, as well as on the County's internal controls and compliance with legal requirements, especially those involving the administration of federal awards. Reports on the Single Audit are located in the Compliance Section at the end of the AFR.

## **Profile of the Government**

Dinwiddie County was established May 1, 1752, from Prince George County and was named after Robert Dinwiddie, Lieutenant Governor of Virginia from 1751 to 1758. Its first inhabitants can be traced back to the Paleolithic period, with early stone tools from this period having been discovered in various fields within the County. During the Civil War, there were more battles fought within Dinwiddie County's boundaries than in any other location in the United States, and the County is home to Pamplin Historical Park and the National Museum of the Civil War Soldier.

Part of Virginia's Appomattox Basin, Dinwiddie County occupies 507 square miles in the southeastern section of Virginia, located within several hours of Washington, D.C., the Atlantic Ocean beaches, or the Blue Ridge mountains. The Nottoway and Appomattox Rivers, the City of Petersburg, and the counties of Chesterfield, Amelia, Nottoway, Brunswick, Greenville, Sussex, and Prince George border it. Interstates 85 and 95 provide north-south access, and U.S. Route 460 provides an east-west transportation route. The East Coast's main switching station for two major railroad lines, the Dinwiddie County Airport, and the Dinwiddie County Commerce Park help to promote economic opportunities for the County. Sports tourism and agri-tourism have also become important aspects of the County's economy in recent years.

Dinwiddie County offers a blend of suburban and rural living, with agriculture contributing significantly to the economy and the quality of life that its approximately 27,947 residents enjoy. Lake Chesdin, located along the northern rim of Dinwiddie County, provides numerous recreational opportunities. The Town of McKenney, with a population of approximately 475, is the only incorporated town located within the County.

Dinwiddie County has a traditional form of county government, guided by an elected five member Board of Supervisors and five elected Constitutional Officers – Commonwealth's Attorney, Commissioner of the Revenue, Treasurer, Sheriff, and Clerk of the Circuit Court. The County Administrator and his staff are responsible for carrying out the policies of the Board of Supervisors while providing a full range of services including general government administration; judicial administration; public safety; public works; health and welfare; and community development. Both paid staff and volunteer fire departments, who receive financial and administrative support from the County, provide fire protection services. Emergency medical services are also provided through a combination of paid staff and volunteers.

The Dinwiddie County School Board administers public education in the County. The School Board is a separate legal entity with five elected board members. However, since the School Board has no independent, revenue-raising authority and is fiscally dependent on the local government, the County is financially accountable for the school system in its AFR. In order to provide a comprehensive view of the County's financial status, school financial activities are reported separately within the financial statements as a component unit.

The Industrial Development Authority of Dinwiddie County, the Dinwiddie County Water Authority, and the Dinwiddie Airport and Industrial Authority are also legally separate entities, but financially dependent upon the County, and are therefore discretely presented as component units in the AFR. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government (the County). More information on component units may be found in the Notes to the Financial Statements.

The Code of Virginia requires the County to maintain a balanced budget in each fiscal year, and Dinwiddie County's annual budget serves as the foundation for financial planning and control. These budgetary controls ensure compliance with provisions embodied in the annual appropriated budget approved by the Board of Supervisors. The budget process begins each fall with County departments, Constitutional Offices, and outside agencies submitting requests to County Administration by the date established in the budget calendar. After a series of work sessions with the Board of Supervisors, County Administration and staff, the County Administrator then submits to the Board of Supervisors a budget that includes proposed operating, capital, and debt service expenditures and the means of financing such expenditures. Citizen comments on the proposed tax rates and budget are obtained through public hearings. After consideration of public comment, the Board of Supervisors sets the tax rates and approves the annual budget. The budget is implemented through annual appropriation, with supplemental appropriations approved by the Board of Supervisors as necessary during the fiscal year in accordance with the Code of Virginia (Section 15.2-2507). Budgetary compliance is monitored through real-time, on-line and monthly financial reports provided to County departments and the Board of Supervisors by County Administration.

## **Factors Affecting the Government's Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered in the broader perspective of the environment within which Dinwiddie County operates.

### ***Local Economy***

Dinwiddie has maintained business investment and positive economic activity, despite the COVID-19 health crisis affecting the nation in the last four months of FY 2020 and all of FY 2021. When considering the population change from 2000 to 2010 within the overall Tri-Cities/Tri-County Region (Cities of Petersburg, Hopewell, Colonial Heights and Counties of Chesterfield, Dinwiddie, and Prince George), Dinwiddie County was the second fastest growing community with a 14.1% increase. Since 2010, however, the population has slightly decreased from 28,001 in 2010 to 27,947 per the 2020 census.

After unemployment spiked in April 2020 with a rate of 9.4% due to the COVID-19 health crisis, the local unemployment rate dropped to 5.1% by June 30, 2021 as businesses tried to resume normal activities once vaccinations became available to employees and customers. The County's rate, while greater than Virginia's rate of 4.3%, is still less than the national rate of 5.9%.

Predominant industries/employers in the County are distribution, government, advanced manufacturing, forestry, and agriculture. With the County located between two military installations, national defense spending in the region is also important to the local economy.

The County celebrated the opening of the Dinwiddie Airport and Industrial Authority's new executive hangers, which were completely leased within months of the opening. Dominion Energy has continued to expand their footprint in the northern part of the County adding additional facilities. Dinwiddie's industries have performed well this year despite challenges with supply chain and employment. The retail sectors have also remained strong. The COVID-19 health crisis disrupted our small business community with mandated closures and limited occupancy even in later phases. Despite this, County businesses have grown and evolved during this time, all while giving back to their community.

Local sales tax revenue, which can also be an indication of the overall condition of the County's economy, increased in FY 2021 with receipts 12.4% higher than FY 2020. New home construction in FY 2021 yielded 139 homes added to the County's real estate tax book, an increase from last fiscal year, which yielded an additional 106 homes. FY 2021 experienced an aggressive real estate market with the sales ratio finishing at approximately 79.2% overall. This is an indication that sales to assessments reflected an aggressive confidence in the market. The County's last general tax reassessment was effective January 1, 2019, and the next general tax reassessment will be effective no later than January 1, 2025. Additionally, 270 new business licenses were issued in FY 2021, which reflects an increase of 20 licenses from the year before, which can be mainly attributed to the absence of special public events in the County, such as the annual fair and Virginia Motorsports Park events, and continuing impacts of COVID-19. Overall, Dinwiddie County has demonstrated a steadily increasing real estate market and a relatively stable business base over the course of the last fiscal year considering the COVID-19 health crisis.

### ***Long-term Financial Planning***

Both County staff and external financial advisors provide guidance in addressing the long-term capital and operating needs of the County. One result of this guidance is the preparation of a Capital Improvements Plan (CIP). Reflecting the County's strategic initiatives, the CIP is adopted annually by the Board of Supervisors, with the first year funding appropriated and the remaining years provided for planning purposes. FY 2019 marked the first year of the adoption of a ten-year CIP, as opposed to the prior years' five-year plans, to better prepare the Board of Supervisors and the public for upcoming projects. The FY 2021-2030 CIP projects represent the Board of Supervisors' commitment to public safety, education, and infrastructure maintenance. The County utilizes a balanced approach to capital project funding; using a combination of debt financing, draws on unassigned fund balance, and pay-as-you-go current year appropriation. The County issued \$2.71 million in debt to replace a Ladder Truck for the fire department and an HVAC system at an elementary school, and used \$594,500 in cash to fund ambulances and infrastructure projects in the FY 2021 CIP.

### ***Financial Policies***

The larger the unassigned general fund balance, the greater the County's ability to cope with financial emergencies, fluctuations in revenues, and to maintain bond rating agencies' expectations. With the debt financing of a new high school and a new elementary school, the County received its first public credit rating of A+ from Standard & Poors in 2004, an upgraded rating to AA- in 2008, and most recently an upgraded rating to AA in 2014.

The County has established and maintained a target rate of the unassigned general fund balance of at least 15% of total budgeted expenditures minus annual debt service payments and bonds proceeds expenditures. Funds in excess of the targeted 15% fund balance may be considered to supplement pay-as-you-go capital outlay expenditures, other non-recurring expenditures or as additions to fund balance.

In addition, the County strives to maintain a diversified and stable revenue system to shelter the government from fluctuations in any one revenue source and ensure its ability to provide ongoing services. The County intends to fund ongoing expenditures through ongoing revenues, not one-time revenue sources. One-time or other special revenues will not be used to finance continuing County operations, but instead will be used for special projects such as CIP projects.



## Major Initiatives in FY 2021

Responding to the COVID-19 health crisis and the threat of financial uncertainty dominated staff's efforts throughout FY 2021. However, while some initiatives were postponed, other projects were started and/or completed during FY 2021, without changing the property tax rates.

### ❖ Public Works:

- Purchased a replacement roll-off truck for Waste Management.
- Completed several HVAC unit replacements in County buildings.
- Continued to redirected staff to focus on building disinfection, social distancing adaptations, and waste management during the COVID-19 health crisis.

### ❖ Public Safety:

- Purchased emergency response vehicles, ventilators, and defibrillators with Coronavirus Aid Relief and Economic Security (CARES) Act and County funds.
- Replaced the pavement in front of McKenney Volunteer Fire Department.
- Purchased two replacement Animal Control vehicles.
- Continued the multi-year radio system replacement project - this project is expected to be completed in March 2023.
- Led the County's emergency management response to the COVID-19 health crisis and supported testing and vaccination events.

### ❖ Other Capital Purchases:

- Supported infrastructure improvements at the Dinwiddie County Water Authority, Appomattox River Water Authority, South Central Waste Water Authority, and the Dinwiddie County Airport and Industrial Authority.

### ❖ Information Technology:

- Continued with the multi-year broadband project with support by a grant from the Virginia Tobacco Region Revitalization Commission.
- Began live streaming of public meetings and continued to support unprecedented teleworking, remote video conferencing, and other phone and technology efforts during the COVID-19 health crisis.

### ❖ Parks, Recreation & Tourism:

- Redirected staff during the COVID-19 health crisis to deliver food through Social Services with donations from local restaurants; to set up Virtual Learning Centers in recreation centers; and to support COVID-19 testing and vaccination events.

### ❖ Community Development:

- Provided \$217,500 in CARES Act funds to the Industrial Development Authority for small business grants to County businesses adversely affected by COVID-19.
- Provided CARES Act funds of \$208,854 to non-profit organizations and \$104,980 to a major attraction in the County to help defray COVID-19 related costs.
- The Planning Commission Clerk achieved certification through the Virginia Municipal Clerks Association.

### ❖ County Administration:

- Formed the Equity and Racial Reconciliation Taskforce to identify and address racial and other inequities in the County in an effort to strengthen and improve the overall community.
- Received the Virginia Association of Counties Best Small County in Virginia Achievement Award and a National Association of Counties Achievement Award for the Dinwiddie Faith Based Initiative, which is a partnership between the County, Schools, and the faith-based community.

### ❖ Constitutional Officers:

- Purchased ten vehicles with CARES Act funding for the Sheriff's Office.
- Hired two additional Sheriff's deputies to assist with COVID-19 related security issues

### ❖ Human Services:

- Provided \$555,000 in CARES Act funding to Social Services to help citizens financially impacted by COVID-19 and to purchase an additional department vehicle.
- Provided \$15,500 in CARES Act funding to County Food Banks to offset increased operational costs due to increased demand by citizens during COVID-19.
- Outfitted all staff with headsets, webcams and VPN to increase productivity and communications for teleworking during COVID-19.
- Renovated existing space within the department to allow for operational growth.

- ❖ Human Resources:
  - Purchased virtual employee training software with CARES Act funds.
  - Certified as a Virginia Values Veterans (V3) Employer, which is a program designed to recruit, hire, train and retrain Virginia's veterans.
- ❖ Legal Services:
  - The County Attorney was elected to the Local Government Attorneys of Virginia's Board of Directors.
- ❖ Dinwiddie County Public Schools:
  - Provided \$1,489,855 in CARES Act funding for school operations.
- ❖ Accounting
  - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Dinwiddie County for its annual financial report (AFR) for the fiscal year ended June 30, 2020. This was the sixth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized AFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current AFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Acknowledgements**

The preparation of this report would not have been possible without the efficient and dedicated services of the accounting staffs of the County, Schools, and Department of Social Services; the Treasurer's Office; and the Commissioner of the Revenue. Additionally, this report reflects the results of the Board of Supervisors' commitment to financial excellence, and we appreciate their continued support of the financial management of Dinwiddie County.

Respectfully submitted,



W. Kevin Massengill  
County Administrator



Anne R. Howerton, CPA  
Deputy County Administrator, Finance & General Services



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**County of Dinwiddie  
Virginia**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

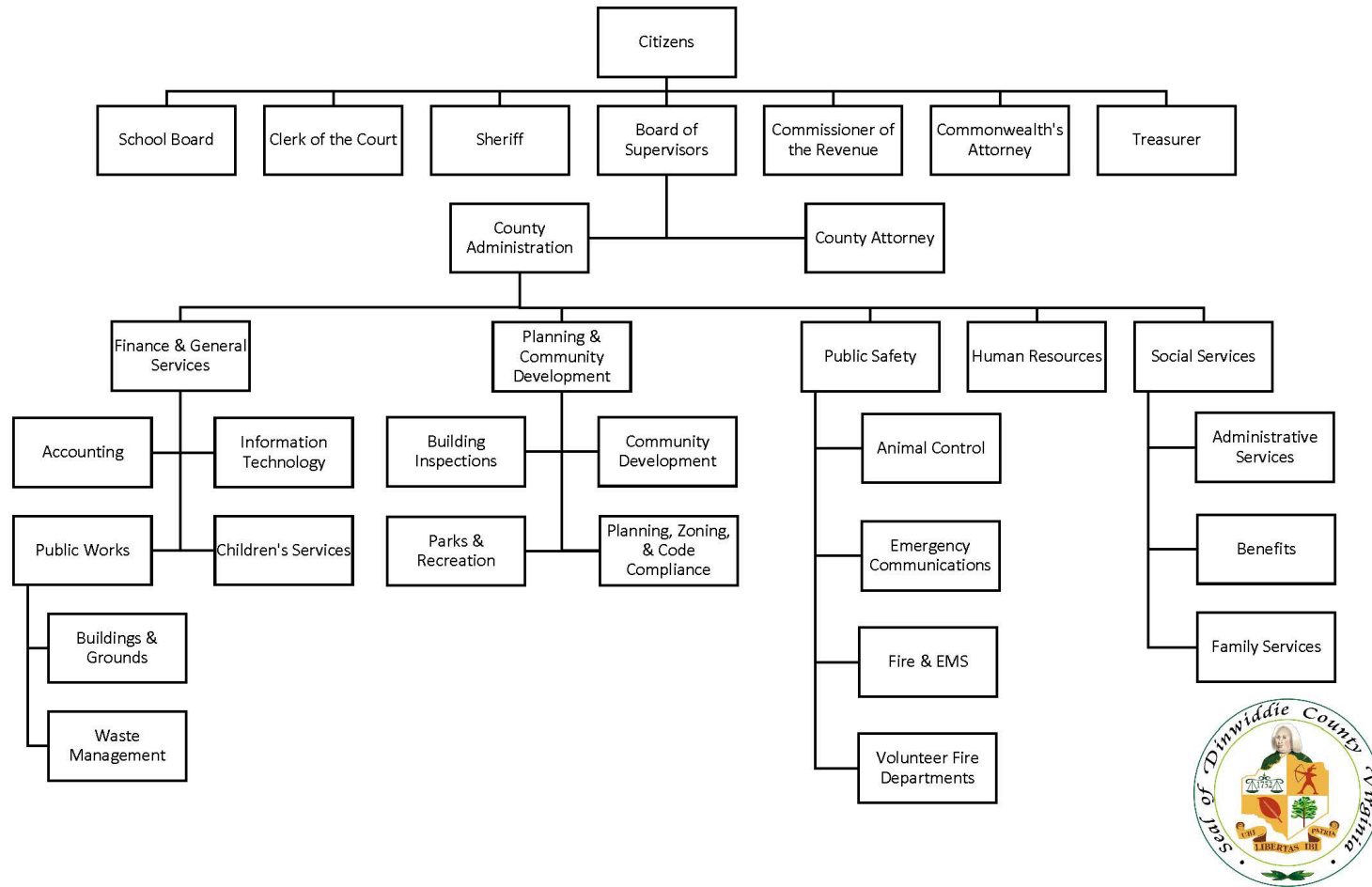
June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

# COUNTY OF DINWIDDIE, VIRGINIA

## ORGANIZATIONAL CHART



# COUNTY OF DINWIDDIE, VIRGINIA

## OFFICIAL DIRECTORY

June 30, 2021

### Board of Supervisors

Brenda K. Ebron-Bonner, Chairperson  
Harrison A. Moody, Vice-Chairperson

William D. Chavis  
Daniel D. Lee

Dr. Mark E. Moore

### School Board

Mary M. Benjamin, Chairperson  
Betty T. Haney, Vice-Chairperson

Sherilyn H. Merritt  
Barbara T. Pittman

Jerry W. Schnepf, Jr.

### Industrial Development Authority

James Van Landingham, Chairperson  
Michelle Olgers, Vice-Chairperson  
William E. Jones, Secretary - Treasurer

W. Alan Kissner  
Robert Spiers, Jr.

Maxwell W. Watkins, Jr.  
Sharon B. Yates

### Other Officials

#### Courts

Chief Judge of the Circuit Court  
Chief Judge of the General District Court  
Chief Judge of the Juvenile and Domestic Relations Court

Paul W. Cella  
Ray P. Lupold, III  
Phillip T. DiStanislaio

#### Constitutional Officers

Commonwealth's Attorney  
Treasurer  
Sheriff  
Clerk of the Circuit Court  
Commissioner of the Revenue

Ann Cabell Baskervill  
Jennifer C. Perkins  
Donald T. "Duck" Adams  
J. Barrett Chappell, Jr.  
Lori K. Stevens

#### School Board

Superintendent of Schools

Dr. Kari Weston

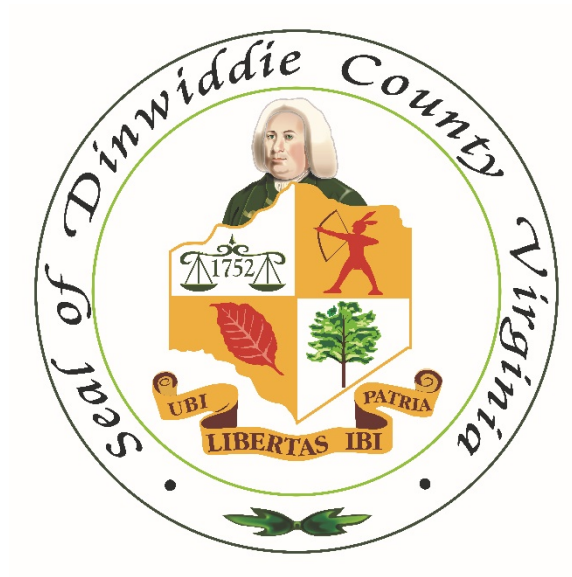
#### County

County Administrator  
County Attorney  
Deputy County Administrator - Finance and General Services  
Deputy County Administrator - Planning and Community Development  
Chief, Fire and EMS Services

W. Kevin Massengill  
Tyler Southall  
Anne Howerton  
Tammie Collins  
Dennis Hale

## FINANCIAL SECTION

June 30, 2021



## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Dinwiddie, Virginia (the "County"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Dinwiddie, Virginia, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 19 and budgetary comparison information, pension information and other postemployment benefit (OPEB) liability information, and related notes, on pages 81 through 95 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Dinwiddie, Virginia's basic financial statements. The introductory section, other supplementary information, and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and related notes on pages 137 through 140 is presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the basic financial statements.

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

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



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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2021, on our consideration of the County'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 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's internal control over financial reporting and compliance.

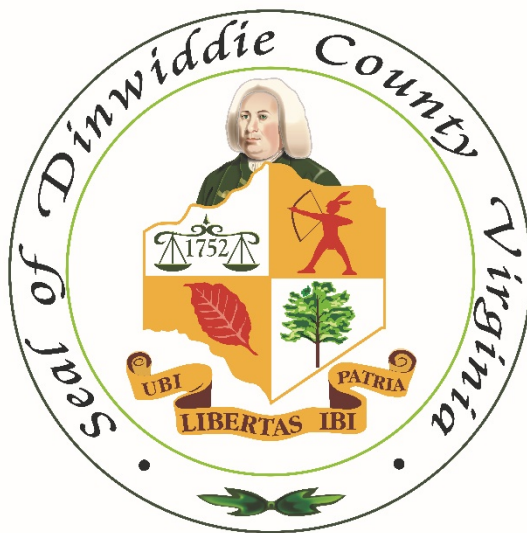
A handwritten signature in black ink that reads "Brown, Edwards & Company, L.L.P." in a cursive script.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia  
November 18, 2021

# MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2021



## COUNTY OF DINWIDDIE, VIRGINIA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of County of Dinwiddie, Virginia, we offer readers of the County's FY 2021 financial statements this narrative overview and analysis for the purpose of assisting them with understanding significant financial issues, providing an overview of the County's financial activity, and identifying changes in the County's financial position. Readers are also encouraged to read the transmittal letter at the front of this report and the County's financial statements which follow this analysis.

#### Financial Highlights

- Dinwiddie County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2021 by \$52,248,278 (net position).
- On a government-wide basis for governmental activities, the County had expenses net of program revenue of \$41,865,342. This amount is \$5,766,160 less than the general revenues of \$47,631,502 (change in net position).
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$34,917,464, an increase of \$2,576,912 in comparison with the prior year.
- Of the governmental funds' ending balances, unassigned fund balance for the general fund was \$21,281,655 or 40.9% of total general fund expenditures and other financing uses. This represents a 19.4% increase in unassigned fund balance from FY 2020.

#### Using this Annual Financial Report

This Annual Financial Report consists of four sections: introductory, financial, statistical, and compliance. This management's discussion and analysis intends to serve as an introduction to the County's basic financial statements which are comprised of three components: government-wide financial statements; fund financial statements; and notes to the financial statements. Required supplementary information follows the basic financial statements. Other supplementary information and supporting schedules are also presented in the financial section. The unaudited statistical section shows financial data and trends over time, and the compliance section reports on the County's compliance with internal controls and various federal and state requirements.

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances as a whole and include all assets and liabilities using accrual basis of accounting in a manner similar to a private-sector business. The government-wide financial statements provide both long-term and short-term information about the County's overall financial status.

The Statement of Net Position presents information on all of the County's assets and liabilities, 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 of the current year's revenues and expenses are reported in the Statement of Activities, regardless of when cash was received or paid.

The governmental activities of the County include general government administration, judicial administration, public safety, public works, health and welfare, education, parks and recreation, and community development. The government-wide financial statements can be found in Exhibits A and B.

## **COUNTY OF DINWIDDIE, VIRGINIA**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The government-wide financial statements include not only the County itself (known as the primary government), but also the legally separate School Board, Industrial Development Authority, Airport and Industrial Authority, and Water Authority, all of which Dinwiddie County is financially accountable. Financial information for the component units is reported separately from the financial information presented for the primary government. Neither the School Board nor the IDA issue separate financial statements, whereas the Airport and Industrial Authority and the Water Authority both issue separate financial statements. (See Exhibits I-J and Z-CC).

#### 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. Dinwiddie County, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

#### Governmental Funds

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

#### Fiduciary Funds

The County is the trustee, or fiduciary, for the County's private purpose trust and custodian fund. 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. The private purpose trust funds are used for scholarships and for disadvantaged citizens in the County. The custodial fund consists of County funds used to provide accountability of Department of Social Services client monies for which the County is custodian. (See Exhibits G-H).

#### 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. The notes to the financial statements can be found on pages 31 through 80 of this report.

#### Other Information

Presented as required supplementary information are budgetary comparison schedule for the General Fund, Special Revenue Fund and the County and School Board's progress in funding its obligation to provide pension and other post-employment benefits to its employees (See Exhibits K-U).

Presented as other supplementary information are combining fund statements and schedules for Debt Service, Capital Projects and Fiduciary Funds, and for the School Board as a discretely presented component unit. Additionally, supporting schedules detail budgetary comparison schedules for all governmental funds (See Exhibits V-CC and Schedules 1-2).

(Continued)

# COUNTY OF DINWIDDIE, VIRGINIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Government-Wide Financial Statement Analysis

#### County of Dinwiddie, Virginia's Condensed Statement of Net Position

	<b>Governmental Activities</b>	
	<b>2021</b>	<b>2020</b>
Current and other assets	\$ 62,888,746	\$ 56,608,658
Capital assets	<u>84,350,480</u>	<u>84,304,770</u>
	<u>147,239,226</u>	<u>140,913,428</u>
Deferred pension outflows	2,736,453	1,929,405
Deferred amount on bond refunding	315,244	370,991
Deferred OPEB outflows	<u>425,892</u>	<u>448,967</u>
	<u>3,477,589</u>	<u>2,749,363</u>
Current liabilities	10,602,365	2,233,552
Noncurrent liabilities	<u>65,244,263</u>	<u>74,681,355</u>
	<u>75,846,628</u>	<u>76,914,907</u>
Deferred pension inflows	813,890	761,683
Deferred revenues	20,321,832	19,051,156
Gain on bond refunding	19,434	27,420
Deferred OPEB inflows	<u>1,466,753</u>	<u>425,507</u>
	<u>22,621,909</u>	<u>20,265,766</u>
Net position:		
Net investment in capital assets	28,001,780	25,011,742
Unrestricted	<u>24,246,498</u>	<u>21,470,376</u>
	<u>\$ 52,248,278</u>	<u>\$ 46,482,118</u>

FY 2021 current assets increased over FY 2020 primarily due to cash balances increasing as actual revenues exceeded expenses and also due to the partially unspent proceeds of a \$2.7 million capital projects related financing in December 2020. Deferred pension outflows increased as actual earnings on plan investments exceeded projections.

FY 2021 current liabilities increased over FY 2020 due to an increase in accounts payable with a large capital project milestone payment paid in July 2021. FY 2021 long term liabilities decreased by scheduled annual debt service payments. Deferred revenues increased with an increase in the property tax revenues due in December 2021 compared to December 2020 and an increase in the federal Coronavirus Relief Funds ("CARES") received in June 2021 compared to June 2020. Deferred OPEB inflows increased due to change in demographic and claims experience.

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. As shown in the table above, the County's net position increased by 12.4% from FY 2020 to FY 2021. Approximately 53.6% of the County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any outstanding debt that was used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens, including education. Accordingly, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

(Continued)

# COUNTY OF DINWIDDIE, VIRGINIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Government-Wide Financial Statement Analysis (Continued)

The remaining net position balance of \$24,246,498 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors. This represents an increase of \$2,776,122 from the unrestricted net position at the end of FY 2020, which was due to revenues exceeding expenses by \$5,766,160 as shown below, and an increase in net investment in capital assets of \$2,990,038 through scheduled debt service payments.

### County of Dinwiddie, Virginia's Condensed Statement of Activities

	<b>Governmental Activities</b>	
	<b>2021</b>	<b>2020</b>
Program revenues:		
Charges for services	\$ 2,861,621	\$ 2,941,168
Operating grants and contributions	11,399,696	6,749,400
General revenues:		
General property taxes	35,915,151	34,402,396
Other local taxes	6,655,854	6,037,179
Grants and other contributions not restricted	4,586,065	4,676,982
Other general revenues	474,432	758,179
Total revenues	<u>61,892,819</u>	<u>55,565,304</u>
General government administration	3,111,479	3,946,328
Judicial administration	1,260,182	1,232,211
Public safety	16,413,573	14,429,075
Public works	4,774,084	4,584,523
Health and human services	6,108,040	5,291,038
Education	19,560,861	15,982,879
Parks, recreation and cultural	1,351,664	1,371,335
Community development	1,872,779	1,701,143
Interest and other fiscal charges	<u>1,673,997</u>	<u>2,219,801</u>
Total expenses	<u>56,126,659</u>	<u>50,758,334</u>
Change in net position	5,766,160	4,806,971
Net position, beginning of year	<u>46,482,118</u>	<u>41,675,147</u>
Net position, end of year	<u>\$ 52,248,278</u>	<u>\$ 46,482,118</u>

Total governmental activities revenues show an increase of \$6,327,515 (11.4%) in FY 2021 from FY 2020. This can be mainly attributed to federal COVID19 revenues and an increase in property taxes through additional homes and increased used vehicle values over FY 2020.

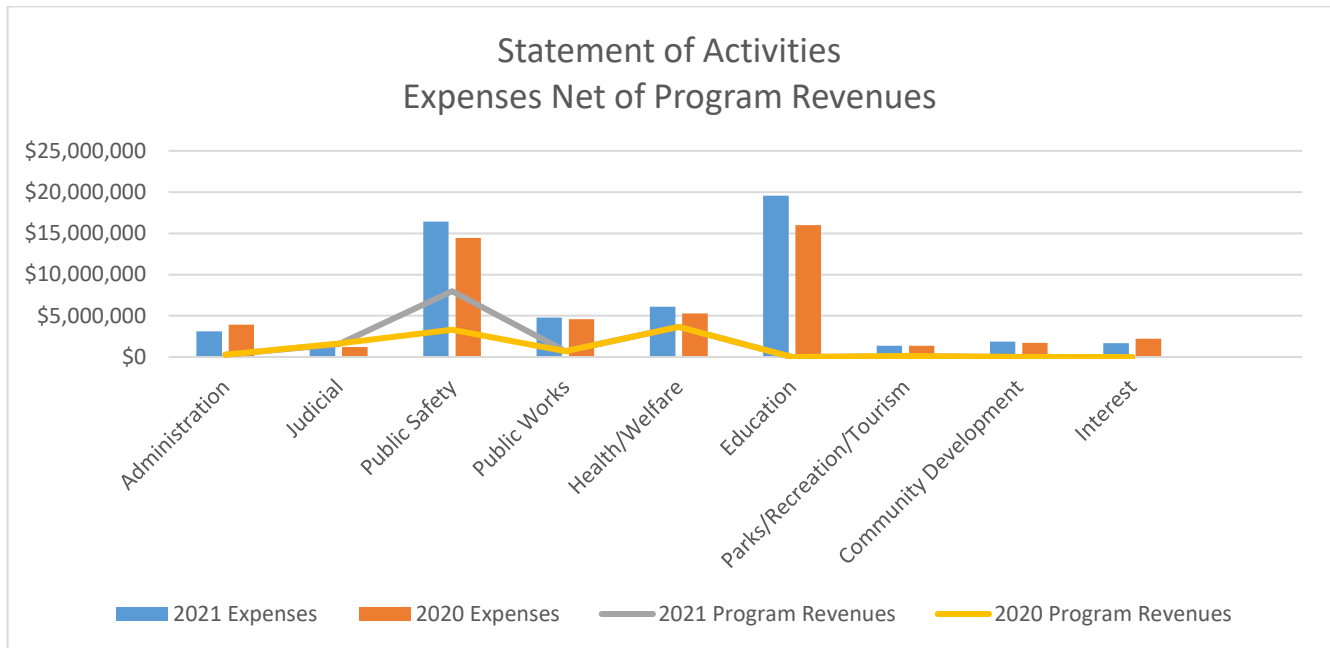
Total governmental activities expenses show an increase of \$5,368,325 (10.6%) in FY 2021 from FY 2020. This increase can be attributed to the net effect of the following expenses: increase in public safety, public works, and health and human services due to COVID-19 expenditures; increase in education due to transfer of jointly owned assets from the county to the schools; and decrease in interest and other fiscal charges due to greater bond issuance costs in FY 2020.

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### Government-Wide Financial Statement Analysis (Continued)



From the government-wide Statement of Activities, the County had total expenses net of program revenue of \$41,865,342, which were \$5,766,160 less than the general revenues of \$47,631,502 (change in net position). As shown in the chart above, each category of expenditure far exceeds the program revenue received for each governmental activity. This is a good indicator of the County's reliance on tax revenues.

#### Financial Analysis of 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. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

As shown on the Balance Sheet, the combined fund balances equal \$34,917,464, which can be further divided into the following components based on liquidity: \$9,048,168 restricted by bond covenants or various contributors and grantors and enabling federal or state legislation; \$4,587,641 committed by the Board of Supervisors for economic development; capital purchases and projects and Children's Services Act expenditures; and \$21,281,655 unassigned fund balance.

As shown on the Statement of Revenues, Expenditures and Changes in Fund Balances, the General Fund increased by \$3,542,820, which was primarily due to greater than expected property tax revenue. The Debt Service Fund decreased by \$287,945, which was the result of a scheduled use of fund balance. The Capital Projects Fund decreased by \$854,635, which was primarily the result of using some of the Public Safety Radio Replacement Project's prior year bond proceeds. The Special Revenue Fund increased by \$176,672, primarily due to unspent fire/rescue grants.

The following graphs illustrate the various revenue streams and expenditure categories in the governmental funds. Education and public safety are the largest expenditure categories, which aligns with the Board of Supervisors' funding priorities.

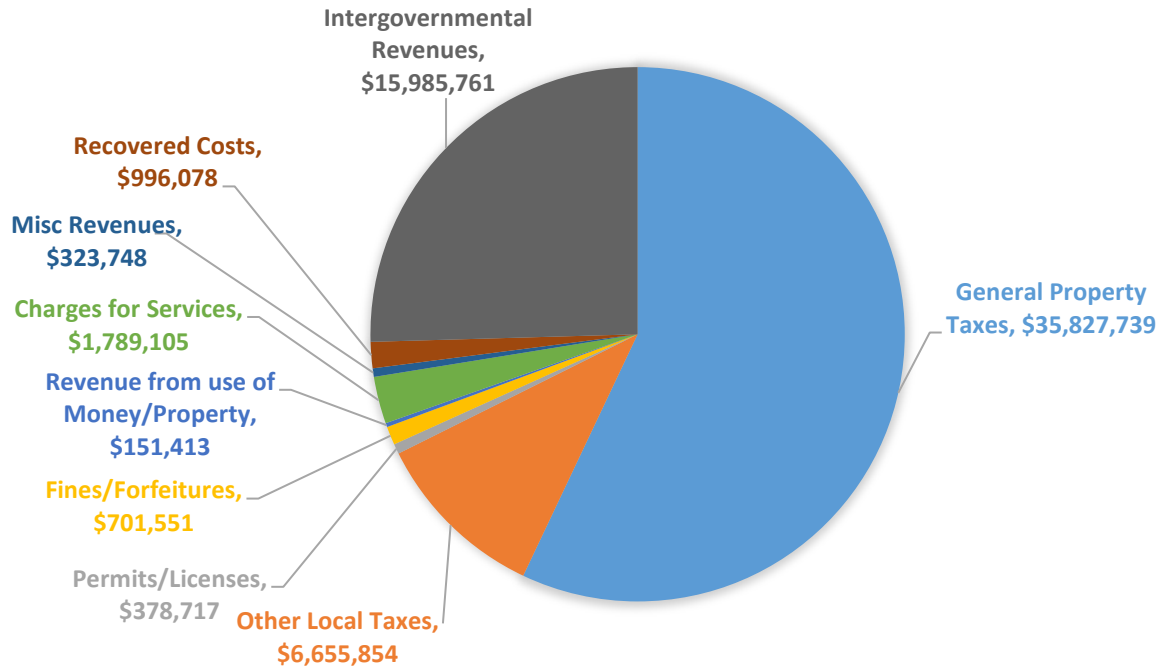
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## COUNTY OF DINWIDDIE, VIRGINIA

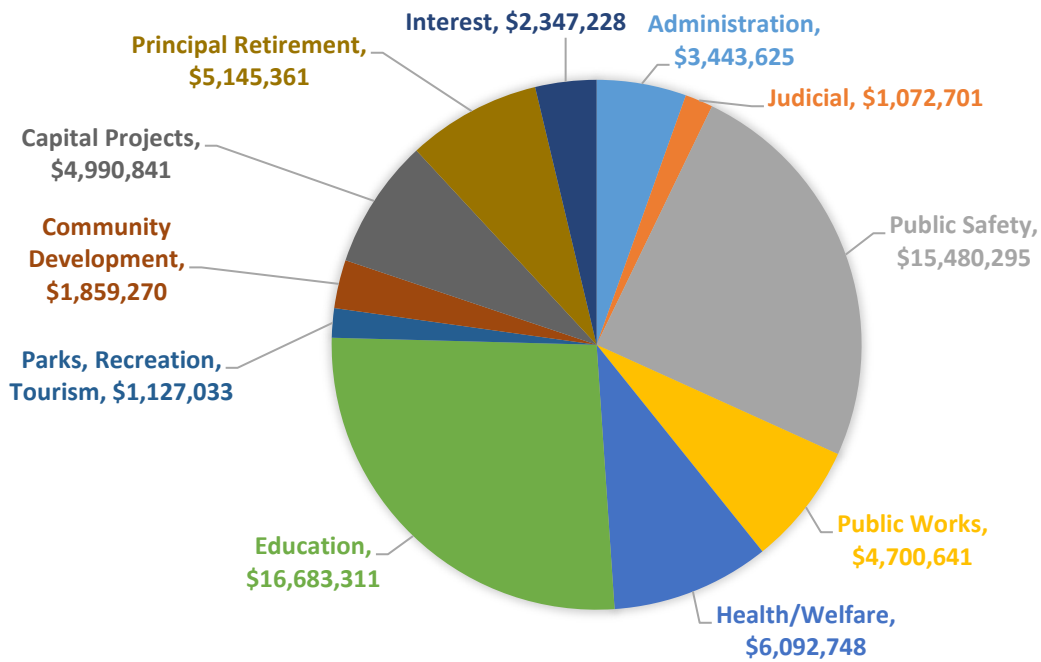
### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### Financial Analysis of Governmental Funds (Continued)

#### GOVERNMENTAL FUNDS REVENUES



#### GOVERNMENTAL FUNDS EXPENDITURES



(Continued)



## COUNTY OF DINWIDDIE, VIRGINIA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### General Fund Budgetary Highlights

The general fund is the chief operating fund for the County - the County's basic services are reported in the general fund. The difference between the original expenditure budget and the final amended expenditure budget was an increase of \$969,074. COVID-19 funds of \$555,000 for social services and \$271,851 for employee one-time bonuses were appropriated by the Board of Supervisors during FY 2021. Re-appropriation of remaining FY 2020 funds for economic and youth workforce development of \$135,497 and the Sheriff's Office E-Summons program of \$6,726 also contributed to this overall budget increase.

During the year, revenues and other sources exceeded the budgetary estimates by \$3,676,771. This was primarily due to property tax collections greater than anticipated and market value increase in used vehicles. Expenditures were less than budgetary estimates by \$1,884,805. Savings of \$643,703 came from economic development funds available for potential projects but not needed in FY 2021, and \$301,009 from youth workforce development programs and \$135,150 from parks and recreation programs not implemented due to COVID19. Vacancy savings in various departments and a deliberate attempt to only spend what was necessary during FY 2021 due to future financial uncertainty from COVID19 made up the \$804,943 remainder.

The final budget included an anticipated draw on beginning fund balance of \$2,018,756 for the following items: \$594,500 for capital projects; \$811,067 for community development; \$155,612 for social services; \$85,000 for meals tax transfer to debt service; \$94,000 for tax revenue related legal services; and \$278,577 as explained above. However, the actual change in the general fund balance for FY 2021 was an increase of \$3,542,820 due to revenues being greater than expected and expenditures being less than expected as explained above.

See Exhibit K for more details.

#### Capital Assets

The County's investment in capital assets for its governmental activities as of June 30, 2021, amounted to \$84,350,480 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment. Construction in Progress increased primarily due to expenditures in the multi-year Public Safety Radio Replacement Project. Machinery and Equipment increased with the purchase of public works equipment, law enforcement vehicles, and fire/rescue apparatus. Jointly owned assets decreased as scheduled debt service payments were made in FY 2021, as opposed to the increase in jointly owned assets in FY 2020 that occurred as the result of an advanced debt refunding.

#### **Governmental Activities Change in Capital Assets**

	<b>June 30, 2020</b>	<b>Net Increase (Decrease)</b>	<b>June 30, 2021</b>
Land	\$ 2,923,834	\$ -	\$ 2,923,834
Construction in progress	2,170,795	3,401,422	5,572,217
Buildings	53,019,195	81,291	53,100,486
Machinery and equipment	21,267,399	1,081,180	22,348,579
Jointly owned assets	50,373,736	(1,962,031)	48,411,705
Total accumulated depreciation	<u>(45,450,189)</u>	<u>(2,556,152)</u>	<u>(48,006,341)</u>
Total Primary government capital assets, net	<u>\$ 84,304,770</u>	<u>\$ 45,710</u>	<u>\$ 84,350,480</u>

Additional information on the County's capital assets can be found in Note 5 of this report.

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### Long-Term Obligations

The County's combined total long-term obligations decreased \$2,705,361 during the current fiscal year, primarily due to the net effect of scheduled principal payments and issuance of new debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$61,659,916, which has required debt service payments through 20356. Of this amount, \$4,749,916 comprises debt backed by the full faith and credit of the County. The note payable represents a financing agreement for a replacement HVAC system at an elementary schools and a replacement ladder firetruck The remainder of the County's bonded debt represents bonds secured solely by leasehold interests in real property - lease revenue bonds. The County's credit rating from Standard & Poor's remains AA for general obligation bonds and AA- for lease revenue bonds.

	<u>County Obligations</u>		<u>School Board Obligations</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
General obligation bonds	\$ -	\$ -	\$ 4,749,916	\$ 867,584
Note payable	1,147,000	81,802	1,563,000	111,549
Lease revenue bonds	<u>28,582,481</u>	<u>6,449,385</u>	<u>25,617,519</u>	<u>4,917,608</u>
Total primary government bonded debt	<u>\$ 29,729,481</u>	<u>\$ 6,531,187</u>	<u>\$ 31,930,435</u>	<u>\$ 5,896,741</u>

Additional information on the County's long-term debt can be found in Note 6 of this report.

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

After unemployment spiked in April 2020 with a rate of 9.4% due to the COVID19 health crisis, the local unemployment rate dropped to 5.1% by June 30, 2021 as businesses tried to resume normal activities once vaccinations became available to employees and customers. The County's rate, while greater than Virginia's rate of 4.3%, is still less than the national rate of 5.9%. These and other national and state economic factors were considered in preparing the County's budget for FY 2022. The County's population has increased 14.1% from 2000 to 2010; however it decreased slightly from 2010 to 2020 by 0.19%.

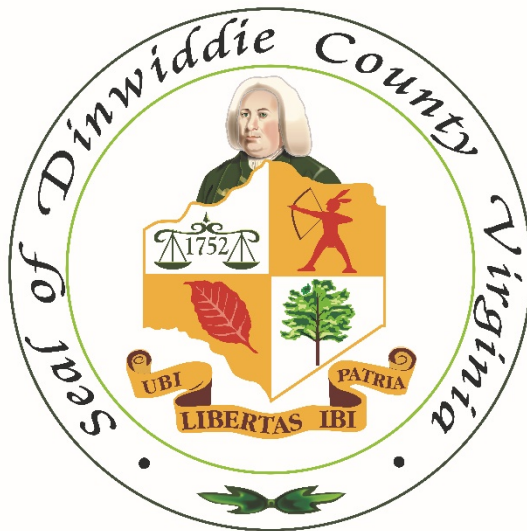
County Administration typically takes a very conservative approach to revenue and expenditures projections, and the FY 2022 consolidated budget reflects that approach, showing an overall increase of \$1,462,503 from the FY 2021 budget. This is primarily due to an effort to slowly move the County forward in spite of the financial uncertainty created by the COVID-19 health crisis. General Fund revenues are budgeted for 5.7% increase over FY 2021 to reflect growth in property tax revenue. General Fund expenditures are budgeted for a 4.1% increase over FY 2021, primarily due to the implementation of an employee compensation survey. Per County financial policy, the unassigned general fund balance is not used to balance the FY 2022 operational budget. The Board of Supervisors has adopted a financial policy that requires maintenance of a 15% general fund balance based on the total expenditure budget, less debt service and bond proceeds. The minimum amount is calculated for FY 2022 at \$14,312,710, and the general fund balance at June 30, 2022, is budgeted to be \$20,104,090.

#### Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of Dinwiddie County's finances and to show the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Administrator, Post Office Drawer 70, 14010 Boydton Plank Road, Dinwiddie, Virginia 23841.

# **BASIC FINANCIAL STATEMENTS**

**June 30, 2021**



## STATEMENT OF NET POSITION

June 30, 2021

	Primary Government Governmental Activities	Discretely Presented Component Units	Total Reporting Entity
<b>ASSETS</b>			
Cash, cash equivalents, and investments (Note 3)	\$ 28,239,515	\$ 9,754,081	\$ 37,993,596
Receivables, net of allowances for uncollectibles:			
Taxes receivable, including penalties	20,731,498	-	20,731,498
Accounts receivable	487,830	582,528	1,070,358
Due from other governmental units (Note 4)	3,215,773	2,185,438	5,401,211
Due from component units	147,363	-	147,363
Due from primary government	-	238,827	238,827
Temporarily restricted assets: (Note 3)			
Cash and cash equivalents	9,560,725	267,515	9,828,240
Investments	506,042	-	506,042
Other noncurrent assets	-	5,359,331	5,359,331
Capital assets, net: (Note 5)			
Nondepreciable capital assets	8,496,051	5,233,626	13,729,677
Capital assets, depreciable, net	75,854,429	65,572,510	141,426,939
Total assets	<u>\$ 147,239,226</u>	<u>\$ 89,193,856</u>	<u>\$ 236,433,082</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension deferrals (Note 16)	\$ 2,736,453	\$ 10,827,814	\$ 13,564,267
Deferred amount on bond refunding	315,244	8,745	323,989
OPEB deferrals (Note 18)	425,892	1,761,476	2,187,368
Total deferred outflows of resources	<u>\$ 3,477,589</u>	<u>\$ 12,598,035</u>	<u>\$ 16,075,624</u>

(Continued)

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

## STATEMENT OF NET POSITION

June 30, 2021

	Primary Government Governmental Activities	Discretely Presented Component Units	Total Reporting Entity
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 3,520,702	\$ 5,769,729	\$ 9,290,431
Due to component units	238,827	-	238,827
Due to primary government	-	147,363	147,363
Accrued interest payable	638,141	10,701	648,842
Other liabilities	144,554	208,374	352,928
Unearned grant revenues (Note 10)	2,772,168	-	2,772,168
Long-term liabilities: (Note 6)			
Due within one year	6,060,141	1,055,319	7,115,460
Due in more than one year	65,244,263	57,599,014	122,843,277
Total liabilities	<u>\$ 78,618,796</u>	<u>\$ 64,790,500</u>	<u>\$ 143,409,296</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension deferrals (Note 16)	\$ 813,890	\$ 3,290,677	\$ 4,104,567
Deferred revenue (Note 10)	17,549,664	-	17,549,664
Deferred amount on bond refunding	19,434	-	19,434
OPEB deferrals (Note 18)	1,466,753	437,203	1,903,956
Total deferred inflows of resources	<u>\$ 19,849,741</u>	<u>\$ 3,727,880</u>	<u>\$ 23,577,621</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 28,001,780	\$ 63,505,787	\$ 91,507,567
Restricted for bond covenants	-	75,581	75,581
Unrestricted	24,246,498	(30,307,857)	(6,061,359)
Total net position	<u>\$ 52,248,278</u>	<u>\$ 33,273,511</u>	<u>\$ 85,521,789</u>

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

## COUNTY OF DINWIDDIE, VIRGINIA

Exhibit B

## STATEMENT OF ACTIVITIES

Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Activities	Discretely Presented Component Units	Total Reporting Entity
<b>Primary Government -</b>							
Governmental activities:							
General government administration	\$ 3,111,479	\$ -	\$ 275,508	\$ -	\$ (2,835,971)	\$ -	\$ (2,835,971)
Judicial administration	1,260,182	858,088	687,372	-	285,278	-	285,278
Public safety	16,413,573	1,213,410	6,768,864	-	(8,431,299)	-	(8,431,299)
Public works	4,774,084	714,822	9,794	-	(4,049,468)	-	(4,049,468)
Health and human services	6,108,040	-	3,658,158	-	(2,449,882)	-	(2,449,882)
Education	19,560,861	-	-	-	(19,560,861)	-	(19,560,861)
Parks, recreation and cultural	1,351,664	75,261	-	-	(1,276,403)	-	(1,276,403)
Community development	1,872,779	40	-	-	(1,872,739)	-	(1,872,739)
Interest on long-term debt	1,673,997	-	-	-	(1,673,997)	-	(1,673,997)
Total primary government	<u>\$ 56,126,659</u>	<u>\$ 2,861,621</u>	<u>\$ 11,399,696</u>	<u>\$ -</u>	<u>(41,865,342)</u>	<u>-</u>	<u>(41,865,342)</u>
<b>Discretely Presented Component Units</b>	<u>\$ 60,781,429</u>	<u>\$ 4,594,468</u>	<u>\$ 38,158,874</u>	<u>\$ 83,866</u>	<u>-</u>	<u>(17,944,221)</u>	<u>(17,944,221)</u>
General revenues:							
General property taxes					35,915,151	-	35,915,151
Local sales and use tax					2,521,811	-	2,521,811
Consumer utility tax					533,529	-	533,529
Other local taxes					3,600,514	-	3,600,514
Revenues from use of money and property					151,413	397,235	548,648
Miscellaneous					323,019	327,720	650,739
Grants and contributions not restricted to specific programs					4,586,065	-	4,586,065
Payments from Dinwiddie County					-	18,947,531	18,947,531
Total general revenues					<u>47,631,502</u>	<u>19,672,486</u>	<u>67,303,988</u>
Change in net position					<u>5,766,160</u>	<u>1,728,265</u>	<u>7,494,425</u>
Net position, beginning of year, as restated (Note 19)					<u>46,482,118</u>	<u>31,545,246</u>	<u>78,027,364</u>
Net position, end of year					<u>\$ 52,248,278</u>	<u>\$ 33,273,511</u>	<u>\$ 85,521,789</u>

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

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

**June 30, 2021**

	<b>Major Funds</b>				
	<b>General</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Special Revenue Fund</b>	<b>Total</b>
<b>ASSETS</b>					
Cash, cash equivalents, and investments (Note 3)	\$20,606,768	\$ 2,161,283	\$ 2,125,787	\$ 3,345,677	\$28,239,515
Restricted cash and cash equivalents (Note 3)	-	-	9,560,725	-	9,560,725
Restricted investments (Note 3)	-	-	506,042	-	506,042
Receivables, net of allowances for uncollectibles:					
Taxes receivable, including penalties	20,731,498	-	-	-	20,731,498
Accounts receivable	471,045	-	3,453	4,185	478,683
Due from other governmental units (Note 4)	2,887,676	-	-	328,097	3,215,773
Due from component units	147,363	-	-	-	147,363
Total assets	<u>\$44,844,350</u>	<u>\$ 2,161,283</u>	<u>\$ 12,196,007</u>	<u>\$ 3,677,959</u>	<u>\$62,879,599</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 920,185	\$ -	\$ 2,140,070	\$ 277,391	\$ 3,337,646
Accrued liabilities	183,056	-	-	-	183,056
Other current liabilities	139,264	-	-	5,290	144,554
Due to component units	25,300	-	213,527	-	238,827
Unearned grant revenues (Note 10)	-	-	-	2,772,168	2,772,168
Total liabilities	<u>1,267,805</u>	<u>-</u>	<u>2,353,597</u>	<u>3,054,849</u>	<u>6,676,251</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable and deferred revenue - property taxes (Note 10)	<u>21,285,884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,285,884</u>
<b>FUND BALANCES (Note 11)</b>					
Restricted	7,918	-	8,567,183	473,067	9,048,168
Committed	1,001,088	2,161,283	1,275,227	150,043	4,587,641
Unassigned	21,281,655	-	-	-	21,281,655
Total fund balances	<u>22,290,661</u>	<u>2,161,283</u>	<u>9,842,410</u>	<u>623,110</u>	<u>34,917,464</u>
Total liabilities, deferred inflow, and fund balance	<u>\$44,844,350</u>	<u>\$ 2,161,283</u>	<u>\$ 12,196,007</u>	<u>\$ 3,677,959</u>	<u>\$62,879,599</u>

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

**RECONCILIATION OF BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**GOVERNMENTAL FUND**  
**June 30, 2021**

TOTAL FUND BALANCES PER EXHIBIT C - BALANCE SHEET - GOVERNMENTAL FUNDS	\$ 34,917,464
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION (EXHIBIT A) ARE DIFFERENT BECAUSE:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Capital assets, cost	132,356,821
Accumulated depreciation	(48,006,341)
	<u>84,350,480</u>
Financial statement elements related to pensions are applicable to future periods and, therefore, are not reported in the funds:	
Net pension liability	(3,297,786)
Deferred outflows of resources related to pensions	2,736,453
Deferred inflows of resources related to pensions	(813,890)
	<u>(1,375,223)</u>
Financial statement elements related to other postemployment benefits (OPEB) are applicable to future periods and, therefore, are not reported in the funds:	
Retiree Healthcare OPEB Liability	(686,930)
GLI OPEB Liability	(870,131)
Deferred outflows of resources related to retiree healthcare OPEB	213,561
Deferred outflows of resources related to net GLI OPEB	212,331
Deferred inflows of resources related to retiree healthcare OPEB	(1,435,673)
Deferred inflows of resources related to net GLI OPEB	(31,080)
	<u>(2,597,922)</u>
Certain other assets and deferred outflows of resources are also not available to pay for current period expenditures and, therefore, are not reported in the funds:	
Accounts receivable	9,147
Deferred amounts on bond refunding	315,244
	<u>324,391</u>
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	(54,470,000)
General obligation bonds	(4,749,916)
Note payable	(2,710,000)
Bond issuance premium	(3,301,211)
Landfill postclosure care	(562,077)
Interest payable	(638,141)
Nonexchange financial guarantees	(7,008)
Compensated absences	(649,345)
	<u>(67,087,698)</u>
Certain other liabilities and deferred inflows of resources are also not due and payable in the current period and, therefore, are not reported in the funds:	
Deferred revenue	3,736,220
Gain on bond refunding	(19,434)
	<u>3,716,786</u>
Net position of governmental activities	<u>\$ 52,248,278</u>

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



**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

	<b>Major Funds</b>				
	<b>General</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Special Revenue Fund</b>	<b>Total</b>
<b>REVENUES</b>					
General property taxes	\$ 35,827,739	\$ -	\$ -	\$ -	\$ 35,827,739
Other local taxes	6,655,854	-	-	-	6,655,854
Permits, privilege fees, and regulatory licenses	378,717	-	-	-	378,717
Fines and forfeitures	701,551	-	-	-	701,551
Revenue from use of money and property	133,953	-	17,398	62	151,413
Charges for services	1,785,747	-	-	3,358	1,789,105
Miscellaneous	183,865	-	55,824	84,059	323,748
Recovered costs	246,078	-	750,000	-	996,078
Intergovernmental revenues:					
Commonwealth	8,062,067	-	125,000	1,536,394	9,723,461
Federal	1,571,840	-	-	4,690,460	6,262,300
Total revenues	55,547,411	-	948,222	6,314,333	62,809,966
<b>EXPENDITURES</b>					
Current:					
General government administration	3,443,625	-	-	-	3,443,625
Judicial administration	1,069,995	-	-	2,706	1,072,701
Public safety	13,065,155	-	-	2,415,140	15,480,295
Public works	4,573,612	-	-	127,029	4,700,641
Health and human services	3,826,861	-	-	2,265,887	6,092,748
Education	15,193,456	-	-	1,489,855	16,683,311
Parks, recreation, and cultural	1,127,033	-	-	-	1,127,033
Community development	1,124,711	303,532	213,527	217,500	1,859,270
Capital outlays and projects	-	-	4,990,841	-	4,990,841
Debt service:					
Principal retirement	-	5,145,360	-	-	5,145,360
Interest and other fiscal charges	-	2,304,271	-	-	2,304,271
Bond issuance costs	-	-	42,958	-	42,958
Total expenditures	43,424,448	7,753,163	5,247,326	6,518,117	62,943,054
Excess (deficiency) of revenues over (under) expenditures	12,122,963	(7,753,163)	(4,299,104)	(203,784)	(133,088)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in (Note 12)	-	7,465,218	734,469	380,456	8,580,143
Transfers out (Note 12)	(8,580,143)	-	-	-	(8,580,143)
Issuance of note payable	-	-	2,710,000	-	2,710,000
Total other financing sources (uses)	(8,580,143)	7,465,218	3,444,469	380,456	2,710,000
Net change in fund balances	3,542,820	(287,945)	(854,635)	176,672	2,576,912
Fund balances, beginning of year	18,747,841	2,449,228	10,697,045	446,438	32,340,552
Fund balances, end of year	\$ 22,290,661	\$ 2,161,283	\$ 9,842,410	\$ 623,110	\$ 34,917,464

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

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2021**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 2,576,912

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE  
STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE

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 the cost of depreciation expense. This is the amount by which the capital outlays exceeded depreciation the current period. Details supporting this adjustment are as follows:

Capital asset additions	4,962,880
Depreciation expense	(3,712,183)
Loss on disposal of assets	(729)
	<u>1,249,968</u>

Transfer of joint tenancy assets between the Primary Government and the Component Unit - School Board

(1,204,258)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Details supporting this adjustment are as follows:

Amortization on bond premium and deferred amount on bond refunding	629,064
Revenues not received within sixty days of year end	79,660
	<u>708,724</u>

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. A summary of items supporting this adjustment is as follows:

Issuance of note payable	(2,710,000)
Principal retired on revenue bonds	4,265,000
Principal retired on general obligation bonds	880,360
Payments made on nonexchange financial guarantees	83,714
Decrease in landfill postclosure liability	62,761
	<u>2,581,835</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

The following is a summary of items supporting this adjustment:

Change in accrued leave	(57,973)
Change in GLI OPEB liability and related deferred amounts	14,443
Change in Retiree Health Insurance OPEB liability and related deferred amounts	90,853
Change in net pension liability and related deferred amounts	(238,512)
Change in interest payable	44,168
	<u>(147,021)</u>

Change in net position of governmental activities \$ 5,766,160

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

**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2021**

	<b>Private-Purpose Trust Funds</b>	<b>Special Welfare Custodial Funds</b>
<b>ASSETS</b>		
Cash and cash equivalents (Note 3)	\$ 629,292	\$ 34,513
Investments (Note 3)	<u>7,532,269</u>	<u>-</u>
	<u><u>\$ 8,161,561</u></u>	<u><u>\$ 34,513</u></u>
<b>LIABILITIES</b>		
Accounts payable	<u>\$ -</u>	<u>\$ 1,617</u>
<b>NET POSITION</b>		
Restricted for individuals and organizations	<u><u>\$ 8,161,561</u></u>	<u><u>\$ 32,896</u></u>

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

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**Year Ended June 30, 2021**

	<b>Private-Purpose Trust Funds</b>	<b>Special Welfare Custodial Funds</b>
<b>ADDITIONS</b>		
Contributions, private donations	\$ 3,277	\$ -
Investment earnings:		
Net increase in fair value of investments	1,406,474	-
Interest, dividends and others	94,485	3
Total investment earnings	1,500,959	3
Less investment costs, investment fees	(38,819)	-
Net investment earnings	1,462,140	3
Custodial receipts	-	33,159
Total additions	1,465,417	33,162
<b>DEDUCTIONS</b>		
Scholarships	145,158	-
Warrants	-	28,086
Total deductions	145,158	28,086
Net in fiduciary net position	1,320,259	5,076
Net position, beginning of year, as restated (Note 19)	6,841,302	27,820
Net position, end of year	\$ 8,161,561	\$ 32,896

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

**STATEMENT OF NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**June 30, 2021**

	<b>School Board</b>	<b>Industrial Development Authority</b>	<b>Water Authority</b>	<b>Airport and Industrial Authority</b>	<b>Total</b>
<b>ASSETS</b>					
Cash, cash equivalents, and investments (Note 3)	\$ 7,314,590	\$ 557,317	\$ 1,301,472	\$ 580,702	\$ 9,754,081
Accounts receivable, net allowances for uncollectibles	22,472	-	538,785	21,271	582,528
Due from other governmental units (Note 4)	2,185,438	-	-	-	2,185,438
Due from primary government	-	-	238,827	-	238,827
Temporarily restricted assets:					
Cash and cash equivalents	-	-	267,515	-	267,515
Other assets	-	-	5,323,728	35,603	5,359,331
Nondepreciable capital assets (Note 5)	1,349,053	661,673	615,322	2,607,578	5,233,626
Depreciable capital assets, net (Note 5)	40,961,874	-	19,617,848	4,992,788	65,572,510
Total assets	<u>\$ 51,833,427</u>	<u>\$ 1,218,990</u>	<u>\$ 27,903,497</u>	<u>\$ 8,237,942</u>	<u>\$ 89,193,856</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension deferrals (Note 16)	\$ 10,686,663	\$ -	\$ 141,151	\$ -	\$ 10,827,814
Deferred amount on bond refunding	-	-	8,745	-	8,745
OPEB deferrals (Note 18)	1,752,937	-	8,539	-	1,761,476
Total deferred outflows of resources	<u>\$ 12,439,600</u>	<u>\$ -</u>	<u>\$ 158,435</u>	<u>\$ -</u>	<u>\$ 12,598,035</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 5,463,492	\$ 641	\$ 287,315	\$ 18,281	\$ 5,769,729
Accrued interest payable	-	-	10,701	-	10,701
Due to primary government	-	-	147,363	-	147,363
Other liabilities	-	-	203,039	5,335	208,374
Long-term liabilities: (Note 6)					
Due within one year	502,306	-	429,000	124,013	1,055,319
Due in more than one year	53,068,923	-	3,121,836	1,408,255	57,599,014
Total liabilities	<u>\$ 59,034,721</u>	<u>\$ 641</u>	<u>\$ 4,199,254</u>	<u>\$ 1,555,884</u>	<u>\$ 64,790,500</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension deferrals (Note 16)	\$ 3,290,677	\$ -	\$ -	\$ -	\$ 3,290,677
OPEB deferrals (Note 18)	430,452	-	6,751	-	437,203
Total deferred inflows of resources	<u>\$ 3,721,129</u>	<u>\$ -</u>	<u>\$ 6,751</u>	<u>\$ -</u>	<u>\$ 3,727,880</u>
<b>NET POSITION</b>					
Net investment in capital assets	\$ 40,203,256	\$ 661,673	\$ 16,572,760	\$ 6,068,098	\$ 63,505,787
Restricted	-	-	75,581	-	75,581
Unrestricted	(38,686,079)	556,676	7,207,586	613,960	(30,307,857)
Total net position	<u>\$ 1,517,177</u>	<u>\$ 1,218,349</u>	<u>\$ 23,855,927</u>	<u>\$ 6,682,058</u>	<u>\$ 33,273,511</u>

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

COUNTY OF DINWIDDIE, VIRGINIA

Exhibit J

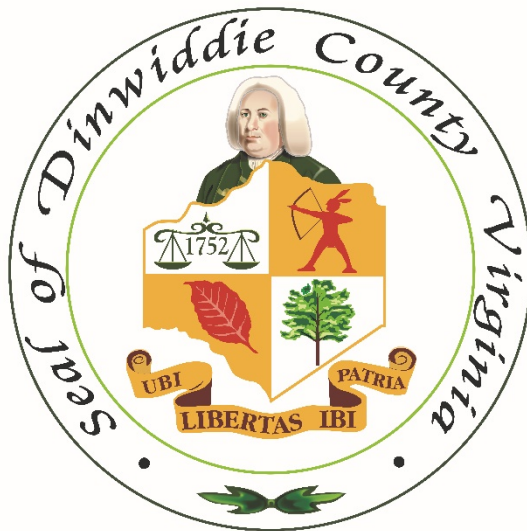
STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	School Board	Industrial Development Authority	Water Authority	Airport and Industrial Authority	Total
School Board	\$ 55,133,021	\$ 187,052	\$ 38,158,874	\$ -	\$(16,787,095)	\$ -	\$ -	\$ -	\$(16,787,095)
Industrial Development Authority	221,888	3,250	-	-	-	(218,638)	-	-	(218,638)
Water Authority	4,420,135	3,978,766	-	-	-	-	(441,369)	-	(441,369)
Airport and Industrial Authority	1,006,385	425,400	-	83,866	-	-	-	(497,119)	(497,119)
	<u>\$ 60,781,429</u>	<u>\$ 4,594,468</u>	<u>\$ 38,158,874</u>	<u>\$ 83,866</u>	<u>(16,787,095)</u>	<u>(218,638)</u>	<u>(441,369)</u>	<u>(497,119)</u>	<u>(17,944,221)</u>
General revenues:									
Revenues from use of money and property					142,375	1,653	9,607	243,600	397,235
Miscellaneous					255,491	-	65,605	6,624	327,720
Payments from Dinwiddie County					18,335,822	242,500	200,594	168,615	18,947,531
Total general revenues					<u>18,733,688</u>	<u>244,153</u>	<u>275,806</u>	<u>418,839</u>	<u>19,672,486</u>
Change in net position					1,946,593	25,515	(165,563)	(78,280)	1,728,265
Net position, beginning of year, as restated (Note 19)					<u>(429,416)</u>	<u>1,192,834</u>	<u>24,021,490</u>	<u>6,760,338</u>	<u>31,545,246</u>
Net position, end of year					<u>\$ 1,517,177</u>	<u>\$ 1,218,349</u>	<u>\$23,855,927</u>	<u>\$ 6,682,058</u>	<u>\$ 33,273,511</u>

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

# NOTES TO FINANCIAL STATEMENTS

June 30, 2021



## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### 1. Summary of Significant Accounting Policies

The County of Dinwiddie, Virginia (County) is governed by an elected five member Board of Supervisors. The County provides a full range of services for its citizens. These services include police and fire protection, sanitation services, recreational activities, cultural events, education, and social services.

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

#### **Financial Statement Presentation**

##### Government-wide financial statements

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

##### Statement of net position

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

##### Statement of activities

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

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

(Continued)



## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### 1. Summary of Significant Accounting Policies (Continued)

##### Financial Statement Presentation (Continued)

###### Statement of activities (Continued)

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

##### A. Financial Reporting Entity

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

##### B. Individual Component Unit Disclosures

###### Blended component unit

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

###### Discretely presented component units

The five School Board members are elected by the citizens of Dinwiddie County. The School Board is responsible for the operations of the County's School System within the County boundaries. The School Board is fiscally dependent on the County and the primary funding is from the General Fund of the County. The County has the ability to approve its budget and any amendments. The School does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2021. Fund financial statements of the School Board are included in the supplementary information section.

The Industrial Development Authority (IDA) of Dinwiddie County is responsible for industrial and commercial development in the County. The Authority consists of seven members appointed by the Board of Supervisors. The Authority is fiscally dependent on the County, and the County has the ability to impose its will on the IDA by significantly influencing its programs and activities. Therefore, it is included in the County's financial statements as a discrete presentation for the year ended June 30, 2021. The Authority does not issue a separate financial report. Fund financial statements are not included in the supplementary information section since there is limited activity for the IDA which is all reflected as part of the basic financial statements.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**1. Summary of Significant Accounting Policies (Continued)**

**B. Individual Component Unit Disclosures (Continued)**

Discretely presented component units (Continued)

Dinwiddie County Water Authority (Water Authority) was created by the Board of Supervisors of Dinwiddie County under the provisions of the Virginia Water and Sewer Authorities Act. The Water Authority was established for the purpose of providing and maintaining water and sewer facilities to residential and commercial customers within Dinwiddie County and is constantly improving and expanding its facilities to serve a greater number of residents and businesses. The Authority's Board of Directors is appointed by the Board of Supervisors of Dinwiddie County. The Water Authority and Dinwiddie County have Support Agreements, whereby the County will, subject to appropriation, pay the Authority budgeted amounts for debt service of the Series 2016 Water and Sewer Revenue Bonds and Series 1999 Water System Revenue Bonds, for operation and maintenance of the Courthouse System and Church Road System, and for deficiencies in the operating revenues of the Authority's main water and sewer system. The Support Agreements also require the Director of the Water Authority to notify the County Administrator if in any month the Authority is unable to make its required debt service payment, and to request an appropriation from the Board of Supervisors to make up any deficiency. The existence of these Support Agreements makes the Water Authority financially dependent on the County, and therefore, it is discretely presented in the County's financial statements for the year ended June 30, 2021. The Water Authority issues a separate audited financial report which may be obtained at 23008 Airport Drive, North Dinwiddie, VA 23803.

The Dinwiddie Airport and Industrial Authority (Airport Authority) is a public body organized by the General Assembly of Virginia to construct, operate, and maintain a regional airport and to promote industry in Dinwiddie, Virginia. The Airport Authority is governed by seven directors. The Board of Supervisors of Dinwiddie County appoints all seven of the Airport Authority's Board members. The Airport Authority and Dinwiddie County have Support Agreements, whereby the County will, subject to appropriation, pay the Authority budgeted amounts for debt service of the Refunding Series 2011A and 2011B Airports Revolving Fund Revenue Bonds and the Series 2019 Airport Revenue Bond, for operation and maintenance expenses, and for deficiencies in the Authority's operating revenues. The Support Agreement also requires the Airport Authority to notify the County Administrator if in any month the Authority is unable to make its required debt service payment, and to request an appropriation from the Board of Supervisors to make up any deficiency. The existence of this Support Agreement makes the Authority financially dependent on the County, and therefore, it is discretely presented in the County's financial statements for the year ended June 30, 2021. The Airport Authority also issues a separate audited financial report which may be obtained at 6775 Beck-Chappell Drive, North Dinwiddie, VA 23803.

**C. Other Related Organizations Excluded from the County's Financial Report**

Related organizations that are excluded from the County's Comprehensive Annual Financial Report are as follows:

Appomattox Regional Library

The Appomattox Regional Library is a regional free library system that serves the localities of the City of Hopewell, Prince George County, Dinwiddie County, and the Town of McKenney. The regional library system is jointly governed by a regional library Board of Trustees, which consists of nine members appointed by the Board of Supervisors of each County and the City Council of Hopewell. Annual appropriations are made in proportion to the service needs of each jurisdiction. The County's contribution for fiscal year 2021 was \$298,890.

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### 1. Summary of Significant Accounting Policies (Continued)

##### C. Other Related Organizations Excluded from the County's Financial Report (Continued)

###### Crater Youth Care Commission

The Crater Youth Care Commission was created in 1972 by resolutions of the governing bodies of the Member Jurisdictions for the purpose of owning, maintaining, and operating a regional facility for the secure detention of juvenile offenders. The Commission has also operated a non-secure juvenile shelter care facility and certain other alternative juvenile justice programs. Member jurisdictions are the Cities of Emporia, Hopewell, and Petersburg, and the Counties of Dinwiddie, Prince George, Sussex, and Surry. Annual contributions made by the Member Jurisdictions are based on the Member Jurisdictions' populations and average annual usage of secure detention by each of the Member Jurisdictions. Contributions help to fund operating expenses, capital expenditures, and debt obligations. The County's contribution for fiscal year 2021 was \$229,918.

###### Dinwiddie Health Department

The Dinwiddie Health Department (Department) serves the citizens of Dinwiddie County. The County, along with the Virginia Department of Health, makes an annual contribution for operating support, which is based on the needs of the Department. The County's contribution for fiscal year 2021 was \$342,023.

###### District 19 Community Services Board

The District 19 Community Services Board is a multi-jurisdictional, community-based organization whose mission is to improve the quality and productivity of the lives of individuals who experience or are at risk of experiencing mental disabilities and or substance abuse. The mission is accomplished through a fully integrated continuum of services in collaboration with the cities of Colonial Heights, Emporia, Hopewell, and Petersburg, and the Counties of Dinwiddie, Greensville, Prince George, Surry, and Sussex. Annual appropriations are made in proportion to the service needs of each locality. The County's contribution for fiscal year 2021 was \$98,737.

###### Meherrin River Regional Jail Authority

The Meherrin River Regional Jail Authority is a regional jail system that, beginning July 1, 2012, serves the localities of Brunswick County, Dinwiddie County, and Mecklenburg County. The Authority is jointly governed by a Board consisting of three representatives from each of the member jurisdictions. Annually, the Jail Authority establishes a per diem charge (including the operating and debt service components) for the care, maintenance, and subsistence of prisoners from member jurisdictions during the next fiscal year. Based on proportionate prisoner populations, Dinwiddie County's per diem percentage for fiscal year 2021 is 22%. The County's charges for fiscal year 2021 were \$2,061,072.

###### Rowanty Technical Center

Rowanty Technical Center (Center) prepares high school students for employment and higher education in many fields. A jointly operated facility serving Dinwiddie, Prince George and Sussex County Public Schools, Rowanty Technical Center is located in Carson, Virginia, equidistant from each of the county high schools. The Center is governed by a Board made up of two representatives from each of the participating localities. The School Boards of the participating localities provide each year such funds as are necessary to establish, operate, and maintain the Center on a pro rata basis. The pro rata share of each member for operation is based upon average daily membership and the pro rata share for capital outlay projects is determined annually by unanimous consent of the members. The School Board's contribution for FY 2021 was \$697,950.

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### 1. Summary of Significant Accounting Policies (Continued)

##### C. Other Related Organizations Excluded from the County's Financial Report (Continued)

###### Appomattox Regional Governor's School

The Appomattox Regional Governor's School for the Arts and Technology provides gifted and talented students a differentiated and rigorous education, cultivates a supportive environment that inspires unique artistic and technological visions, promotes cultural tolerance, nurtures community partnerships, and produces active, engaged citizens. This school board is jointly governed by a representative from each of the following localities: the counties of Amelia, Charles City, Chesterfield, Dinwiddie, Powhatan, Prince George, Southampton, Surry and Sussex and the cities of Colonial Heights, Franklin, Hopewell, Petersburg, and Richmond. The County of Dinwiddie pays the school a set rate for each student that attends. The School Board's contribution for FY 2021 was \$120,825.

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

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

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

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

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

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

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### 1. Summary of Significant Accounting Policies (Continued)

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

Property taxes, vehicle licenses, ambulance billings, and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Property taxes not collected within 60 days after year-end are reflected as deferred revenues. Sales and utility taxes, which are collected by the state or utilities and subsequently remitted to the County, are recognized as revenues and receivables upon collection by the state or utility, which is generally within two months preceding receipt by the County.

Business licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state, and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of specific expenditure. Revenues from general purpose grants are recognized in the period to which the grant applies. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

#### 1. Governmental Funds - Major

Governmental funds are those through which most governmental functions typically are financed. The County reports the General, Debt Service, Capital Projects, and Special Revenue Funds as major governmental funds.

##### a. General Fund

The General Fund is the primary operating fund of the County. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service, and interest income. A significant part of the General Fund's revenues is used principally to finance the operations of the Component Unit School Board. The General Fund is considered a major fund for reporting purposes.

##### b. 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 accounts for debt service expenditures for the county and school system. Payment of principal and interest on the school system's general long-term debt financing is provided by appropriations from the General Fund.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**1. Summary of Significant Accounting Policies (Continued)**

**1. Governmental Funds - Major (Continued)**

**c. Capital Projects Fund**

The Capital Projects Fund accounts for and reports financial resources that are restricted, committed or assigned to expenditure for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments. The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities.

**d. Special Revenue Fund**

The Special Revenue Fund accounts for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administration action.

**2. Fiduciary Funds**

The Fiduciary Funds (Trust and Custodial Funds) account for assets held by the County unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. Custodial Funds are held by the County Treasurer as custodian of funds for certain children in foster care. Private Purpose Trust Funds are held for the purpose of awarding scholarships to Dinwiddie students and for helping needy citizens in the County. These funds utilize the accrual basis of accounting. Fiduciary funds are not included in the government-wide financial statements.

**E. Cash and Cash Equivalents**

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

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

**F. Investments**

Certificates of deposits and short-term repurchase agreements are reported in the accompanying financial statements as cash and cash equivalents. The Local Government Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. Investments are valued using fair value measurements in accordance with GASB Statement No. 72, *Fair Value Measurements and Application* (GASB 72) which provides guidance for determining a fair value measurement for financial reporting purposes and also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. See Note 3 for additional information on the County's investments measured at fair value.

(Continued)

# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 1. Summary of Significant Accounting Policies (Continued)

#### G. 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 either "due to/from other funds" (i.e. the current portion of inter-fund loans). All other outstanding balances between funds are reported as "advances to/from other funds."

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to \$371,953 at June 30, 2021, and is comprised of personal property taxes in the amount of \$364,679 and real estate taxes in the amount of \$7,274.

#### Real and personal property tax data

The tax calendars for real and personal property taxes are summarized below.

	<u>Real Property</u>	<u>Personal Property</u>
Levy	January 1	January 1
Due date	June 5 / December 5	June 5 / December 5
Lien date	January 1	January 1

The County bills and collects its own property taxes.

#### H. Capital Assets

Capital assets are defined by the County as land, buildings, and equipment with an initial individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of two years. The County does not have any infrastructure in its capital assets since roads, streets, bridges and similar assets within its boundaries are the property of the Commonwealth of Virginia. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value at the date of donation.

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

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

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

Land improvements	20 years
Buildings	5 - 40 years
Machinery and equipment	5 - 20 years

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**1. Summary of Significant Accounting Policies (Continued)**

**I. Compensated Absences**

Vested or accumulated vacation and sick leave that has matured and is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the Statement of Activities and a long-term obligation in the Statement of Net Position. In accordance with the provisions of Governmental Accounting Standards No. 16, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. Compensated absences are reported in the governmental funds only if they have matured.

**J. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. 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 amounts of debt issued are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**K. Uses 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.

**L. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Political Subdivisions' Retirement Plan and the Teacher Retirement Plan and the additions to/deductions from the Political Subdivisions' Retirement Plan's and Teacher Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(Continued)



**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**1. Summary of Significant Accounting Policies (Continued)**

**M. Other Post-Employment Benefits**

Group Life Insurance Program

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

Teacher Employee Health Insurance Credit Program

The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit Program is a multiple-employer, cost-sharing plan. The Teacher Employee Health Insurance Credit Program 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. The Teacher Employee Health Insurance Credit Program is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. For purposes of measuring the net Teacher Employee Health Insurance Credit Program OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Teacher Employee Health Insurance Credit Program OPEB, and the Teacher Employee Health Insurance Credit Program OPEB expense, information about the fiduciary net position of the Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit Program; and the additions to/deductions from the VRS Teacher Employee Health Insurance Credit Program's net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Health Insurance Credit Program

The Political Subdivision Health Insurance Credit Program is a multiple-employer, agent defined benefit plant that provides a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers. The Political Subdivision Health Insurance Credit Program 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. For purposes of measuring the net Political Subdivision Health Insurance Credit Program OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Political Subdivision Health Insurance Credit Program, and Political Subdivision Health Insurance Credit Program OPEB expense, information about the fiduciary net position of the Virginia Retirement System (VRS) Political Subdivision Health Insurance Credit Program and the additions to/deductions from the VRS Political Subdivision Health Insurance Credit Program's net fiduciary position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### 1. Summary of Significant Accounting Policies (Continued)

##### M. Other Post-Employment Benefits (Continued)

###### Retiree Health Insurance Program

The County and School Board allow pre-Medicare retirees to participate in their health insurance program. These programs are single-employer defined benefit plans that provide health insurance coverage for retired employees. The County and School Board insurance programs were established by their respective Boards who have the authority to establish or amend benefit terms.

##### N. Deferred Outflows/Inflows of Resources

In addition to assets, the statements that present net position report a separate section for deferred outflows/inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The County has the following items that qualify for reporting in these categories:

- Deferred gain/loss on refunding. A deferred amount on refunding is a deferred outflow/inflow which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Contributions subsequent to the measurement date for pensions and OPEB are always a deferred outflow; this will be applied to the net pension or OPEB liability in the next fiscal year.
- Differences between expected and actual experience for economic/demographic factors in the measurement of the total pension or OPEB liability. This difference will be recognized in pension or OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan and may be reported as a deferred inflow or outflow as appropriate.
- Differences resulting from a changes in proportion of the collective net pension and OPEB liabilities. This difference will be recognized in pension and OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan and may be reported as a deferred inflow or outflow as appropriate.
- Difference between projected and actual earnings on pension and OPEB plan investments. This difference will be recognized in pension or OPEB expense over the closed five-year period and may be reported as a deferred outflow or inflow as appropriate.
- Differences resulting from changes in assumptions on pension plan or OPEB investments. These differences will be recognized in pension or OPEB expense over the estimated remaining service life of employees subject to the plan.
- Revenues deferred as asset recognition criteria have not yet been met (see Note 10).

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**1. Summary of Significant Accounting Policies (Continued)**

**O. Net Position**

Net position is the difference between assets / deferred outflows of resources and liabilities/deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation less any outstanding debt related to the acquisition, construction or improvement of those assets.

**P. Fund Equity**

The County has adopted GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," which provides defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances transparent. The following classifications describe the relative strength of the spending constraints:

Restricted fund balance

Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

Committed fund balance

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

Assigned fund balance

Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

Unassigned fund balance

Amounts that are available for any purpose; positive amounts are only reported in the general fund.

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

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

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### 1. Summary of Significant Accounting Policies (Continued)

##### P. Fund Equity (Continued)

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

- a. On or before May 1st, 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.
- b. Public hearings are conducted to obtain citizen comments.
- c. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
- d. The Appropriations Resolution places legal restrictions on expenditures at the fund or category level. The appropriation for each fund or category can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government departments.
- e. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- f. Appropriations lapse on June 30, for all County units.

#### 2. Stewardship, Compliance and Accounting

##### Expenditures and appropriations

Expenditures did not exceed appropriations during the fiscal year ended June 30, 2021.

#### 3. Deposits and Investments

##### Deposits

All deposits of the primary government and its discretely presented component units 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 Bank (World Bank), the Asian Development bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, banker's acceptances, repurchase agreements and the State Treasurer's Local Government Investment Pool (LGIP).

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**3. Deposits and Investments (Continued)**

Investments (Continued)

The County has the following recurring fair value measurements as of June 30, 2021:

- Corporate equity stocks and mutual funds of \$4,462,027 held in the fiduciary funds are valued using quoted market prices (Level 1 inputs)
- Corporate and government agency bonds of \$2,935,329 are valued using a matrix pricing model (Level 2 inputs)

Interest rate risk

The County's investment policy states that the County's investment maturities are to precede or coincide with the expected need of funds. The County does not have a formal policy regarding interest rate risk.

<u>Investment Type</u>	<u>Investment Maturities</u>				
	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>10 years</u>
Corporate Bonds	\$ 731,725	\$ 731,725	\$ -	\$ -	\$ -
Municipal/Public Bonds	<u>2,203,604</u>	<u>131,347</u>	<u>1,100,799</u>	<u>634,644</u>	<u>336,814</u>
	<u>\$ 2,935,329</u>	<u>\$ 863,072</u>	<u>\$ 1,100,799</u>	<u>\$ 634,644</u>	<u>\$ 336,814</u>

Credit risk of debt securities

The County's rated debt investments as of June 30, 2021, were rated by Standard & Poor's and the ratings are presented below using Standard & Poor's rating scale. The County's investment policy has an emphasis on high credit quality and known marketability. Holdings of commercial paper are required to be rated no lower than at least two of the following: Standards and Poor's A-1, Moody's Investor Service P-1, Fitch Investor's Services, Inc. F-1, or Duff and Phelps, Inc. D-1.

	<u>AAAm</u>	<u>AAA</u>	<u>AA+</u>	<u>AA</u>	<u>Unrated</u>	<u>Totals</u>
Local Government						
Investment Pool	\$33,293,087	\$ -	\$ -	\$ -	\$ -	\$33,293,087
Corporate Bonds	-	-	-	-	731,725	731,725
Municipal/Public Bonds	<u>-</u>	<u>-</u>	<u>2,203,604</u>	<u>-</u>	<u>-</u>	<u>2,203,604</u>
	<u>\$33,293,087</u>	<u>\$ -</u>	<u>\$ 2,203,604</u>	<u>\$ -</u>	<u>\$ 731,725</u>	<u>\$36,228,416</u>

Concentration of credit risk

Concentration of credit risk is the risk of a loss attributed to the magnitude of a government's investment in a single issuer. Approximately 81% of the County's investments at June 30, 2021, were with the Local Government Investment Pool and therefore, are not categorized as to concentration of credit risk. The County had no investments that were more than five percent of the County's total investments.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**3. Deposits and Investments (Continued)**

External investment pools

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

Total cash, cash equivalents and investments

Following is a summary, as of June 30, 2021, of the primary government and fiduciary funds' cash, cash equivalents, and investments by asset type:

Government-wide accounts

Cash and cash equivalents:

Governmental activities, unrestricted	\$ 3,229,099
Governmental activities, restricted	8,044,780
Component unit, School Board	1,188,819
Component unit, Industrial Development Authority	557,317

Investments:

Governmental activities, unrestricted	25,010,416
Governmental activities, restricted	2,021,987
Component unit, School Board	<u>6,125,771</u>

Total cash, cash equivalents and investments - government-wide accounts \$ 46,178,189

Asset type

Petty cash	\$ 1,670
Deposit accounts	13,018,345
Investments:	
Local Government Investment Pool	<u>33,158,174</u>
	<u><u>\$ 46,178,189</u></u>

Fiduciary fund accounts

Cash and cash equivalents:

Private-purpose trust funds	\$ 629,292
Custodial funds	34,513

Investments - fiduciary funds:

Private-purpose trust funds	<u>7,532,269</u>
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Total cash, cash equivalents and investments - fiduciary fund accounts \$ 8,196,074

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**3. Deposits and Investments (Continued)**

Asset type

Deposit accounts	\$ 663,805
Investments:	
LGIP	134,913
Corporate bonds	731,725
Municipal/public bonds	2,203,604
Corporate equity stocks and mutual funds	<u>4,462,027</u>
	<u>\$ 8,196,074</u>

Information on cash, cash equivalents, and investments held by the Water Authority and the Airport and Industrial Authority are not disclosed here. That information can be found in their separately issued audited financial statements.

**4. Due from Other Governmental Units**

At June 30, 2021, the County and School Board have amounts due from other governments as follows:

	<u>Primary Government</u>	<u>Component Unit School Board</u>
Commonwealth of Virginia:		
Local sales tax	\$ 463,733	\$ -
Public assistance and welfare administration	71,142	-
State sales tax	-	684,940
School fund grants	-	193,056
Constitutional officer reimbursements	198,782	-
Personal property tax relief act	1,875,641	-
Communications tax	105,874	-
Wireless grant	9,219	-
DCJS grant	2,958	-
Victim witness grant	5,089	-
Children's services	297,369	-
Other state funds	56,288	-
Federal government:		
School fund grants	-	1,307,442
Public assistance and welfare administration	114,412	-
Victim witness assistance	<u>15,266</u>	<u>-</u>
Total due from other governmental units	<u>\$ 3,215,773</u>	<u>\$ 2,185,438</u>

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**5. Capital Assets**

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

<b><u>Primary Government</u></b>	<b><u>Balance at July 1, 2020</u></b>	<b><u>Additions</u></b>	<b><u>Deletions/ Transfers</u></b>	<b><u>Balance at June 30, 2021</u></b>
Capital assets not subject to depreciation:				
Land	\$ 2,923,834	\$ -	\$ -	\$ 2,923,834
Construction in process	<u>2,170,795</u>	<u>3,518,270</u>	<u>(116,848)</u>	<u>5,572,217</u>
Total capital assets not subject to depreciation	<u>5,094,629</u>	<u>3,518,270</u>	<u>(116,848)</u>	<u>8,496,051</u>
Capital assets subject to depreciation:				
Buildings	53,019,195	81,291	-	53,100,486
Machinery and equipment	21,267,399	1,480,167	(398,987)	22,348,579
Jointly owned assets	<u>50,373,736</u>	<u>-</u>	<u>(1,962,031)</u>	<u>48,411,705</u>
Total capital assets subject to depreciation	<u>124,660,330</u>	<u>1,561,458</u>	<u>(2,361,018)</u>	<u>123,860,770</u>
Accumulated depreciation:				
Buildings	(11,718,270)	(1,331,299)	-	(13,049,569)
Machinery and equipment	(16,195,979)	(1,114,781)	398,258	(16,912,502)
Jointly owned assets	<u>(17,535,940)</u>	<u>(1,266,103)</u>	<u>757,773</u>	<u>(18,044,270)</u>
Total accumulated depreciation	<u>(45,450,189)</u>	<u>(3,712,183)</u>	<u>1,156,031</u>	<u>(48,006,341)</u>
Total capital assets subject to depreciation, net	<u>79,210,141</u>	<u>(2,150,725)</u>	<u>(1,204,987)</u>	<u>75,854,429</u>
Primary government capital assets, net	<u>\$ 84,304,770</u>	<u>\$ 1,367,545</u>	<u>\$ (1,321,835)</u>	<u>\$ 84,350,480</u>
<b><u>Component Unit - School Board</u></b>				
Capital assets not subject to depreciation:				
Land	\$ 1,349,053	\$ -	\$ -	\$ 1,349,053
Capital assets subject to depreciation:				
Buildings	7,613,639	836,690	-	8,450,329
Machinery and equipment	9,540,104	1,127,827	(187,430)	10,480,501
Jointly owned assets	<u>50,332,540</u>	<u>1,663,480</u>	<u>-</u>	<u>51,996,020</u>
Total capital assets subject to depreciation	<u>67,486,283</u>	<u>3,627,997</u>	<u>(187,430)</u>	<u>70,926,850</u>
Accumulated depreciation:				
Buildings	(2,941,679)	(516,845)	-	(3,458,524)
Machinery and equipment	(6,724,496)	(589,148)	187,430	(7,126,214)
Jointly owned assets	<u>(17,521,602)</u>	<u>(1,858,636)</u>	<u>-</u>	<u>(19,380,238)</u>
Total accumulated depreciation	<u>(27,187,777)</u>	<u>(2,964,629)</u>	<u>187,430</u>	<u>(29,964,976)</u>
Total capital assets subject to depreciation, net	<u>40,298,506</u>	<u>(663,368)</u>	<u>-</u>	<u>40,961,874</u>
Component unit - School Board capital assets, net	<u>\$ 41,647,559</u>	<u>\$ (663,368)</u>	<u>\$ -</u>	<u>\$ 42,310,927</u>

(Continued)



# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 5. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government and discretely presented component unit School Board as follows:

#### Governmental activities:

General government administration	\$ 437,794
Judicial administration	173,755
Public safety	1,212,825
Public works	265,111
Health and welfare	14,443
Education	36,794
Parks, recreation and cultural	219,311
Community development	86,047
Accumulated depreciation on jointly owned assets transferred between School Board and County during the year	<u>1,266,103</u>

Total governmental activities	<u>\$ 3,712,183</u>
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#### Component Unit School Board:

Education	<u>\$ 2,964,629</u>
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Construction in process is composed of the following:

#### Primary government:

	<b><u>Incurred through June 30, 2021</u></b>	<b><u>Committed at June 30, 2021</u></b>
Fire and EMS vehicle	\$ 88,861	\$ 546,894
Ladder truck	1,072,552	-
Radio System Replacement Project	4,134,262	5,558,914
Regional Broadband Initiative	-	1,708,090
Southside Elementary HVAC replacement	<u>276,542</u>	<u>802,368</u>

Total Primary government	<u>\$ 5,572,217</u>	<u>\$ 8,616,266</u>
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Capital asset information for the Water Authority and the Airport and Industrial Authority are not disclosed here. That information can be found in their separately issued audited financial statements.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**6. Long-Term Obligations**

Primary government

The following is a summary of changes in long-term obligations for the fiscal year ended June 30, 2021:

	<u>Amount Payable July 1, 2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>Amount Payable June 30, 2021</u>	<u>Amounts Due Within One Year</u>
Governmental obligations:					
Incurred by County:					
Compensated absences payable	\$ 591,372	\$ 673,990	\$ (616,017)	\$ 649,345	\$ 64,935
Lease revenue bond	31,527,481	-	(2,675,000)	28,852,481	2,775,999
Note payable	-	1,147,000	-	1,147,000	106,000
GLI OPEB liability	844,877	25,254	-	870,131	-
Retiree Health Insurance OPEB liability	1,881,801	-	(1,194,871)	686,930	-
Net pension liability	2,304,433	993,353	-	3,297,786	-
Nonexchange financial guarantees	90,722	-	(83,714)	7,008	7,008
Landfill post-closure care	624,838	-	(62,761)	562,077	64,358
Issuance premiums	<u>3,786,300</u>	<u>-</u>	<u>(607,351)</u>	<u>3,178,949</u>	<u>567,231</u>
Total incurred by County	<u>41,651,824</u>	<u>2,839,597</u>	<u>(5,239,714)</u>	<u>39,251,707</u>	<u>3,585,531</u>
Incurred for benefit of School Board:					
General obligation bonds	5,630,276	-	(880,360)	4,749,916	626,024
Lease revenue bond	27,207,519	-	(1,590,000)	25,617,519	1,655,001
Note payable	-	1,563,000	-	1,563,000	144,000
Issuance premiums	<u>191,736</u>	<u>-</u>	<u>(69,474)</u>	<u>122,262</u>	<u>49,585</u>
Total incurred for benefit of School Board	<u>33,029,531</u>	<u>1,563,000</u>	<u>(2,736,834)</u>	<u>32,052,697</u>	<u>2,474,610</u>
Total governmental obligations	<u>\$ 74,681,355</u>	<u>\$ 4,402,597</u>	<u>\$ (7,976,548)</u>	<u>\$ 71,304,404</u>	<u>\$ 6,060,141</u>

The County General Fund where the employees' salaries are charged is generally used to liquidate compensated absences, pension, and other postemployment benefit obligations.

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

<u>Year Ending June 30,</u>	<u>County Obligations</u>			
	<u>Lease Revenue Bond</u>		<u>Note Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 2,775,999	\$ 1,198,459	\$ 106,000	\$ 17,309
2023	2,881,998	1,083,247	110,000	13,313
2024	3,007,484	955,753	111,000	11,821
2025	2,847,000	823,185	112,000	10,316
2026	2,975,000	694,947	114,000	8,790
2027 - 2031	12,460,000	1,659,841	594,000	20,253
2032	<u>1,905,000</u>	<u>33,953</u>	<u>-</u>	<u>-</u>
	<u>\$ 28,852,481</u>	<u>\$ 6,449,385</u>	<u>\$ 1,147,000</u>	<u>\$ 81,802</u>

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**6. Long-Term Obligations (Continued)**

Annual requirement to amortize School Board long-term obligations and related interest are as follows:

<b>Year Ending June 30,</b>	<b>School Board Obligations</b>					
	<b>Lease Revenue Bond</b>		<b>Note Payable</b>		<b>General Obligation Bonds</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2022	\$ 1,655,001	\$ 695,791	\$ 144,000	\$ 23,590	\$ 626,024	\$ 221,475
2023	1,725,002	627,145	149,000	18,153	640,928	191,571
2024	1,787,516	570,912	151,000	16,128	656,612	160,888
2025	1,820,000	531,483	153,000	14,076	675,584	126,917
2026	1,860,000	488,866	156,000	11,990	695,548	91,953
2027 - 2031	10,035,000	1,695,095	810,000	27,612	1,455,220	74,780
2032 - 2034	<u>6,735,000</u>	<u>308,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 25,617,519</u>	<u>\$ 4,917,608</u>	<u>\$ 1,563,000</u>	<u>\$ 111,549</u>	<u>\$ 4,749,916</u>	<u>\$ 867,584</u>

**Incurred for County**

Lease revenue bonds:

\$5,832,266 VRA Series 2012A refunded bonds, dated June 13, 2012, maturing annually in installments of varying amounts and at various interest rates through October 1, 2023; interest payable semi-annually.	\$ 540,000
\$21,615,000 VRA Series 2016B bonds, dated August 10, 2016, maturing annually in installments of varying amounts and at various interest rates through October 1, 2031; interest payable semi-annually.	17,180,000
\$3,395,000 Zions Bank Series 2018A bonds, dated September 6, 2018, maturing annually in installments of varying amounts and at various interest rates through July 15, 2025; interest payable semi-annually.	2,494,000
\$515,000 Zions Bank Series 2018A bonds, dated September 6, 2018, maturing annually in installments of varying amounts and at various interest rates through July 15, 2025; interest payable semi-annually.	381,000
\$7,125,000 VRA Series 2019C bonds, dated November 11, 2019, maturing annually in installments at 5.125% interest through October 1, 2029; interest payable semi-annually.	6,915,000
\$1,550,000 VRA Series 2019C bonds dated November 11, 2019, maturing annually in installments of varying amounts and at various interest rates through October 1, 2022; interest payable semi-annually.	1,045,000
\$302,480 VRA Series 2019C refunding VRA 2012A bonds, dated November 11, 2019, maturing annually in installments of varying amounts and at various interest rates through October 1, 2023; interest payable semi-annually.	<u>297,481</u>
	<u>\$ 28,852,481</u>

Note payable:

\$1,147,000 financing agreement with Banc of America, dated December 2, 2020, due in annual installments of varying amounts through August 1, 2030, interest at 1.35%, to be used to finance the purchase of a ladder truck. Capital assets of \$1,072,552 financed under the lease are still included in construction in progress at year end.	<u>\$ 1,147,000</u>
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(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**6. Long-Term Obligations (Continued)**

**Incurred for School Board**

General obligation bonds:

\$5,810,323 2007A Series School bonds, maturing annually in installments of varying amounts through July 15, 2027; interest at 5.10%. \$ 2,374,958

\$5,810,323 2007B Series School bonds, maturing annually in installments of varying amounts through July 15, 2027; interest at 5.10%. 2,374,958

\$ 4,749,916

Lease revenue bond:

\$38,657,734 VRA Series 2012A refunded bonds, dated June 13, 2012, maturing annually in installments of varying amounts and at various interest rates through October 1, 2022; interest payable semi-annually. \$ 2,740,000

\$23,187,519 VRA Series 2019C bonds, dated November 20, 2019, maturing annually in installments of varying amounts and at various interest rates through October 1, 2033; interest payable semi-annually. 22,877,519

\$ 25,617,519

Note payable:

\$1,563,000 financing agreement with Banc of America, dated December 2, 2020, due in annual installments of varying amounts through August 1, 2030, interest at 1.35%, to be used to finance the HVAC replacement at Southside Elementary School. Capital assets of \$276,542 financed under the lease are still included in construction in progress at year end. \$ 1,563,000

**Component Unit - School Board**

The following is a summary of long-term obligations of the component unit - School Board for the year ended June 30, 2021:

	<u>Amount Payable July 1, 2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>Amount Payable June 30, 2021</u>	<u>Amounts Due Within One Year</u>
Component Unit -					
School Board:					
Compensated absences \$	1,198,372	\$ 654,303	\$ (649,875)	\$ 1,202,800	\$ 120,280
Capital lease	2,460,113	-	(352,442)	2,107,671	382,026
GLI OPEB liability	2,133,021	52,683	(4,368)	2,181,336	-
HIC OPEB liability	3,690,868	148,539	-	3,839,407	-
Retiree Health Insurance					
OPEB liability	1,647,968	543,467	-	2,191,435	-
Net pension liability	<u>37,662,919</u>	<u>4,385,661</u>	<u>-</u>	<u>42,048,580</u>	<u>-</u>
	<u>\$ 48,793,261</u>	<u>\$ 5,784,653</u>	<u>\$ (1,006,685)</u>	<u>\$ 53,571,229</u>	<u>\$ 502,306</u>

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**6. Long-Term Obligations (Continued)**

Annual requirement to amortize School's long-term obligations and related interest are as follows:

<u>Year Ending June 30,</u>	<u>Capital Lease Agreement</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 382,026	\$ 79,290
2023	413,314	63,428
2024	446,391	46,278
2025	481,345	27,768
2026	<u>384,595</u>	<u>7,819</u>
	<u>\$ 2,107,671</u>	<u>\$ 224,583</u>

**Incurred for School Board**

Capital lease agreement:

\$4,274,450 financing lease agreement with Bank of America, dated December November 16, 2012, due in annual installments of varying amounts through February 28, 2026, with an interest rate of 4.03%. The net book value of the capital asset purchased under this lease at June 30, 2021, is \$2,087,077.

\$ 1,563,000

The School Board Operating Fund where the employees' salaries are charged is generally used to liquidate compensated absences, pension, and other postemployment benefit obligations.

Long-term obligation information for the Water Authority and the Airport and Industrial Authority are not disclosed here. That information can be found in their separately issued audited financial statements.

**7. Guarantee of Component Unit Debt**

The County has guaranteed certain debt of the Water Authority and the Airport Authority, legally separate entities that are presented as component units of the County. These are the only non-exchange financial guarantees extended by the County.

In 2016, the County guaranteed the Water Authority's \$962,000, 2.27% interest, 5-year Water and Sewer System Revenue Refunding Bond, which refunded the previously issued Series 2005 and Series 2006 revenue bonds. The bonds matured in fiscal year 2021.

In 2011, the County guaranteed the Airport Authority's \$504,400, 3.18%, 11-year airport revolving fund revenue bonds. Payments are due in monthly installments of \$4,595 through 2022. At June 30, 2021, the outstanding principal amount of the guaranteed debt is \$49,258. In the event the Airport Authority is unable to make a required payment on the bonds, the County would be required to make that payment. The Airport Authority is not required to repay the county for any payments the County makes pursuant to the support agreement.

The County makes monthly payments as necessary to the Water Authority to supplement the Courthouse Road System fund revenues. The County makes an annual payment to the Airport Authority to supplement revenues. The total of these payments are presented as expenditures in the debt service fund.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**7. Guarantee of Component Unit Debt (Continued)**

A liability and expense have been recognized for an amount that is the County's best estimate of the discounted present value of the future outflows the County expects to incur as a result of the support agreements noted above. In determining its liability for such guarantees, the County considered its historic experience and various other qualitative factors. The liability recognized for non-exchange financial guarantees at June 30, 2021, is as follows:

	<u>July 1, 2020</u>	<u>Increase</u>	<u>Decreases</u>	<u>June 30, 2021</u>	<u>Due Within One Year</u>
Airport Authority	\$ 13,495	\$ -	\$ (6,487)	\$ 7,008	\$ 7,008
Water Authority	<u>77,227</u>	<u>-</u>	<u>(77,227)</u>	<u>-</u>	<u>-</u>
	<u>\$ 90,722</u>	<u>\$ -</u>	<u>\$ (83,714)</u>	<u>\$ 7,008</u>	<u>\$ 7,008</u>

**8. Conduit Debt Obligations**

To provide for the construction and equipping of student housing facilities and related parking facilities at Richard Bland College, the Industrial Development Authority of Dinwiddie County, VA, issued \$3,000,000 in Series 2006 Revenue Bonds on December 1, 2006. These bonds are special limited obligations of the Industrial Development Authority, payable solely from and secured by a Promissory Note between the Richard Bland College Foundation, Inc. and a Support and Operating Agreement between the Richard Bland College Foundation, Inc. and Richard Bland College. The bonds do not constitute a debt or pledge of the faith and credit of the Authority, the County, or the State, and accordingly have not been reported in the accompanying financial statements. At June 30, 2021, Revenue Bonds outstanding were \$2,213,825.

To provide for the refinancing of debt at the Faison School for Autism, the Industrial Development authority of Dinwiddie County, VA, issued \$6,170,000 in Series 2015 Revenue Bonds on December 18, 2015. These bonds are special limited obligations of the Industrial Development Authority, payable solely from and secured by a Promissory Note with the Faison School for Autism, Inc. The bonds do not constitute a debt or pledge of the faith and credit of the Authority, the County, or the State, and accordingly have not been reported in the accompanying financial statements. At June 30, 2021, Revenue Bonds outstanding were \$4,225,044.

**9. Closure and Post-Closure Costs**

The County closed its landfill in 2007 and is liable for post-closure monitoring for a period of thirty years. The amount reported as landfill post-closure liability at June 30, 2021, represents the estimated liability for post-closure monitoring, of \$562,077 over a period of eight years. These amounts are based on what it would cost to perform all post-closure care in 2021. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

The County demonstrated financial assurance requirements for closure, post-closure care, and corrective action costs through the submission of a Local Governmental Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9va c20-70 of the Virginia Administrative Code.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**10. Deferred and Unearned Revenue**

Deferred and unearned revenue represents 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. Deferred and unearned revenue totaling \$24,058,052 is comprised of uncollected tax billings not available for funding of current expenditures of \$20,054,317, prepaid taxes of \$1,231,567, and unearned grant revenues for the American Rescue Plan Act of 2021 (ARPA) funds of \$2,772,168 at June 30, 2021. Under the full accrual basis of accounting, deferred and unearned revenue totaling \$15,549,664 is comprised of taxes paid in advance of their due date of \$1,231,567 and thus deferred to FY 2021, and uncollected amounts billed but not yet due totaling \$16,318,097 at June 30, 2021.

**11. Fund Balance**

In the general fund, the County strives to maintain an unassigned fund balance to be used for unanticipated emergencies of approximately 15% of the actual GAAP basis expenditures and other financing sources and uses, less debt service.

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Fund balances:					
Restricted for:					
Grant purposes	\$ 7,918	\$ -	\$ -	\$ -	\$ 7,918
Forfeited assets	-	-	-	40,665	40,665
Fire programs	-	-	-	399,757	399,757
Community service	-	-	-	17,764	17,764
Law library	-	-	-	14,881	14,881
Capital projects	-	-	8,567,183	-	8,567,183
Total restricted fund balance	<u>7,918</u>	<u>-</u>	<u>8,567,183</u>	<u>473,067</u>	<u>9,048,168</u>
Committed to:					
Annual debt service	165,981	-	-	-	165,981
Community development	835,107	-	-	-	835,107
Comprehensive services	-	-	-	111,368	111,368
Litter grant	-	-	-	38,675	38,675
School debt service	-	715,534	-	-	715,534
County debt service	-	1,445,749	-	-	1,445,749
Capital projects	-	-	1,275,227	-	1,275,227
Total committed fund balance	<u>1,001,088</u>	<u>2,161,283</u>	<u>1,275,227</u>	<u>150,043</u>	<u>4,587,641</u>
Unassigned fund balance	<u>21,281,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,281,655</u>
Total fund balances	<u>\$ 22,290,661</u>	<u>\$ 2,161,283</u>	<u>\$ 9,842,410</u>	<u>\$ 623,110</u>	<u>\$ 34,917,464</u>

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**12. Inter-fund Transfers**

Inter-fund transfers for the year ended June 30, 2021, consisted of the following:

	<u><b>Transfers In</b></u>	<u><b>Transfers Out</b></u>
Primary Government:		
Governmental Funds:		
General fund	\$ -	\$ 8,580,143
Debt service fund	7,465,218	-
Capital projects fund	734,469	-
Special revenue fund	<u>380,456</u>	<u>-</u>
Total Primary Government	<u>\$ 8,580,143</u>	<u>\$ 8,580,143</u>
Component Unit - School Board:		
Operating fund	\$ -	\$ 131,498
Special revenue fund	<u>131,498</u>	<u>-</u>
Total Component Unit - School Board	<u>\$ 131,498</u>	<u>\$ 131,498</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.

**13. Commitments and Contingent Liabilities**

Federal programs

Federal programs in which the County and discretely presented component units participate were audited in accordance with the provisions of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Pursuant to the provisions of this guidance 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, any future disallowance of current grant program expenditures, if any, would be immaterial.

Economic development incentives

Periodically, the County and the Industrial Development Authority (IDA) will enter into agreements with various granting agencies and businesses that wish to locate or expand business within the County. As part of these agreements, the County or the IDA may be subject to certain 'clawback' provisions in which the County or the IDA will be required to refund grant monies back to the granting agency if the businesses do not meet certain requirements under the grant agreements. The County and the IDA have a policy to require businesses to place funds in escrow that would be adequate to cover any amounts subject to such provisions. As such, neither the County nor the IDA consider there to be a liability related to such agreements.

(Continued)



**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**13. Commitments and Contingent Liabilities (Continued)**

Operating leases

The County has an operating lease for a public safety communications tower. The lease was renewed effective July 2015 for a period of twenty years.

The County entered into an operating lease for a communications tower during fiscal year 2021. The lease is for an initial term of five years beginning on August 1, 2021. The lease allows for a renewal option of four additional five year terms.

Total future minimum lease payments are as follows:

<b>Year Ending June 30,</b>	
2022	\$ 64,218
2023	69,701
2024	70,514
2025	73,578
2026	74,432
2027 - 2031	407,738
2032 - 2036	465,409
2037 - 2041	241,593
2042 - 2046	273,340
2047 - 2051	<u>63,749</u>
	<u>\$ 1,804,272</u>

**14. Litigation**

The County is subject to certain claims that arise in the ordinary course of operations. Many of these claims are in the early stages of the evaluation process. Accordingly, it is not possible at the present time to estimate the ultimate legal and financial liability, if any, with respect to certain lawsuits or other proceedings. In the opinion of management, after consultation with counsel, the eventual outcome of such claims has not yet been determined probable to have a material adverse effect on the County's operations or financial position.

**15. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries insurance.

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

Each member jointly and severally agrees to assume, pay, and discharge any liability. The County pays the Association 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.

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### 15. Risk Management (Continued)

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

#### 16. Defined Benefit Pension Plans

##### Plan descriptions

All full-time, salaried permanent employees of the County and all salaried permanent non-professional employees of the School Board are automatically covered by the VRS Political Subdivision Retirement Plan upon employment. All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Retirement Plan upon employment. These plans are administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. The VRS Political Subdivision Retirement Plan is a multiple-employer, agent plan. The VRS Teacher Retirement Plan is a multiple-employer, cost-sharing plan. Members earn one month of service credit for each month they are employed and for which they and their employer are paying contributions to VRS. Members are eligible to purchase prior public 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.

The System administers three different benefit structures for covered employees - Plan 1, Plan 2, and Hybrid. Each of these benefit structures has different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are available at

- <https://www.varetire.org/members/benefits/defined-benefit/plan1.asp>,
- <https://www.varetire.org/members/benefits/defined-benefit/plan2.asp>,
- <https://www.varetirement.org/hybrid.html>.

##### Employees covered by benefit terms - Political Subdivision Plan

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

	<u>County</u>	<u>School Board Non- Professional</u>
Inactive members or their beneficiaries currently receiving benefits	<u>140</u>	<u>81</u>
Inactive members:		
Vested	25	10
Non-vested	49	31
Active elsewhere in VRS	<u>99</u>	<u>17</u>
Total inactive members	<u>173</u>	<u>58</u>
Active members	<u>210</u>	<u>84</u>
	<u>523</u>	<u>223</u>

(Continued)

# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 16. Defined Benefit Pension Plan (Continued)

#### Contributions

The contributions 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.

#### *Political Subdivision Plan - County and School Board Non-Professional*

The County and School Board's non-professional contractually required contribution rates for the year ended June 30, 2021, were 9.90% and 6.59%, respectively, of covered employee compensation. Contributions to the pension plan from the County and School Board were \$1,075,529 and \$124,896, respectively, for the year ended June 30, 2021. Contributions to the pension plan from the County and School Board were \$1,005,213 and \$138,699, respectively, for the year ended June 30, 2020.

#### *Teacher Plan - School Board Professional*

Each school division's contractually required contribution rate for the year ended June 30, 2021, was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. Contributions to the pension plan from the School Board were \$4,025,178 and \$3,891,514 for the years ended June 30, 2021 and 2020, respectively.

These rates were based on actuarially determined rates from actuarial valuations as of June 30, 2019. These rates, when combined with employee contributions, were expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

#### Net pension liability

#### *Political Subdivision Plan - County and School Board Non-Professional*

The Political Subdivision Plan net pension liability is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For political subdivisions, the net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2019, rolled forward to the measurement date of June 30, 2020.

#### *Teacher Plan - School Board Professional*

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2020, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	<b><u>Teacher Employee Retirement Plan</u></b>
Total pension liability	\$ 51,001,855
Plan fiduciary net position	<u>36,449,229</u>
Employer's net pension liability	<u>\$ 14,552,626</u>
Plan fiduciary net position as a percentage of the total pension liability	71.47%

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### 16. Defined Benefit Pension Plan (Continued)

##### Net pension liability (Continued)

###### *Teacher Plan - School Board Professional*

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.

##### Actuarial assumptions

The total pension liability for General Employees in the Political Subdivision's Retirement Plan was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

Inflation	2.50%
General Employees - Salary increases, including inflation	3.50% - 5.35%
Public Safety Employees with hazardous duty benefits - Salary increases, including inflation	3.50% - 4.75%
Teacher Cost Sharing Plan - Salary increases, including inflation	3.50% - 5.95%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation*

\* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 6.75% to simplify preparation of pension liabilities.

Mortality rates: General employees - 15 to 20% of deaths are assumed to be service related. Public Safety Employees - 45% to 70% of deaths are assumed to be service related. Mortality is projected using the applicable RP-2014 Mortality Table Projected to 2020 with various setbacks or set forwards for both males and females.

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

General Employees - Largest 10 - Non-Hazardous Duty and All Others (Non 10 Largest): Update mortality table; lowered retirement rates at older ages, changed final retirement from 70 to 75; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; lowered disability rates, no change to salary scale, increased rate of line of duty disability from 14% to 20% Largest 10) or 15% (All Others), and decreased discount rate from 7.00% to 6.75%.

(Continued)

# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 16. Defined Benefit Pension Plan (Continued)

#### Actuarial assumptions (Continued)

Public Safety Employees - Largest 10 - Hazardous Duty and All Others (Non 10 Largest): Update mortality table; lowered retirement rate at older ages; adjusted rates of withdrawal and disability to better fit experience; changes to line of duty rates, no changes to salary scale, and decreased discount rate from 7.00% to 6.75%.

#### Long-term expected rate of return

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

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

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

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**16. Defined Benefit Pension Plan (Continued)**

Long-term expected rate of return (Continued)

Discount rate

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

Changes in net pension liability - Primary Government

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at June 30, 2019	<u>\$ 40,226,345</u>	<u>\$ 37,961,912</u>	<u>\$ 2,304,433</u>
Changes for the year:			
Service cost	1,379,484	-	1,379,484
Interest	2,647,293	-	2,647,293
Difference between expected and actual experience	(843,894)	-	(843,894)
Contributions - employer	-	970,837	(970,837)
Contributions - employee	-	521,570	(521,570)
Net investment income	-	722,615	(722,615)
Benefit payments, including refunds of employee contributions	(2,094,389)	(2,094,389)	-
Administrative expense	-	(24,634)	24,634
Other changes	<u>-</u>	<u>(858)</u>	<u>858</u>
Net changes	<u>1,088,494</u>	<u>95,141</u>	<u>993,353</u>
Balances at June 30, 2020	<u>\$ 41,354,839</u>	<u>\$ 38,057,053</u>	<u>\$ 3,297,786</u>

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**16. Defined Benefit Pension Plan (Continued)**

Changes in net pension liability - Discretely Presented Component Unit School Board Non-Professional

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at June 30, 2019	\$ 8,310,384	\$ 7,910,298	\$ 400,086
Changes for the year:			
Service cost	201,445	-	201,445
Interest	544,278	-	544,278
Difference between expected and actual experience	(8,442)	-	(8,442)
Contributions - employer	-	129,691	(129,691)
Contributions - employee	-	94,940	(94,940)
Net investment income	-	149,539	(149,539)
Benefit payments, including refunds of employee contributions	(494,013)	(494,013)	-
Administrative expense	-	(5,227)	5,227
Other changes	-	(176)	176
Net changes	243,268	(125,246)	368,514
Balances at June 30, 2020	\$ 8,553,652	\$ 7,785,052	\$ 768,600

Changes in net pension liability - Discretely Presented Component Unit School Board Professional

At June 30, 2021, the School Board reported a liability of \$41,279,980 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2020, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on the School Board's actuarially determined employer contributions to the pension plan for the year ended June 30, 2020, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the School Board's proportion was 0.28366% as compared 0.28314% at June 30, 2019.

Sensitivity of the net pension liability to changes in the discount rate

The following represents the net pension liability using the discount rate of 6.75%, as well as what the net position liability would be if it were calculated using a stated discount rate that is one-percentage-point lower (5.75%) or one-percentage-point higher (7.75%) than the current rate:

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**16. Defined Benefit Pension Plan (Continued)**

Sensitivity of the net pension liability to changes in the discount rate (Continued)

	<b>1% Decrease 5.75%</b>	<b>Current Discount Rate 6.75%</b>	<b>1% Increase 7.75%</b>
Primary Government Plan's net pension liability (asset)	\$ 8,450,539	\$ 3,297,786	\$ (985,114)
Discretely Presented Component Unit School Board Non-Professional Plan's net pension liability	\$ 1,611,804	\$ 768,600	\$ 48,447
Discretely Presented Component Unit School Board Professional Plan's proportionate share of the net pension liability	\$ 60,567,001	\$ 41,279,980	\$ 25,327,175

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

For the year ending June 30, 2021, the County and School Board recognized pension expense (recovery) of \$1,279,665 and \$4,863,161, respectively. Since there was a change in proportionate share of the School Board's Professional Plan net pension liability between measurement dates, a portion of the School Board pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. At June 30, 2021, the County and School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Primary Government</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Employer contributions subsequent to the measurement date	\$ 1,075,529	\$ -
Differences between expected and actual experience	29,898	813,890
Changes of assumptions	493,021	-
Net difference between projected and actual earnings on plan investments	1,138,005	-
	<u>\$ 2,736,453</u>	<u>\$ 813,890</u>
<b>Discretely Presented Component Unit School Board</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Employer contributions subsequent to the measurement date	\$ 4,150,074	\$ -
Changes in proportion and differences between employer contributions and proportionate share of contributions	321,654	851,203
Differences between expected and actual experience	-	2,439,474
Changes of assumptions	2,841,141	-
Net difference between projected and actual earnings on plan investments	3,373,794	-
	<u>\$ 10,686,663</u>	<u>\$ 3,290,677</u>

(Continued)



# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 16. Defined Benefit Pension Plan (Continued)

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an (increase) reduction to pension expense as follows:

<u>Year Ending June 30,</u>	<u>Primary Government</u>	<u>Discretely Presented Component Unit School Board</u>
2022	\$ (15,895)	\$ (64,919)
2023	177,786	940,350
2024	321,417	1,285,290
2025	363,729	1,130,759
2026	-	(45,568)

#### Pension plan data

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

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

Pension information for the Water Authority and the Airport and Industrial Authority are not disclosed here. That information can be found in their separately issued audited financial statements.

### 17. Surety Bonds

	<u>Amount</u>
Division of Risk Management Surety Bond:	
Commonwealth Funds:	
J. Barrett Chappell, Jr., Clerk of the Circuit Court	\$ 103,000
Jennifer C. Perkins, Treasurer	\$ 400,000
Lori K. Stevens, Commissioner of the Revenue	\$ 3,000
D T "Duck" Adams, Sheriff	\$ 30,000
United States Fidelity and Guaranty-Surety:	
All Social Services employees - blanket bond	\$ 100,000
School Board Clerk and Deputy Clerk	\$ 10,000

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB)**

**A. Virginia Retirement System Plans**

In addition to their participation in the pension plans offered through the Virginia Retirement System (VRS), the County and School Board also participate in various cost-sharing and agent multi-employer other postemployment benefit plans, described as follows.

Plan descriptions

*Group Life Insurance Program*

All full-time teachers and employees of political subdivisions are automatically covered by the VRS Group Life Insurance (GLI) Program upon employment.

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

Specific information for the GLI is available at <https://www.varetire.org/members/benefits/life-insurance/basic-group-life-insurance.asp>

*Teacher Employee Health Insurance Credit Program*

All full time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee Health Insurance Credit (HIC) Program. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

Specific information about the Teacher HIC is available at <https://www.varetire.org/retirees/insurance/healthinscredit/index.asp>

The GLI and Teacher HIC are administered by the VRS along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Both of these plans are considered multiple employer, cost sharing plans.

*General Employee Health Insurance Credit Program*

The General Employee Health Insurance Credit Program (HIC) is available for all full time, salaried employees of local government entities other than teachers. The General Employee HIC provides all the same benefits as the Teach HIC, except that this plan is considered a multi-employer agent plan.

(Continued)

# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

As of June 30, 2019, actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	<b>School Board Non- Professional</b>
Inactive members or their beneficiaries currently receiving benefits	-
Inactive members:	
Vested	-
Non-vested	-
Active elsewhere in VRS	-
Total inactive members	-
Active members	84
	<u>84</u>

#### Contributions

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2019. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

#### *Group Life Insurance Program*

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.

#### Contributions:

Year ended June 30, 2021	
Primary Government	\$ 58,342
Discretely Presented Component Unit School Board	\$ 141,236
Year Ended June 30, 2020	
Primary Government	\$ 56,227
Discretely Presented Component Unit School Board	\$ 139,673

(Continued)

# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

#### Contributions (Continued)

##### *Teacher Health Insurance Credit Program*

Governed by:	<i>Code of Virginia 51.1-1401(E)</i> and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	1.21% of covered employee compensation.
June 30, 2021 Contribution	\$ 292,812
June 30, 2020 Contribution	\$ 297,823

##### *General Employment Health Insurance Credit Program*

Governed by:	<i>Code of Virginia 51.1-1402(E)</i> and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	0.63% of covered employee compensation.
June 30, 2021 Contribution	\$ 12,263
June 30, 2020 Contribution	\$ -

#### OPEB liabilities, OPEB expense and deferred inflows and outflows of resources related to OPEB

The net OPEB liabilities were measured as of June 30, 2020, and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by actuarial valuation performed as of June 30, 2019 and rolled forward to the measurement date of June 30, 2020. The covered employer's proportion of the net OPEB liabilities, were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2020, relative to the total of the actuarially determined employer contributions for all participating employers.

##### *Group Life Insurance Program - Primary Government*

June 30, 2021 proportionate share of liability	\$ 870,131
June 30, 2020 proportion	0.05214%
June 30, 2019 proportion	0.05192%
June 30, 2021 expense	\$ 43,593

##### *Group Life Insurance Program - Discretely Presented Component Unit School Board*

June 30, 2021 proportionate share of liability	\$ 2,181,336
June 30, 2020 proportion	0.13071%
June 30, 2019 proportion	0.13108%
June 30, 2021 expense	\$ 75,986

##### *Teacher Health Insurance Credit Program - Discretely Presented Component Unit School Board*

June 30, 2021 proportionate share of liability	\$ 3,692,564
June 30, 2020 proportion	0.28306%
June 30, 2019 proportion	0.28194%
June 30, 2021 expense	\$ 291,667

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

OPEB liabilities, OPEB expense and deferred inflows and outflows of resources related to OPEB (Continued)

Since there was a change in proportionate share between measurement dates, a portion of the OPEB expense above was related to deferred amount from changes in proportion.

*General Employee Health Insurance Credit Program*

	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a) - (b)</b>
Balances at June 30, 2019	\$ -	\$ -	\$ -
Changes for the year:			
Change in benefit terms	146,843	-	146,843
Net changes	146,843	-	146,843
Balances at June 30, 2020	<u>\$ 146,843</u>	<u>\$ -</u>	<u>\$ 146,843</u>

In addition, for the year ended June 30, 2021 the Schools recognized OPEB expense of \$146,843 related to the General Employee Health Insurance Credit Program.

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

*Group Life Insurance Program - Primary Government*

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 55,811	\$ 7,816
Change in assumptions	43,517	18,169
Net difference between projected and actual earnings on OPEB plan investments	26,138	-
Changes in proportion	28,523	5,095
Employer contributions subsequent to the measurement date	58,342	-
	<u>\$ 212,331</u>	<u>\$ 31,080</u>

*Group Life Insurance Program - Discretely Presented Component Unit School Board*

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 139,912	\$ 19,593
Change in assumptions	109,092	45,547
Net difference between projected and actual earnings on OPEB plan investments	65,526	-
Changes in proportion	28,655	66,113
Employer contributions subsequent to the measurement date	141,236	-
	<u>\$ 484,421</u>	<u>\$ 131,253</u>

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

OPEB liabilities, OPEB expense and deferred inflows and outflows of resources related to OPEB (Continued)

*Teacher Health Insurance Credit Program - Discretely Presented Component Unit School Board*

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 49,313
Change in assumptions	72,997	20,175
Net difference between projected and actual earnings on OPEB plan investments	16,364	-
Changes in proportion	42,814	111,232
Employer contributions subsequent to the measurement date	<u>292,812</u>	<u>-</u>
	<u><u>\$ 424,987</u></u>	<u><u>\$ 180,720</u></u>

*General Employee Health Insurance Credit Program*

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Employer contributions subsequent to the measurement date	<u>\$ 12,263</u>	<u>\$ -</u>
	<u><u>\$ 12,263</u></u>	<u><u>\$ -</u></u>

The deferred outflows of resources related to OPEB resulting from the County and School Board's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ending June 30,</b>	<b>Increase (Reduction) to OPEB Expense</b>		
	<b>Primary Government Group Life Insurance Program</b>	<b>School Board Group Life Insurance Program</b>	<b>School Board Teacher Health Insurance Credit Program</b>
2022	\$ 23,518	\$ 25,659	\$ (10,730)
2023	30,899	44,163	(9,108)
2024	32,571	58,457	(9,651)
2025	28,149	65,729	(11,173)
2026	7,156	16,890	(7,471)
Thereafter	616	1,034	(412)

(Continued)

# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

#### Actuarial assumptions and other inputs

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2019, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020:

Inflation	2.50%
Salary increases, including inflation:	
Locality- general employees	3.50 - 5.35%
Locality - hazardous duty employees	3.50 - 4.75%
Teachers	3.50 - 5.95%
Healthcare cost trend rates:	
Under age 65	7.00 - 4.75%
Ages 65 and older	5.375 - 4.75%
Investment rate of return, net of expenses, including inflation	6.75%

\*Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment rate for GASB purposes of slightly more than the assumed percent above. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be the percent noted above to simplify preparation of OPEB liabilities.

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail at Note 16.

#### Net OPEB liabilities

The net OPEB liabilities represent each program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2020, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	<b>Group Life Insurance Program</b>	<b>Teacher Health Insurance Credit Program</b>
Total OPEB Liability	\$ 3,523,937	\$ 1,448,676
Plan fiduciary net position	\$ 1,855,102	\$ 144,160
Employers' net OPEB liability	\$ 1,668,835	\$ 1,304,516
Plan fiduciary net position as a percentage of total OPEB liability	52.64%	9.95%

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

(Continued)

# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

#### Long-term expected rate of return

#### *Group Life Insurance and Health Insurance Credit Programs*

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

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

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

#### Discount rate

The discount rate used to measure the GLI and HIC OPEB liabilities 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 Guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2020, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2020 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

(Continued)



# COUNTY OF DINWIDDIE, VIRGINIA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### 18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

#### Sensitivity of the Net OPEB liability to Changes in the Discount Rate

The following presents the net OPEB liabilities of the County and School Board, as well as what the net OPEB liabilities 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 discount rate:

	<u>1% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Primary Government			
GLI Net OPEB liability	\$ 1,143,855	\$ 870,131	\$ 647,843
Discretely Presented Component Unit School Board			
GLI Net OPEB liability	\$ 2,867,533	\$ 2,181,336	\$ 1,624,079
Teacher HIC Net OPEB liability	\$ 4,133,441	\$ 3,692,564	\$ 3,317,851
Non-Professional HIC Net OPEB liability	\$ 160,904	\$ 146,843	\$ 134,634

#### OPEB plan fiduciary net position

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2020 Annual Financial Report (AFR). A copy of the 2020 VRS AFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

### B. Retiree Health Insurance Program

#### Plan description

The County and School Board allow retirees to participate their health insurance plans until they become Medicare Eligible. A Dinwiddie County or Dinwiddie County School Board retiree, eligible for post-retirement medical coverage, is defined as a full-time employee who retires directly from the County or School Board with at least 15 years of service with the County or School Board, and is eligible to receive an early or regular retirement (pension) benefit from the County or School Board (see Note 16). In addition, retirees must meet the minimum VRS requirements:

- VRS Plan 1 - Member before July 1, 2010: Employees with membership prior to July 1, 2010 in the VRS must attain at least the age of 50 with 30 years of service, or attain age 65 with 5 years of service. For reduced pension benefits, members must have attained age 50 with at least 10 years of service or age 55 with 5 years of service.
- VRS Plan 2 - Member after July 1, 2010 and before January 1, 2014: Employees with membership after July 1, 2010, and before January 1, 2014, must have age plus service equal to 90 points, or attain Social Security Normal Retirement age with at least 5 years of service. For reduced pension benefits, members must have attained age 60 with at least 5 years of service.
- VRS Plan 3 - Hybrid plan: Employees with membership after January 1, 2014, in the VRS have the same eligibility requirements as those in Plan 2 (above).
- LEOS Public Safety: Employees with membership dates before July 1, 2010, in the VRS have the same eligibility requirements as those in Plan 1 (above). Employees with membership dates on/before July 1, 2010, in the VRS have the same eligibility requirements as those in Plan 2 (above). LEOs are not eligible to participate in the Hybrid plan.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

Benefits provided

County benefits include medical and dental. For pre-Medicare coverage, retirees pay the full active premium rates. Currently the plans offered to retirees are the High Deductible Health plan and the Key Advantage 1000 plan. Retirees and spouses that become Medicare Eligible are no longer eligible for the retiree medical plan. The plan does not include a death benefit for spouses of employees.

School Board health plan benefits include medical and dental. For pre-Medicare coverage, retirees pay the full active premium rates. Currently the plans offered to retirees through Anthem are the Healthkeepers High Deductible Health Plan HMO, KeyKeepers HDHP PPO, and a traditional HMO 25. Retirees and spouses that become Medicare eligible are able to pay for the Medicare Supplement Plan for which there is no implicit subsidy. If an employee dies while employed and was eligible for retirement, the surviving spouse (or eligible family member) will be eligible to continue medical coverage, if they were covered before the employee's death.

Employees covered by benefit terms

Participant data as of the January 1, 2021, valuation date is as follows:

	<b><u>Primary Government</u></b>	<b><u>Discretely Presented Component Unit School Board</u></b>
Active participants:		
With medical coverage	195	388
Without coverage	<u>32</u>	<u>151</u>
Total active participants	<u>227</u>	<u>539</u>
Retiree participants	<u>3</u>	<u>20</u>
	<u><u>230</u></u>	<u><u>559</u></u>

Contributions

The County and School Board's retirees pay 100% of the premiums directly to the insurance company. The benefits of the plans are funded on a pay-as-you-go basis. The County and School Boards fund on a cash basis as benefits are paid. No assets have been segregated or restricted to provide for and restricted to provide for postretirement benefits.

Total retiree health insurance OPEB liability

The County and School Board's total retiree health insurance OPEB liabilities of \$686,930 and \$2,191,435, respectively, were measured as of June 30, 2021, and are based on actuarial valuations performed on January 1, 2021.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

Actuarial assumptions and other inputs

The total retiree health insurance OPEB liability was based on an actuarial valuation as of January 1, 2021, using the Entry Age Normal actuarial cost method and the following assumptions:

- Salary increase: None
- Plan participation: Assumed that 30% of employees will elected coverage at retirement. Assumed that 30% of retirees who elect coverage at retirement will also cover their spouse at retirement.
- Marital status: 100% of active members are assumed to be married, with husbands 3 years older than wives.
- Medical claims assumption (County): The 2021 - 2022 premium rates by the current enrollment were weighted. There was a 10% load for fixed costs (administrative fees and stop-loss charges). Spouse/family coverage is assumed to be 1/42 times the cost of the individual coverage for the same age band. The assumed costs for pre-Medicare was \$7,491 for single and \$18,160 for family.
- Medical claims assumption (School Board): The 2020 - 2021 plan year premium rates by the current enrollment were weighted. There was a 10% load for fixed costs (administrative fees and stop-loss charges). Spouse/family coverage was assumed to be 1.06 times the cost of individual coverage for the same age bad. The assumed costs for pre-Medicare was \$7,507 for single and \$15,485 for family.

*Mortality rates:*

Pre-Retirement:

- County Employees: RP2014 EE mortality - County - with SOA Scale BB (Base year 2014 projected to 2020) and 90% male rates
- School Board Employees: SOA RP-2014 adjusted to 2006 White Collar Mortality Projected with Scale BB to Year 2020.

Post-Retirement:

- County Employees: RP2014 EE mortality - County - with SOA Scale BB (Base year 2014 projected to 2020) and 90% male rates
- School Board Employees: SOA RP-2014 adjusted to 2006 White Collar Mortality Projected with Scale BB to Year 2020.

Disability

- County Employees: RP2014 Disabled Morality (set forward 1 Year for Males)
- School Employees: SOA RP-2014 adjusted to 2006 Disabled Retiree Mortality Projected with Scale BB to year 2020 - Male and Female increased by 115%

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

Actuarial assumptions and other inputs (Continued)

*Disability rates:*

- County Employees: The VRS State Employee Disability Rate table as was used in the 2019 VRS OPEB Plans actuarial valuation.
- LEOS Public Safety: The VRS SPORS Disability Rate table as was used in the 2019 VRS OPEB plans actuarial valuation.
- School Board Professionals: The VRS Teachers Disability Rate table as was used in the 2019 VRS OPEB Plans actuarial valuation.
- School Board Non-Professionals: The VRS State Employee Disability Rate table as was used in the 2019 VRS OPEB plans actuarial valuation.

*Withdrawal rates:*

- County Employees: The VRS State Employee Termination Rate table as was used in the 2019 VRS OPEB Plans actuarial valuation.
- LEOS Public Safety: The VRS SPORS Termination Rate table as was used in the 2019 VRS OPEB plans actuarial valuation.
- School Board Professionals: The VRS Teachers Termination Rate table as was used in the 2019 VRS OPEB Plans actuarial valuation.
- School Board Non-Professionals: The VRS State Employee Termination Rate table as was used in the 2019 VRS OPEB plans actuarial valuation.

*Retirement rates:*

- County Employees: The VRS State Employee Retirement Rate table as was used in the 2019 VRS OPEB Plans actuarial valuation.
- LEOS Public Safety: The VRS SPORS Retirement Rate table as was used in the 2019 VRS OPEB plans actuarial valuation.
- School Board Professionals: The VRS Teachers Retirement Rate table as was used in the 2019 VRS OPEB Plans actuarial valuation.
- School Board Non-Professionals: The VRS State Employee Retirement Rate table as was used in the 2019 VRS OPEB plans actuarial valuation.

Changes in plan provisions, actuarial assumptions, and actuarial methods

1. The discount rate is 2.45% based on the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2020, compared to the prior Statement No. 75 discount rate of 3.13%.
2. The claims assumption was updated to include the most recent plan experience
3. The trend assumption was updated to the most recent table released by the Society of Actuaries.

Discount rate

The discount rate used to measure the total retiree health insurance OPEB liability was 2.45%. This was based on the S&P Municipal Bond 20-Year High Grade Index as of June 30, 2020.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

Change in total retiree health insurance OPEB liability

	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a) - (b)</b>
<u>Primary government</u>			
Balances at June 30, 2020	\$ 1,881,801	\$ -	\$ 1,881,801
Changes for the year:			
Service cost	72,824	-	72,824
Interest	36,382	-	36,382
Experience gains	(1,292,726)	-	(1,292,726)
Trust contribution - employer	-	19,848	(19,848)
Changes of assumptions	8,497	-	8,497
Benefit payments (net of retiree contribution)	(19,848)	(19,848)	-
Net changes	(1,194,871)	-	(1,194,871)
Balances at June 30, 2021	\$ 686,930	\$ -	\$ 686,930
<u>Discretely Presented Component Unit - School Board</u>			
Balances at June 30, 2020	\$ 1,647,968	\$ -	\$ 1,647,968
Changes for the year:			
Service cost	100,588	-	100,588
Interest	60,911	-	60,911
Experience losses	723,480	-	723,480
Trust contribution - employer	-	357,409	-
Changes of assumptions	15,897	-	15,897
Benefit payments (net of retiree contributions)	(357,409)	(357,409)	-
Net changes	543,467	-	543,467
Balances at June 30, 2021	\$ 2,191,435	\$ -	\$ 2,191,435

Sensitivity of the retiree health insurance OPEB liability to changes in the discount rate

The following presents the County's and School Board's total retiree health insurance OPEB liability using the discount rate of 2.45%, as well as what the County and School Board's total retiree health insurance OPEB liability would be if it were calculated using a discount rate that is one percentage lower (1.45%) or one percentage higher (3.45%) than the current rate:

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

Sensitivity of the retiree health insurance OPEB liability to changes in the discount rate (Continued)

	<b>1% Decrease</b> <b>1.45%</b>	<b>Discount</b> <b>Rate</b> <b>2.45%</b>	<b>1% Increase</b> <b>3.45%</b>
Primary government's total retiree health insurance OPEB liability	\$ 767,755	\$ 686,930	\$ 615,280
Discretely Presented Component Unit School Board's total retiree health insurance OPEB liability	\$ 2,405,646	\$ 2,191,435	\$ 1,988,532

Sensitivity of the retiree health insurance OPEB liability to changes in the healthcare cost trend rate

The following represents the County's and School Board's total retiree health insurance OPEB liability using the healthcare trend rate of 4%, as well as what the County and School Board's total retiree health insurance OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage lower (3%) or one percentage higher (5%) than the current rate:

	<b>1% Decrease</b> <b>3.00%</b>	<b>Healthcare</b> <b>Rate</b> <b>4.00%</b>	<b>1% Increase</b> <b>5.00%</b>
Primary government's total retiree health insurance OPEB liability	\$ 600,146	\$ 686,930	\$ 791,081
Discretely Presented Component Unit School Board's total retiree health insurance OPEB liability	\$ 1,961,219	\$ 2,191,435	\$ 2,463,089

Retiree health insurance OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the County and School Board recognized retiree health insurance OPEB expense of \$(71,005) and \$270,378, respectively. At June 30, 2021, the County and School Board reported deferred outflows of resources and deferred inflows of resources related to the retiree health insurance OPEB program from the following sources:

	<b>Deferred</b> <b>Outflows of</b> <b>Resources</b>	<b>Deferred</b> <b>Inflows of</b> <b>Resources</b>
<b>Primary Government</b>		
Differences between expected and actual experience	\$ -	\$ 1,435,673
Change in assumptions	213,561	-
	<u>\$ 213,561</u>	<u>\$ 1,435,673</u>
<b>Discretely Presented Component Unit - School Board</b>		
Differences between expected and actual experience	\$ 633,045	\$ 118,479
Change in assumptions	198,221	-
	<u>\$ 831,266</u>	<u>\$ 118,479</u>

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

Retiree health insurance OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as an increase (reduction) to OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Primary Government</u>	<u>Component Unit - School Board</u>
2022	\$ (180,211)	\$ 108,879
2023	(180,211)	108,879
2024	(180,211)	108,879
2025	(180,211)	108,883
2026	(180,213)	92,422
Thereafter	(321,055)	184,845

A summary of the other post-employment benefits-related financial statement elements is as follows:

	<u>Primary Government Governmental Activities</u>	<u>School Board</u>	<u>Water Authority</u>	<u>Total Component Units</u>
Net other post-employment benefits liability:				
Local Sponsored Health Insurance	\$ 686,930	\$ 2,191,435	\$ -	\$ 2,191,435
VRS - Group Life Insurance	870,131	2,181,336	40,219	2,221,555
VRS - Teachers HIC	-	3,692,564	-	3,692,564
VRS - Non-Professional HIC	-	146,843	-	146,843
Total net other post-employment benefit liability	<u>\$ 1,557,061</u>	<u>\$ 8,212,178</u>	<u>\$ 40,219</u>	<u>\$ 8,252,397</u>
Deferred outflows of resources:				
Change in proportion:				
VRS - Group Life Insurance	\$ 28,523	\$ 28,655	\$ -	\$ 28,655
VRS - Teachers HIC	-	42,814	-	42,814
Contributions subsequent to measurement date:				
VRS - Group Life Insurance	58,342	141,236	2,740	143,976
VRS - Teachers HIC	-	292,812	-	292,812
VRS - Non-professional HIC	-	12,263	-	12,263
Difference between expected and actual experience:				
Local Sponsored Health Insurance	-	633,045	-	633,045
VRS - Group Life Insurance	55,811	139,912	2,580	142,492
Difference between projected and actual investment earnings:				
VRS - GLI	26,138	65,526	1,208	66,734
VRS - Teachers HIC	-	16,364	-	16,364
Changes in actuarial assumptions:				
Local Sponsored Health Insurance	213,561	198,221	-	198,221
VRS - Group Life Insurance	43,517	109,092	2,011	111,103
VRS - Teachers HIC	-	72,997	-	72,997
Total deferred outflows of resources	<u>\$ 425,892</u>	<u>\$ 1,752,937</u>	<u>\$ 8,539</u>	<u>\$ 1,761,476</u>

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**18. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

Retiree health insurance OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

	<u>Primary Government Governmental Activities</u>	<u>School Board</u>	<u>Water Authority</u>	<u>Total Component Units</u>
Deferred inflows of resources:				
Differences between expected and actual experience:				
Local Sponsored Health Insurance	\$ 1,435,673	\$ 118,479	\$ -	\$ 118,479
VRS - Group Life Insurance	-	19,593	361	19,954
VRS - Teachers HIC	-	49,313	-	49,313
Net difference between projected and actual investment earnings:				
VRS - Group Life Insurance	7,816	-	-	-
Change in actuarial assumptions:				
VRS - Group Life Insurance	18,169	45,547	840	46,387
VRS - Teachers HIC	-	20,175	-	20,175
Change in proportion:				
VRS - Group Life Insurance	5,095	66,113	5,550	71,663
VRS - Teachers HIC	-	111,232	-	111,232
Total deferred inflows of resources	<u>\$ 1,466,753</u>	<u>\$ 430,452</u>	<u>\$ 6,751</u>	<u>\$ 437,203</u>
Net other post-employment benefits expense:				
Local Sponsored Health Insurance	\$ -	\$ -	\$ -	\$ -
VRS - Group Life Insurance	43,593	75,986	472	76,458
VRS - Teachers HIC	-	291,667	-	291,667
VRS - Non-professional HIC	-	146,843	-	146,843
Total net other post-employment benefit expense	<u>\$ 43,593</u>	<u>\$ 514,496</u>	<u>\$ 472</u>	<u>\$ 514,668</u>

**19. Adoption of New Accounting Standard and Restatement**

The County has implemented GASB Statement No. 84, *Fiduciary Activities*, in the financial statements for the year ended June 30, 2021. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes on how these activities are reported. As a result of this implementation, the school activity funds, which were previously excluded from the School's financial statements, are now reported as a special revenue fund. The special welfare trust fund, which was previously presented as an agency fund, is now reported as a custodial fund. The School Board's and Special Welfare fund's balances as of the beginning of the year have been restated as follows:

	<u>Previously Reported June 30, 2020</u>	<u>Restatement</u>	<u>As Restated June 30, 2020</u>
School's special revenue total fund balance	\$ 399,937	\$ 395,230	\$ 795,167
School's combined fund balance	1,900,657	395,230	2,295,887
School's net position	(824,646)	395,230	(429,416)
Discretely presented component units net position	31,150,016	395,230	31,545,246
Total reporting entity net position	77,632,134	395,230	78,027,364
Special welfare custodial fund net position	-	27,820	27,820

(Continued)



**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2021**

**20. COVID-19 Uncertainty**

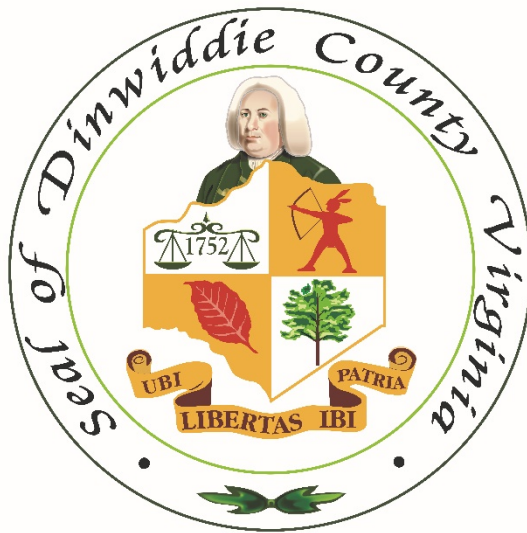
On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus (the “COVID-19 outbreak”) and the risks to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The County’s operations are heavily dependent on the ability to raise taxes, assess fees, and access the capital markets. Additionally, access to grants and contracts from federal and state governments may decrease or may not be available depending on appropriations. The COVID-19 outbreak will have a continued material adverse impact on economic and market conditions, triggering a period of global economic slowdown. This situation could potentially depress the tax bases and other areas in which the County receives revenue in future years. As such, the County’s financial condition and liquidity could be negatively impacted for the fiscal year 2022.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude the pandemic will have on the County’s financial condition, liquidity, and future results of operations. Management is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the County is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022.

**REQUIRED SUPPLEMENTARY INFORMATION, OTHER THAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2021**



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**Year Ended June 30, 2021**

	General Fund			Variance From
	Budgeted Amounts			Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
General property taxes	\$ 33,086,592	\$33,086,592	\$35,827,739	\$ 2,741,147
Other local taxes	5,548,920	5,548,920	6,655,854	1,106,934
Permits, privilege fees and regulatory license	304,700	304,700	378,717	74,017
Fines and forfeitures	673,400	673,400	701,551	28,151
Revenue from use of money and property	391,157	391,157	133,953	(257,204)
Charges for services	1,818,524	1,818,524	1,785,747	(32,777)
Miscellaneous	222,750	222,750	183,865	(38,885)
Recovered costs	191,540	191,540	246,078	54,538
Intergovernmental revenues:				
Commonwealth	8,145,560	8,145,560	8,062,067	(83,493)
Federal	1,487,497	1,487,497	1,571,840	84,343
Total revenues	51,870,640	51,870,640	55,547,411	3,676,771
EXPENDITURES				
General government administration	3,556,327	3,574,202	3,443,625	130,577
Judicial administration	1,204,035	1,214,808	1,069,995	144,813
Public safety	13,258,366	13,415,004	13,065,155	349,849
Public works	4,475,847	4,588,002	4,573,612	14,390
Health and human services	3,262,540	3,849,605	3,826,861	22,744
Education	15,193,456	15,193,456	15,193,456	-
Parks, recreation, and cultural	1,288,438	1,262,183	1,127,033	135,150
Community development	2,101,170	2,211,993	1,124,711	1,087,282
Total expenditures	44,340,179	45,309,253	43,424,448	1,884,805
Excess of revenues over expenditures	7,530,461	6,561,387	12,122,963	5,561,576
OTHER FINANCING USES				
Transfers out	(8,540,643)	(8,580,143)	(8,580,143)	-
Net change in fund balances	(1,010,182)	(2,018,756)	3,542,820	5,561,576
Fund balance, beginning of year	18,747,841	18,747,841	18,747,841	-
Fund balance, end of year	\$ 17,737,659	\$16,729,085	\$22,290,661	\$ 5,561,576

Notes to required supplementary information:

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

See Independent Auditor's Report.

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - SPECIAL REVENUE FUND**  
**Year Ended June 30, 2021**

	Special Revenue Fund			Variance From
	Budgeted Amounts			Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
Revenue from use of money and property	\$ -	\$ -	\$ 62	\$ 62
Charges for services	4,600	4,600	3,358	(1,242)
Miscellaneous	43,000	43,000	84,059	41,059
Intergovernmental revenues:				
Commonwealth	1,707,974	1,742,905	1,536,394	(206,511)
Federal	7,500	4,690,459	4,690,460	1
Total revenues	1,763,074	6,480,964	6,314,333	(166,631)
EXPENDITURES				
Judicial administration	24,662	24,491	2,706	21,785
Public safety	367,116	3,042,710	2,415,140	627,570
Public works	125,799	139,318	127,029	12,289
Health and welfare	2,497,399	2,611,484	2,265,887	345,597
Education	-	1,489,855	1,489,855	-
Community development	-	-	217,500	(217,500)
Total expenditures	3,014,976	7,307,858	6,518,117	789,741
Deficiency of revenues under expenditures	(1,251,902)	(826,894)	(203,784)	623,110
OTHER FINANCING SOURCES				
Transfers in	925,425	380,456	380,456	-
Net change in fund balances	(326,477)	(446,438)	176,672	623,110
Fund balance, beginning of year	446,438	446,438	446,438	-
Fund balance, end of year	\$ 119,961	\$ -	\$ 623,110	\$ 623,110

Note to required supplementary information:

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

## SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB LIABILITIES

<u>Plan Year*</u>	<u>Employer's Proportion of the Net OPEB Liability</u>	<u>Employer's Proportionate Share of the Net OPEB Liability</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>
<b>PRIMARY GOVERNMENT</b>					
Group Life Insurance Program					
2020	0.05214%	\$ 870,131	\$ 10,717,565	8.12%	52.64%
2019	0.05192%	844,877	10,138,715	8.33%	52.00%
2018	0.05239%	795,000	9,937,349	8.00%	51.22%
2017	0.05207%	783,000	9,580,709	8.17%	48.86%
<b>COMPONENT UNIT - SCHOOL BOARD</b>					
Group Life Insurance Program, Non-Professional Plan					
2020	0.00985%	\$ 164,380	\$ 2,021,851	8.13%	52.64%
2019	0.01037%	168,748	2,031,297	8.31%	52.00%
2018	0.00963%	146,000	1,830,349	7.98%	51.22%
2017	0.00985%	148,000	1,817,449	8.14%	48.86%
Group Life Insurance Program, Professional Plan					
2020	0.12086%	\$ 2,016,956	\$ 24,818,329	8.13%	52.64%
2019	0.12071%	1,964,273	23,625,867	8.31%	52.00%
2018	0.12119%	1,840,000	23,028,893	7.99%	51.22%
2017	0.12653%	1,904,000	23,342,183	8.16%	48.86%
Health Insurance Credit Program, Professional Plan					
2020	0.28306%	\$ 3,692,564	\$ 24,818,329	14.88%	9.95%
2019	0.28194%	3,690,868	23,625,867	15.62%	8.97%
2018	0.28481%	3,616,000	23,028,893	15.70%	8.08%
2017	0.29564%	3,751,000	23,342,183	16.07%	7.04%

\*The plan years above are reported in the entity's financial statements in the fiscal year following the plan year - i.e., plan year 2017 information was presented in the entity's fiscal year 2018 financial report.

This schedule is intended to show information for 10 years. Since fiscal year 2018 (plan year 2017) is the first year for this presentation, no earlier data is available. Additional years will be included as they become available.

See Independent Auditor's Report.

## SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

For the Years Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
<b>PRIMARY GOVERNMENT</b>					
Group Life Insurance Program					
2021	\$ 58,342	\$ 58,342	\$ -	\$ 10,863,930	0.54%
2020	56,227	56,227	-	10,717,565	0.52%
2019	53,325	53,325	-	10,138,715	0.53%
2018	51,674	51,674	-	9,937,349	0.52%
<b>COMPONENT UNIT - SCHOOL BOARD</b>					
Group Life Insurance Program, Non-Professional Plan					
2021	\$ 10,503	\$ 10,503	\$ -	\$ 1,960,331	0.54%
2020	10,524	10,524	-	2,021,851	0.52%
2019	10,563	10,563	-	2,031,297	0.52%
2018	9,520	9,520	-	1,830,349	0.52%
Group Life Insurance Program, Professional Plan					
2021	\$ 130,733	\$ 130,733	\$ -	\$ 24,207,681	0.54%
2020	129,149	129,149	-	24,818,329	0.52%
2019	122,992	122,992	-	23,625,867	0.52%
2018	119,804	119,804	-	23,028,893	0.52%
Health Insurance Credit Program, Professional Plan					
2021	\$ 292,812	\$ 292,812	\$ -	\$ 24,207,681	1.21%
2020	297,823	297,823	-	24,818,329	1.20%
2019	283,722	283,722	-	23,625,867	1.20%
2018	283,277	283,277	-	23,028,893	1.23%
Health Insurance Credit Program, Non-Professional Plan					
2021	\$ 12,263	\$ 12,263	\$ -	\$ 1,947,569	0.63%

This schedule is intended to show information for 10 years. Fiscal year 2018 was the first year for this presentation. Additional years will be included as they become available.

The covered payroll amounts above are for the entity's fiscal year - i.e. the covered payroll on which required contributions were based for the same year.

See Independent Auditor's Report.

**SCHEDULE OF EMPLOYER'S TOTAL RETIREE HEALTH INSURANCE (RHI)  
OPEB LIABILITY AND RELATED RATIOS  
PRIMARY GOVERNMENT**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>TOTAL RHI OPEB LIABILITY</b>				
Service cost	\$ 72,824	\$ 153,150	\$ 145,857	\$ 124,204
Interest	36,382	51,077	59,499	51,034
Experience losses (gains)	(1,292,726)	-	(487,262)	-
Changes of assumptions	8,497	-	329,804	-
Employer contributions	(19,848)	(27,226)	(24,599)	(64,411)
	<u>(1,194,871)</u>	<u>177,001</u>	<u>23,299</u>	<u>110,827</u>
<b>TOTAL RHI OPEB LIABILITY</b>				
Beginning	<u>1,881,801</u>	<u>1,704,800</u>	<u>1,681,501</u>	<u>1,570,674</u>
Ending	<u>\$ 686,930</u>	<u>\$ 1,881,801</u>	<u>\$ 1,704,800</u>	<u>\$ 1,681,501</u>

This schedule is intended to show information for 10 years. Fiscal year 2018 was the first year for this presentation. Additional years will be included as they become available.

See Independent Auditor's Report.

**SCHEDULE OF EMPLOYER'S TOTAL RETIREE HEALTH INSURANCE (RHI)  
OPEB LIABILITY AND RELATED RATIOS  
COMPONENT UNIT - SCHOOL BOARD**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>TOTAL RHI OPEB LIABILITY</b>				
Service cost	\$ 100,588	\$ 86,529	\$ 82,409	\$ 85,929
Interest	60,911	44,730	48,965	43,166
Experience losses (gains)	723,480	-	(207,339)	-
Changes of assumptions	15,897	-	322,542	-
Employer contributions	<u>(357,409)</u>	<u>(79,919)</u>	<u>(72,207)</u>	<u>(59,599)</u>
Net change in total pension liability	543,467	51,340	174,370	69,496
<b>TOTAL RHI OPEB LIABILITY</b>				
Beginning	<u>1,647,968</u>	<u>1,596,628</u>	<u>1,422,258</u>	<u>1,352,762</u>
Ending	<u><u>\$ 2,191,435</u></u>	<u><u>\$ 1,647,968</u></u>	<u><u>\$ 1,596,628</u></u>	<u><u>\$ 1,422,258</u></u>

This schedule is intended to show information for 10 years. Fiscal year 2018 was the first year for this presentation. Additional years will be included as they become available.

See Independent Auditor's Report.



**SCHEDULE OF EMPLOYER'S TOTAL NON-PROFESSIONAL HEALTH INSURANCE  
CREDIT PROGRAM OPEB LIABILITY AND RELATED RATIOS  
COMPONENT UNIT - SCHOOL BOARD**

	<u>2021</u>
<b>TOTAL RHI OPEB LIABILITY</b>	
Change in benefits	\$ 146,843
Net change in total pension liability	146,843
<b>TOTAL RHI OPEB LIABILITY</b>	
Beginning	<u>-</u>
Ending	<u><u>\$ 146,843</u></u>

This schedule is intended to show information for 10 years. Fiscal year 2021 is the first year for this presentation. Additional years will be included as they become available.

See Independent Auditor's Report.

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
PRIMARY GOVERNMENT**

	<b>Plan Year</b>						
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>TOTAL PENSION LIABILITY</b>							
Service cost	\$ 1,379,484	\$ 1,274,950	\$ 1,280,796	\$ 1,118,970	\$ 1,041,334	\$ 997,720	\$ 967,375
Interest	2,647,293	2,570,094	2,418,890	2,334,043	2,280,925	2,209,011	2,104,161
Changes of assumptions	-	1,163,797	-	30,664	-	-	-
Difference between expected and actual experience	(843,894)	(543,998)	220,737	(595,086)	(947,822)	(587,348)	-
Benefit payments, including refunds of employee contributions	(2,094,389)	(1,828,248)	(1,692,480)	(1,660,512)	(1,570,704)	(1,613,371)	(1,533,995)
Net change in total pension liability	1,088,494	2,636,595	2,227,943	1,228,079	803,733	1,006,012	1,537,541
Total pension liability, beginning	40,266,345	37,629,750	35,401,807	34,173,728	33,369,995	32,363,983	30,826,442
Total pension liability, ending (a)	<u>\$ 41,354,839</u>	<u>\$ 40,266,345</u>	<u>\$ 37,629,750</u>	<u>\$ 35,401,807</u>	<u>\$ 34,173,728</u>	<u>\$ 33,369,995</u>	<u>\$ 32,363,983</u>
<b>PLAN FIDUCIARY NET POSITION</b>							
Contributions - employer	\$ 970,837	\$ 928,477	\$ 864,249	\$ 837,735	\$ 1,040,134	\$ 983,274	\$ 1,094,374
Contributions - employee	521,570	520,505	489,818	475,344	431,968	419,596	396,746
Net investment income	722,615	2,402,322	2,503,084	3,712,015	529,812	1,325,286	3,961,896
Benefit payments, including refunds of employee contributions	(2,094,389)	(1,828,248)	(1,692,480)	(1,660,512)	(1,570,704)	(1,613,371)	(1,533,995)
Administrative expenses	(24,634)	(23,553)	(21,479)	(21,359)	(18,615)	(18,079)	(21,172)
Other changes	(858)	(1,515)	(2,232)	(3,305)	(223)	(280)	209
Net change in plan fiduciary net position	95,141	1,997,988	2,140,960	3,339,918	412,372	1,096,426	3,898,058
Plan fiduciary net position, beginning	37,961,912	35,963,924	33,822,964	30,483,046	30,070,674	28,974,248	25,076,190
Plan fiduciary net position, ending (b)	<u>\$ 38,057,053</u>	<u>\$ 37,961,912</u>	<u>\$ 35,963,924</u>	<u>\$ 33,822,964</u>	<u>\$ 30,483,046</u>	<u>\$ 30,070,674</u>	<u>\$ 28,974,248</u>
Net pension liability, ending (a) - (b)	<u>\$ 3,297,786</u>	<u>\$ 2,304,433</u>	<u>\$ 1,665,826</u>	<u>\$ 1,578,843</u>	<u>\$ 3,690,682</u>	<u>\$ 3,299,321</u>	<u>\$ 3,389,735</u>
Plan fiduciary net position as a percentage of the total pension liability	92.0%	94.3%	95.6%	95.5%	89.2%	90.1%	89.5%
Employer's covered payroll	\$ 10,717,565	\$ 10,138,715	\$ 9,937,349	\$ 9,580,709	\$ 8,731,839	\$ 8,217,087	\$ 7,925,648
Net pension liability as a percentage of covered payroll	30.8%	22.7%	16.8%	16.5%	42.3%	40.2%	42.8%

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year - i.e., plan year 2014 information was presented in the entity's fiscal year 2015 financial report.

This schedule is intended to show information for 10 years. Since fiscal year 2015 (plan year 2014) was the first year for this presentation, no earlier data is available. Additional years will be included as they become available.

See Independent Auditor's Report.

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
COMPONENT UNIT - SCHOOL BOARD - NON-PROFESSIONAL PLAN**

	Plan Year						
	2020	2019	2018	2017	2016	2015	2014
<b>TOTAL PENSION LIABILITY</b>							
Service cost	\$ 201,445	\$ 182,616	\$ 182,359	\$ 197,565	\$ 212,159	\$ 212,912	\$ 220,298
Interest	544,278	545,599	534,144	532,511	529,520	520,030	500,348
Changes of assumptions	-	195,597	-	(77,333)	-	-	-
Difference between expected and actual experience	(8,442)	(127,585)	(26,305)	(101,758)	(141,831)	(97,869)	-
Benefit payments, including refunds of employee contributions	(494,013)	(560,230)	(492,868)	(562,466)	(551,759)	(447,258)	(431,694)
Net change in total pension liability	243,268	235,997	197,330	(11,481)	48,089	187,815	288,952
Total pension liability, beginning	8,310,384	8,074,387	7,877,057	7,888,538	7,840,449	7,652,634	7,363,682
Total pension liability, ending (a)	<u>\$ 8,553,652</u>	<u>\$ 8,310,384</u>	<u>\$ 8,074,387</u>	<u>\$ 7,877,057</u>	<u>\$ 7,888,538</u>	<u>\$ 7,840,449</u>	<u>\$ 7,652,634</u>
<b>PLAN FIDUCIARY NET POSITION</b>							
Contributions - employer	\$ 129,691	\$ 132,727	\$ 129,874	\$ 129,537	\$ 181,929	\$ 182,256	\$ 227,601
Contributions - employee	94,940	96,201	88,173	89,080	99,425	97,964	104,640
Net investment income	149,539	501,568	546,029	830,237	119,831	317,343	961,713
Benefit payments, including refunds of employee contributions	(494,013)	(560,230)	(492,868)	(562,466)	(551,759)	(447,258)	(431,694)
Administrative expenses	(5,227)	(5,168)	(4,850)	(5,022)	(4,484)	(4,448)	(5,223)
Other changes	(176)	(316)	(481)	(731)	(51)	(67)	51
Net change in plan fiduciary net position	(125,246)	164,782	265,877	480,635	(155,109)	145,790	857,088
Plan fiduciary net position, beginning	7,910,298	7,745,516	7,479,639	6,999,004	7,154,113	7,008,323	6,151,235
Plan fiduciary net position, ending (b)	<u>\$ 7,785,052</u>	<u>\$ 7,910,298</u>	<u>\$ 7,745,516</u>	<u>\$ 7,479,639</u>	<u>\$ 6,999,004</u>	<u>\$ 7,154,113</u>	<u>\$ 7,008,323</u>
Net pension liability, ending (a) - (b)	<u>\$ 768,600</u>	<u>\$ 400,086</u>	<u>\$ 328,871</u>	<u>\$ 397,418</u>	<u>\$ 889,534</u>	<u>\$ 686,336</u>	<u>\$ 644,311</u>
Plan fiduciary net position as a percentage of the total pension liability	91.0%	95.2%	95.9%	95.0%	88.7%	91.2%	91.6%
Employer's covered payroll*	\$ 2,021,851	\$ 2,031,297	\$ 1,830,349	\$ 1,817,449	\$ 2,183,222	\$ 1,863,958	\$ 1,988,146
Net pension liability as a percentage of covered payroll	38.0%	19.7%	18.0%	21.9%	40.7%	36.8%	32.4%

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year - i.e., plan year 2014 information was presented in the entity's fiscal year 2015 financial report.

This schedule is intended to show information for 10 years. Since fiscal year 2015 (plan year 2014) was the first year for this presentation, no earlier data is available. Additional years will be included as they become available.

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Exhibit T**

**SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY  
COMPONENT UNIT - SCHOOL BOARD - PROFESSIONAL PLAN**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Employer's proportion of the net pension liability	0.28366%	0.28314%	0.28583%	0.29609%	0.29066%	0.28527%	0.28514%
Employer's proportionate share of the net pension liability	\$ 41,279,980	\$ 37,262,833	\$ 33,613,000	\$ 36,413,000	\$ 40,733,000	\$ 35,905,000	\$ 34,458,000
Employer's covered payroll**	\$ 24,818,329	\$ 23,625,867	\$ 23,028,893	\$ 23,342,183	\$ 21,551,979	\$ 21,673,789	\$ 20,836,105
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	166.33%	157.72%	145.96%	156.00%	189.00%	165.66%	165.38%
Plan fiduciary net position as a percentage of the total pension liability	71.47%	73.51%	74.81%	72.92%	68.28%	70.68%	70.88%

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

\*\*The covered payroll amounts above are for the measurement period, which is the twelve months prior to the school division's fiscal year.

See Independent Auditor's Report.

## SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

<u>For the Years Ended June 30,*</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
<b>PRIMARY GOVERNMENT</b>					
2021	\$ 1,075,529	\$ 1,075,529	\$ -	\$ 10,863,930	9.90%
2020	1,005,213	1,005,213	-	10,717,565	9.38%
2019	951,011	951,011	-	10,138,715	9.38%
2018	882,437	882,437	-	9,937,349	8.88%
2017	850,767	850,767	-	9,580,709	8.88%
2016	1,048,694	1,048,694	-	8,731,839	12.01%
2015	986,872	986,872	-	8,217,087	12.01%
2014	1,094,374	1,094,374	-	7,925,648	13.81%
<b>COMPONENT UNIT - SCHOOL BOARD</b>					
<b>NON-PROFESSIONAL PLAN</b>					
2021	\$ 124,896	\$ 124,896	\$ -	\$ 1,947,569	6.41%
2020	138,699	138,699	-	2,021,851	6.86%
2019	139,347	139,347	-	2,031,297	6.86%
2018	134,897	134,897	-	1,830,349	7.37%
2017	133,946	133,946	-	1,817,449	7.37%
2016	183,609	183,609	-	2,183,222	8.41%
2015	175,398	175,398	-	1,863,958	9.41%
2014	227,601	227,601	-	1,988,146	11.45%
<b>PROFESSIONAL PLAN</b>					
2021	\$ 4,025,178	\$ 4,025,178	\$ -	\$ 24,207,681	16.63%
2020	3,891,514	3,891,514	-	24,818,329	15.68%
2019	3,704,536	3,704,536	-	23,625,867	15.68%
2018	3,758,315	3,758,315	-	23,028,893	16.32%
2017	3,421,964	3,421,964	-	23,342,183	14.66%
2016	3,125,037	3,125,037	-	21,551,979	14.50%
2015	3,047,335	3,047,335	-	21,673,789	14.06%
2014	2,431,355	2,431,355	-	20,836,105	11.67%

\*Note: Information in this schedule is presented for the years in which information is available. Information will be added each year until a full 10-year trend is presented.

See Independent Auditor's Report.

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION, OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2021

#### 1. Pension Plans

##### Changes of benefit terms

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

##### Changes of assumptions

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

##### *Primary Government*

##### Non 10 Largest - Non-Hazardous Duty:

- Update mortality table to RP-2014 projected to 2020
- Lowered rates of retirement at older ages and changed final retirement from 70 to 75
- Update withdrawal rates to better fit experience at each age and service year through 9 years of service
- Lowered disability rates
- No changes to salary rates
- Increased Line of Duty disability rate from 14% to 15%
- Decreased discount rate from 7.00% to 6.75%

##### Non 10 Largest - Hazardous Duty:

- Update mortality table to RP-2014 projected to 2020
- Increased age 50 rates and lowered rates
- Update withdrawal rates to better fit experience at each age and service year through 9 years of service
- Adjusted rates to better fit experience
- No changes to salary rates
- Lowered Line of Duty rate from 60% to 45%
- Decreased discount rate from 7.00% to 6.75%

##### *School Board - Non-Professional Plan*

Same as Primary Government

##### *School Board - Professional Plan*

- Update mortality table to RP-2014 projected to 2020
- Lowered retirement rates at older ages and changed final retirement from 70 to 75
- Update withdrawal rates to better fit experience at each year age and service through 9 years of service
- Update disability rates to better fit experience
- No changes to salary rates
- Decreased discount rate from 7.00% to 6.75%

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION, OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2021

#### 2. Group Life Insurance (GLI) and Health Insurance Credit (HIC) OPEB Programs

##### Changes of benefit terms

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

##### Changes of assumptions - GLI

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

##### General State Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Lowered rates at older ages and changed final retirement from 70 to 75
- Withdrawal Rates: Adjusted rates to better fit experience at each year age and service through 9 years of service
- Disability Rates: Adjusted rates to better match experience
- Salary Scale: No change
- Line of Duty Disability: Increased rate from 14% to 25%
- Discount Rate: Decrease rate from 7.00% to 6.75%

##### Teachers

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

##### SPORS Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020 and reduced margin for future improvement in accordance with experience
- Retirement Rates: Increased age 50 rates and lowered rates at older ages
- Withdrawal Rates: Adjusted rates to better fit experience
- Disability Rates: Adjusted rates to better match experience
- Salary Scale: No change
- Line of Duty Disability: Increased rate from 60% to 85%
- Discount Rate: Decrease rate from 7.00% to 6.75%

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION, OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2021

#### 2. Group Life Insurance (GLI) and Health Insurance Credit (HIC) OPEB Programs (Continued)

##### VaLORS Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020 and reduced margin for future improvement in accordance with experience
- Retirement Rates: Increased age 50 rates and lowered rates at older ages
- Withdrawal Rates: Adjusted rates to better fit experience at each year age and service through 9 years of service
- Disability Rates: Adjusted rates to better match experience
- Salary Scale: No change
- Line of Duty Disability: Decreased rate from 50% to 35%
- Discount Rate: Decrease rate from 7.00% to 6.75%

##### JRS Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Decreased rates at first retirement eligibility
- Withdrawal Rates: No change
- Disability Rates: Removed disability rates
- Salary Scale: No change
- Discount Rate: Decrease rate from 7.00% to 6.75%

##### Largest 10 Locality Employers - General Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Lowered retirement rates at older ages and extended final retirement age from 70 to 75
- Withdrawal Rates: Adjusted termination rates to better fit experience at each age and service year
- Disability Rates: Lowered disability rates
- Salary Scale: No change
- Line of Duty Disability: Increased rate from 14% to 20%
- Discount Rate: Decrease rate from 7.00% to 6.75%

##### Non-Largest 10 Locality Employers - General Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Lowered retirement rates at older ages and extended final retirement age from 70 to 75.
- Withdrawal Rates: Adjusted termination rates to better fit experience at each age and service year
- Disability Rates: Lowered disability rates
- Salary Scale: No change
- Line of Duty Disability: Increased rate from 14% to 15%
- Discount Rate: Decrease rate from 7.00% to 6.75%

(Continued)



**COUNTY OF DINWIDDIE, VIRGINIA**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION, OTHER THAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2021**

**2. Group Life Insurance (GLI) and Health Insurance Credit (HIC) OPEB Programs (Continued)**

Largest 10 Locality Employers - Hazardous Duty Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Lowered retirement rates at older ages
- Withdrawal Rates: Adjusted termination rates to better fit experience at each age and service year
- Disability Rates: Increased disability rates
- Salary Scale: No change
- Line of Duty Disability: Increased rate from 60% to 70%
- Discount Rate: Decrease rate from 7.00% to 6.75%

Non-Largest 10 Locality Employers - Hazardous Duty Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Increased age 50 rates and lowered rates at older ages
- Withdrawal Rates: Adjusted termination rates to better fit experience at each age and service year
- Disability Rates: Adjusted rates to better match experience
- Salary Scale: No change
- Line of Duty Disability: Decreased rate from 60% to 45%
- Discount Rate: Decrease rate from 7.00% to 6.75%

Changes of assumptions - HIC

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

Largest 10 Locality Employers - General Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Lowered retirement rates at older ages and extended final retirement age from 70 to 75
- Withdrawal Rates: Adjusted termination rates to better fit experience at each age and service year
- Disability Rates: Lowered disability rates
- Salary Scale: No change
- Line of Duty Disability: Increased rate from 14% to 20%
- Discount Rate: Decrease rate from 7.00% to 6.75%

(Continued)

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION, OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2021

#### 2. Group Life Insurance (GLI) and Health Insurance Credit (HIC) OPEB Programs (Continued)

##### Changes of assumptions - HIC (Continued)

###### Non-Largest 10 Locality Employers - General Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Lowered retirement rates at older ages and extended final retirement age from 70 to 75.
- Withdrawal Rates: Adjusted termination rates to better fit experience at each age and service year
- Disability Rates: Lowered disability rates
- Salary Scale: No change
- Line of Duty Disability: Increased rate from 14% to 15%
- Discount Rate: Decrease rate from 7.00% to 6.75%

###### Largest 10 Locality Employers - Hazardous Duty Employees

- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Lowered retirement rates at older ages
- Withdrawal Rates: Adjusted termination rates to better fit experience at each age and service year
- Disability Rates: Increased disability rate
- Salary Scale: No change
- Line of Duty Disability: Increased rate from 60% to 70%
- Discount Rate: Decrease rate from 7.00% to 6.75%

###### Non-Largest 10 Locality Employers - Hazardous Duty Employees

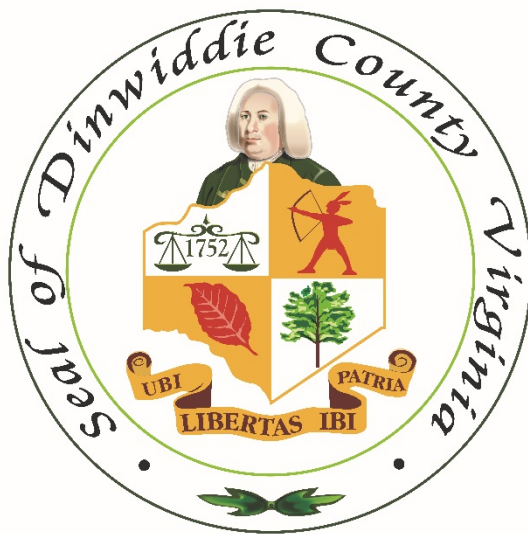
- Mortality Rates: Updated to a more current mortality table - RP-2014 projected to 2020
- Retirement Rates: Increased age 50 rates and lowered rates at older ages
- Withdrawal Rates: Adjusted termination rates to better fit experience at each age and service year
- Disability Rates: Adjusted rates to better match experience
- Salary Scale: No change
- Line of Duty Disability: Decreased rate from 60% to 45%
- Discount Rate: Decrease rate from 7.00% to 6.75%

###### School Board - Professional Plan

- Mortality Rates: Update mortality table to RP-2014 projected to 2020
- Retirement Rates: Lowered retirement rates at older ages and changed final retirement from 70 to 75
- Withdrawal Rates: Adjusted rates to better fit experience at each year age and service through 9 years of service
- Disability Rates: Update disability rates to better fit experience
- Salary Scale: No changes to salary rates
- Discount Rate: Decreased discount rate from 7.00% to 6.75%

## OTHER SUPPLEMENTARY INFORMATION

June 30, 2021



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - DEBT SERVICE FUND**  
**Year Ended June 30, 2021**

	Debt Service Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
EXPENDITURES				
Community development	\$ 360,812	\$ 360,812	\$ 303,532	\$ 57,280
Debt service:				
Principal retirement	5,145,361	5,145,361	5,145,361	-
Interest and other fiscal charges	2,304,883	2,304,883	2,304,270	613
Total expenditures	7,811,056	7,811,056	7,753,163	57,893
Deficiency of revenues under expenditures	(7,811,056)	(7,811,056)	(7,753,163)	57,893
OTHER FINANCING SOURCES				
Transfers in	7,465,218	7,465,218	7,465,218	-
Net change in fund balances	(345,838)	(345,838)	(287,945)	57,893
Fund balance, beginning of year	2,449,228	2,449,228	2,449,228	-
Fund balance, end of year	\$ 2,103,390	\$ 2,103,390	\$ 2,161,283	\$ 57,893

See Independent Auditor's Report.

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - CAPITAL PROJECTS FUND**  
**Year Ended June 30, 2021**

	Capital Projects Fund			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money	\$ -	\$ -	\$ 17,398	\$ 17,398
Miscellaneous	-	-	55,824	55,824
Recovered costs	750,000	750,000	750,000	-
Intergovernmental revenues: Commonwealth	940,000	190,500	125,000	(65,500)
Total revenues	1,690,000	940,500	948,222	7,722
EXPENDITURES				
Community development	213,527	213,547	213,527	20
Capital outlays and projects	12,884,506	14,825,507	4,990,841	9,834,666
Bond issuance costs	-	42,958	42,958	-
Total expenditures	13,098,033	15,082,012	5,247,326	9,834,686
Deficiency of revenues under expenditures	(11,408,033)	(14,141,512)	(4,299,104)	9,842,408
OTHER FINANCING SOURCES				
Issuance of note payable	1,833,527	2,710,000	2,710,000	-
Transfers	150,000	734,469	734,469	-
Total other financing sources	1,983,527	3,444,469	3,444,469	-
Net change in fund balances	(9,424,506)	(10,697,043)	(854,635)	9,842,408
Fund balance, beginning of year	10,697,045	10,697,045	10,697,045	-
Fund balance, end of year	\$ 1,272,539	\$ 2	\$ 9,842,410	\$ 9,842,408

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Exhibit X**

**COMBINING STATEMENT OF PRIVATE PURPOSE TRUST FUNDS -  
FIDUCIARY FUNDS  
June 30, 2021**

<b>Private Purpose Trust Funds</b>							
	<b><u>Butterworth Scholarship</u></b>	<b><u>Retired Teachers Scholarships</u></b>	<b><u>Williamson Scholarship</u></b>	<b><u>Doyle Scholarship</u></b>	<b><u>Pamplin Endowment</u></b>	<b><u>Abrahams Scholarship</u></b>	<b><u>Total</u></b>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 12,646	\$ 36,615	\$ 871	\$ 267,655	\$ 138,183	\$ 288,737	\$ 744,707
Investments	-	-	-	134,913	2,863,109	4,418,832	7,416,854
	<b><u>\$ 12,646</u></b>	<b><u>\$ 36,615</u></b>	<b><u>\$ 871</u></b>	<b><u>\$ 402,568</u></b>	<b><u>\$ 3,001,292</u></b>	<b><u>\$ 4,707,569</u></b>	<b><u>\$ 8,161,561</u></b>
<b>NET POSITION</b>							
Amounts held in trust for scholarships and the disadvantaged	<b><u>\$ 12,646</u></b>	<b><u>\$ 36,615</u></b>	<b><u>\$ 871</u></b>	<b><u>\$ 402,568</u></b>	<b><u>\$ 3,001,292</u></b>	<b><u>\$ 4,707,569</u></b>	<b><u>\$ 8,161,561</u></b>

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Exhibit Y**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -  
FIDUCIARY FUNDS  
Year Ended June 30, 2021**

	<b>Private Purpose Trust Funds</b>						
	<b>Butterworth Scholarship</b>	<b>Retired Teachers Scholarships</b>	<b>Williamson Scholarship</b>	<b>Doyle Scholarship</b>	<b>Pamplin Endowment</b>	<b>Abrahams Scholarship</b>	<b>Total</b>
<b>ADDITIONS</b>							
Contributions:							
Private donations	\$ -	\$ 3,277	\$ -	\$ -	\$ -	\$ -	\$ 3,277
Investment earnings:							
Interest, dividends and others	121	327	3	4,484	41,352	48,198	94,485
Net increase (decrease) in fair value of investments	-	-	-	(3,979)	688,859	721,594	1,406,474
Less investment costs:							
Investment fees	-	-	-	-	(9,211)	(29,608)	(38,819)
Net investment earnings	121	327	3	505	721,000	740,184	1,462,140
Total additions	121	3,604	3	505	721,000	740,184	1,465,417
<b>DEDUCTIONS</b>							
Scholarships	-	3,659	-	6,499	60,000	75,000	145,158
Change in net position	121	(55)	3	(5,994)	661,000	665,184	1,320,259
Net position, beginning of year	12,525	36,670	868	408,562	2,340,292	4,042,385	6,841,302
Net position, end of year	\$ 12,646	\$ 36,615	\$ 871	\$ 402,568	\$ 3,001,292	\$ 4,707,569	\$ 8,161,561

See Independent Auditor's Report.

**COMBINING BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD**  
**June 30, 2021**

	<b>Operating Fund</b>	<b>Special Revenue Fund</b>	<b>Total Component Unit School Board</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,982,647	\$ 331,943	\$ 7,314,590
Accounts receivable	6,726	15,746	22,472
Due from other governmental units (Note 4)	1,269,984	915,454	2,185,438
Total assets	<u>\$ 8,259,357</u>	<u>\$ 1,263,143</u>	<u>\$ 9,522,500</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 797,425	\$ 95,000	\$ 892,425
Accrued liabilities	4,437,413	133,654	4,571,067
Total liabilities	<u>5,234,838</u>	<u>228,654</u>	<u>5,463,492</u>
<b>FUND BALANCES</b>			
Committed to:			
School capital projects	2,719,805	-	2,719,805
Textbook purchases	-	457,880	457,880
School food	-	178,656	178,656
School grants	304,714	33	304,747
Total committed fund balances	3,024,519	636,569	3,661,088
Assigned, School activity funds	-	397,920	397,920
Total fund balances	<u>3,024,519</u>	<u>1,034,489</u>	<u>4,059,008</u>
	<u>\$ 8,259,357</u>	<u>\$ 1,263,143</u>	<u>\$ 9,522,500</u>

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

Total fund balances per above	\$ 4,059,008
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds	42,310,927
Long-term liabilities, including compensated absences payable, are not due and payable in the current period and, therefore, are not reported in the funds	(53,571,229)
Financial statement elements related to pensions are applicable to future periods and, therefore, are not reported in the funds	
Deferred outflows of resources related to pensions	10,686,663
Deferred outflows of resources related to net GLI OPEB	484,421
Deferred outflows of resources related to health insurance OPEB	831,266
Deferred outflows of resources related to net HIC OPEB	437,250
	12,439,600
Financial statement elements related to other postemployment benefits (OPEB) are applicable to future periods and, therefore, are not reported in the funds.	
Deferred inflows of resources related to pensions	(3,290,677)
Deferred inflows of resources related to net GLI OPEB	(131,253)
Deferred inflows of resources related to health insurance OPEB	(118,479)
Deferred inflows of resources related to net HIC OPEB	(180,720)
	(3,721,129)
Net position of governmental activities	<u>\$ 1,517,177</u>

See Independent Auditor's Report.



**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD  
Year Ended June 30, 2021**

	Operating Fund	Special Revenue Fund	Total Component Unit School Board
REVENUES			
Revenue from use of money and property	\$ 142,309	\$ 66	\$ 142,375
Charges for services	-	187,052	187,052
Miscellaneous	64,136	12,425	76,561
Recovered costs	174,704	4,226	178,930
Intergovernmental revenues:			
Local government	15,182,488	1,489,855	16,672,343
Commonwealth	32,863,626	334,897	33,198,523
Federal	2,105,461	2,854,890	4,960,351
Total revenues	<u>50,532,724</u>	<u>4,883,411</u>	<u>55,416,135</u>
EXPENDITURES			
Education	48,127,427	4,775,587	52,903,014
Capital projects	750,000	-	750,000
Total expenditures	<u>48,877,427</u>	<u>4,775,587</u>	<u>53,653,014</u>
Excess of revenues over expenditures	<u>1,655,297</u>	<u>107,824</u>	<u>1,763,121</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	<u>(131,498)</u>	<u>131,498</u>	<u>-</u>
Changes in fund balances	1,523,799	239,322	1,763,121
Fund balances, beginning of year, as restated (Note 19)	<u>1,500,720</u>	<u>795,167</u>	<u>2,295,887</u>
Fund balances, end of year	<u><u>\$ 3,024,519</u></u>	<u><u>\$ 1,034,489</u></u>	<u><u>\$ 4,059,008</u></u>

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

Net change in fund balances - total governmental funds - per above \$ 1,763,121

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period:

Capital outlay	1,964,517	
Depreciation expense	(2,964,629)	
Allocation of jointly owned assets - original cost, less depreciation	<u>1,663,480</u>	663,368

The repayment of capital leases consumes the current financial resources of governmental funds; however, they do not have an effect on net position. 352,442

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.

Decrease in compensated absences	(4,428)	
Change in net pension liability and related deferred amounts	(847,251)	
Change in net GLI OPEB liability and related deferred amounts	65,765	
Change in net Retiree Health Insurance OPEB liability and related deferred amounts	87,031	
Change in net HIC OPEB liability and related deferred amounts	<u>(133,455)</u>	<u>(832,338)</u>

Change in net position of governmental activities \$ 1,946,593

See Independent Auditor's Report.

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - OPERATING FUND**  
**DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD**  
**Year Ended June 30, 2021**

	<b>Operating Fund</b>			<b>Variance From Final Budget Positive (Negative)</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	
<b>REVENUES</b>				
Revenue from use of money and property	\$ 139,976	\$ 139,976	\$ 142,309	\$ 2,333
Charges for services	15,000	10,000	-	(10,000)
Miscellaneous	12,310	12,310	64,136	51,826
Recovered costs	170,000	170,000	174,704	4,704
Intergovernmental revenues:				
Local government	15,182,488	15,182,488	15,182,488	-
Commonwealth	33,267,225	32,537,431	32,863,626	326,195
Federal	2,220,331	2,220,331	2,105,461	(114,870)
Total revenues	<u>51,007,330</u>	<u>50,272,536</u>	<u>50,532,724</u>	<u>260,188</u>
<b>EXPENDITURES</b>				
Education	51,033,387	50,804,463	48,127,427	2,677,036
Capital outlays and projects	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>
Total expenditures	<u>51,783,387</u>	<u>51,554,463</u>	<u>48,877,427</u>	<u>2,677,036</u>
Excess (deficiency) of revenues over (under) expenditures	(776,057)	(1,281,927)	1,655,297	2,937,224
<b>OTHER FINANCING USES</b>				
Transfers	<u>(131,498)</u>	<u>(131,498)</u>	<u>(131,498)</u>	<u>-</u>
Changes in fund balances	(907,555)	(1,413,425)	1,523,799	2,937,224
Fund balances, beginning of year	<u>1,500,720</u>	<u>1,500,720</u>	<u>1,500,720</u>	<u>-</u>
Fund balances, end of year	<u>\$ 593,165</u>	<u>\$ 87,295</u>	<u>\$ 3,024,519</u>	<u>\$ 2,937,224</u>

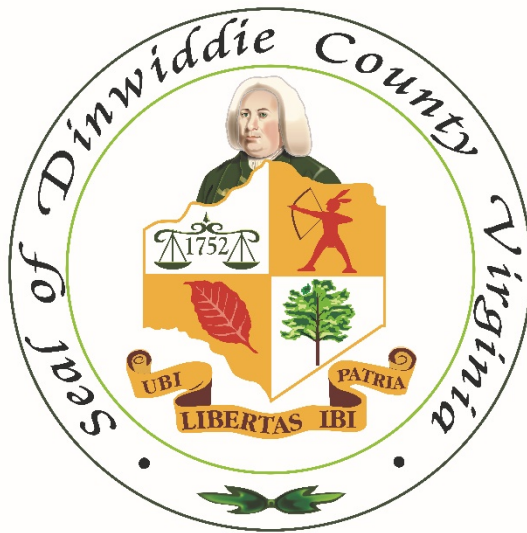
See Independent Auditor's Report.

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - SPECIAL REVENUE FUND**  
**DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD**  
**Year Ended June 30, 2021**

	Special Revenue Fund			Variance From Final Budget Positive Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Revenue from use of money and property	\$ 100	\$ 100	\$ 66	\$ (34)
Charges for services	400,000	400,000	187,052	(212,948)
Miscellaneous	-	12,425	12,425	-
Recovered costs	1,000	1,000	4,226	3,226
Intergovernmental revenues:				
Local government	-	1,489,855	1,489,855	-
Commonwealth	370,250	370,250	334,897	(35,353)
Federal	1,300,000	2,899,229	2,854,890	(44,339)
Total revenues	2,071,350	5,172,859	4,883,411	(289,448)
EXPENDITURES				
Education	2,367,812	5,601,410	4,775,587	825,823
Excess (deficiency) of revenues over (under) expenditures	(296,462)	(428,551)	107,824	536,375
OTHER FINANCING SOURCES				
Transfers in	131,498	131,498	131,498	-
Changes in fund balances	(164,964)	(297,053)	239,322	536,375
Fund balances, beginning of year, as restated (Note 19)	795,167	795,167	795,167	-
Fund balances, end of year	\$ 630,203	\$ 498,114	\$ 1,034,489	\$ 536,375

## SUPPORTING SCHEDULES

June 30, 2021



**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>PRIMARY GOVERNMENT</b>				
<b>GENERAL FUND</b>				
Revenue from local sources:				
General property taxes:				
Real property tax	\$18,192,395	\$18,192,395	\$19,087,732	\$ 895,337
Real and personal PSC tax	2,031,548	2,031,548	2,381,189	349,641
Personal property tax	9,319,296	9,319,296	10,663,476	1,344,180
Mobile home tax	58,081	58,081	72,084	14,003
Machinery and tools tax	2,940,272	2,940,272	2,961,515	21,243
Penalties	325,000	325,000	372,803	47,803
Interest	220,000	220,000	288,940	68,940
Total general property taxes	<u>33,086,592</u>	<u>33,086,592</u>	<u>35,827,739</u>	<u>2,741,147</u>
Other local taxes:				
Local sales and use tax	1,947,000	1,947,000	2,521,811	574,811
Bank stock tax	206,920	206,920	222,638	15,718
Consumption tax	170,000	170,000	259,082	89,082
Consumer utility tax	600,000	600,000	533,529	(66,471)
Business license tax	900,000	900,000	1,087,446	187,446
Admission tax	25,000	25,000	19,468	(5,532)
Motor vehicle licenses	550,000	550,000	568,277	18,277
Taxes on recordation and wills	175,000	175,000	305,335	130,335
Meals tax	890,000	890,000	1,032,516	142,516
Transient occupancy tax	85,000	85,000	105,752	20,752
Total other local taxes	<u>5,548,920</u>	<u>5,548,920</u>	<u>6,655,854</u>	<u>1,106,934</u>
Permits, privilege fees and regulatory licenses:				
Building, electrical, and plumbing permits	225,500	225,500	279,604	54,104
Animal licenses	10,200	10,200	10,458	258
Transfer fees	850	850	1,014	164
Other permits and licenses	68,150	68,150	87,641	19,491
Total permits, privilege fees and regulatory licenses	<u>304,700</u>	<u>304,700</u>	<u>378,717</u>	<u>74,017</u>
Fines and forfeitures:				
Court fines and forfeitures	<u>673,400</u>	<u>673,400</u>	<u>701,551</u>	<u>28,151</u>
Revenue from use of money and property:				
Revenue from use of money	278,500	278,500	23,601	(254,899)
Revenue from use of property	112,657	112,657	110,352	(2,305)
Total revenue from use of money and property	<u>391,157</u>	<u>391,157</u>	<u>133,953</u>	<u>(257,204)</u>

(Continued)

See Independent Auditor's Report.

**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>PRIMARY GOVERNMENT (Continued)</b>				
<b>GENERAL FUND (Continued)</b>				
Revenue from local sources (continued):				
Charges for services:				
Ambulance and EMS services	\$ 787,000	\$ 787,000	\$ 790,724	\$ 3,724
Law enforcement and traffic control	36,386	36,386	34,020	(2,366)
Courthouse security	85,000	85,000	132,889	47,889
Other court services	21,375	21,375	17,332	(4,043)
Commonwealth's Attorney	3,000	3,000	2,958	(42)
Correction and detention	2,500	2,500	2,971	471
Other protection	12,840	12,840	14,730	1,890
Community development	-	-	40	40
Sanitation and waste removal	90,000	90,000	119,487	29,487
Water and sewer services	609,223	609,223	595,335	(13,888)
Parks and recreation	171,200	171,200	75,261	(95,939)
Total charges for services	1,818,524	1,818,524	1,785,747	(32,777)
Miscellaneous:				
Miscellaneous revenues	222,750	222,750	183,865	(38,885)
Recovered costs:				
Security deputies	90,000	90,000	44,979	(45,021)
Other recovered costs	90,740	90,740	190,346	99,606
Prisoner extradition reimbursement	2,500	2,500	2,423	(77)
Social services insurance	8,300	8,300	8,330	30
Total recovered costs	191,540	191,540	246,078	54,538
Total revenue from local sources	42,237,583	42,237,583	45,913,504	3,675,921
Revenue from the Commonwealth:				
Noncategorical aid:				
Rolling stock tax	123,000	123,000	123,147	147
Mobile home titling tax	45,000	45,000	50,654	5,654
Taxes on deeds	50,000	50,000	70,906	20,906
Motor vehicle rental tax	775	775	19,866	19,091
Game of skill	-	-	52,272	52,272
Communications tax	700,000	700,000	678,800	(21,200)
State recordation tax	55,000	55,000	-	(55,000)
Personal property tax relief funds	3,642,692	3,642,692	3,642,692	-
Total noncategorical aid	4,616,467	4,616,467	4,638,337	21,870

(Continued)

See Independent Auditor's Report.

**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive Negative
<b>PRIMARY GOVERNMENT (Continued)</b>				
<b>GENERAL FUND (Continued)</b>				
Revenue from the Commonwealth (Continued):				
Categorical aid:				
Shared expenses:				
Commonwealth's Attorney	\$ 379,327	\$ 379,327	\$ 347,876	\$ (31,451)
Sheriff	1,486,178	1,486,178	1,473,693	(12,485)
Commissioner of revenue	133,315	133,315	129,951	(3,364)
Treasurer	108,956	108,956	101,021	(7,935)
Registrar/electoral board	42,320	42,320	44,536	2,216
Clerk of the Circuit Court	324,633	324,633	332,650	8,017
Total shared expenses	<u>2,474,729</u>	<u>2,474,729</u>	<u>2,429,727</u>	<u>(45,002)</u>
Other categorical aid:				
Public assistance and welfare administration	825,000	825,000	827,733	2,733
E-911 wireless grants	127,000	127,000	106,971	(20,029)
VJCCCA grant	19,549	19,549	19,549	-
Pesticide recycling	1,700	1,700	1,834	134
Other state funds	81,115	81,115	37,916	(43,199)
Total other categorical aid	<u>1,054,364</u>	<u>1,054,364</u>	<u>994,003</u>	<u>(60,361)</u>
Total categorical aid	<u>3,529,093</u>	<u>3,529,093</u>	<u>3,423,730</u>	<u>(105,363)</u>
Total revenue from the Commonwealth	<u>8,145,560</u>	<u>8,145,560</u>	<u>8,062,067</u>	<u>(83,493)</u>
Revenue from the federal government:				
Payments in lieu of taxes	<u>955</u>	<u>955</u>	<u>989</u>	<u>34</u>
Categorical aid:				
Public assistance and welfare administration	1,370,000	1,370,000	1,492,679	122,679
Bulletproof vest grant	4,500	4,500	2,572	(1,928)
Victim witness assistance grant	109,242	109,242	75,600	(33,642)
Other federal funds	2,800	2,800	-	(2,800)
Total categorical aid	<u>1,486,542</u>	<u>1,486,542</u>	<u>1,570,851</u>	<u>84,309</u>
Total revenue from the federal government	<u>1,487,497</u>	<u>1,487,497</u>	<u>1,571,840</u>	<u>84,343</u>
<b>TOTAL GENERAL FUND</b>	<u>51,870,640</u>	<u>51,870,640</u>	<u>55,547,411</u>	<u>3,676,771</u>

(Continued)

See Independent Auditor's Report.

**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>PRIMARY GOVERNMENT (Continued)</b>				
<b>CAPITAL PROJECT FUND</b>				
Revenue from local sources:				
Revenue from the use of money and property				
Revenue from the use of money	\$ -	\$ -	\$ 17,398	\$ 17,398
Miscellaneous:				
Miscellaneous revenues	-	-	55,824	55,824
Recovered costs:				
Other recovered costs	750,000	750,000	750,000	-
Total revenue from local sources	750,000	750,000	823,222	73,222
Revenue from the Commonwealth:				
Other Categorical aid:				
Other state funds	940,000	190,500	125,000	(65,500)
<b>TOTAL CAPITAL PROJECT FUND</b>	<b>1,690,000</b>	<b>940,500</b>	<b>948,222</b>	<b>7,722</b>
<b>SPECIAL REVENUE FUND</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	-	-	62	62
Charges for services:				
Law library fees	4,600	4,600	3,358	(1,242)
Miscellaneous:				
Miscellaneous revenues	43,000	43,000	84,059	41,059
Total revenue from local sources	47,600	47,600	87,479	39,879
Revenue from the Commonwealth:				
Categorical aid:				
Fire programs	101,000	104,871	104,871	-
Children's Services Act	1,568,974	1,568,974	1,337,746	(231,228)
Four for life	31,000	61,100	62,028	928
Asset forfeitures	-	-	23,789	23,789
Litter control grant	7,000	7,960	7,960	-
Total revenue from the Commonwealth	1,707,974	1,742,905	1,536,394	(206,511)

(Continued)

See Independent Auditor's Report.



**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>PRIMARY GOVERNMENT (Continued)</b>				
<b>SPECIAL REVENUE FUND (Continued)</b>				
Revenue from the federal government:				
Categorical aid:				
CARES funding	\$ -	\$ 4,682,959	\$ 4,682,960	\$ 1
Other federal grants	7,500	7,500	7,500	-
Total revenue from the federal government	7,500	4,690,459	4,690,460	1
<b>TOTAL SPECIAL REVENUE FUND</b>	1,763,074	6,480,964	6,314,333	(166,631)
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$55,323,714</u>	<u>\$59,292,104</u>	<u>\$62,809,966</u>	<u>\$ 3,517,862</u>
<b>DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD</b>				
<b>OPERATING FUND</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of property	\$ 139,976	\$ 139,976	\$ 142,309	\$ 2,333
Charges for services:				
Charges for education	15,000	10,000	-	(10,000)
Miscellaneous:				
Miscellaneous revenues	12,310	12,310	64,136	51,826
Recovered costs:				
Medicare admin services	150,000	150,000	159,690	9,690
Other recovered costs	20,000	20,000	15,014	(4,986)
Total recovered costs	170,000	170,000	174,704	4,704
Total revenue from local sources	337,286	332,286	381,149	48,863
Revenue from local governments:				
Contributions from County of Dinwiddie, VA	15,182,488	15,182,488	15,182,488	-
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	4,916,756	4,916,756	5,275,515	358,759
Basic school aid	16,588,187	16,495,046	16,042,521	(452,525)
Remedial summer education	77,619	77,619	12,419	(65,200)
Regular foster care	37,770	37,770	16,075	(21,695)
Gifted and talented	157,374	157,374	153,111	(4,263)
Remedial education	632,523	632,523	615,387	(17,136)

(Continued)

See Independent Auditor's Report.

**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD (Continued)</b>				
<b>OPERATING FUND (Continued)</b>				
Revenue from the Commonwealth (Continued):				
Categorical aid (Continued):				
English as a second language	\$ 93,511	\$ 93,511	\$ 85,846	\$ (7,665)
Special education	2,124,550	2,124,550	2,087,201	(37,349)
Vocational education	273,240	273,240	265,612	(7,628)
School fringes	3,208,011	3,208,011	3,103,433	(104,578)
Technology	232,000	232,000	268,195	36,195
Homebound education	69,514	69,514	38,053	(31,461)
Supplemental lottery per student	1,121,596	1,121,596	1,227,882	106,286
Special education regional payments	313,723	313,723	160,348	(153,375)
Early reading intervention	151,891	151,891	139,233	(12,658)
School security grant	200,000	200,000	203,128	3,128
School security officers	50,518	50,518	44,405	(6,113)
Other state funds	441,494	24,103	938,829	914,726
GED funding	8,386	8,386	8,387	1
Mentor teacher program	5,688	5,688	3,377	(2,311)
At risk four year olds	396,440	341,605	265,780	(75,825)
At risk payments	1,272,463	1,108,036	1,072,534	(35,502)
Algebra readiness	79,330	79,330	76,716	(2,614)
Primary class size	814,641	814,641	759,639	(55,002)
Total categorical aid	<u>33,267,225</u>	<u>32,537,431</u>	<u>32,863,626</u>	<u>326,195</u>
Revenue from the federal government:				
Categorical aid:				
Title I	833,979	833,979	772,712	(61,267)
Title VI-B, special education flow-through	897,539	897,539	838,218	(59,321)
Vocational education	71,487	71,487	80,514	9,027
Title VI-B, special education preschool	29,457	29,457	18,996	(10,461)
Title II, Part A	127,309	127,309	73,056	(54,253)
Title III	10,725	10,725	9,162	(1,563)
Title IV	59,835	59,835	-	(59,835)
Jr ROTC	65,000	65,000	68,294	3,294
Other federal funds	125,000	125,000	244,509	119,509
Total categorical aid	<u>2,220,331</u>	<u>2,220,331</u>	<u>2,105,461</u>	<u>(114,870)</u>
<b>TOTAL OPERATING FUND</b>	<u>51,007,330</u>	<u>50,272,536</u>	<u>50,532,724</u>	<u>260,188</u>

(Continued)

See Independent Auditor's Report.

**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b><i>DISCRETELY PRESENTED COMPONENT UNIT-SCHOOL BOARD (Continued)</i></b>				
<b>SPECIAL REVENUE FUND</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	\$ 100	\$ 100	\$ 66	\$ (34)
Charges for services:				
Cafeteria sales	400,000	400,000	18,503	(381,497)
School activity funds	-	-	168,549	168,549
Total charges for services	<u>400,000</u>	<u>400,000</u>	<u>187,052</u>	<u>(212,948)</u>
Miscellaneous:				
Miscellaneous revenues	<u>-</u>	<u>12,425</u>	<u>12,425</u>	<u>-</u>
Recovered costs:				
Other recovered costs	<u>1,000</u>	<u>1,000</u>	<u>4,226</u>	<u>3,226</u>
Total revenue from local sources	<u>401,100</u>	<u>413,525</u>	<u>203,769</u>	<u>(209,756)</u>
Revenue from local governments:				
Contributions from County of Dinwiddie, VA	<u>-</u>	<u>1,489,855</u>	<u>1,489,855</u>	<u>-</u>
Revenue from the Commonwealth:				
Categorical aid				
Textbook payment	325,250	325,250	316,438	(8,812)
School food program grant	45,000	45,000	18,459	(26,541)
Total categorical aid	<u>370,250</u>	<u>370,250</u>	<u>334,897</u>	<u>(35,353)</u>
Revenue from the federal government:				
Categorical aid:				
School food program grant	1,300,000	1,300,000	1,400,132	100,132
Commodities	-	-	79,792	79,792
CARES funding	-	740,338	1,154,269	413,931
ESSERF/GEERF	-	858,891	220,697	(638,194)
Total categorical aid	<u>1,300,000</u>	<u>2,899,229</u>	<u>2,854,890</u>	<u>(44,339)</u>
<b>TOTAL SPECIAL REVENUE FUND</b>	<u>2,071,350</u>	<u>5,185,284</u>	<u>4,895,836</u>	<u>(289,448)</u>
<b><i>TOTAL DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD</i></b>	<u><u>\$53,078,680</u></u>	<u><u>\$55,457,820</u></u>	<u><u>\$55,428,560</u></u>	<u><u>\$ (29,260)</u></u>

See Independent Auditor's Report.

**SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS  
Year Ended June 30, 2021**

Entity, Fund, Major and Minor Expenditure Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>PRIMARY GOVERNMENT</b>				
<b>GENERAL FUND</b>				
General government administration:				
Legislative:				
Board of supervisors	\$ 116,103	\$ 116,103	\$ 110,325	\$ 5,778
General and financial administration:				
County administrator	396,530	398,862	366,160	32,702
Legal services	388,770	349,019	294,267	54,752
Human resources	431,311	444,809	442,518	2,291
Independent auditor	75,000	75,000	61,920	13,080
Commissioner of revenue	505,772	512,080	506,968	5,112
Treasurer	541,597	566,592	566,020	572
Accounting	271,009	274,507	271,875	2,632
Information systems	617,467	622,130	610,721	11,409
Total general and financial administration	3,227,456	3,242,999	3,120,449	122,550
Board of elections:				
Electoral board and officials	212,768	215,100	212,851	2,249
Total general governmental administration	3,556,327	3,574,202	3,443,625	130,577
Judicial administration:				
Courts:				
Circuit court	17,200	17,100	11,421	5,679
General district court	31,258	31,258	17,242	14,016
Special magistrates	100	200	181	19
Clerk of the circuit court	507,880	511,074	466,410	44,664
Victim and witness assistance	126,602	127,768	77,859	49,909
Total courts	683,040	687,400	573,113	114,287
Commonwealth's attorney:				
Commonwealth's attorney	520,995	527,408	496,882	30,526
Total judicial administration	1,204,035	1,214,808	1,069,995	144,813
Public safety:				
Law enforcement and traffic control:				
Sheriff	4,964,048	5,023,406	4,804,375	219,031

(Continued)

See Independent Auditor's Report.

**SCHEDULE OF EXPENDITURES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Expenditure Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>PRIMARY GOVERNMENT (Continued)</b>				
<b>GENERAL FUND (Continued)</b>				
Public safety (continued):				
Fire and rescue services:				
Volunteer fire department	\$ 639,695	\$ 639,695	\$ 607,409	\$ 32,286
Fire and emergency medical services	3,099,886	3,107,281	3,000,882	106,399
Emergency management	-	-	46,639	(46,639)
Total fire and rescue services	<u>3,739,581</u>	<u>3,746,976</u>	<u>3,654,930</u>	<u>92,046</u>
Correction and detention:				
Confinement and care of adult and juvenile prisoner	2,024,403	2,039,978	2,039,977	1
Juvenile probation and detention	265,318	278,818	278,291	527
VJCCCA	219,810	223,309	213,198	10,111
Total correction and detention	<u>2,509,531</u>	<u>2,542,105</u>	<u>2,531,466</u>	<u>10,639</u>
Inspections:				
Building inspections	<u>295,333</u>	<u>299,996</u>	<u>291,088</u>	<u>8,908</u>
Other protection:				
Animal control	347,720	380,549	378,838	1,711
Communications	1,400,653	1,420,472	1,403,658	16,814
Medical examiner	1,500	1,500	800	700
Total other protection	<u>1,749,873</u>	<u>1,802,521</u>	<u>1,783,296</u>	<u>19,225</u>
Total public safety	<u>13,258,366</u>	<u>13,415,004</u>	<u>13,065,155</u>	<u>349,849</u>
Public works:				
Maintenance of highways, streets, bridges, and sidewalks:				
Streetlights	45,500	45,500	44,191	1,309
Sanitation and waste removal:				
Refuse disposal	1,542,114	1,633,280	1,632,954	326
Maintenance of general buildings and grounds:				
General properties	<u>2,888,233</u>	<u>2,909,222</u>	<u>2,896,467</u>	<u>12,755</u>
Total public works	<u>4,475,847</u>	<u>4,588,002</u>	<u>4,573,612</u>	<u>14,390</u>
Health and welfare:				
Health:				
Supplement of local health department	<u>342,023</u>	<u>342,023</u>	<u>342,023</u>	<u>-</u>

(Continued)

See Independent Auditor's Report.

**SCHEDULE OF EXPENDITURES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Expenditure Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>PRIMARY GOVERNMENT (Continued)</b>				
<b>GENERAL FUND (Continued)</b>				
Health and welfare (continued):				
Mental health and mental retardation:				
District 19 - Community services board	\$ 85,537	\$ 85,537	\$ 85,537	\$ -
Welfare:				
Public assistance and welfare administration	2,800,000	3,387,065	3,363,995	23,070
Area agency on aging	10,767	10,767	10,767	-
Other social services	24,213	24,213	24,539	(326)
Total welfare	2,834,980	3,422,045	3,399,301	22,744
Total health and welfare	3,262,540	3,849,605	3,826,861	22,744
Education:				
Other instructional costs:				
Contributions to community colleges	10,968	10,968	10,968	-
Contribution to Dinwiddie County School Board	15,182,488	15,182,488	15,182,488	-
Total education	15,193,456	15,193,456	15,193,456	-
Parks, recreation and cultural:				
Parks, recreation, and tourism:				
Parks, recreation, and tourism	989,548	963,293	828,143	135,150
Library:				
Contribution to regional library	298,890	298,890	298,890	-
Total parks, recreation and cultural	1,288,438	1,262,183	1,127,033	135,150
Community development:				
Planning and community development:				
Community development	1,017,452	1,058,115	414,412	643,703
Planning and zoning	492,482	497,145	397,814	99,331
Contribution to Industrial Development Authority	25,000	25,000	25,000	-
Other community development	398,812	464,309	163,300	301,009
Total planning and community development	1,933,746	2,044,569	1,000,526	1,044,043
Environmental management:				
Contribution to soil and water conservation district	12,500	12,500	12,500	-

(Continued)

See Independent Auditor's Report.

**SCHEDULE OF EXPENDITURES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Expenditure Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>PRIMARY GOVERNMENT (Continued)</b>				
<b>GENERAL FUND (Continued)</b>				
Community development (continued):				
Cooperative extension program:				
Extension office	\$ 154,924	\$ 154,924	\$ 111,685	\$ 43,239
Total community development	2,101,170	2,211,993	1,124,711	1,087,282
<b>TOTAL GENERAL FUND</b>	<b>44,340,179</b>	<b>45,309,253</b>	<b>43,424,448</b>	<b>1,884,805</b>
<b>SPECIAL REVENUE FUND</b>				
Judicial administrative:				
Courts:				
Law library	19,476	18,829	2,706	16,123
Commonwealth's attorney:				
Forfeited assets	5,186	5,662	-	5,662
Total judicial administration	24,662	24,491	2,706	21,785
Public safety:				
Law enforcement and traffic control:				
Sheriff	25,390	27,821	5,472	22,349
Fire and rescue services:				
Volunteer fire department	231,916	246,486	16,748	229,738
Fire/rescue grant	7,500	7,500	7,500	-
Fire and emergency medical services	102,310	112,768	18,067	94,701
COVID-19-related expenditures	-	2,638,104	2,362,816	275,288
Total fire and rescue services	341,726	3,004,858	2,405,131	599,727
Other protection:				
Animal control	-	10,031	4,537	5,494
Total public safety	367,116	3,042,710	2,415,140	627,570
Public works:				
Maintenance of general buildings and grounds:				
Litter control grant and recycling	125,799	139,318	127,029	12,289
Health and welfare:				
Welfare:				
Children's services act	2,497,399	2,611,484	2,265,887	345,597

(Continued)

See Independent Auditor's Report.

**SCHEDULE OF EXPENDITURES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Expenditure Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b>PRIMARY GOVERNMENT (Continued)</b>				
<b>SPECIAL REVENUE FUND (Continued)</b>				
Education:				
Other instructional costs				
Contribution to Dinwiddie County School Board	\$ -	\$ 1,489,855	\$ 1,489,855	\$ -
Community development:				
Contribution to Industrial Development Authority	-	-	217,500	(217,500)
<b>TOTAL SPECIAL REVENUE FUND</b>	<u>3,014,976</u>	<u>7,307,858</u>	<u>6,518,117</u>	<u>789,741</u>
<b>DEBT SERVICE FUND</b>				
Community development:				
Planning and community development:				
Dinwiddie County Airport and Industrial Authority	102,940	102,940	102,940	-
Dinwiddie County Water Authority	257,872	257,872	200,592	57,280
Total community development	<u>360,812</u>	<u>360,812</u>	<u>303,532</u>	<u>57,280</u>
Debt service:				
Principal retirement	5,145,361	5,145,361	5,145,361	-
Interest and other fiscal charges	2,304,883	2,304,883	2,304,270	613
Total debt service	<u>7,450,244</u>	<u>7,450,244</u>	<u>7,449,631</u>	<u>613</u>
<b>TOTAL DEBT SERVICE FUND</b>	<u>7,811,056</u>	<u>7,811,056</u>	<u>7,753,163</u>	<u>57,893</u>
<b>CAPITAL PROJECTS FUND</b>				
Community development:				
Dinwiddie County Water Authority	213,527	213,547	213,527	20
Capital outlays and projects:				
County building improvements	1,587,922	1,547,406	71,523	1,475,883
County schools	2,705,590	2,917,969	1,407,128	1,510,841
Equipment purchases	8,590,994	10,360,132	3,512,190	6,847,942
Total capital outlays and projects	<u>12,884,506</u>	<u>14,825,507</u>	<u>4,990,841</u>	<u>9,834,666</u>
Debt service:				
Bond issuance costs	-	42,958	42,958	-
<b>TOTAL CAPITAL PROJECTS FUND</b>	<u>13,098,033</u>	<u>15,082,012</u>	<u>5,247,326</u>	<u>9,834,686</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$68,264,244</u>	<u>\$75,510,179</u>	<u>\$62,943,054</u>	<u>\$12,567,125</u>

(Continued)

See Independent Auditor's Report.



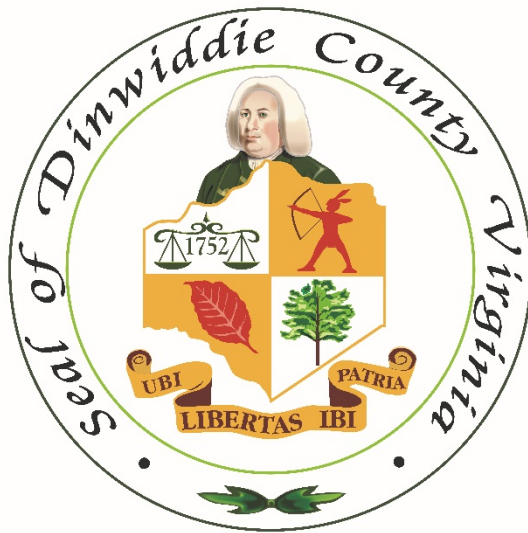
**SCHEDULE OF EXPENDITURES**  
**BUDGET AND ACTUAL - GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2021**

Entity, Fund, Major and Minor Expenditure Source	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
<b><i>DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD</i></b>				
<b>OPERATING FUND</b>				
Education:				
Administration, health, and attendance	\$ 2,714,651	\$ 2,743,362	\$ 2,261,357	\$ 482,005
Instruction costs	38,671,035	38,523,172	36,993,554	1,529,618
Pupil transportation	3,409,072	3,306,870	2,715,941	590,929
Operation and maintenance of school plant	6,238,629	6,231,059	6,156,575	74,484
Total education	<u>51,033,387</u>	<u>50,804,463</u>	<u>48,127,427</u>	<u>2,677,036</u>
Capital outlays and projects				
County schools	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>
<b>TOTAL OPERATING FUND</b>	<u>51,783,387</u>	<u>51,554,463</u>	<u>48,877,427</u>	<u>2,677,036</u>
<b>SPECIAL REVENUE FUND</b>				
Education:				
Instruction costs	570,428	663,239	232,867	430,372
School food services	1,797,384	1,786,662	1,595,540	191,122
Commodities	-	-	79,792	(79,792)
School activity funds	-	-	165,859	(165,859)
COVID-19-related expenditures	<u>-</u>	<u>3,151,509</u>	<u>2,701,529</u>	<u>449,980</u>
<b>TOTAL SPECIAL REVENUE FUND</b>	<u>2,367,812</u>	<u>5,601,410</u>	<u>4,775,587</u>	<u>825,823</u>
<b><i>TOTAL DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD</i></b>	<u><u>\$54,151,199</u></u>	<u><u>\$57,155,873</u></u>	<u><u>\$53,653,014</u></u>	<u><u>\$ 3,502,859</u></u>

See Independent Auditor's Report.

**STATISTICAL SECTION (UNAUDITED)**

**June 30, 2021**



# STATISTICAL SECTION

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*This part of the report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.*

## CONTENTS

## TABLE

### FINANCIAL TRENDS

These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. 1 - 4

### REVENUE CAPACITY

These tables contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes. 5 - 8

### DEBT CAPACITY

These tables present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue debt in the future. 9 - 10

### DEMOGRAPHIC AND ECONOMIC INFORMATION

These tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments. 11 - 12

### OPERATING INFORMATION

These tables contain information about the County's operations and resources to help the reader understand how the County's financial information relate to the services the County provides and the activities it performs. 13 - 15

*Sources:* Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 1**

**NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>GOVERNMENTAL ACTIVITIES</b>										
Net investment in capital assets	\$12,357,012	\$13,780,816	\$16,780,320	\$17,554,195	\$19,903,572	\$22,816,079	\$25,935,309	\$22,598,738	\$25,011,742	\$28,001,780
Restricted	7,411	-	-	-	-	-	-	-	-	-
Unrestricted	26,432,185	24,996,338	16,596,108	18,017,882	17,952,748	15,222,885	12,792,636	19,076,409	21,470,376	24,246,498
Total governmental activities net position	<u>\$38,796,608</u>	<u>\$38,777,154</u>	<u>\$33,376,428</u>	<u>\$35,572,077</u>	<u>\$37,856,320</u>	<u>\$38,038,964</u>	<u>\$38,727,945</u>	<u>\$41,675,147</u>	<u>\$46,482,118</u>	<u>\$52,248,278</u>
<b>PRIMARY GOVERNMENT</b>										
Net investment in capital assets	\$12,357,012	\$13,780,816	\$16,780,320	\$17,554,195	\$19,903,572	\$22,816,079	\$25,935,309	\$22,598,738	\$25,011,742	\$28,001,780
Restricted	7,411	-	-	-	-	-	-	-	-	-
Unrestricted	26,432,185	24,996,338	16,596,108	18,017,882	17,952,748	15,222,885	12,792,636	19,076,409	21,470,376	24,246,498
Total primary government net position	<u>\$38,796,608</u>	<u>\$38,777,154</u>	<u>\$33,376,428</u>	<u>\$35,572,077</u>	<u>\$37,856,320</u>	<u>\$38,038,964</u>	<u>\$38,727,945</u>	<u>\$41,675,147</u>	<u>\$46,482,118</u>	<u>\$52,248,278</u>

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 2**

**CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>OPERATING EXPENSES</b>										
Governmental activities:										
General government administration	\$ 2,647,617	\$ 2,737,123	\$ 2,503,060	\$ 2,761,437	\$ 3,069,950	\$ 3,339,367	\$ 3,347,378	\$ 4,227,076	\$ 3,946,328	\$ 3,111,479
Judicial administration	1,121,095	1,204,496	1,163,642	1,182,308	1,155,707	1,276,589	1,188,412	1,268,772	1,232,211	1,260,182
Public safety	10,702,298	10,830,573	10,765,393	11,055,175	10,725,317	12,581,707	12,971,201	13,794,714	14,429,075	16,413,573
Public works	3,134,643	4,152,120	3,003,165	2,861,601	3,291,703	3,381,206	3,376,378	4,245,421	4,584,523	4,774,084
Health and welfare	3,804,266	3,910,976	4,235,239	4,243,201	4,769,268	4,814,909	4,842,678	5,158,403	5,291,038	6,108,040
Education	18,782,146	16,511,110	15,943,324	16,826,706	18,313,557	18,378,230	18,004,807	17,033,023	15,982,879	19,560,861
Parks, recreation, and cultural	1,296,375	1,378,098	1,463,533	1,486,972	1,612,546	1,852,243	1,524,515	1,361,028	1,371,335	1,351,664
Community development	2,046,538	1,898,953	2,090,549	1,681,973	1,461,725	1,396,529	2,727,470	1,810,129	1,701,143	1,872,779
Interest and other fiscal charges	2,379,842	2,473,351	2,105,020	1,958,572	1,783,489	2,626,354	1,967,981	2,043,880	2,219,801	1,673,997
Total governmental activities expenses	<u>45,914,820</u>	<u>45,096,800</u>	<u>43,272,925</u>	<u>44,057,945</u>	<u>46,183,262</u>	<u>49,647,134</u>	<u>49,950,820</u>	<u>50,942,446</u>	<u>50,758,333</u>	<u>56,126,659</u>
Total primary government expenses	<u>\$ 45,914,820</u>	<u>\$ 45,096,800</u>	<u>\$ 43,272,925</u>	<u>\$ 44,057,945</u>	<u>\$ 46,183,262</u>	<u>\$ 49,647,134</u>	<u>\$ 49,950,820</u>	<u>\$ 50,942,446</u>	<u>\$ 50,758,333</u>	<u>\$ 56,126,659</u>
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for services:										
Judicial administration	\$ 1,138,112	\$ 764,553	\$ 757,859	\$ 660,545	\$ 490,026	\$ 736,270	\$ 738,693	\$ 883,156	\$ 977,447	\$ 858,088
Public safety	1,015,426	1,137,315	487,342	952,948	883,388	1,046,998	1,106,457	1,194,067	1,144,617	1,213,410
Public works	644,216	698,753	616,209	558,306	698,944	724,010	712,857	652,581	703,080	714,822
Parks, recreation, and cultural	165,857	182,042	189,355	185,346	175,546	175,005	200,631	174,641	115,970	75,261
Community development	376	1,287	449	2,150	724	159	101	34	54	40
Operating grants and contributions	7,235,060	6,620,851	6,586,412	5,480,256	5,777,784	6,126,998	6,926,113	6,362,849	6,749,400	11,399,696
Capital grants and contributions	<u>748,964</u>	<u>295,603</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities program revenues	<u>10,948,011</u>	<u>9,700,404</u>	<u>8,637,626</u>	<u>7,839,551</u>	<u>8,026,412</u>	<u>8,809,440</u>	<u>9,684,852</u>	<u>9,267,328</u>	<u>9,690,568</u>	<u>14,261,317</u>
Total primary government program revenues	<u>10,948,011</u>	<u>9,700,404</u>	<u>8,637,626</u>	<u>7,839,551</u>	<u>8,026,412</u>	<u>8,809,440</u>	<u>9,684,852</u>	<u>9,267,328</u>	<u>9,690,568</u>	<u>14,261,317</u>
Total governmental activities	<u>(34,966,809)</u>	<u>(35,396,396)</u>	<u>(34,635,299)</u>	<u>(36,218,394)</u>	<u>(38,156,850)</u>	<u>(40,837,694)</u>	<u>(40,265,968)</u>	<u>(41,675,118)</u>	<u>(41,067,765)</u>	<u>(41,865,342)</u>
Total primary government net expense	<u>\$ (34,966,809)</u>	<u>\$ (35,396,396)</u>	<u>\$ (34,635,299)</u>	<u>\$ (36,218,394)</u>	<u>\$ (38,156,850)</u>	<u>\$ (40,837,694)</u>	<u>\$ (40,265,968)</u>	<u>\$ (41,675,118)</u>	<u>\$ (41,067,765)</u>	<u>\$ (41,865,342)</u>

(Continued)

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 2**

**CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental activities:										
Taxes:										
Property taxes	\$ 26,805,696	\$ 26,664,129	\$ 26,701,104	\$ 28,569,530	\$ 30,541,846	\$ 30,651,879	\$ 31,987,959	\$ 33,235,022	\$ 34,402,396	\$ 35,915,151
Local sales and use taxes	1,363,905	1,423,691	1,503,579	1,572,641	1,646,878	1,709,871	1,900,374	1,888,552	2,243,771	2,521,811
Taxes on recordation and wills	158,345	150,205	119,494	200,439	144,479	162,243	176,860	207,421	270,599	305,335
Motor vehicle licenses taxes	540,211	534,395	547,572	548,898	537,038	541,225	548,438	560,780	577,085	568,277
Consumer utility taxes	581,790	585,574	570,681	539,173	597,275	565,419	577,263	525,290	563,833	533,529
Business licenses taxes	639,686	756,995	737,025	694,323	692,586	881,130	1,083,983	1,058,339	942,783	1,087,446
Other local taxes	1,001,612	1,051,407	1,066,955	1,160,065	1,165,756	1,262,387	1,352,365	1,540,521	1,439,108	1,639,456
Unrestricted grants and contributions	3,691,120	3,861,191	4,821,770	4,805,481	4,767,428	4,752,797	4,650,410	4,752,307	4,676,982	4,586,065
Unrestricted revenues from use of money and property	252,722	92,727	80,256	67,262	100,228	232,330	378,944	485,838	457,656	151,413
Miscellaneous	305,634	309,289	1,370,772	256,231	247,579	261,057	356,958	368,250	300,523	323,019
Gain (loss) on sale of capital assets	(941,808)	(52,661)	-	-	-	-	-	-	-	-
Total governmental activities	<u>34,398,913</u>	<u>35,376,942</u>	<u>37,519,208</u>	<u>38,414,043</u>	<u>40,441,093</u>	<u>41,020,338</u>	<u>43,013,554</u>	<u>44,622,320</u>	<u>45,874,736</u>	<u>47,631,502</u>
Total primary government	<u>\$ 34,398,913</u>	<u>\$ 35,376,942</u>	<u>\$ 37,519,208</u>	<u>\$ 38,414,043</u>	<u>\$ 40,441,093</u>	<u>\$ 41,020,338</u>	<u>\$ 43,013,554</u>	<u>\$ 44,622,320</u>	<u>\$ 45,874,736</u>	<u>\$ 47,631,502</u>
CHANGE IN NET POSITION										
Governmental activities	<u>\$ (567,896)</u>	<u>\$ (19,454)</u>	<u>\$ 2,883,909</u>	<u>\$ 2,195,649</u>	<u>\$ 2,284,243</u>	<u>\$ 182,644</u>	<u>\$ 2,747,586</u>	<u>\$ 2,947,202</u>	<u>\$ 4,806,971</u>	<u>\$ 5,766,160</u>
Total primary government	<u>\$ (567,896)</u>	<u>\$ (19,454)</u>	<u>\$ 2,883,909</u>	<u>\$ 2,195,649</u>	<u>\$ 2,284,243</u>	<u>\$ 182,644</u>	<u>\$ 2,747,586</u>	<u>\$ 2,947,202</u>	<u>\$ 4,806,971</u>	<u>\$ 5,766,160</u>

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 3**

**FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
GENERAL FUND										
Nonspendable	\$ 199,877	\$ 22,053	\$ 3,182	\$ 17,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	28,746	27,282	25,909	20,335	16,716	13,121	10,439	9,611	8,244	7,918
Committed	600,876	604,394	1,478,423	1,233,993	1,287,373	1,424,896	850,800	889,183	919,531	1,001,088
Unassigned	<u>20,676,360</u>	<u>18,994,949</u>	<u>19,631,444</u>	<u>20,199,566</u>	<u>17,615,683</u>	<u>14,977,128</u>	<u>14,844,765</u>	<u>17,149,024</u>	<u>17,820,066</u>	<u>21,281,655</u>
Total general fund	<u>21,505,859</u>	<u>19,648,678</u>	<u>21,138,958</u>	<u>21,471,154</u>	<u>18,919,772</u>	<u>16,415,145</u>	<u>15,706,004</u>	<u>18,047,818</u>	<u>18,747,841</u>	<u>22,290,661</u>
ALL OTHER GOVERNMENTAL FUNDS										
Restricted, reported in:										
Special revenue funds	343,882	357,953	299,947	340,279	322,107	221,331	268,285	255,334	240,996	473,067
Capital projects funds	-	-	-	-	-	21,938,059	6,055,904	647,583	8,679,293	8,567,183
Debt service funds	7,411	-	-	-	-	-	-	-	-	-
Committed, reported in:										
Special revenue funds	170,619	85,823	225,323	370,461	259,362	559,164	579,384	128,120	205,442	150,043
Capital projects funds	2,016,237	2,481,998	1,141,763	1,581,611	2,811,295	1,702,287	1,080,171	1,182,648	2,017,752	1,275,227
Debt service funds	-	772,413	104,220	721	57,047	427,092	498,881	1,606,727	2,449,228	2,161,283
Unassigned, reported in:										
Debt service funds	<u>(2,881)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>2,535,268</u>	<u>3,698,187</u>	<u>1,771,253</u>	<u>2,293,072</u>	<u>3,449,811</u>	<u>24,847,933</u>	<u>8,482,625</u>	<u>3,820,412</u>	<u>13,592,711</u>	<u>12,626,803</u>
Total fund balances	<u>\$24,041,127</u>	<u>\$23,346,865</u>	<u>\$22,910,211</u>	<u>\$23,764,226</u>	<u>\$22,369,583</u>	<u>\$41,263,078</u>	<u>\$24,188,629</u>	<u>\$21,868,230</u>	<u>\$32,340,552</u>	<u>\$34,917,464</u>

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 4**

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>OPERATING REVENUES</b>										
General property taxes	\$25,844,662	\$27,337,402	\$27,377,476	\$28,778,834	\$30,141,709	\$30,643,951	\$31,284,533	\$32,762,737	\$34,515,890	\$35,827,739
Other local taxes	4,285,549	4,502,267	4,545,306	4,715,539	4,784,012	5,122,275	5,639,283	5,780,903	6,037,179	6,655,854
Permits, privilege fees and regulatory licenses	183,116	218,819	230,379	220,312	235,414	253,839	334,342	336,435	323,504	378,717
Fines and forfeitures	912,324	611,709	611,900	536,407	381,083	613,840	620,715	750,777	855,763	701,551
Revenue from use of money and property	126,044	92,727	80,256	67,262	100,228	232,330	378,944	485,838	457,656	151,413
Charges for services	1,691,435	1,717,724	1,580,187	1,579,605	1,617,093	1,805,947	1,867,884	1,800,632	1,785,818	1,789,105
Miscellaneous	305,634	309,289	1,370,772	256,231	247,579	276,604	356,958	368,250	309,501	323,748
Recovered costs	558,360	211,642	282,675	366,037	973,687	425,060	390,613	1,082,657	590,659	996,078
Intergovernmental:										
Commonwealth	9,548,625	9,261,440	9,721,617	8,892,515	9,072,409	9,271,793	9,993,473	9,551,542	9,521,050	9,723,461
Federal	1,638,603	1,333,825	1,686,565	1,393,222	1,472,803	1,608,002	1,583,050	1,563,614	1,905,332	6,262,300
Total revenues	<u>45,094,352</u>	<u>45,596,844</u>	<u>47,487,133</u>	<u>46,805,964</u>	<u>49,026,017</u>	<u>50,253,641</u>	<u>52,449,795</u>	<u>54,483,385</u>	<u>56,302,352</u>	<u>62,809,966</u>
<b>OPERATING EXPENSES</b>										
Current:										
General government administration	2,639,998	2,628,659	2,679,015	3,091,868	3,126,145	3,269,057	3,441,361	3,363,476	3,435,982	3,443,625
Judicial administration	949,880	1,026,855	1,092,076	1,052,989	1,071,068	1,146,538	1,068,966	1,143,396	1,049,015	1,072,701
Public safety	9,878,659	9,897,248	10,620,701	10,329,855	10,906,318	12,006,275	12,186,059	12,385,652	13,223,675	15,480,295
Public works	3,185,400	3,099,456	3,017,870	3,109,128	3,247,269	3,397,228	3,488,844	4,127,714	4,432,786	4,700,641
Health and welfare	3,774,424	3,975,895	4,395,503	4,320,877	4,798,476	4,655,305	4,950,916	5,274,154	5,290,461	6,092,748
Education	10,532,122	12,204,287	12,177,415	12,853,966	14,149,437	14,150,268	14,543,674	14,693,579	15,193,471	16,683,311
Parks, recreation and cultural	1,244,371	1,332,954	1,380,267	1,369,060	1,500,796	1,619,412	1,306,319	1,162,170	1,149,468	1,127,033
Community development	1,914,620	1,820,304	2,245,621	1,826,635	1,579,729	2,175,347	3,218,129	1,848,167	1,702,375	1,859,270
Capital projects	1,885,107	3,870,818	3,842,471	1,565,152	3,632,976	6,910,309	18,446,498	10,638,216	3,892,714	4,990,841
Debt service:										
Principal	5,367,282	3,911,457	3,854,758	3,985,209	4,162,538	4,331,847	4,117,478	3,348,962	3,996,571	5,145,360
Interest and other fiscal charges	3,181,280	2,523,173	2,618,090	2,447,210	2,245,908	2,699,191	2,756,000	2,627,760	2,466,004	2,304,271
Bond issuance costs	533,713	-	-	-	-	395,009	-	100,538	231,970	42,958
Total expenditures	<u>45,086,856</u>	<u>46,291,106</u>	<u>47,923,787</u>	<u>45,951,949</u>	<u>50,420,660</u>	<u>56,755,786</u>	<u>69,524,244</u>	<u>60,713,784</u>	<u>56,064,492</u>	<u>62,943,054</u>
Excess (deficiency) of revenues over expenditures	<u>7,496</u>	<u>(694,262)</u>	<u>(436,654)</u>	<u>854,015</u>	<u>(1,394,643)</u>	<u>(6,502,145)</u>	<u>(17,074,449)</u>	<u>(6,230,399)</u>	<u>237,860</u>	<u>(133,088)</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Operating transfers in	19,321,137	13,250,134	10,057,949	9,651,526	11,936,410	11,293,300	9,518,655	8,512,882	10,768,277	8,580,143
Operating transfers out	(19,321,137)	(13,250,134)	(10,057,949)	(9,651,526)	(11,936,410)	(11,293,300)	(9,518,655)	(8,512,882)	(10,768,277)	(8,580,143)
Redemption of refunding bonds issued	(48,253,105)	-	-	-	-	-	-	-	(23,494,808)	-
Bonds issued	44,490,000	-	-	-	-	21,615,000	-	3,910,000	32,165,000	-
Note payable	-	-	-	-	-	-	-	-	-	2,710,000
Premium on bonds issued	7,117,378	-	-	-	-	3,780,640	-	-	1,564,270	-
Deferred amounts on refunding	(2,825,293)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>528,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,395,640</u>	<u>-</u>	<u>3,910,000</u>	<u>10,234,462</u>	<u>2,710,000</u>
Net change in fund balances	<u>\$ 536,476</u>	<u>\$ (694,262)</u>	<u>\$ (436,654)</u>	<u>\$ 854,015</u>	<u>\$ (1,394,643)</u>	<u>\$18,893,495</u>	<u>\$ (17,074,449)</u>	<u>\$ (2,320,399)</u>	<u>\$ 10,472,322</u>	<u>\$ 2,576,912</u>
Debt service as a percentage of noncapital expenditures	<u>25.05%</u>	<u>19.75%</u>	<u>14.46%</u>	<u>14.77%</u>	<u>14.37%</u>	<u>13.50%</u>	<u>13.96%</u>	<u>13.23%</u>	<u>12.05%</u>	<u>12.85%</u>

See Independent Auditor's Report.



**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 5**

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Real Estate</b>	<b>Personal Property</b>	<b>Mobile Homes</b>	<b>Machinery and Tools</b>	<b>Public Service</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
2021	\$ 2,495,663,671	\$ 321,887,841	\$ 10,054,899	\$ 89,841,324	\$ 281,982,852	\$ 3,199,430,587	\$1.26	\$ 3,199,430,587	100.00%
2020	\$ 2,467,876,692	\$ 293,643,069	\$ 9,517,377	\$ 88,866,420	\$ 246,420,809	\$ 3,106,324,367	\$1.24	\$ 3,106,324,367	100.00%
2019	\$ 2,447,745,463	\$ 286,414,995	\$ 9,290,105	\$ 87,330,274	\$ 224,625,992	\$ 3,055,406,829	\$1.23	\$ 3,055,406,829	100.00%
2018	\$ 2,225,151,487	\$ 281,205,988	\$ 9,461,986	\$ 85,886,753	\$ 219,290,804	\$ 2,820,997,018	\$1.28	\$ 2,820,997,018	100.00%
2017	\$ 2,203,962,660	\$ 332,998,009	\$ 9,071,475	\$ 20,723,182	\$ 203,457,167	\$ 2,770,212,493	\$1.30	\$ 2,770,212,493	100.00%
2016	\$ 2,186,900,979	\$ 331,006,007	\$ 8,759,030	\$ 19,233,483	\$ 183,649,625	\$ 2,729,549,124	\$1.31	\$ 2,729,549,124	100.00%
2015	\$ 2,177,246,848	\$ 311,327,929	\$ 8,774,611	\$ 20,702,654	\$ 162,890,147	\$ 2,680,942,189	\$1.29	\$ 2,680,942,189	100.00%
2014	\$ 2,115,140,397	\$ 270,014,052	\$ 8,016,891	\$ 18,853,409	\$ 148,482,804	\$ 2,560,507,553	\$1.24	\$ 2,560,507,553	100.00%
2013	\$ 2,103,004,800	\$ 268,979,238	\$ 7,835,200	\$ 19,115,504	\$ 153,809,681	\$ 2,552,744,423	\$1.24	\$ 2,552,744,423	100.00%
2012	\$ 2,309,384,088	\$ 217,568,311	\$ 10,105,858	\$ 17,873,920	\$ 144,290,152	\$ 2,699,222,329	\$1.07	\$ 2,699,222,329	100.00%

Source: Commissioner of the Revenue

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 6**

**DIRECT PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Real Estate</b>	<b>Personal Property</b>	<b>Mobile Homes</b>	<b>Machinery and Tools</b>	<b>Total Direct Rate</b>
2021	\$ 0.79	\$ 4.75	\$ 0.79	\$ 3.30	\$ 1.26
2020	0.79	4.75	0.79	3.30	1.24
2019	0.79	4.75	0.79	3.30	1.23
2018	0.79	4.90	0.79	3.30	1.28
2017	0.79	4.90	0.79	3.30	1.30
2016	0.79	4.90	0.79	3.30	1.31
2015	0.79	4.90	0.79	3.30	1.29
2014	0.79	4.90	0.79	3.30	1.24
2013	0.72 / 0.79	4.90	0.72 / 0.79	3.30	1.24
2012	0.72	4.90	0.72	3.30	1.07

Notes:

Per \$100 assessed value.

There are no overlapping property tax rates with other governments.

Direct Rate is calculated as a weighted average of the tax rates applied to each type of property.

The Real Estate tax rate is applied to Public Service Property for this calculation.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 7**

**PRINCIPAL PROPERTY TAXPAYERS  
Current Year and the Period Nine Years Prior**

<b>Taxpayer</b>	<b>Industry</b>	<b>Fiscal Year 2021</b>		<b>Fiscal Year 2012</b>		<b>Taxpayer</b>	<b>Industry</b>
		<b>Taxable Assessed Valuation</b>	<b>Percentage of Total Taxable Assessed Valuation</b>	<b>Taxable Assessed Valuation</b>	<b>Percentage of Total Taxable Assessed Valuation</b>		
Gerdeau Ameristeel/Chaparral	Manufacturing	\$202,103,005	8.10%	\$193,398,411	6.84%	Gerdeau Ameristeel/Chaparral	Manufacturing
ALDI LLC	Distribution	66,938,009	2.68%	56,462,188	1.90%	Walmart	Distribution
IPLT Properties LLC/Amazon	Lease Property	65,544,280	2.63%	29,572,100	1.29%	TIAA Timberlands 1 LLC	Timber
Walmart	Distribution	60,019,479	2.40%	20,719,100	0.90%	American Timberland LLC	Timber
North Country Pines LLC	Timber	24,503,700	0.98%	13,597,275	0.60%	Bain Properties LLC	Agricultural
BTG Pactual OEF Property 2 LP	Timber	16,599,800	0.67%	13,384,780	0.57%	Tindall Concrete Products	Manufacturing
Rohoic Woods Apartments Inc	Rental Property	15,018,093	0.60%	11,508,200	0.51%	Eastern Timberlands LLC	Timber
Bain Properties LLC	Agricultural	13,943,200	0.56%	8,299,300	0.38%	Rohoic Woods Apartments Inc	Rental Property
Tindall Concrete Products	Manufacturing	11,896,933	0.48%	8,051,500	0.36%	Charles W & Shirley Harrison	Rental Property
Eastside Properties	Rental Property	11,522,600	0.46%	7,763,341	0.34%	Eastside Properties	Rental Property
		<u><u>\$488,089,099</u></u>	<u><u>19.56%</u></u>	<u><u>\$362,756,195</u></u>	<u><u>13.69%</u></u>		

Source: Commissioner of the Revenue

See Independent Auditor's Report.

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Total Tax Levy for Fiscal Year</b>	<b>Collected Within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Original Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2021	\$ 39,401,472	\$ 36,671,992	93.07%	\$ -	\$ 36,671,992	93.07%
2020	\$ 37,943,783	\$ 35,133,616	92.59%	\$ 2,001,033	\$ 37,134,649	97.87%
2019	\$ 36,652,488	\$ 33,857,145	92.37%	\$ 2,344,307	\$ 36,201,452	98.77%
2018	\$ 35,652,774	\$ 33,117,883	92.89%	\$ 2,100,451	\$ 35,218,334	98.78%
2017	\$ 34,921,441	\$ 32,610,431	93.38%	\$ 2,128,705	\$ 34,739,136	99.48%
2016	\$ 34,050,846	\$ 32,004,636	93.99%	\$ 1,971,612	\$ 33,976,248	99.78%
2015	\$ 32,300,039	\$ 28,792,802	89.14%	\$ 3,489,210	\$ 32,282,012	99.94%
2014	\$ 30,883,550	\$ 28,912,246	93.62%	\$ 1,967,122	\$ 30,879,368	99.99%
2013	\$ 30,461,903	\$ 28,427,203	93.32%	\$ 2,032,356	\$ 30,459,559	99.99%
2012	\$ 30,346,504	\$ 28,047,282	92.42%	\$ 2,266,213	\$ 30,313,495	99.89%

Source: Treasurer's Office and Commissioner of the Revenue

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Literary Fund Loans	Other Notes /Bonds	Note Payable			
2021	\$ 4,834,230	\$ -	\$ 57,686,897	\$ 2,710,000	\$ 65,231,127	1.98%	\$ 2,334
2020	\$ 5,739,176	\$ -	\$ 62,604,136	\$ -	\$ 68,343,312	2.11%	\$ 2,384
2019	\$ 6,623,315	\$ -	\$ 56,927,052	\$ -	\$ 63,550,367	1.99%	\$ 2,230
2018	\$ 7,487,751	\$ -	\$ 56,359,607	\$ -	\$ 63,847,358	1.98%	\$ 2,240
2017	\$ 8,333,537	\$ -	\$ 60,540,067	\$ -	\$ 68,873,604	2.23%	\$ 2,428
2016	\$ 9,801,457	\$ -	\$ 38,855,930	\$ -	\$ 48,657,387	1.65%	\$ 1,692
2015	\$ 11,232,771	\$ -	\$ 42,186,509	\$ -	\$ 53,419,280	1.81%	\$ 1,844
2014	\$ 12,629,393	\$ -	\$ 45,430,625	\$ -	\$ 58,060,018	2.03%	\$ 2,012
2013	\$ 13,993,145	\$ -	\$ 48,620,796	\$ -	\$ 62,613,941	2.20%	\$ 2,129
2012	\$ 15,159,097	\$ -	\$ 44,490,000	\$ -	\$ 59,649,097	2.10%	\$ 2,456

## Notes:

(1) Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(2) See the Schedule of Demographic and Economic Statistics - Table 11

**RATIOS OF NET GENERAL BONDED DEBT TO ASSESSED VALUE  
AND NET BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Gross Bonded Debt</b>	<b>Net Bonded Debt (3)</b>	<b>Ratio of Net General Obligation Debt to Assessed Value (2)</b>	<b>Net Bonded Debt Per Capita (1)</b>
2021	\$ 4,834,230	\$ 4,834,230	0.15%	\$ 173
2020	\$ 5,739,176	\$ 5,739,176	0.18%	\$ 200
2019	\$ 6,623,315	\$ 6,623,315	0.27%	\$ 232
2018	\$ 7,487,751	\$ 7,487,751	0.30%	\$ 263
2017	\$ 8,333,537	\$ 8,333,537	0.36%	\$ 294
2016	\$ 9,801,457	\$ 9,801,457	0.42%	\$ 341
2015	\$ 11,232,771	\$ 11,232,771	0.49%	\$ 388
2014	\$ 12,629,393	\$ 12,629,393	0.53%	\$ 438
2013	\$ 13,993,145	\$ 13,993,145	0.56%	\$ 494
2012	\$ 15,159,097	\$ 15,159,097	0.62%	\$ 541

**Notes:**

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) Population data can be found in the Schedule of Demographic and Economic Statistics - Table 11

(2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property - Table 5

(3) Includes all long-term general obligation bonded debt and Literary Fund Loans;  
excludes revenue bonds, capital leases, and compensated absences

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 11**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income (1)</b>	<b>Per Capita Personal Income (1)</b>	<b>School Enrollment</b>	<b>Unemployment Rate %</b>
2021	27,947	\$ 3,294,156	\$ 43,438	4,134	5.10%
2020	28,667	\$ 3,243,557	\$ 42,375	4,269	8.80%
2019	28,502	\$ 3,193,735	\$ 41,337	4,304	3.50%
2018	28,500	\$ 3,144,588	\$ 40,325	4,258	3.60%
2017	28,363	\$ 3,083,304	\$ 39,637	4,277	4.60%
2016	28,753	\$ 2,946,213	\$ 38,007	4,362	4.80%
2015	28,971	\$ 2,946,554	\$ 38,080	4,380	5.30%
2014	28,864	\$ 2,862,445	\$ 36,838	4,389	6.40%
2013	28,314	\$ 2,849,513	\$ 36,593	4,439	7.30%
2012	28,018	\$ 2,840,233	\$ 36,619	4,435	7.60%

Source: Weldon Cooper Center, Annual School Report, Bureau of Economic Analysis

Note: (1) Includes Colonial Heights and Petersburg; estimates used for 2019 and 2020

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS PRIOR**

<b>Employer</b>	<b>Fiscal Year 2021</b>		<b>Fiscal Year 2012</b>		<b>Employer</b>
	<b>Range of Employees</b>	<b>Rank</b>	<b>Range of Employees</b>	<b>Rank</b>	
Amazon Fulfillment Services Inc	500-999	1	500-999	1	Southside VA Training Center
WalMart	500-999	2	500-999	2	WalMart
Central State Hospital	500-999	3	500-999	3	Central State Hospital
Dinwiddie County School Board	500-999	4	500-999	4	Dinwiddie Co School Board
Gerdeau Ameristeel/Chaparral	250-499	5	250-499	5	Gerdeau Ameristeel/Chaparral
County of Dinwiddie	250-499	6	100-249	6	County of Dinwiddie
Aldi	100-249	7	100-249	7	Hiram W. Davis Medical Center
Tindall Concrete Products	100-249	8	100-249	8	Tindall Concrete Products
Hiram W. Davis Medical Center	100-249	9	100-249	9	Iluka Resources
Richard Bland College	100-249	10	100-249	10	Food Lion

Source: Virginia Employment Commission



**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 13**

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
GENERAL GOVERNMENT	25.4	25.7	27.0	28.3	28.0	29.2	29.1	29.8	29.8	30.2
JUDICIAL ADMINISTRATION	12.4	12.6	13.2	13.7	12.5	12.4	12.3	13.4	11.6	11.9
PUBLIC SAFETY										
Sheriff's Office/Jail	63.1	55.5	55.6	57.8	58.3	58.1	58.8	60.5	63.8	66.0
Communications	18.2	16.9	17.0	18.6	18.6	18.8	19.2	18.8	19.3	18.6
Fire / Rescue / EMS	22.9	23.1	23.4	25.7	27.0	31.4	36.4	36.2	38.3	38.0
Building inspections	3.8	3.0	3.0	3.0	3.4	3.6	3.7	4.0	4.0	4.0
Animal control	3.9	4.2	4.9	4.9	5.0	5.4	5.3	5.0	5.0	5.0
Department of Comprehensive Services	2.6	2.7	2.8	2.5	3.0	3.1	3.2	3.3	3.1	3.2
PUBLIC WORKS										
General maintenance	6.0	6.0	6.1	4.9	4.2	6.1	7.4	15.3	18.9	18.5
Waste management	15.5	15.1	15.6	16.9	17.2	18.4	18.6	21.0	22.9	22.4
HEALTH AND WELFARE										
Department of Social Services	29.0	28.0	28.0	28.0	28.0	29.0	30.0	31.0	30.0	31.0
CULTURE AND RECREATION										
Parks and recreation	14.0	14.8	15.5	16.3	18.7	19.6	15.1	14.4	14.0	10.7
COMMUNITY DEVELOPMENT										
Community/Economic development	1.0	1.6	1.9	2.0	1.9	1.9	9.8	4.0	3.7	4.0
Cooperative extension	0.6	0.6	0.7	0.9	0.7	0.6	0.6	0.8	0.7	0.3
Planning	5.9	5.1	5.7	5.6	6.1	5.8	5.0	5.4	4.3	4.0
Totals	<u>224.3</u>	<u>214.9</u>	<u>220.4</u>	<u>229.1</u>	<u>232.6</u>	<u>243.4</u>	<u>254.2</u>	<u>262.9</u>	<u>269.1</u>	<u>267.9</u>

Source: County Payroll

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 14**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>PUBLIC SAFETY</b>										
Sheriff's department:										
Physical arrests	1,657	1,658	1,643	1,399	1,247	1,572	1,556	1,322	1,134	1,061
Traffic violations	11,478	8,368	7,633	5,741	5,225	8,002	7,910	9,063	9,738	7,590
Civil papers	11,471	11,020	10,881	8,837	7,745	9,812	11,139	10,013	9,124	8,541
Childrens' Services:										
Caseload	207	179	158	164	169	214	232	207	122	108
Fire and rescue:										
Number of EMS calls answered	3,226	3,184	3,028	3,442	3,557	3,835	3,928	3,785	3,626	3,941
Building inspections:										
Permits issued	939	873	877	816	922	968	1,008	1,223	1,166	1,380
Animal control:										
Number of calls answered	6,465	5,298	4,872	4,598	4,197	4,210	4,317	4,294	4,193	4,705
<b>PUBLIC WORKS</b>										
Landfill:										
Refuse collection (tons/day)	53	51	47	51	47	47	47	48	53	56
<b>HEALTH AND WELFARE</b>										
Department of Social Services caseload	6,844	6,926	6,793	6,968	6,599	5,628	5,541	5,950	6,671	7,186
<b>CULTURE AND RECREATION</b>										
Parks and recreation:										
Program participants: avg/mo	7,585	7,005	7,612	6,891	6,092	7,972	10,363	9,749	5,960	5,399
<b>COMMUNITY DEVELOPMENT</b>										
Planning:										
Zoning permits issued	41	47	45	32	28	32	59	83	93	58
<b>COMPONENT UNIT - SCHOOL BOARD</b>										
Education:										
School age population	5,629*	5,629*	5,491	5,364	5,274	5,074	5,073	5,041	5,028	5,105
Number of teachers	342	333	336	341	344	346	342	337	341	325
Local expenditures per pupil	2,840	2,947	3,074	3,144	3,401	3,420	3,475	4,573	3,639	3,274

Source: Individual county departments

\*County population from age 5 - 19 years per 2010 census

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**Table 15**

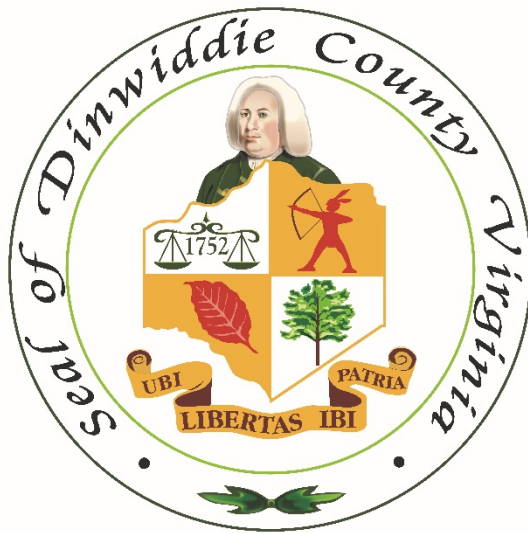
**CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>GENERAL GOVERNMENT</b>										
Buildings	16	16	16	16	15	15	15	15	15	15
<b>PUBLIC SAFETY</b>										
Sheriff's department:										
Patrol units	49	46	51	51	54	54	54	52	63	62
Building inspections:										
Vehicles	3	3	3	3	3	3	3	3	3	3
Animal control:										
Vehicles	3	3	4	4	4	4	4	4	4	4
<b>PUBLIC WORKS</b>										
General maintenance:										
Trucks / vehicles	6	7	7	7	5	8	8	20	20	20
Landfill:										
Vehicles	11	14	14	14	10	9	9	6	8	7
<b>HEALTH AND WELFARE</b>										
Department of Social Services:										
Vehicles	7	7	7	7	7	7	7	7	7	7
<b>CULTURE AND RECREATION</b>										
Parks and recreation:										
Community centers	2	2	2	3	3	4	4	4	4	4
Vehicles	5	7	8	8	10	11	13	6	7	8
<b>COMMUNITY DEVELOPMENT</b>										
Planning:										
Vehicles	3	2	3	3	3	3	3	3	3	2
<b>COMPONENT UNIT - SCHOOL BOARD</b>										
Education:										
Schools	8	7	7	7	7	7	7	7	7	7
School buses	113	111	102	103	90	90	89	94	96	103

Source: Individual County departments

## COMPLIANCE SECTION

June 30, 2021



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Dinwiddie, Virginia (the "County"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 18, 2021.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests instance disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings and questioned costs, as items 2021-002.

### **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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia  
November 18, 2021

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

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

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

We have audited the County of Dinwiddie, Virginia's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

*Management's Responsibility*

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

*Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

*Opinion on Each Major Federal Program*

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

### *Other Matters*

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major program is not modified with respect to these matters.

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Management of the County of Dinwiddie, Virginia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

*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. We consider the deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Item 2021-001, to be a significant deficiency.

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

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



CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia  
November 18, 2021



**COUNTY OF DINWIDDIE, VIRGINIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED  
COMPONENT UNIT - INDUSTRIAL DEVELOPMENT AUTHORITY  
COMPONENT UNIT - SCHOOL BOARD**

**June 30, 2021**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Assistance Listing Number</b>	<b>Entity Identifying Pass-through Number</b>	<b>Expenditures</b>
<b>PRIMARY GOVERNMENT</b>			
<b>Department of Agriculture pass-through programs:</b>			
SNAP Cluster:			
Virginia Department of Social Services:			
State administrative matching grants for the supplemental nutrition assistance program	10.561	010119/0010120/ 0040119/0040120	\$ 354,136
Total SNAP Cluster			354,136
<b>Department of Health and Human Services:</b>			
Pass-through programs:			
Virginia Department of Social Services:			
Promoting safe and stable families	93.556	0950118/0950119	16,139
Temporary assistance for needy families	93.558	0400119/0400120	216,320
Refugee and entrant assistance - state administered programs	93.566	0500120	511
Low-income home energy assistance	93.568	0600419/0600420	35,234
Child care mandatory and matching funds of the child care and development fund	93.596	0760119/0760120	44,528
Stephanie Tubbs Jones child welfare services program	93.645	0900118/090119	104
Foster care - Title IV-E	93.658	1100119/1100120	182,393
Adoption assistance	93.659	1120119/1120120	179,651
Social services block grant	93.667	1000119/1000120	181,902
Chafee foster care independence program	93.674	9150118/9150119	13,518
Children's health insurance program	93.767	0540119/0540120	3,117
Medical assistance program	93.778	1200119/1200120	265,127
Total Virginia Department of Health and Human Services			1,138,544
<b>Department of Treasury:</b>			
Direct programs:			
Coronavirus relief fund	21.019	n/a	2,917,816
<b>Department of Justice:</b>			
Direct programs:			
Bulletproof vest partnership program	16.607	n/a	2,572
Pass-through programs:			
Department of Criminal Justice Services:			
Crime victim assistance	16.575	undetermined	75,600
Total Department of Justice			78,172

(Continued)

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED  
COMPONENT UNIT - INDUSTRIAL DEVELOPMENT AUTHORITY  
COMPONENT UNIT - SCHOOL BOARD**

**June 30, 2021**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Assistance Listing Number</b>	<b>Entity Identifying Pass-through Number</b>	<b>Expenditures</b>
<b>PRIMARY GOVERNMENT (Continued)</b>			
<b>Department of Homeland Security pass-through programs:</b>			
Department of Emergency Management:			
Emergency management performance grant	97.042	77501-52743	\$ 7,500
<b>Department of the Interior:</b>			
Direct payments:			
Bureau of Land Management:			
Payments in lieu of taxes	15.226	n/a	<u>989</u>
Total primary government			<u><u>\$ 4,497,157</u></u>
<b>COMPONENT UNIT - INDUSTRIAL DEVELOPMENT AUTHORITY</b>			
<b>Department of Treasury:</b>			
Pass-through programs:			
County:			
Coronavirus Relief Fund	21.02	n/a	<u>217,500</u>
Total Component Unit Industrial Development Authority			<u><u>\$ 217,500</u></u>
<b>COMPONENT UNIT - SCHOOL BOARD</b>			
<b>Department of Agriculture pass-through programs:</b>			
Child Nutrition Cluster:			
Virginia Department of Agriculture and Consumer Services:			
Food distribution - noncash assistance	10.555	17901-45707	\$ 79,792
Virginia Department of Education:			
Summer food service program for children	10.559	undetermined	<u>1,393,328</u>
Total Child Nutrition Cluster			1,473,120
The Improvement Association:			
Child and adult care food program	10.558	undetermined	<u>6,804</u>
Total Department of Agriculture			<u><u>1,479,924</u></u>
<b>Department of Defense direct program:</b>			
JROTC Instruction	12.000	16-1205-13	<u>68,294</u>

(Continued)

See Independent Auditor's Report.

**COUNTY OF DINWIDDIE, VIRGINIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
PRIMARY GOVERNMENT AND DISCRETELY PRESENTED  
COMPONENT UNIT - INDUSTRIAL DEVELOPMENT AUTHORITY  
COMPONENT UNIT - SCHOOL BOARD**

**June 30, 2021**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Assistance Listing Number</b>	<b>Entity Identifying Pass-through Number</b>	<b>Expenditures</b>
<b>COMPONENT UNIT - SCHOOL BOARD (Continued)</b>			
<b>Department of Education pass-through programs:</b>			
Virginia Department of Education:			
Special Education Cluster (IDEA):			
Special education - grants to states	84.027	17901-43071	\$ 838,218
Special education - preschool grants	84.173	17901-62521	18,996
Total Special Education Cluster (IDEA)			857,214
Title I grants to local educational agencies	84.010	17901-42901	772,712
Title III grants to local educational agencies	84.031	S365A150046	9,162
Career and technical education - basic grants to states	84.048	17901-61095	80,514
Title IV student support and academic enrichment program	84.424	undetermined	87,967
Supporting effective instruction state grants	84.367	17901-61480	73,056
			1,023,411
COVID-19 - education stabilization fund	84.425	undetermined	413,931
Governor's emergency education relief fund	84.425C	undetermined	31,846
Elementary and secondary school emergency relief fund	84.425D	undetermined	188,852
			634,629
Total Department of Education			2,515,254
<b>Department of Treasury pass-through programs:</b>			
Virginia Department of Education:			
COVID-19 - coronavirus relief fund	21.019	undetermined	740,338
County:			
COVID-19 - coronavirus relief fund	21.019	undetermined	1,489,855
Total Virginia Department of Education pass-through			2,230,193
Total Department of Treasury pass-through			2,230,193
Total Component Unit School Board			\$ 6,293,665
Total Reporting Entity			\$ 11,008,322

See Independent Auditor's Report.

## COUNTY OF DINWIDDIE, VIRGINIA

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS June 30, 2021

#### 1. Summary of Significant Accounting Policies

##### Basis of presentation

The accompanying Schedule of Expenditures of Federal Awards is presented on an accrual basis of accounting consistent with the basis of accounting used by County of Dinwiddie, Virginia. The schedule includes all known federal funds expended by the County for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of the basic financial statements.

#### 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available. The County has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance.

#### 3. Subrecipient Payments

None of the expenditures reported on the schedule were passed through to subrecipients.

**COUNTY OF DINWIDDIE, VIRGINIA**

**SUMMARY OF COMPLIANCE MATTERS**

**June 30, 2021**

As more fully described in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, we performed tests of the County's compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

**STATE COMPLIANCE MATTERS**

*Code of Virginia*

Budget and Appropriation Laws  
Cash and Investment Laws  
Conflicts of Interest Act  
Local Retirement Systems  
Debt Provisions  
Procurement Laws  
Comprehensive Services Act  
Uniform Disposition of Unclaimed Property Act  
Sheriff Internal Controls

*State Agency Requirements*

Education  
Social Services  
Fire Program Aid to Localities

**FEDERAL COMPLIANCE MATTERS**

*Compliance Supplement for Single Audits of State and Local Governments*

Provisions and conditions of agreements related to federal program selected for testing.

**COUNTY OF DINWIDDIE, VIRGINIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**June 30, 2021**

**A. SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an unmodified opinion on the financial statements.
2. No significant deficiencies related to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements were disclosed.
4. One significant deficiency relating to the audit of the major federal award programs was reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs expresses an unmodified opinion.
6. The audit disclosed one audit finding relating to the major program.
7. The programs tested as major were:

<u>Name of Program</u>	<u>Assistance Listing Number</u>
Coronavirus Relief Fund	21.019

8. The threshold used to distinguish between Type A and Type B programs is \$750,000.
9. The County was determined to be a low-risk auditee.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

None noted.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT**

**2021-001: Reporting (Significant Deficiency), 21.019 - Coronavirus Relief Fund**

*Condition:*

One of the School's quarterly reports submitted during fiscal year 2021 had an amount that did not agree to the supporting documentation used to prepare the report.

*Criteria:*

All quarterly reports submitted by the Schools for the grant should be accurate and agree to supporting documentation.

*Cause:*

Due to a lack of segregation of duties between the preparation and review of the report.

(Continued)

**COUNTY OF DINWIDDIE, VIRGINIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**June 30, 2021**

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT  
(Continued)**

*Effect:*

There is potential that the reports could be incorrect.

*Questioned Cost Amount:*

None noted.

*Perspective Information:*

One out of the two quarterly reports selected for testing.

*Recommendation:*

We recommend that the report be reviewed and approved by someone other than the preparer.

*Views of Responsible Officials and Planned Corrective Action:*

See client's corrective action plan.

**D. FINDINGS - COMMONWEALTH OF VIRGINIA**

**2021-002: Conflicts of Interest Act**

*Condition:*

Two out of the forty-eight Financial Disclosures Statements filed by members of the various Boards were not signed by the individuals.

*Criteria:*

Financial Disclosure Statements should be completed in full and signed by the Board member.

*Cause:*

A Board member did not sign the form which was completed and submitted timely.

*Effect:*

Potential noncompliance with the Commonwealth of Virginia Conflicts of Interest Act.

*Recommendation:*

We recommend that all Financial Disclosure Statements be completed in full, to include the signature of the Board member.

*Views of Responsible Officials and Planned Corrective Action:*

Management will implement auditor's recommendation.

**COUNTY OF DINWIDDIE, VIRGINIA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**June 30, 2021**

1. There were no findings in the audit report, dated November 24, 2020, and updated on January 22, 2021, for the year ended June 30, 2020, issued by Brown, Edwards & Company, L.L.P.
2. There were no reports issued by federal agencies or contract administrators during the year covered by this audit.



**School Board Members**

Mary M. Benjamin  
Betty T. Haney  
Sherilyn H. Merritt  
Barbara T. Pittman  
Jerry W. Schnepf, Jr.



**Superintendent**  
Dr. Kari Weston

**Clerk of the Board**  
Bonnie L. Gholson

***Dinwiddie County Public Schools***  
OFFICE OF THE SUPERINTENDENT

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**Corrective Action Plan**  
**11/18/21**

Finding 2021-001 – 21.019 – Coronavirus Relief Fund

**Condition:**

One of the School's quarterly reports submitted during fiscal year 2021 had an amount that did not agree to the supporting documentation used to prepare the report.

**Responsible Party Contact Information:**

Christie Fleming, Director of Finance  
Dinwiddie County Public Schools  
[cfleming@dcpsnet.org](mailto:cfleming@dcpsnet.org)  
804-469-4190

**Correction Action:**

This report has been corrected with the Virginia Department of Education. The grant has been completely expended and all reports have been submitted and accepted.

This report was a google form in which expenses were entered by category one by one. The data collection did not total expenses at the end prior to submission for review. If the Department of Education utilizes this form of data collection in the future, at least two people will review the input of numbers on the computer screen prior to hitting enter.

All written federal reports will have at least two people review the submitted data.

Corrective action plans were implemented immediately upon notification of finding.

