Annual Comprehensive Financial Report

For the Year Ended
June 30, 2023

GOOCHLAND COUNTY

County of Goochland, Virginia

COUNTY OF GOOCHLAND, VIRGINIA
Annual Comprehensive Financial Report
For the Year Ended June 30, 2023

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December 4, 2023

Members of the Board of Supervisors and Citizens of Goochland County:

We are pleased to present to you the Annual Comprehensive Financial Report (ACFR) of the County of Goochland (the County) for the fiscal year ended June 30, 2023. The Code of Virginia requires that local governments publish a complete set of financial statements presented in conformity with U.S. generally accepted accounting principles (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 ACFR has been prepared by the County's Department of Financial Services in accordance with the standards of financial reporting as prescribed by the Governmental Accounting Standards Board (GASB) and the Auditor of Public Accounts of the Commonwealth of Virginia (APA).

This ACFR consists of management's representations concerning the finances of the County. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and accurate, in all material respects, and presents fairly the financial position and results of operations of the various funds and component units of the County.

The County's financial statements have been audited by PBMares, LLP, a firm of certified public accountants. The independent auditors concluded, based upon the audit evidence obtained, that there was reasonable basis for forming and expressing an unmodified opinion on the County's basic financial statements for the year ended June 30, 2023. The independent auditor's report is located at the front of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). The MD&A complements this letter of transmittal and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the County

Goochland County was originally formed in March 1727, when the General Assembly of Virginia passed the act calling for the division of the Henrico Shire, an original shire of the Virginia Colony. Officially established in 1728, the County was named after Sir William Gooch, Royal Lieutenant Governor of Virginia from 1727 to 1749. Goochland covered a vast amount of land on both sides of the James River, extending from Tuckahoe Creek in the east to beyond the Blue Ridge Mountains.

Goochland County is a predominately rural county located in the Piedmont Plateau region in central Virginia. Goochland is approximately 13 miles west of Richmond, the capital of Virginia; the county is 25 miles southeast of Charlottesville, Virginia. The County is 289 square miles in area and has an estimated population of 26,109 citizens.

The County is organized under the County Administrator Form of Government (as defined under Virginia Law). Under this form of government, the Board of Supervisors appoints a County Administrator to serve as the Chief Administrative Officer of the County. The Administrator serves at the pleasure of the Board of Supervisors, implements its policies, appoints department heads, and directs business and administrative procedures. The County's financial management and reporting is addressed through a combination of services provided by the Department of Finance, Schools Administration, Treasurer's Office, and Commissioner of the Revenue.

The Board of Supervisors is a five-member body, elected by the voters of the Electoral Districts in which they live. The Chairman of the Board is elected annually by its members. Each member serves a four-year term. This body enacts ordinances, appropriates funds, sets tax rates, and establishes policies for the administration of the County's public service.

The reporting entity of the County includes the following services as authorized by its Code of Ordinances: public safety (as provided by the Sheriff's Office), fire prevention and protection, emergency medical services, parks and recreation, planning, zoning, and other governmental services. In addition, the County owns and operates water distribution and wastewater collection systems, which are reported as an enterprise fund.

The County provides education through its public-school system administered by the Goochland County School Board (School Board), composed of five board members, each elected from the County's five magisterial districts. The School Board appoints a school Superintendent who administers the County's five schools and its own appropriations within the categories defined by the Code of Virginia. However, the School Board is fiscally dependent upon the County because the Board of Supervisors approves the budget, any revenue supplements and transfers between education categories; levies the necessary taxes to finance operations and capital projects; and issues debt as needed to finance school capital projects. Therefore, in accordance with GASB pronouncements, the School Board is classified as a discretely presented component unit in the accompanying financial statements.

Discretely presented component units are reported in separate columns in the basic financial statements to emphasize that they are legally separate from the County Primary Government and to differentiate their financial position, results of operations and cash flows from those of the Primary Government. The School Board and Economic Development Authority are reported as discretely presented component units.

The County adopts an annual budget by July 1 of each year as required by 15.2-2503, Code of Virginia of 1950, as amended. A budget is not required for fiduciary funds.

When necessary, the Board of Supervisors approves amendments to the adopted budget in accordance with 15.2-2507, Code of Virginia of 1950, as amended. Budgetary compliance is monitored and reported at the function level. The budget is implemented through appropriations that the Board of Supervisors makes annually, with supplemental appropriations made as required. These appropriations may be greater or less than contemplated in the budget. A supplemental appropriation that exceeds $500,000 or one percent of the budget, whichever is less, requires a public hearing before approval.

The County maintains budgetary controls to ensure compliance with the annual budget. All appropriations lapse at year-end, except for federal and state grants, capital improvements, and outstanding encumbrances (which are addressed by resolution). Similar budgetary controls exist for the Component Unit School Board.

Local Economy

The James River flows the entire length of the county and forms its southern boundary. The Counties of Powhatan, Cumberland, and Chesterfield are located to the south of Goochland. Tuckahoe Creek generally defines the eastern boundary with Henrico County. Goochland abuts Louisa County and Hanover County to the north and Fluvanna County to the west. Interstate 64 runs along the northern edge of the county, making it easy for residents and visitors to get to the City of Richmond as well as the City of Charlottesville. State Route 288, the Richmond area's western bypass is a four-lane limited access road (interstate quality) running through the County. Along with Interstate 64, these are the "economic development highways" for the County.

The June 2023 unemployment rate for the County of 2.7% compared favorably to the state's average unemployment rate of 2.8% and national average rate of 3.8% for the same period. Goochland County enjoys a high median household income of $104,962 compared to Virginia with a median household income of $80,615, and the United States with a median household income of $69,021 (U.S. Census Bureau in 2021 dollars, 2017-2021).

The County continues to be a destination for commercial development. In the past five years, the County has seen over $366.8 million of new capital investment. Tax year 2021 is on record as being the highest year of new investment to date at $133.0 million. More recently, the County saw $63.3 million in commercial investment in tax year 2022.

Economic Development Update

The County has seven business/office/industrial parks: Goochland Industrial Park, Oilville Business Park, Old Dominion Industrial Complex, Lanier Industrial Park, Rockville Commerce Center, MidPoint Industrial Park, and West Creek Business Park. Goochland Industrial Park, and Oilville Business Park were publicly developed and are publicly owned; all other parks are privately owned.

West Creek Business Park ("West Creek") is the largest development, encompassing over 3,500 acres in the eastern portion of the County. Capital One Bank Services ("Capital One"), the County's largest employer, is a tenant of West Creek. The Capital One 316-acre campus has eight office buildings as well as a multipurpose building. The Capital One campus has a cafeteria and a town center which houses a fitness center and other amenities. Other tenants in West Creek include the corporate headquarters of the Virginia Farm Bureau, the corporate headquarters of Performance Food Group, the corporate headquarters of CarMax and a major satellite office facility for the Federal Reserve Bank of Richmond, Hallmark Youth Care, Manakin Trade Center, a multitenant 80,000 square foot office complex, and Hardywood Brewery.

Significant economic developments during fiscal year 2023 include:

- Avery Point, a continuing care retirement facility, continued construction on their $290M investment
- Over 80,000 square feet of medical office is currently under construction or opened representing $10.2 million in investment
- Bristol Oak Hill Apartments finished construction on their $38.6 million in investment
- There is currently $456 million in other commercial investment under construction throughout the County

The County is growing in a purposeful and organized manner. The County pursues focused strategies and programs to promote quality development. The paramount consideration in the County's economic development strategy is quality, well planned development that fits with the County's 2035 Comprehensive Plan and does not burden the infrastructure.

Water and Sewer Systems

The Goochland Department of Public Utilities currently provides water and/or sewer service to various areas within the County. The Courthouse portion of the system provides service to customers within the Courthouse Village area, which is in the approximate geographical center of the County. In addition to residential and commercial customers, the Courthouse portion of the system provides water and sewer service to the County Courthouse, County administration buildings, the County High School, and the J. Sargeant Reynolds Community College Goochland Campus. Starting in the mid-1960's, the County began providing water and/or sewer service for new residential developments in the southeastern portion of the County. In 1990, water and sewer service were developed for the West Creek Business Park. The County acquired the West Creek water and sewer facilities in April 2002.

The County currently purchases treated water and wastewater treatment services from Henrico County through a series of long-term contracts. Wastewater treatment services are also purchased from the City of Richmond through a long-term agreement as related to the Tuckahoe Creek Service District (the "District"). The Virginia Department of Corrections provides both treated water and wastewater treatment services to the Goochland Courthouse area pursuant to long-term contracts. The County currently has an allotment of up to 1,000,000 gallons of water per day with the Department of Corrections and up to 5,250,000 gallons of water per day with Henrico County. The County is also midway through the process of increasing sewer capacity in the Courthouse area to accommodate future development.

The County has defined, developed, and adopted a Special Service District ordinance (Tuckahoe Creek Service District) which is providing additional water and sewer capacity and services to a 13-square mile (8,500 acre) area in the eastern portion of the County. The County borrowed approximately $62.7 million from the Virginia Resources Authority (VRA) in 2002 to construct public water and sewer infrastructure, buy additional water capacity from Henrico County (as supported by an intergovernmental agreement) and wastewater treatment capacity with the City of Richmond, also supported by an intergovernmental agreement. A large portion of those 2002 VRA bonds were refunded in November 2012, and again in 2020, to achieve debt service savings and better accommodate future development within the District.

Long-Term Financial Planning

The Capital Improvements Program (CIP) is the County's plan for investing in facilities, equipment, and vehicles over the next twenty-five years, and generally includes those items with a unit cost greater than $50,000. The fiscal year 2024 capital budget for County, School, and Public Utility projects is $26.1 million. Included in fiscal year 2024 are the following:

- $19.1 million for Schools; $15.0 additional funding for the new Goochland Elementary School, repairs for Byrd and Randolph Elementary Schools, and Goochland High School HVAC.
- $3.9 million Fire Rescue ambulance, brush truck, fire engine, turnout gear, and additional funding for West Creek Fire Station
- $1.3 million facilities maintenance, life cycle repairs, various renovations, and security improvements
- $1.0 million future new courthouse construction funding
- $535,200 Sheriff vehicle replacement
- $270,000 information system upgrades, replacements and refreshes
- $22,000 parks and recreation Goochland Sports Complex upgrades

Major Initiatives and Accomplishments

The Strategic Plan for 2014-2018 includes Vision and Mission statements for the County, as well as five Strategic Goals and multiple Objectives related to each goal. Briefly, the highlights of the Plan are as follows:

- **Vision:** A prosperous and vibrant community rich with history and opportunity where the citizens and their rights and freedoms are protected

- **Mission:** To provide high quality services in an efficient, effective, and accountable manner

- **Strategic Goal 1:** Efficient, effective, and transparent government; emphasis on customer service excellence

- **Strategic Goal 2:** Balanced development that contributes to the welfare of the community and preserves its rural character

- **Strategic Goal 3:** Excellence in Financial Management

- **Strategic Goal 4:** High quality core services including Education, Public Safety, and Community Health

- **Strategic Goal 5:** Positive work environment with a highly qualified, diverse workforce

Acknowledgments

We could not accomplish the preparation of this report without the efficient and dedicated service provided by the staff of the Department of Financial Services, Treasurer, Commissioner of Revenue, School Administration, and the Social Services Department. I would like to express my appreciation to all the members of the staff who assisted and contributed to its preparation. I would also like to thank the members of the Board of Supervisors for their continued interest and support in planning and conducting the financial operations of this County in a responsible, timely and progressive manner.

Respectfully submitted,

Victor J Carpenter

Victor Carpenter
County Administrator

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

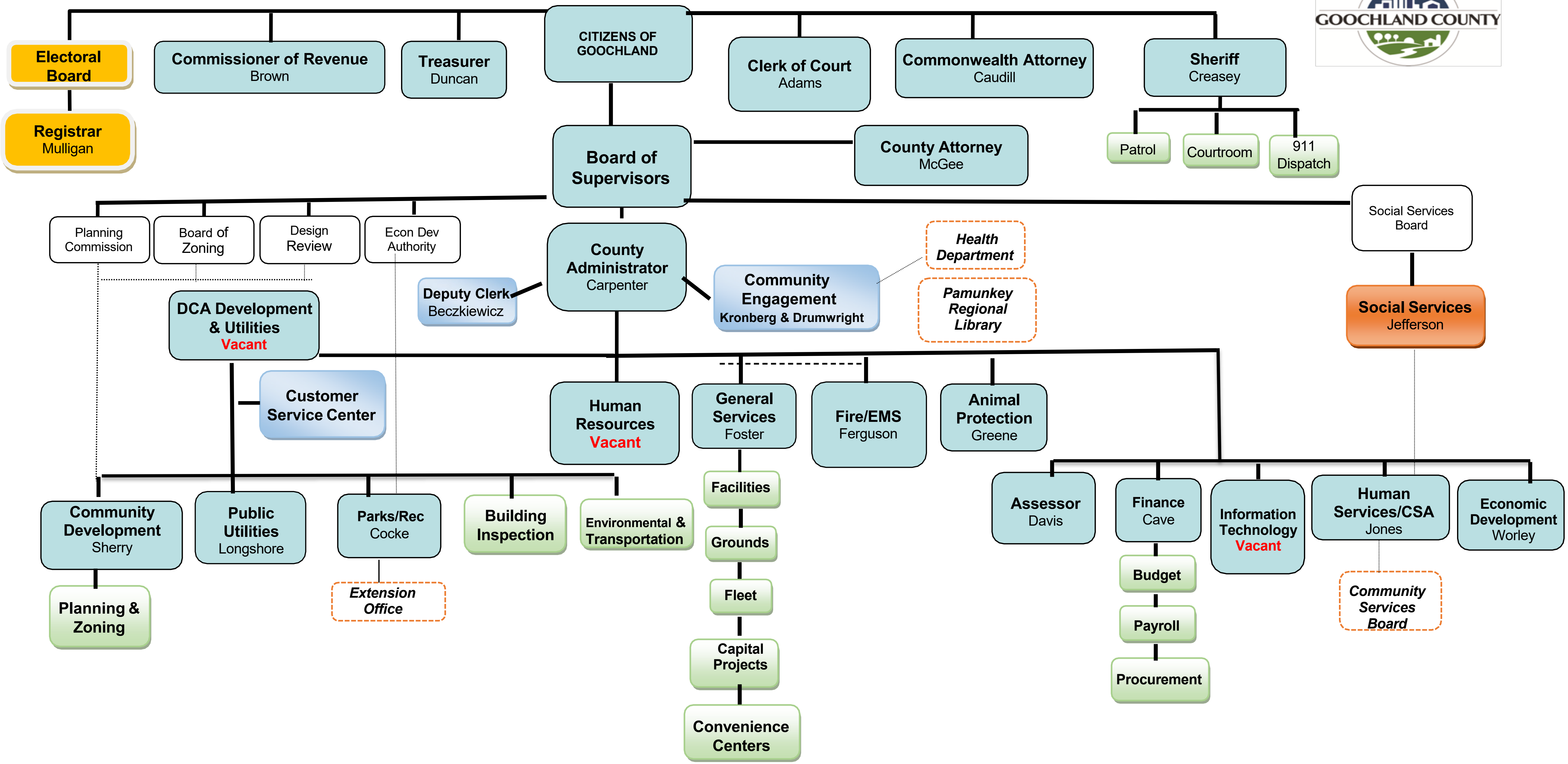
County of Goochland
Virginia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO



Last Revised: 11.15.2023

County of Goochland, Virginia

June 30, 2023

Board of Supervisors

Neil Spoonhower, Chairperson
Charlie Vaughters, Vice-Chairperson

Susan F Lascolette	Ken Peterson
John Lumpkins, Jr.	

School Board

Sandra Barefoot-Reid, Chairperson
Angela S. Allen, Vice-Chairperson

John D. Wright	C. Michael Newman
Karen R Horn	

Social Services Board

Carol Nichols, Chairperson
Betsy Wright, Vice-Chairperson

Carolyn Robinson	Ann Casey
Jay Shively	

Other Officials

County Administrator	Victor Carpenter
County Attorney	Tara McGee
Judge of the Circuit Court	Timothy K. Sanner
Clerk of the Circuit Court	Amanda Adams
Commonwealth's Attorney	D. Michael Caudill
Judge of the General District Combined Court	Claiborne H. Stokes Jr.
Judge of the Juvenile & Domestic Relations Court	Deborah S. Tinsley
Sheriff	Steven N Creasey
Acting Superintendent of Schools	Dr. Andy Armstrong
Clerk of the School Board	Diane Bennett
Director of Social Services	Kimberly Jefferson
Commissioner of the Revenue	Jennifer Brown
Treasurer	Pamela Duncan

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(804) 556-5800 ● (804) 556-4617 Fax ● (TDD 711 (Virginia Relay))
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FINANCIAL SECTION

PBMares
CPAs and Consultants

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparison of the General Fund of the County of Goochland, Virginia (County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Goochland, Virginia, as of June 30, 2023, and the respective changes in financial position and the budgetary comparison of the General Fund, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information on pages 12-22 and 113-132, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The schedules listed in the table of contents as supplementary information and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedules listed in the table of contents as 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.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2023 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 the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

PBMares, LLP

Harrisonburg, Virginia
December 4, 2023

As management of the County of Goochland, Virginia (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County as of and for the fiscal year ended June 30, 2023. We encourage readers to read this discussion in conjunction with the transmittal letter in the Introductory Section of this report and the County's financial statements, which follow this section.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $121.2 million (net position). Of this amount, $22.9 million (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors (Exhibit 1).
- The County's total net position increased for the fiscal year by $29.0 million, with governmental activities adding $16.9 million while enterprise activities added $12.1 million of net position (Exhibit 2).
- As of the close of fiscal year 2023, the County's governmental funds reported combined ending fund balances of $124.5 million (Exhibit 3), an increase of $1.7 million from the previous year. Approximately 59.4% ($73.9 million) of the total $124.5 million is available for spending at the County's discretion (sum of assigned and unassigned fund balances).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $23.8 million (Exhibit 3) and was 23.1% of the sum of the fiscal year 2024 adopted General Fund budget and the non-local portion of the School Operating Fund budget, above the 20% required by policy. Fund balance in the General Fund increased $8.9 million from the previous year, ending with $56.5 million General Fund balance.
- The County's long-term obligations decreased from $194.8 million to $188.9 million in fiscal year 2023 (Exhibit 1). Governmental activities debt decreased $2.1 million, and Business-type activities debt decreased $3.8 million primarily due to the normal annual debt payments.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

The Statement of Net Position (Exhibit 1) presents information on all the County's assets, liabilities, and deferred inflows/outflows of resources including governmental activities, business-type activities, and component unit activities. Net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, which provides a measure of the County's financial health, or financial condition. Over time, increases or decreases in the net position may serve as an indicator of whether the County's financial condition is improving or declining. The Statement of Activities (Exhibit 2) presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements include not only the County itself (known as the primary government), but also two legally separate component units (Goochland County Public Schools and the Economic Development Authority of Goochland County) for which the County is financially accountable. Financial information for the component units is reported separately from the financial information presented for the primary government.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All the funds of the County can be divided into three categories: governmental funds, proprietary funds, or 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 using the economic resources measurement focus and accrual basis of accounting, the governmental fund financial statements are prepared using the current financial resources and modified accrual basis of accounting. The focus of the current financial resources and 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 the government-wide financial statements, reconciliations between the two methods is provided within the basic financial statements. The County has two major governmental funds: The General Fund and the Capital Projects Fund.

Proprietary Funds

Proprietary funds consist of enterprise funds, which are used to report the same functions as business-type activities in the government-wide financial statements. The County utilizes an enterprise fund to account for its water and sewer utilities fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds (Custodial Funds)

The County is the trustee, or fiduciary, for the County's custodial fund. It is responsible for ensuring that the assets reported in this fund is used for their intended purposes. The County's fiduciary activities are reported in a separate Statement of 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 County’s custodial fund is used to provide accountability of client monies for which the County is custodian.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information such as budgetary comparison schedules and combining financial statements for two discretely presented component units – the Goochland County School Board and the Goochland County Economic Development Authority.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $155.7 million at the close of the most recent fiscal year (Exhibit 1). The following table summarizes the County's Statement of Net Position:

County of Goochland, Virginia
Summary of Net Position
($ in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 164.0	$ 159.3	$ 59.3	$ 49.7	$ 223.3	$ 209.0
Capital assets	67.7	55.0	100.0	97.7	167.7	152.7
Total assets	231.7	214.3	159.3	147.4	391.0	361.7
Total deferred outflows of resources	3.7	4.2	3.7	3.9	7.4	8.1
Current liabilities	12.5	8.9	6.1	3.2	18.6	12.1
Long-term liabilities outstanding	71.9	74.0	117.0	120.8	188.9	194.8
Total liabilities	84.4	82.9	123.1	124.0	207.5	206.9
Total deferred inflows of resources	29.8	31.3	5.4	4.9	35.2	36.2
Net position						
Net investment in capital assets	51.1	35.3	23.4	21.6	74.5	56.9
Restricted	47.2	58.7	17.5	19.8	64.7	78.5
Unrestricted (deficit)	22.9	10.3	(6.4)	(19.0)	16.5	(8.7)
Total net position	$ 121.2	$ 104.3	$ 34.5	$ 22.4	$ 155.7	$ 126.7

The largest portion of the County's net position has historically been the net investment in capital assets. For fiscal year 2023, the largest portion of the County's net position (47.8%) is the net investment in capital assets, $74.5 million. Net investment in capital assets (land, buildings, equipment, water and sewer systems, and intangible right-to-use assets), less any related outstanding debt that was used to acquire those assets. The County uses these capital assets to provide services to citizens, and therefore 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 and can only be used for construction of the intended assets. The County's restricted portion of net position is $64.7 million and can only be used for construction of the intended assets.

The largest portion of the component unit School Board's net position reflects its investment in capital assets (e.g., land, easements, buildings, improvements, and equipment). The School Board's net investment in capital assets increased by $4.0 million during the current fiscal year. The School Board does not have taxing authority by law and therefore cannot incur debt through general obligation bonds for its capital assets. For financial reporting purposes, legislation permits the County to report the portion of school property related to any outstanding debt. The remaining capital assets are reported by the School Board (refer to Note IV. D.). The capital assets transferred to the School Board for the current fiscal year, for buildings owned jointly, is a net increase of $0.4 million; new building and equipment additions net was $3.3 million. The unrestricted net position deficit is principally due to the $22.1 million pension and OPEB liabilities (and related net deferred inflows and outflows of resources) which decreased by $3.1 million over fiscal year 2022. Virginia legislation that discourages an accumulation of reserves by returning most surplus funding at the end of the year back to the local government.

County of Goochland, Virginia
Summary of Net Position
($ in millions)

Component Unit

	School Board 2023	School Board 2022
Current and other assets	$ 5.0	$ 3.8
Capital assets	40.3	36.3
Total assets	45.3	40.1
Total deferred outflows of resources	6.3	6.3
Current liabilities	3.6	2.2
Long-term liabilities outstanding	23.7	20.0
Total liabilities	27.3	22.2
Total deferred inflows of resources	5.4	12.4
Net position		
Net investment in capital assets	40.2	36.2
Unrestricted (deficit)	(21.3)	(24.4)
Total net position	$ 18.9	$ 11.8

The following tables summarize the Statement of Activities for the County and the School Board (Exhibit 2):

County of Goochland, Virginia Summary of Statement of Activities ($ in millions)	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	$ 3.4	$ 3.8	$ 7.8	$ 7.0	$ 11.2	$ 10.8
Operating grants and contributions	5.6	5.8	8.2	3.1	13.8	8.9
Capital grants and contributions	0.5	0.4	3.9	1.5	4.4	1.9
General revenues						
General property taxes	59.4	53.2	9.1	7.8	68.5	61.0
Other local taxes	12.8	11.5	-	-	12.8	11.5
Grants and contributions	3.6	3.5	-	-	3.6	3.5
Other general revenues	8.2	2.8	0.9	0.6	9.1	3.4
Total revenues	93.5	81.0	29.9	20.0	123.4	101.0
Expenses						
General government administration	8.2	8.0	-	-	8.2	8.0
Judicial administration	2.3	2.2	-	-	2.3	2.2
Public safety	20.4	18.0	-	-	20.4	18.0
Public works	4.3	3.4	-	-	4.3	3.4
Health and welfare	5.2	5.2	-	-	5.2	5.2
Education	30.4	25.6	-	-	30.4	25.6
Parks, recreation and facilities management	1.7	1.8	-	-	1.7	1.8
Community development	2.3	3.7	-	-	2.3	3.7
Interest and other fiscal charges	1.8	0.7	-	-	1.8	0.7
Utilities	-	-	17.8	12.2	17.8	12.2
Total expenses	76.6	68.6	17.8	12.2	94.4	80.8
Increase in net position	16.9	12.4	12.1	7.8	29.0	20.2
Total net position - beginning	104.3	91.9	22.4	14.6	126.7	106.5
Total net position - ending	$ 121.2	$ 104.3	$ 34.5	$ 22.4	$ 155.7	$ 126.7

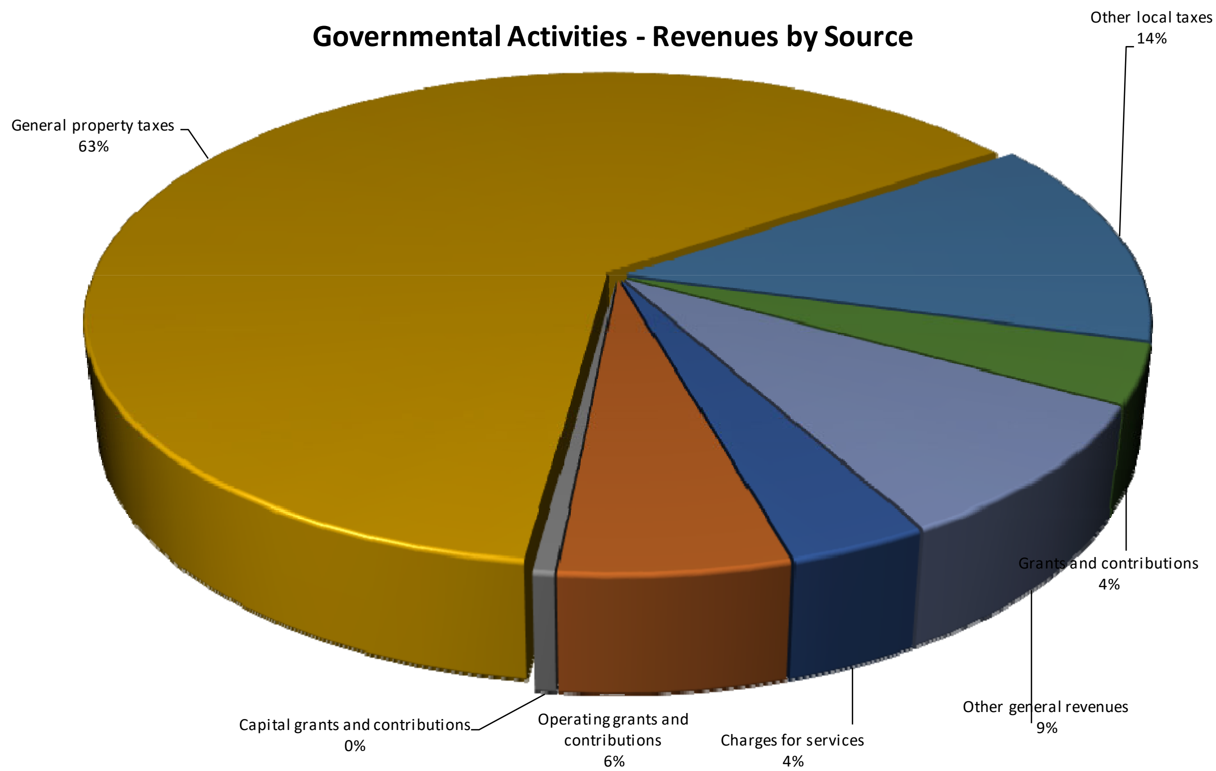
	Component Unit School Board	
	2023	2022
Revenues		
Program revenues		
Charges for services	$ 0.9	$ 0.3
Operating grants and contributions	14.8	14.8
Capital grants and contributions	0.5	0.5
General revenues		
Intergovernmental non-categorical aid	25.2	25.4
Other general revenues	0.2	0.2
Total revenues	41.6	41.2
Expenses		
Education	34.5	38.9
Increase in net position	7.1	2.3
Total net position - beginning	11.8	9.5
Total net position - ending	$ 18.9	$ 11.8

The County's net position increased by $29.0 million during the current fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities: During the current fiscal year, net position for governmental activities increased $16.9 million for an ending balance of $121.2 million. In general, net position changes are the result of the difference between revenues and expenses. Fiscal year 2023 revenues of $93.6 million increased $12.6 million from the previous fiscal year (15.6%).

Key revenue elements include:

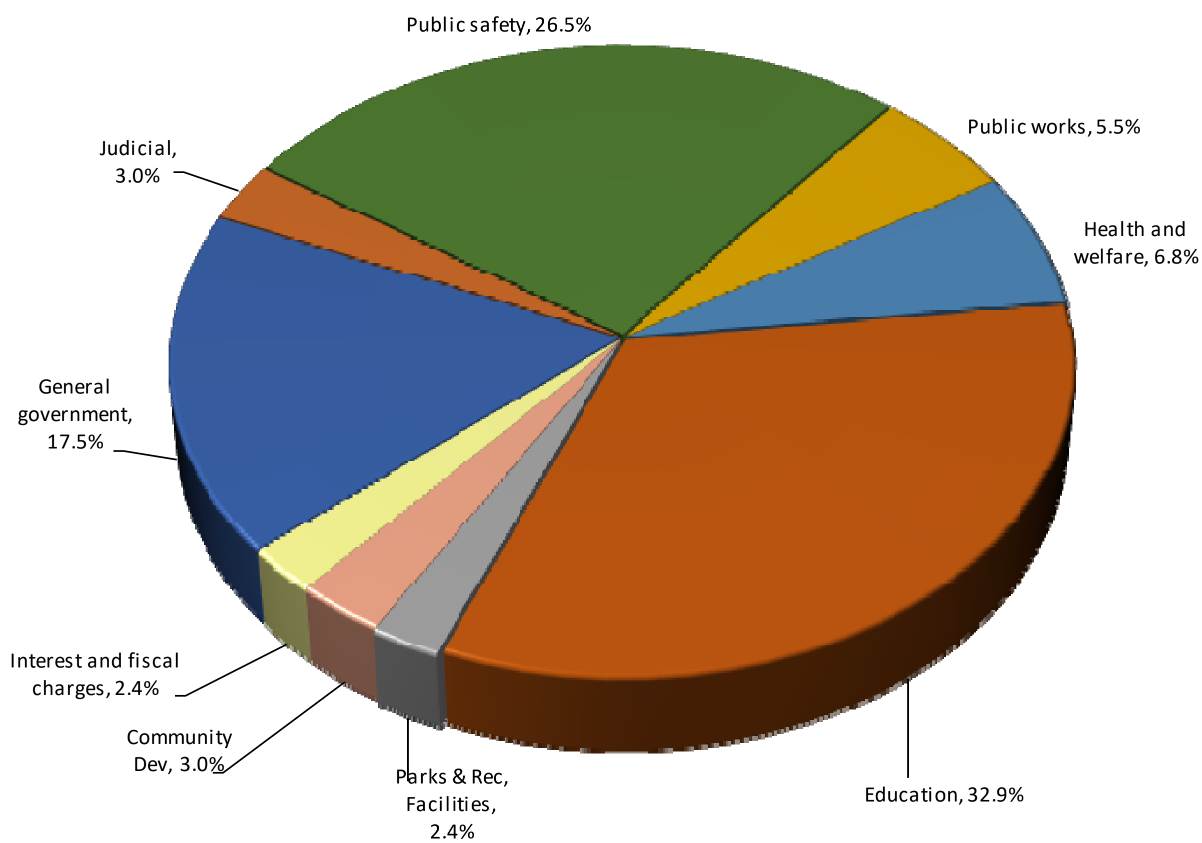
- Property taxes increased 11.7% ($6.2 million) as compared to last fiscal year primarily because of increases in real property values and new construction.
- Other local taxes increased 11.3% ($1.3 million) as compared to last fiscal year primarily due to local sales and use tax and bank stock taxes.
- Other general revenues increased by 196.4% ($5.5 million) to $8.3 million which is primarily due to increased interest and proffers.



During fiscal year 2023, the governmental activities expenses totaled $76.7 million, an increase of $8.1 million over the previous fiscal year. The increase is primarily due to spending for education and public safety as explained below:

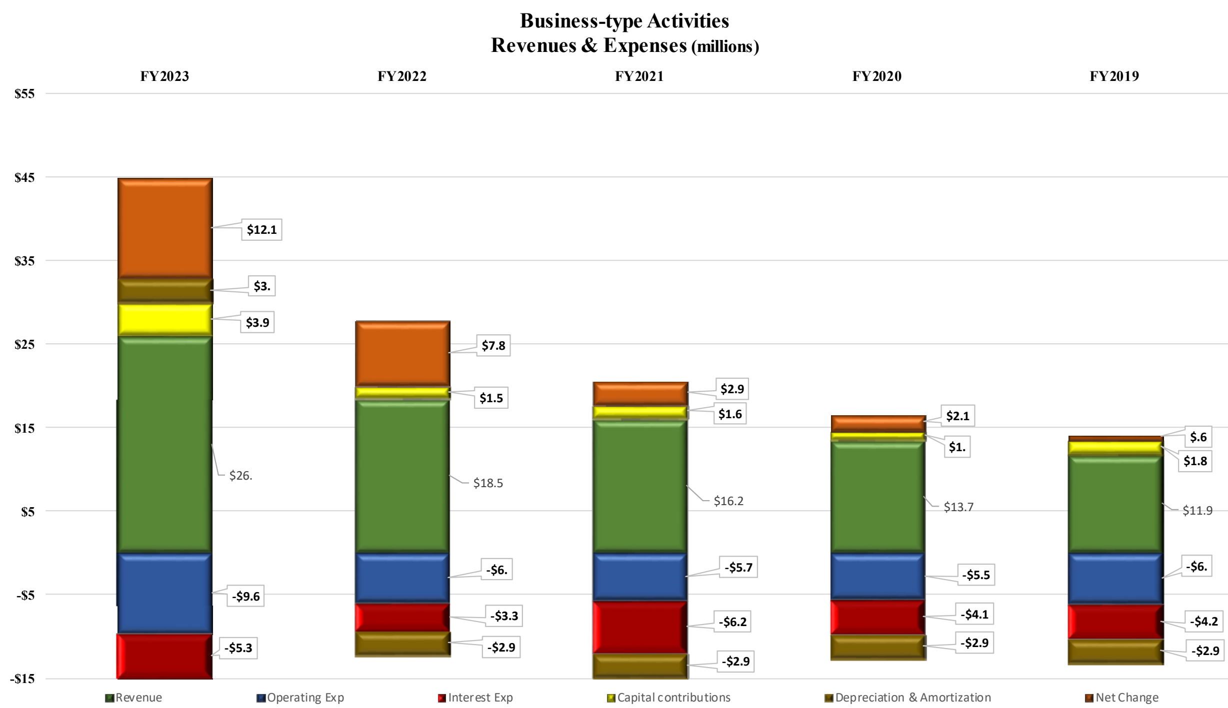
- During fiscal year 2023, education increased spending on capital expenditures for the new Goochland Elementary School and the High School. In addition, schools added 10 full-time employees.
- During fiscal year 2023, public safety added 13 additional full-time employees, and the infrastructure required for the new employees. In addition, they received the County's 7% raise plus an additional 4% for all firefighters and sworn deputies, and an additional 6% for dispatchers.
- All other functions had minor changes.

Governmental Activities - Functional Expenses



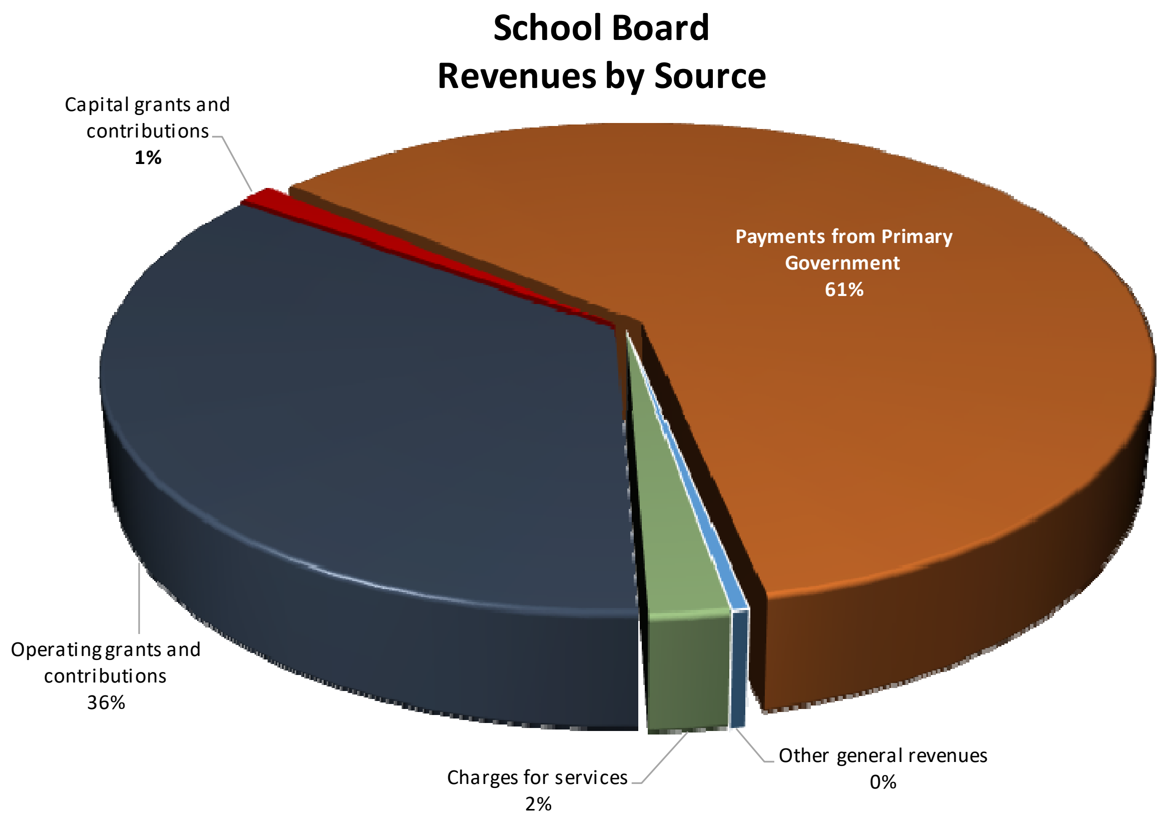
Business-type Activities: During the current fiscal year, net position for business-type activities increased $12.1 million to $33.5 million. As stated earlier, net position changes are the result of the difference between revenues and expenses. Fiscal year 2023 revenues increased from the prior fiscal year by $7.5 million to $26.0 million, and operating expenses increased $3.6 million from the prior fiscal year to $9.6 million (not including depreciation and amortization).

The increase in net position is primarily attributable to 175.4% increase ($5.2 million) in connection fees. Operating revenues increased $0.9 million and property taxes increased $1.3 million.



Component Unit – School Board: During the current fiscal year, net position for School Board activities increased $7.1 million for an ending balance of $18.9 million (Exhibit 1). Assets increased primarily due to $4.0 million increases in capital assets but also due to $1.2 million increase in cash. Current and long-term liabilities increased $5.1 million primarily due to net pension liability but were offset by a $7.0 million decrease in the deferred inflows.

Fiscal year 2023 revenues of $41.6 million increased $0.4 million from the previous fiscal year and exceeded expenses by $7.1 million (Exhibit 2). Charges for services were up by $0.6 million but were slightly offset by a decrease in funding from the County of $0.2 million, netting a revenue increase of $0.4 million. Expenses decreased by $4.4 million from FY2022 due to the decrease.



Financial Analysis of the County's Funds

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

Governmental Funds: The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of available resources. Such information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the County's governmental funds reported fund balances of $124.5 million (Exhibit 3). This is a $1.7 million increase in the total fund balance over fiscal year 2022.

Approximately 59.4% ($73.9 million) of the total $124.5 million is available for spending at the County’s discretion (sum of assigned and unassigned fund balances).

The General Fund is the main operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $23.8 million, while total fund balance increased $8.9 million to $56.5 million. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned and total fund balances to total General Fund expenditures. Unassigned fund balance represents approximately 34.4% of total General Fund expenditures (Exhibit 5, Capital Outlay expenditures by function), while total fund balance represents approximately 81.6% of that same amount. The stability in the overall fund balance of the General Fund was due to revenue collections higher than anticipated primarily in real property taxes attributable to higher property values, new construction, and higher personal property values.

Not looking at interest on long-term debt, the expenditure increase was due primarily to investments in education, public safety and public works (Exhibit 2). Education increased 18.7% over fiscal year 2022 ($4.7 million), Public safety increased 12.6% over fiscal year 2022 ($2.3 million), and public works increased 25.4% over fiscal year 2022 ($0.9 million).

The Capital Projects Fund, a major fund, had a $10.1 million increase (86.8%) in spending during the current fiscal year over fiscal year 2022 (Exhibit 5). Total spending was $21.8 million of which $17.6 million went to Education, $14.4 million increase over fiscal year 2022 (444.8%). Of the remaining $4.2 million; $2.2 million went to public safety, $1.6 million decrease over fiscal year 2022 (-42.2%).

Proprietary Funds: The County's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. Operations of the proprietary funds were included in the discussion of business-type activities.

General Fund Budgetary Highlights and Results: General Fund expenditures budget amendments resulted in an increase of $1.3 million between the originally adopted fiscal year 2023 budget appropriation for expenditures and transfers out and the final budget. The budget amendments were funded primarily by assigned fund balance. Significant amendments were:

- The fiscal year 2020 Benchmark study was delivered to the County in late fiscal year 2021. The Board of Supervisors approved the salary and benefit increases of $753,305, on August 2, 2022. This was funded in a fiscal year 2023 budgeted line.
- Fire and Rescue received an outside grant for salary and benefit bonuses, $178,044, approved by the Board of Supervisors November 1, 2022.
- The Fairgrounds Road project received an additional road funding, approved by the Board of Supervisors on June 7, 2023 for $1,483,000. Of this amount, $1,000,000 was funded by the General Fund, and the remaining was from the Central Virginia Transportation Authority Funding.
- Fire and Rescue received a state grant for $480,000. The Board of Supervisors approved receipt of the grant and expenditure of $610,450 for the Fire Training Center. The additional $130,000 was funded with Proffers.

Capital Asset and Debt Administration

Capital Assets: The County's investment in capital assets for its governmental operations on June 30, 2023 amounted to $67.7 million (net of accumulated depreciation and amortization), a $12.7 million increase from the previous year (Exhibit 1). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and intangible right-to-use assets. The increase in the capital asset balance is primarily due to a $13.4 million increase in construction in progress for education. The education increase is primarily offset by a decrease in public safety capital improvements funding of $1.4 million.

Capital assets of the Business-type activities on June 30, 2023 were $100.0 million (net of accumulated depreciation and amortization), an increase of $2.3 million primarily due to donated assets.

The School Board’s capital assets on June 30, 2023 were $40.3 million (net of accumulated depreciation and amortization), which is an increase over the prior fiscal year by $4.0 million. The increase is due to $2.8 million in buildings and $1.2 million increase in equipment.

Additional information on the County's capital assets can be found in Note IV. D. of the Notes to Financial Statements.

Long-term Debt: At the end of the current fiscal year, the County had long-term obligations (Governmental and Business-type activities) of $188.9 million (Exhibit 1). Of this amount, $51.9 million is comprised of school construction debt backed by the full faith and credit of the County (Notes IV. F). The remainder of the County's debt represents bonds secured solely by specified revenue sources, capital leases, compensated absences, net pension liability, other post-employment benefits liability, capacity rights and landfill obligations. Total fiscal year 2023 long-term debt decreased by $5.9 million over fiscal year 2022. This is primarily due to debt payments partially offset by the arbitrage liability.

Additional information on the County of Goochland, Virginia's long-term debt can be found in Note IV. F., G., and H. of the Notes to Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- The June 2023 unemployment rate for the County of 2.7% compared favorably to the state’s average unemployment rate of 2.8% and national average rate of 3.8% for the same period. Goochland County enjoys a high median household income of $104,962 compared to Virginia with a median household income of $80,615, and the United States with a median household income of $69,021 (U.S. Census Bureau in 2021 dollars, 2017-2021).
- The County continues to be a destination for commercial development. In the past five years, the County has seen over $366.8 million of new capital investment. Tax year 2021 is on record as being the highest year of new investment to date at $133.0 million. More recently, the County saw $63.3 million in commercial investment in tax year 2022.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Administrator, 1800 Sandy Hook Rd., Goochland, Virginia 23063.

BASIC FINANCIAL STATEMENTS

Statement of Net Position

June 30, 2023

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	School Board	Economic Development Authority
ASSETS					
Cash, cash equivalents and investments	$ 84,253,161	$ 34,914,761	$ 119,167,922	$ 3,741,957	$ 758,601
Receivables (net of allowance for uncollectibles):					
Taxes receivable, including penalties, net	28,077,960	4,694,739	32,772,699	-	-
Accounts receivable, net	535,387	1,538,848	2,074,235	13,331	-
Leases receivable	56,438	542,917	599,355	28,295	-
Interest receivable, leases	55	11,917	11,972	-	
Notes receivable	1,750,000	-	1,750,000	-	-
Prepaid items	248,848	10,490	259,338	-	-
Due from Primary Government	-	-	-	-	610,373
Due from other governmental units	2,026,768	115,516	2,142,284	1,087,216	-
Inventories	6,949	-	6,949	65,208	-
Restricted assets	47,038,996	17,497,922	64,536,918	-	-
Land held for resale	-	-	-	-	28,642
Net pension asset	-	-	-	36,050	-
Net OPEB asset	-	-	-	1,559	-
Capital assets (net of accumulated depreciation and amortization): depreciation and amortization):					
Land and land improvements	5,163,542	3,127,253	8,290,795	607,079	-
Buildings and system	31,328,980	68,369,237	99,698,217	33,018,523	-
Capacity rights	-	22,212,011	22,212,011	-	-
Machinery and equipment	12,549,844	111,155	12,660,999	6,584,148	-
Intangible right-to-use subscription assets	163,857	-	163,857	-	-
Intangible right-to-use lease building	-	-	-	16,984	
Intangible right-to-use lease equipment	2,303	10,462	12,765	140,416	-
Construction in progress	18,519,777	6,173,295	24,693,072	-	-
Total assets	231,722,865	159,330,523	391,053,388	45,340,766	1,397,616
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan	3,156,678	142,860	3,299,538	5,226,867	-
Other postemployment benefits plans	541,259	26,333	567,592	1,090,462	-
Deferred charge on refunding	-	3,495,916	3,495,916	-	-
Total deferred outflows of resources	3,697,937	3,665,109	7,363,046	6,317,329	-
LIABILITIES					
Accounts payable	4,677,905	2,741,843	7,419,748	484,697	108
Accrued liabilities	72,539	-	72,539	1,900,731	-
Performanace bonds payable	2,015,699	-	2,015,699	-	-
Unearned revenue	4,222,141	826,485	5,048,626	1,185,916	-
Customer deposits	-	19,600	19,600	-	-
Accrued interest payable	942,139	2,487,859	3,429,998	-	-
Due to component unit	610,373	-	610,373	-	-
Non-current liabilities					
Due within one year:					
Bonds payable, net	2,663,557	1,864,671	4,528,228	-	-
Private placement notes	410,000	-	410,000	45,780	-
Leases payable	1,978	10,570	12,548	48,389	-
Subscriptions liability	126,551	-	126,551	-	-
Compensated absences	182,700	8,823	191,523	278,636	-
Landfill liability	15,000	-	15,000	-	-
Long-term amortization of capacity charges	-	1,000,000	1,000,000	-	-
Contractual agreement	-	-	-	-	240,000
Due in more than one year					
Net pension liability	725,553	29,756	755,309	17,759,725	-
Net OPEB liability	2,979,828	141,726	3,121,554	5,279,131	-
Bonds payable, net	57,112,415	95,198,906	152,311,321	-	-
Private placement notes	3,093,000	-	3,093,000	-	-
Leases payable	497	-	497	94,712	-
Subscriptions liability	75,754	-	75,754	-	-
Compensated absences	1,644,202	79,404	1,723,606	238,397	-
Arbitrage liability	1,044,523	11,605	1,056,128	-	-
Landfill liability	1,808,314	-	1,808,314	-	-
Long-term amortization of capacity charges	-	12,378,307	12,378,307	-	-
Contractual agreement	-	6,307,031	6,307,031	-	370,374
Total liabilities	84,424,668	123,106,586	207,531,254	27,316,114	610,482
DEFERRED INFLOWS OF RESOURCES					
Pension plan	1,927,849	74,636	2,002,485	4,162,155	-
Other postemployment benefits plans	1,207,545	62,379	1,269,924	1,293,821	-
Lease related	52,688	534,217	586,905	28,219	-
Property taxes	26,611,823	4,704,608	31,316,431	-	-
Total deferred inflows of resources	29,799,905	5,375,840	35,175,745	5,484,195	-
NET POSITION					
Net investment in capital assets	51,143,055	23,418,250	74,561,305	40,178,269	-
Restricted for:					
Debt covenants and bonds	47,038,996	17,497,922	64,536,918	-	-
Courthouse maintenance	47,153	-	47,153	-	-
Forfeitures	42,443	-	42,443	-	-
Unrestricted (deficit)	22,924,582	(6,402,966)	16,521,616	(21,320,483)	787,134
Total net position	$ 121,196,229	$ 34,513,206	$ 155,709,435	$ 18,857,786	$ 787,134

The accompanying notes are an integral part of these financial statements.

Statement of Activities

Year Ended June 30, 2023

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position				
					Primary Government			Component Units	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	School Board	EDA
Primary Government									
Governmental activities:									
General government administration	$ 8,239,951	$ 3,819	$ 1,147,336	$ 534,218	$ (6,554,578)	$ -	$ (6,554,578)	$ -	$ -
Judicial administration	2,268,635	206,993	663,750	-	(1,397,892)	-	(1,397,892)	-	-
Public safety	20,360,863	2,581,795	1,403,885	-	(16,375,183)	-	(16,375,183)	-	-
Public works	4,272,110	58,230	-	-	(4,213,880)	-	(4,213,880)	-	-
Health and human services	5,185,956	-	2,374,641	-	(2,811,315)	-	(2,811,315)	-	-
Education	30,385,441	-	-	-	(30,385,441)	-	(30,385,441)	-	-
Parks, recreation, and facilities management	1,808,048	277,143	-	-	(1,530,905)	-	(1,530,905)	-	-
Community development	2,269,181	232,042	-	-	(2,037,139)	-	(2,037,139)	-	-
Interest on long-term debt	1,847,503	-	-	-	(1,847,503)	-	(1,847,503)	-	-
Total governmental activities	76,637,688	3,360,022	5,589,612	534,218	(67,153,836)	-	(67,153,836)	-	-
Business-type activities:									
Utilities	17,856,582	7,822,579	8,235,997	3,937,903	-	2,139,897	2,139,897	-	-
Total Primary Government	$ 94,494,270	$ 11,182,601	$ 13,825,609	$ 4,472,121	(67,153,836)	2,139,897	(65,013,939)	-	-
Component Units									
School Board	$ 34,471,339	$ 866,741	$ 14,749,319	$ 448,255	-	-	-	(18,407,024)	-
Economic Development Authority	74,905	671	-	66,389	-	-	-	-	(7,845)
Total Component Units	$ 34,546,244	$ 867,412	$ 14,749,319	$ 514,644	-	-	-	(18,407,024)	(7,845)
General revenues:									
General property taxes					59,369,025	9,075,822	68,444,847	-	-
Sales and use tax					6,208,820	-	6,208,820	-	-
Business license taxes					1,279,198	-	1,279,198	-	-
Other local taxes					5,300,058	-	5,300,058	-	-
Unrestricted revenues from use of money and property					5,506,922	857,837	6,364,759	50,513	22,108
Payments from Primary Government					-	-	-	25,187,414	-
Grants and contributions not restricted to specific programs					3,594,653	-	3,594,653	-	-
Miscellaneous					2,782,763	-	2,782,763	177,305	-
Total general revenues					84,041,439	9,933,659	93,975,098	25,415,232	22,108
Change in net position					16,887,603	12,073,556	28,961,159	7,008,208	14,263
Net position - beginning					104,308,626	22,439,650	126,748,276	11,849,578	772,871
Net position - ending					$ 121,196,229	$ 34,513,206	$ 155,709,435	$ 18,857,786	$ 787,134

The accompanying notes are an integral part of these financial statements.

Balance Sheet - Governmental Funds

June 30, 2023

	General	Capital Projects	Nonmajor Governmental	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 55,058,970	$ 23,322,683	$ 5,871,508	$ 84,253,161
Receivables (net of allowances for uncollectibles):				
Taxes receivable, including penalties	28,077,960	-	-	28,077,960
Accounts receivable	535,387	-	-	535,387
Leases receivable	56,438	-	-	56,438
Interest receivable, leases	55	-	-	55
Notes receivable	1,750,000	-	-	1,750,000
Inventories	6,949	-	-	6,949
Prepaid items	248,137	-	711	248,848
Due from other governmental units	1,469,604	-	557,164	2,026,768
Restricted cash	-	47,038,996	-	47,038,996
Total assets	$ 87,203,500	$ 70,361,679	$ 6,429,383	$ 163,994,562
LIABILITIES				
Accounts payable	$ 652,794	$ 3,883,051	$ 142,060	$ 4,677,905
Accrued liabilities	72,539	-	-	72,539
Performance bonds escrow	1,413,378	602,321	-	2,015,699
Unearned revenue	67,069	4,133,071	22,001	4,222,141
Total liabilities	2,205,780	8,618,443	164,061	10,988,284
DEFERRED INFLOWS OF RESOURCES				
Leases	52,688	-	-	52,688
Unavailable revenue - vehicle license fees	4,920	-	-	4,920
Unavailable revenue - property taxes	28,443,416	-	-	28,443,416
Total deferred inflows of resources	28,501,024	-	-	28,501,024
FUND BALANCES				
Nonspendable	255,086	-	711	255,797
Restricted	44,728	47,038,996	42,443	47,126,167
Committed	3,250,000	-	-	3,250,000
Assigned	29,114,589	14,704,240	6,222,168	50,040,997
Unassigned	23,832,293	-	-	23,832,293
Total fund balances	56,496,696	61,743,236	6,265,322	124,505,254
Total liabilities, deferred inflows of resources and fund balances	$ 87,203,500	$ 70,361,679	$ 6,429,383	$ 163,994,562

The accompanying notes are an integral part of these financial statements.

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2023

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds		$ 124,505,254
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Capital assets	$ 106,670,862	
Less - accumulated depreciation and amortization	(38,942,559)	
		67,728,303
Deferred outflows of resources - pension and other postemployment plans represent a consumption of net position that applies to a future period and, therefore, are not recognized as deferred outflows of resources in the governmental funds.		3,697,937
Receivables in the governmental funds do not provide current financial resources and, therefore, are not reported on the Statement of Net Position.		1,836,513
Deferred inflows of resources - pension plan and other postemployment plans represent an acquisition of net position that applies to a future period and, therefore, are not recognized as deferred inflows of resources in the governmental funds.		(3,135,394)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
General obligation bonds, including unamortized premiums	(59,775,972)	
Private placement notes	(3,503,000)	
Arbitrage liability	(1,044,523)	
Subscription liability	(202,305)	
Leases payable	(2,475)	
Total net other postemployment benefits liability	(2,979,828)	
Net pension liability	(725,553)	
Compensated absences	(1,826,902)	
Landfill post-closure care	(1,823,314)	
Due to component unit	(610,373)	
Interest payable	(942,139)	
		(73,436,384)
Net position of governmental activities		$ 121,196,229

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Year Ended June 30, 2023

	General	Capital Projects	Nonmajor Governmental	Total Governmental Funds
REVENUES				
General property taxes	$ 59,401,586	$ -	$ -	$ 59,401,586
Other local taxes	10,144,500	-	2,643,576	12,788,076
Permits, privilege fees, and regulatory licenses	1,911,713	-	-	1,911,713
Fines and forfeitures	113,865	-	-	113,865
Revenue from use of money and property	3,336,354	2,168,678	1,890	5,506,922
Charges for services	1,334,444	-	-	1,334,444
Miscellaneous	69,831	2,712,772	160	2,782,763
Recovered costs	259,439	-	-	259,439
Intergovernmental revenues:				
Commonwealth	7,058,156	534,218	393,876	7,986,250
Federal	1,720,944	-	11,289	1,732,233
Total revenues	85,350,832	5,415,668	3,050,791	93,817,291
EXPENDITURES				
Capital outlay:				
General government administration	6,303,157	469,351	-	6,772,508
Judicial administration	2,184,239	-	1,839	2,186,078
Public safety	18,390,354	2,227,236	-	20,617,590
Public works	3,588,596	572,574	-	4,161,170
Health and human services	4,243,945	-	969,606	5,213,551
Education	25,187,414	17,619,048	-	42,806,462
Parks, recreation, and facilities management	1,676,580	543,838	-	2,220,418
Community development	2,184,170	323,571	152,372	2,660,113
Debt service:				
Cost of debt issuance	-	775	-	775
Principal retirement	3,276,000	-	-	3,276,000
Interest and other fiscal charges	2,193,151	-	-	2,193,151
Total expenditures	69,227,606	21,756,393	1,123,817	92,107,816
Excess (deficiency) of revenues over (under) expenditures	16,123,226	(16,340,725)	1,926,974	1,709,475
OTHER FINANCING SOURCES (USES)				
Transfers in	-	6,983,112	608,427	7,591,539
Transfers out	(7,258,427)	-	(333,112)	(7,591,539)
Total other financing sources (uses), net	(7,258,427)	6,983,112	275,315	-
Net change in fund balances	8,864,799	(9,357,613)	2,202,289	1,709,475
Fund balances - beginning	47,631,897	71,100,849	4,063,033	122,795,779
Fund balances - ending	$ 56,496,696	$ 61,743,236	$ 6,265,322	$ 124,505,254

The accompanying notes are an integral part of these financial statements.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities

Year Ended June 30, 2023

Net change in fund balances - total governmental funds		$ 1,709,475
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 depreciation and amortization expense. This is the amount by which capital assets were impacted by capital outlays, depreciation, amortization, and transfers of joint tenancy assets in the current period:		
Capital outlay	$ 21,192,231	
Depreciation and amortization	(4,052,619)	
Allocation of joint tenancy assets, net, to the School Board Component Unit	(448,255)	
		16,691,357
Net effect of various miscellaneous transactions involving capital assets (i.e. sales, disposals, and donations) is to decrease net position		(3,909,367)
Revenues in the funds that do not provide current financial resources are not reported as revenues in the Statement of Activities		(292,000)
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:		
Principal retired on general obligation long-term debt and lease payable obligations		3,075,667
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:		
Landfill post-closure liability	(38,951)	
Compensated absences	(298,237)	
Arbitrage expense	(1,044,523)	
OPEB expense	(12,122)	
Pension expense	425,618	
Interest payable	(164,106)	
Due to component unit	236,235	
Amortization of bond premium	508,557	
		(387,529)
Change in net position of governmental activities		$ 16,887,603

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
General property taxes	$ 53,353,100	$ 53,353,100	$ 59,401,586	$ 6,048,486
Other local taxes	8,295,000	8,295,000	10,144,500	1,849,500
Permits, privilege fees, and regulatory licenses	2,043,500	2,162,990	1,911,713	(251,277)
Fines and forfeitures	51,000	51,000	113,865	62,865
Revenue from use of money and property	100,000	100,000	3,336,354	3,236,354
Charges for services	1,093,600	1,093,600	1,334,444	240,844
Miscellaneous	55,000	55,000	69,831	14,831
Recovered costs	272,600	272,600	259,439	(13,161)
Intergovernmental revenues:				
Commonwealth	6,806,618	7,138,511	7,058,156	(80,355)
Federal	1,715,283	1,752,953	1,720,944	(32,009)
Total revenues	73,785,701	74,274,754	85,350,832	11,076,078
EXPENDITURES				
Current:				
General government administration	7,591,953	6,830,481	6,303,157	527,324
Judicial administration	2,314,993	2,376,612	2,184,239	192,373
Public safety	19,251,911	20,291,853	18,390,354	1,901,499
Public works	3,543,722	3,696,799	3,588,596	108,203
Health and human services	4,617,786	4,690,911	4,243,945	446,966
Education	25,500,000	25,863,687	25,187,414	676,273
Parks, recreation, and facilities management	1,676,809	1,719,783	1,676,580	43,203
Community development	2,433,101	2,796,423	2,184,170	612,253
Debt service:				
Principal retirement	3,276,000	3,276,000	3,276,000	-
Interest and other fiscal charges	2,235,426	2,235,426	2,193,151	42,275
Total expenditures	72,441,701	73,777,975	69,227,606	4,550,369
Excess of revenues over expenditures	1,344,000	496,779	16,123,226	15,626,447
OTHER FINANCING USES				
Transfers out	(6,350,000)	(7,600,000)	(7,258,427)	341,573
Total other financing uses	(6,350,000)	(7,600,000)	(7,258,427)	341,573
Net change in fund balance	(5,006,000)	(7,103,221)	8,864,799	15,968,020
Fund balance - beginning	5,006,000	6,629,687	47,631,897	41,002,210
Fund balance - ending	$ -	$ (473,534)	$ 56,496,696	$ 56,970,230

The accompanying notes are an integral part of these financial statements.

Statement of Net Position - Proprietary Fund

June 30, 2023

		Utilities
ASSETS		
Current assets:		
Cash and cash equivalents	$	34,914,761
Taxes receivable, including penalties, net		4,694,739
Accounts receivable, net		1,538,848
Leases receivable		542,917
Interest receivable, leases		11,917
Prepaid items		10,490
Due from other governmental units		115,516
Total current assets		41,829,188
Noncurrent assets:		
Cash and cash equivalents and investments - restricted		17,497,922
Capital assets, net		100,003,413
Total noncurrent assets		117,501,335
Total assets		159,330,523
DEFERRED OUTFLOWS OF RESOURCES		
Pension and other postemployment benefit plans		169,193
Deferred charge on refunding		3,495,916
Total deferred outflows of resources		3,665,109
LIABILITIES		
Current liabilities:		
Accounts payable		2,741,843
Customer deposits		19,600
Accrued interest payable		2,487,859
Leases payable		10,570
Unearned revenue		826,485
Bonds payable		1,864,671
Capacity charges		1,000,000
Compensated absences		8,823
Total current liabilities		8,959,851
Noncurrent liabilities:		
Bonds payable - net of current portion		95,198,906
Capacity charges - net of current portion		12,378,307
Arbitrage liability		11,605
Net pension liability		29,756
Net other postemployment benefits liability		141,726
Compensated absences - net of current portion		79,404
Contractual agreement payable		6,307,031
Total noncurrent liabilities		114,146,735
Total liabilities		123,106,586
DEFERRED INFLOWS OF RESOURCES		
Lease related		534,217
Pension and other postemployment benefit plans		137,015
Property taxes		4,704,608
Total deferred inflows of resources		5,375,840
NET POSITION		
Net investment in capital assets		23,418,250
Restricted for debt covenants		17,497,922
Unrestricted		(6,402,966)
Total net position	$	34,513,206

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund

Year Ended June 30, 2023

	Utilities
OPERATING REVENUES	
Permits, privilege fees, and regulatory licenses	$ 237,134
Charges for services	7,537,168
Miscellaneous	48,277
Total operating revenues	7,822,579
OPERATING EXPENSES	
Personnel services	1,207,869
Contractual services	8,373,017
Depreciation and amortization	2,962,573
Total operating expenses	12,543,459
Operating loss	(4,720,880)
NONOPERATING REVENUES (EXPENSES)	
Connection fees	8,235,997
Interest earnings	757,481
Interest earned, leases	5,169
Lease revenue	95,187
Property taxes	9,075,822
Interest expense	(5,313,123)
Total nonoperating revenues, net	12,856,533
Income before capital contributions	8,135,653
Capital contributions	3,937,903
Change in net position	12,073,556
Total net position - beginning	22,439,650
Total net position - ending	$ 34,513,206

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows - Proprietary Fund

Year Ended June 30, 2023

		Utilities
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$	7,606,910
Payments to suppliers		(7,506,662)
Payments to employees		(1,224,611)
Net cash used in operating activities		(1,124,363)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Connection fees		8,235,997
Property tax revenue		9,045,655
Net cash provided by noncapital financing activities		17,281,652
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal payments on bonds		(1,512,487)
Principal payments on leases		(15,622)
Acquisition and construction of capital assets		(1,360,358)
Lease revenue		90,936
Payments made for capacity charges		(1,000,000)
Interest payments and fiscal agent fees		(4,294,319)
Net cash used in capital and related financing activities		(8,091,850)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received		750,733
Net cash provided by investing activities		750,733
Net increase in cash and cash equivalents		8,816,172
Cash and cash equivalents and investments - beginning		43,596,511
Cash and cash equivalents - ending	$	52,412,683
Cash and cash equivalents, as shown on the statement of net position:		
Cash and cash equivalents - current assets	$	34,914,761
Cash and cash equivalents - restricted assets		17,497,922
	$	52,412,683
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	$	(4,720,880)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization expense		2,962,573
Pension and OPEB benefit		22,898
Changes in assets and liabilities:		
Increase in accounts receivable		(150,346)
Increase in due from other governments		(67,808)
Increase in prepaid items		(2,237)
Increase in compensated absences		12,781
Increase in customer deposits		2,485
Increase in accounts payable		868,592
Decrease in deferred outflows of resources		(52,421)
Total adjustments		3,596,517
Net cash used in operating activities	$	(1,124,363)

Supplemental information on non-cash investing and financing activity:

Accreted interest on capital appreciation of bonds of $1,150,490 represents non-cash transactions which resulted in an increase in outstanding debt during the year.

Capital contributions of $3,937,303 were received in the current year which were donations of assets by developers and are non-cash transactions.

The accompanying notes are an integral part of these financial statements.

Statement of Fiduciary Net Position

June 30, 2023

		Custodial Fund
ASSETS		
Cash and cash equivalents	$	81,230
Total assets	$	81,230
NET POSITION		
Restricted for: Social services clients	$	81,230
Total net position	$	81,230

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Fiduciary Net Position - Fiduciary Funds

Year Ended June 30, 2023

	Custodial Fund
ADDITIONS	
Benefits collected on behalf of others	$ 1,602
Total	1,602
DEDUCTIONS	
Benefits paid to participants or beneficiaries	4,002
Total	4,002
Decrease in fiduciary net position	(2,400)
Net position - beginning	83,630
Net position - ending	$ 81,230

The accompanying notes are an integral part of these financial statements.

I. Summary of significant accounting policies

A. Reporting entity

The County of Goochland, Virginia (County) was established in 1728 and operates under the board administrator form of government. The 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 have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and accounting principles generally accepted in the United States, as specified by the Governmental Accounting Standards Board (GASB). The most significant of the government's accounting policies are described below.

The financial statements present the County (the primary government) and its component units, entities for which the County is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. The County and its component units are together referred to as the reporting entity.

Discretely Presented Component Units

School Board: The Goochland County Public School Board (School Board) members are elected by the citizens of Goochland 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 as the County has the ability to approve its budget and any amendments, and the primary funding source for the School System is the County General Fund. The School Board does not issue a separate financial report. The financial statements of the School Board are presented as a discretely presented component unit of the County financial statements as of and for the fiscal year-ended June 30, 2023.

Economic Development Authority: The Goochland County Economic Development Authority (EDA) was established by the Goochland County Board of Supervisors in accordance with § 15.2-4900 of the Code of Virginia. The members of the EDA are appointed by the Goochland County Board of Supervisors. The Treasurer of the EDA maintains suitable records of all financial transactions of the Authority. By statute, the EDA has the power to cause the issuance of tax-exempt industrial development revenue bonds to qualifying enterprises wishing to utilize that form of financing. The EDA also provides economic development activities for the County and may acquire property, issue debt in its own name, and enter into lease/purchase arrangements with the County. The County is obligated to see that the EDA's contractual agreement obligations are met. The EDA is fiscally dependent on the County and, therefore, it is included in the County's financial statements as a discretely presented component unit as of and for the fiscal year-ended June 30, 2023. The EDA does not issue separate financial statements.

B. Basis of presentation – government-wide financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its discretely presented component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The Statement of Net Position is designed to display the financial position of the Primary Government (governmental and business-type activities) and its discretely presented component units. In addition to reporting current assets and liabilities, the Statement of Net Position includes both noncurrent assets and noncurrent liabilities of the County (such as capital assets and long-term liabilities for various employee benefits) as well as deferred outflows of resources and deferred inflows of resources. The Net Position of the County may be presented in three categories — (1) net investment in capital assets; (2) restricted; and (3) unrestricted. The County generally first uses restricted resources for expenses incurred for which both restricted and unrestricted Net Position is available.

The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the County's functions (e.g., public safety, public works, health and human services, etc.). The expense of individual functions is compared to the revenues generated directly by the function (e.g., through user charges or intergovernmental grants). Program revenues include: (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meet the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes and intergovernmental aid not restricted to specific purposes, are presented as general revenues.

C. Basis of presentation – fund financial statements

The fund financial statements organize and report the financial transactions and balances of the County on the basis of fund categories. Separate statements for each of the County's three fund categories — Governmental (i.e., General, Capital Projects and Special Revenue funds), Proprietary (i.e., Utilities fund) and Fiduciary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are combined in a single column in the fund financial statements.

The government reports the following major governmental funds:

- 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 revenue is used principally to finance the operations of the School Board, a discretely presented component unit. The General Fund is considered a major fund for reporting purposes.
- Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Projects Fund is considered a major fund for reporting purposes.

Additionally, the government reports the following nonmajor governmental funds:

- Special Revenue Funds account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action. The Special Revenue Funds are considered nonmajor funds for reporting purposes. These funds consist of the Asset Forfeiture Fund, the Office of Children's Services Fund, and the Central Virginia Transportation Authority whose revenues are restricted for drug enforcement, health and human services, and transportation projects, respectively.

The government reports the following major enterprise fund:

- Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. The Proprietary Funds measurement focus is based upon determination of operating income, financial position, and changes in financial position. Proprietary Funds consist of Enterprise Funds, which distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The County's sole Enterprise Fund consists of the Utilities fund, which provides water and sewer services for the County.

Additional fund types reported:

- Fiduciary Funds: *Custodial Fund* accounts for assets that are controlled by the County unit, the assets are not derived from the County, and the assets are legally dedicated to providing benefits for the recipients. There are four types of Fiduciary funds; Pension, Investment trust funds, Private-Purpose trust funds, and Custodial funds. The County has one Custodial Fund and utilizes the accrual basis of accounting. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds in the governmental activities (the governmental funds) and business-type activities (the enterprise fund) are eliminated so that only the net amount is included as internal balances in the governmental and business-type activities columns.

The principal operating revenues of the County's proprietary fund is charges for services. Operating expenses for the enterprise fund include the cost of services, administrative expenses, contractual services, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Unbilled charges for water and wastewater services are recorded at year-end to the extent they can be estimated.

D. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, wherein revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Non-exchange transactions, in which the County receives value without directly giving equal value in exchange, include property taxes, state sales taxes, grants, entitlements, and donations. Revenue from state sales taxes is recognized on the accrual basis in the fiscal year during which the underlying exchange transaction takes place, which is generally within two months preceding receipt by the County. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements, including time requirements, if any, have been satisfied. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become susceptible to accrual - that is, in the fiscal year in which they become both measurable and available to finance expenditures of the fiscal period. 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, pensions, landfill, and other postemployment benefits obligations, are recorded only when payment is due. This is the manner in which these funds are normally budgeted. Property taxes, sales taxes, grants, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual. Property taxes are recognized as receivables and unavailable revenue when billed and revenue is recognized as the taxes are collected. Property taxes not collected within 45 days after year-end, net of allowances for uncollectible amounts, are reflected as unavailable 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 when the underlying exchange occurs and are remitted to the County by the state within two months of the transaction. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues.

In one, monies must be expended for the specific purpose or project before any amounts will be paid to the County; therefore, revenues are recognized based upon the expenditures incurred. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. Reimbursement grants are recognized as revenue when measurable, all eligibility criteria have been met, the related amounts become available, and if received within one year. 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 County considers non-grant 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 County.

E. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Deposits and investments

Cash and Cash Equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. All funds, unless otherwise classified as restricted, are deposited into the County's pooled bank account, defined as the operating account.

Investments

Cash of individual funds other than the Asset Forfeiture and Economic Development Fund is combined to form a pool of cash and investments. The pool consists primarily of government obligations, repurchase agreements, and external local government investment pools. The government securities are stated at fair value based on quoted market prices (Level 1 inputs). The repurchase agreement, a restricted investment held by a third party, is reported at fair value and is not transferrable (Level 2 input). The external local government investment pool accounts are reported at amortized cost and classified as cash and cash equivalents. Interest earned as a result of pooling is distributed to the appropriate funds utilizing a formula based on average monthly balances.

2. Receivables and payables

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. The allowance for uncollectable property taxes amounted to $49,496 at June 30, 2023 and is reported within each fund as follows: General Fund $45,990, Utilities Fund $3,506. The County levies real estate taxes on all real estate within its boundaries, except that exempted by statute. The real estate in the County is assessed each year as of January 1 on the estimated market value of the property. On January 1, the real estate taxes become an enforceable lien on the property. For real estate assessed on January 1, payment is due in two equal installments on June 5 and December 5. The County bills and collects real estate taxes and recognizes such as revenues when measurable and available in the General Fund and for the period in which they are levied in the Governmental and Business-type activities.

The County levies personal property taxes on motor vehicles, boats, mobile homes, aircraft, and tangible business property. Personal property tax levies are based on the estimated fair market value as of January 1, with payment due in two equal installments on June 5 and December 5. On January 1, personal property taxes become an enforceable lien on the property.

Property taxes, net of allowance for uncollectible amounts, not collected within 45 days after year-end are reflected as unavailable revenues in the governmental fund financial statements. Taxes are budgeted and billed to fund operations occurring within the year they are required to be paid. Accordingly, payments received by June 30 with a December 5 due date are intended to fund the operations of the next fiscal year and are recorded as unavailable revenues at June 30.

The Personal Property Tax Relief Act of 1998 (PPTRA) provided for the Commonwealth to reimburse a portion of the personal property tax levied on the first $20,000 of personal use cars, motorcycles and trucks. During the 2005 Special Session I, the Virginia General Assembly passed Senate Bill 5005, which provided for the Commonwealth to reimburse a portion of the tangible personal property tax levied based on a fixed relief amount. The fixed relief amount was capped at $950,000,000 in total for all localities with the County's share capped at $2,853,012, which the County received during the year-ended June 30, 2023. The Commonwealth requires localities to record the revenue from PPTRA as noncategorical State aid, not as property taxes.

3. Prepaid items

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

4. Inventories

All County inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories of the County's discretely presented School Board Component Unit are valued at cost using the FIFO method.

5. Restricted assets

In accordance with applicable bond covenants, business-type activities report restricted cash, cash equivalents, and investments at June 30, 2023 of $17,497,922 in the Utilities Fund maintained as reserves required by water and sewer revenue bond covenants. The Capital Projects Fund reports restricted cash, cash equivalents, and investments at June 30, 2023 of $47,038,996 maintained as reserves for future capital improvements per the 2022 bond-issuance referendum.

6. Capital assets

Capital assets, which include property and equipment, and contractual rights to such assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements.

Capital assets are defined by the County and its discretely presented component units as items with an initial individual cost of more than $10,000 and an estimated useful life in excess of two years for equipment and vehicles, $20,000 for infrastructure, and $100,000 for intangible assets. Land and land improvements, buildings, and building betterments are always considered capital assets and are recorded as such. Such assets are recorded at historical cost (except for intangible right-to-use lease and subscription assets, the measurement of which is discussed in note 1., E.9. and E.10., below) or estimated historical cost (based on appraisals or another acceptable method of valuation) when historical costs are not available. The County records the value of purchased capacity rights to water and wastewater treatment facilities at cost. Contributed capital assets are recorded at acquisition value at the time of receipt. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of contribution. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. The County does not have any impaired assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed or purchased. The County implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, during fiscal year 2019. As a result, interest incurred during the construction phase of capital assets of business-type activities is no longer included as part of the capitalized value of the assets constructed.

Capital assets of the governmental activities, as well as the component units, are depreciated and amortized using the straight-line method over the following estimated useful lives:

Building improvements	40 years
Furniture, vehicles, office and computer equipment	6, 7 & 10 years
Intangible right-to-use lease equipment	3-5 years
Intangible right-to-use subscription assets	3 years
Buses	15 years

Capital assets of the enterprise fund are depreciated and amortized as follows:

Pipes	50 years
Capacity rights	40 years
Meters, tools & equipment	7 years
Vehicles & light trucks	5 years
Intangible right-to-use lease buildings	2-3 years

7. Compensated absences

Accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Total accumulated vacation leave is reported as an expense as incurred in the Statement of Activities and a long-term obligation in the Statement of Net Position. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For the proprietary fund, the cost of vacation and sick leave is recorded as a liability when incurred.

8. Long-term obligations

In the government-wide and proprietary fund Statements of Net Position, long-term debt and other long-term obligations are reported as liabilities.

In the governmental funds financial statements, proceeds from long-term debt including bond premiums, discounts and issuance costs are reported in the Statement of Revenues, Expenditures and Changes in Fund Balances during the current period. The face amount of debt issued and premiums are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Leases

Lessee: The County and School Board are lessees for noncancellable leases of buildings and equipment. The County and School Board recognize lease liabilities and intangible right-to-use lease assets (lease assets) in the government-wide financial statements. The County and School Board recognize lease liabilities with an initial, individual value of $10,000 or more.

At the commencement of a lease, the County and School Board initially measure the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the County and School Board determine (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County and School Board use the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County and School Board generally use their estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County and School Board are reasonably certain to exercise.

The County and School Board monitor changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The County and School Board are lessors for a noncancellable leases of buildings and infrastructure. The County recognizes leases receivable and deferred inflows of resources in the government-wide and fund financial statements.

At the commencement of a lease, the County and School Board initially measure the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the County and School Board determine (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County and School Board use their estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County and School Board monitor changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

10. Subscription-based information technology arrangements (SBITAs)

The County adopted GASB Statement No. 96 on July 1, 2022.

For new or modified contracts, the County determines whether the contract is a SBITA. If a contract is determined to be, or contain, a SBITA with a non-cancellable term in excess of 12 months (including any options to extend or terminate the subscription when exercise is reasonably certain), the County records an intangible right-to-use subscription asset and subscription liability which is calculated based on the value of the discounted future subscription payments over the term of the subscription. If the interest rate implicit in the subscription is not readily determinable, the County will use the applicable incremental borrowing rate in the calculation of the present value of the subscription payments.

The County recognizes a subscription liability and an intangible right-to-use subscription asset on the Statements of Net Position. Subscriptions with an initial, non-cancellable term of 12 months or less are not recorded on the Statement of Net Position and expense is recognized as incurred over the subscription term.

At the commencement of a SBITA, the County measures the subscription liability at the present value of payments expected to be made during the subscription term and then reduces the liability by the principal portion of the subscription payments made. The intangible right-to-use subscription asset is measured at the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs, then amortized on a straight-line basis over the subscription term.

Subscription payments are apportioned between interest expense and principal based on an amortization schedule calculated using the effective interest method.

11. Deferred outflows/inflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expenditure) until then. The County and discretely presented component unit, the School Board, have several items that qualify for reporting in this category. The first item is a deferred charge on refunding resulting from the difference in carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunded or refunding debt. The remaining items relate to the pension plan and other postemployment benefits (OPEB) plans. See Notes V. E. through V. I. for details regarding these items.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Three types of items qualify for reporting in this category. Accordingly, one item, unavailable revenue, which arises under the modified accrual basis of accounting, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenue from state and property taxes and vehicle license fees receivable. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The unavailable revenue from property taxes is comprised of amounts prepaid on the second half installments and all uncollected property taxes due prior to June 30 reduced by amounts collected within 45 days after year-end. The unavailable revenue from vehicle license fees is comprised of all uncollected vehicle license fees reduced by amounts collected within 45 days after year-end. The remaining items relate to the pension plan, other postemployment benefits (OPEB) plans and leases. See Notes V. E. through V. I. and IV. G. for details regarding these items.

12. Net position/fund balances

Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Net investment in capital assets represents assets, net of accumulated depreciation and amortization, less the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, laws and regulations of other governments or imposed by law through State statute.

When both restricted and unrestricted resources are available for use, generally it is the County's policy to use restricted resources first, then unrestricted resources when they are needed.

Fund balances in governmental funds are classified as follows:

- Nonspendable fund balance - amounts that cannot be spent because of their nature (such as the County's prepaid items and inventory) and amounts that must be maintained intact legally or contractually.
- Restricted fund balance - amounts constrained for a specific purpose by external parties, constitutional provisions, or legislation (such as asset forfeiture funds and courthouse maintenance fees).
- Committed fund balance - amounts constrained to use for specific purposes pursuant to formal action of the Board of Supervisors. The amounts cannot be used for other purposes unless the Board removes or changes the constraints via the same action used to initially commit them. The highest levels of formal action approved by the Board are ordinances and resolutions, which are equally binding.
- Assigned fund balance - amounts that include the intended use of resources established by the governing body itself.
- Unassigned fund balance - residual balance of General Fund that has not been classified as nonspendable, restricted, committed or assigned to specific purposes within the General Fund and negative unassigned fund balances of other governmental funds.

Resources, whether restricted or unrestricted, are available for use only when appropriated by the Board of Supervisors in accordance with the adopted budget. In determining the classification of ending fund balances, when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) resources are available and have been appropriated for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When amounts in any of the three unrestricted fund balance classifications are available and have been appropriated for use, expenditures are made from committed amounts first, followed by assigned amounts, and then by unassigned amounts.

The Board of Supervisors has adopted a minimum fund balance policy that states that the General Fund unassigned fund balance shall be at least equal to twenty percent of the total annual adopted General Fund budget of the subsequent fiscal year, plus the non-local portion of the School operating fund budget.

F. 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 Subdivision's Retirement Plan and the VRS Teacher Retirement Plan and the additions to/deductions from the Political Subdivision's Retirement Plan's and the VRS Teacher Retirement Plan's net fiduciary positions have been determined on the same basis as they were reported by the 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.

G. Other postemployment benefits

Retiree Healthcare Plans
The Goochland County Retiree Healthcare Plan and the Goochland County Public Schools Retiree Healthcare Plan are single-employer plans administered by the County and the Schools. Experience gains or losses are amortized over the average working lifetime of all participants, which for the current period is seven years. Plan amendments are recognized immediately. Changes in actuarial assumptions are amortized over the average working lifetime of all participants.

Group Life Insurance Program
The VRS Group Life Insurance Program (GLI) is a multiple employer, cost-sharing plan. It provides coverage to state employees, teachers, and employees of participating political subdivisions. The GLI was established pursuant to Section 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 GLI is a defined benefit plan that provides a basic GLI benefit for employees of participating employers. For purposes of measuring the total GLI OPEB liability, deferred outflows of resources and deferred inflows of resources related to the GLI OPEB, and GLI OPEB expense, information about the fiduciary net position of the VRS GLI OPEB and the additions to/deductions from the VRS GLI 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.

Health Insurance Credit Program
The School Board professional HIC Program is a multiple-employer, cost-sharing plan and the School Board non-professional plan is a multi-employer agent defined benefit plan. The HIC Program was established pursuant to Section 51.1-1400 et seq. of the Code of Virginia, as amended, and which provide the authority under which benefit terms are established or may be amended. For purposes of measuring the HIC Program's total OPEB liability, deferred outflows of resources and deferred inflows of resources related to the HIC Program's OPEB, and the HIC Program's OPEB expense, information about the fiduciary net position of the HIC Program; and the additions to/deductions from the HIC 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.

Virginia Local Disability Program
The County has two Virginia Local Disability Programs (VLDP). The first plan is the School Board non-professional plan, which is a political subdivision employee plan. The second plan is the School Board professional plan, which is a teacher employee plan. Both plans are a multiple-employer, cost-sharing plans. For purposes of measuring the net VLDP OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB, and the VLDP OPEB expenses, information about the fiduciary net position of the VLDP, and the additions to/deductions from the VLDPs' net fiduciary positions 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.

H. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

I. Subsequent events

The County has evaluated subsequent events through December 4, 2023, the date on which the financial statements were available to be issued.

II. Reconciliation of government-wide and fund financial statements

Explanation of certain differences between the Governmental Funds Balance Sheet and the government-wide Statement of Net Position

Since the governmental funds financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, a summary reconciliation of the difference between total fund balances as reflected on the Governmental Funds Balance Sheet and total governmental activities Net Position as shown on the government-wide Statement of Net Position is presented in Exhibit 4. One element of that reconciliation explains, "capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds." The details of this $67,728,303 are as follows:

Land and land improvements	$ 5,163,542
Construction in progress	18,519,777
Buildings and improvements	41,838,159
Less: Accumulated depreciation and amortization-building and improvements	(12,707,593)
Intangible right-to-use subscription assets	332,042
Less: Accumulated depreciation and amortization-intangible right-to-use subscription assets	(168,185)
Machinery and equipment	37,291,839
Less: Accumulated depreciation and amortization-machinery and equipment	(24,741,995)
Buildings - jointly owned assets	3,519,086
Less: Accumulated depreciation and amortization-buildings-jointly owned assets	(1,320,672)
Intangible right-to-use lease equipment	6,417
Less: Accumulated depreciation and amortization-intangible right-to-use lease equipment	(4,114)
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	$ 67,728,303

III. Stewardship, compliance, and accountability

Budgetary information

On or before March 30 of each year, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year beginning the following July 1. Public hearings are conducted to obtain citizen comments. The County adopts an annual budget by July 1 of each year as required by 15.2-2503, Code of Virginia of 1950, as amended. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The capital projects fund is appropriated on a project-length basis.

Budgetary compliance is monitored and reported at the function level. All appropriations lapse at year-end, with the exception of Federal and State grants, capital improvements, and outstanding encumbrances (which are addressed by resolution).

IV. Detailed notes on all activities and funds

A. Deposits and investments

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

Investments - The State Treasurer's Local Government Investment Pool (LGIP) is a professionally managed money market fund, which invests in qualifying obligations and securities as permitted by Virginia statutes. Pursuant to Section 2.2-4605 of the Code of Virginia, the Treasury Board of the Commonwealth sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the Treasury Board at their regularly scheduled monthly meetings. The County's investments in the LGIP, totaling $110,308,116 are stated at amortized cost and classified as cash and cash equivalents. The LGIP has been assigned an "AAAm" rating by Standard & Poor's. The maturity of the LGIP is less than one year.

The County has invested bond proceeds subject to rebate of arbitrage earnings in the Virginia State Non-Arbitrage Program (SNAP), which is designed to assist local governments in complying with the arbitrage rebate requirements of the Tax Reform Act of 1986. These programs provide comprehensive investment management, accounting, and arbitrage rebate calculation services for proceeds of general obligation and revenue tax-exempt financing of Virginia counties, cities, and towns.

Investment Policy - State statutes authorize local governments and other public bodies to invest in obligations of the United States or its agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, bankers' acceptances, repurchase agreements, and the State's LGIP and the State Non-Arbitrage Program (SNAP).

The County does not have a formal policy for foreign currency risk, custodial credit risk, or concentration of credit risk.

Credit Policy - Credit risk is the risk that the County funds will not recover their investments due to the lack of ability of the counterparty to fulfill its obligation. The County's rated debt investments as of June 30, 2023 were rated by Standard and Poor's and the ratings are presented below using the Standard and 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 *Standard and Poor's* A-1 and *Moody's* Investor Service P-1.

	Fair Quality Ratings		
	AAAm	AA+	A3
Local Government Investment Pool	$ 110,308,116	$ -	$ -
State Non-Arbitrage Pool (SNAP)	51,958,794	-	-
Repurchase agreements	-	-	6,000,192
U.S. Government Securities	586,316	6,640,200	-
Total	$ 162,853,226	$ 6,640,200	$ 6,000,192

Interest rate risk is the risk that the fair value of investments will decrease because of an increase in interest rates. The County's policy states that the County's cash equivalents maturities match the expected need of funds.

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

	Fair Value	Less Than 1 year	Greater Than 10 years
Investment:			
Repurchase agreements	$ 6,000,192	$ -	$ 6,000,192
Certificates of Deposit	-	-	-
U.S. Government Securities	7,226,516	586,316	6,640,200
Total	$ 13,226,708	$ 586,316	$ 12,640,392

Following is a summary, as of June 30, 2023, of the County's cash, cash equivalents, and investments by asset type:

Government-Wide Accounts		Balance June 30, 2023
Cash and cash equivalents:		
Governmental Activities	$	84,253,161
Business-type Activities		34,914,761
School Board Component Unit		3,741,957
Economic Development Authority Component Unit		758,601
Restricted cash and cash equivalents - Governmental Activities		47,038,996
Restricted cash and cash equivalents - Business-type Activities		4,211,637
Restricted investments - Business-type Activities		13,286,285
Total cash, cash equivalents and investments	$	188,205,398

Asset Type		Balance June 30, 2023
Petty cash	$	2,560
Deposit accounts		12,709,220
Investments:		
Local Government Investment Pool		110,308,116
State Non-Arbitrage Pool		51,958,794
Repurchase agreements		6,000,192
U.S. Government Securities		7,226,516
Total cash, cash equivalents and investments	$	188,205,398

The County categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of June 30, 2023:

- U.S. Government securities of $586,316 are valued using quoted market prices (Level 1 inputs) and $6,640,200 are valued using significant other observable inputs (Level 2 inputs).
- Repurchase agreements of $6,000,192 are valued using significant other observable inputs (Level 2 inputs). US Bank calculates repurchase agreements using standard cash flow, Black-Derma-Toy and Monte Carlo valuation techniques. The models incorporate inputs, including interest rate curves, foreign exchange rates and volatility, and an assessment of the risk of counterparty nonperformance.

B. Receivables, unavailable and unearned revenues

At June 30, 2023, receivables for the Primary Government and School Board Component Unit were as follows:

	Primary Government				School Board
	General	Nonmajor Governmental	Utilities	Total Primary Government	Component Unit
Receivables:					
Taxes, net	$ 28,077,960	$ -	$ 4,694,739	$ 32,772,699	$ -
Accounts	535,387	-	1,538,848	2,074,235	13,331
Notes	1,750,000	-	-	1,750,000	-
Interest	55	-	11,917	11,972	-
Leases	56,438	-	542,917	599,355	28,295
Due from other governmental units:					
Commonwealth of Virginia	1,304,843	557,164	-	1,862,007	364,222
Federal government	164,761	-	-	164,761	705,478
Other	-	-	115,516	115,516	17,516
	$ 31,889,444	$ 557,164	$ 6,903,937	$ 39,350,545	$ 1,128,842

Unavailable revenues represent amounts in connection with receivables and revenues that are not considered available to liquidate liabilities of the current period. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Unavailable revenue totaling $33,152,944 (governmental funds $28,448,336 and proprietary fund $4,704,608) is comprised of the following:

- Unavailable revenue representing uncollected vehicle license fee billings not available for funding of current expenditures totaled $4,920 at June 30, 2023. Unavailable revenue representing uncollected tax billings not available for funding of current expenditures of $27,086,368 and property taxes due subsequent to June 30, 2023 but paid in advance by the taxpayers of $1,357,047 totaled $28,443,416 for governmental funds at June 30, 2023. Of the $28,443,416 reported in the governmental funds for property taxes, $1,836,513 does not provide current financial resources and, therefore, is not reported on the Statement of Net Position.
- Unavailable revenue in the proprietary fund totaled $4,704,608 at June 30, 2023 and was comprised of assessed but uncollected property taxes not intended to fund current period expenses.

Unearned revenues represent amounts that have been received but not earned and, therefore, revenue recognition has been deferred. Unearned revenue totaling $5,048,626 (governmental funds $4,222,141 and proprietary fund $826,485) is comprised of the following:

- Unearned revenue representing federal grant funds received but unearned totaled $67,069 in the General Fund and $4,133,071 in the Capital Projects Fund, and asset forfeiture funds received but unearned totaled $22,001 in the Nonmajor Governmental Fund.
- Unearned revenue representing federal grant funds received but unearned totaled $826,485 in the proprietary fund.

Notes receivable consist of two agreements. The first is a loan agreement between the County and Goochland Volunteer Fire-Rescue Association for renovations to Fire-Rescue Station Goochland Courthouse Company 5. It is a non-interest bearing 20 year loan, with annual payments of $75,000 through July 1, 2043. The second is a Promissory note from the County to Goochland Volunteer Fire-Rescue Association for renovations of the Manakin Company 1 Station. It is a non-interest bearing 15 year loan, with annual payments of $20,000 through July 1, 2037.

C. Due to component unit

Details of the Primary Government's Due to Component Units as of June 30, 2023 are as follows:

	Due from Primary Government	Due to Component Unit
Primary Government - Governmental Activities	$ -	$ 610,373
Economic Development Authority	610,373	-
	$ 610,373	$ 610,373

These due to/from balances represent long-term contractual agreements between the County and the EDA (see note IV. G. for further discussion).

D. Capital assets

The following is a summary of changes in capital assets for the year-ended June 30, 2023:

Governmental activities:	Balance July 1, 2022*	Increases	(Decreases)	Balance June 30, 2023
Capital assets, not being depreciated or amortized:				
Land and land improvements	$ 4,634,550	$ 528,992	$ -	$ 5,163,542
Construction in progress	5,157,019	20,013,716	(6,650,958)	18,519,777
Total capital assets, not being depreciated or amortized	9,791,569	20,542,708	(6,650,958)	23,683,319
Capital assets, being depreciated or amortized:				
Buildings and improvements	41,560,368	277,791	-	41,838,159
Machinery and equipment	34,523,808	2,781,281	(13,250)	37,291,839
Intangible right-to-use lease equipment	6,417	-	-	6,417
Intangible right-to-use subscription assets	332,042	-	-	332,042
Buildings - jointly owned assets	4,236,624	-	(717,538)	3,519,086
Total capital assets, being depreciated or amortized	80,659,259	3,059,072	(730,788)	82,987,543
Less accumulated depreciation/amortization for:				
Buildings and improvements	(11,614,711)	(1,092,882)	-	(12,707,593)
Machinery and equipment	(22,071,971)	(2,683,274)	13,250	(24,741,995)
Intangible right-to-use lease equipment	(2,057)	(2,057)	-	(4,114)
Intangible right-to-use subscription assets	-	(168,185)	-	(168,185)
Buildings - jointly owned assets	(1,483,734)	(106,221)	269,283	(1,320,672)
Total accumulated depreciation/amortization	(35,172,473)	(4,052,619)	282,533	(38,942,559)
Total capital assets, being depreciated or amortized, net	45,486,786	(993,547)	(448,255)	44,044,984
Governmental activities capital assets, net	$ 55,278,355	$ 19,549,161	$ (7,099,213)	$ 67,728,303

* Beginning balance was restated for implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

Depreciation and amortization expense were charged to functions/programs/funds as follows:

Governmental Activities:	
General government	$ 817,415
Judicial administration	87,130
Public safety	2,539,203
Public works	216,429
Health and welfare	18,034
Education	106,221
Parks, recreation and facilities management	178,172
Community development	90,015
	$ 4,052,619

A summary of proprietary fund capital assets at June 30, 2023 as follows:

Business-type activities:	Balance July 1, 2022	Increases	Transfers / (Decreases)	Balance June 30, 2023
Capital assets, not being depreciated or amortized:				
Land and land improvements	$ 3,127,253	$ -	$ -	$ 3,127,253
Construction in progress	4,812,937	3,433,513	(2,073,155)	6,173,295
Total capital assets, not being depreciated or amortized	7,940,190	3,433,513	(2,073,155)	9,300,548
Capital assets, being depreciated or amortized:				
Water and sewer system	95,399,098	1,864,748	2,073,155	99,337,001
Capacity rights	37,985,116	-	-	37,985,116
Machinery and equipment	542,869	-	-	542,869
Intangible right-to-use lease building	31,385	-	-	31,385
Total capital assets, being depreciated	133,958,468	1,864,748	2,073,155	137,896,371
Less accumulated depreciation/amortization for:				
Water and sewer system	(29,021,149)	(1,946,615)	-	(30,967,764)
Capacity rights	(14,823,448)	(949,657)	-	(15,773,105)
Machinery and equipment	(381,105)	(50,609)	-	(431,714)
Intangible right-to-use lease building	(5,231)	(15,692)	-	(20,923)
Total accumulated depreciation/amortization	(44,230,933)	(2,962,573)	-	(47,193,506)
Total capital assets, being depreciated or amortized, net	89,727,535	(1,097,825)	2,073,155	90,702,865
Business-type activities capital assets, net	$ 97,667,725	$ 2,335,688	$ -	$ 100,003,413

Legislation enacted during the fiscal year-ended June 30, 2002, Section 15.2-1800.1 of the Code of Virginia, 1950, as amended, changed the reporting of local school capital assets and related debt for financial statement purposes. Historically, debt incurred by local governments "on-behalf" of school boards was reported in the school board's discrete column along with the related capital assets. Under the law, local governments have a "tenancy in common" with their school board whenever the locality incurs any financial obligation for any school property which is payable over more than one fiscal year. For financial reporting purposes, the legislation permitted the locality to report the portion of school property related to any outstanding financial obligation eliminating any potential deficit from capitalizing assets financed with debt. The effect on the County for the year-ended June 30, 2023 is that school related financed assets in the amount of $2,198,414 (net of accumulated depreciation and amortization) are reported in the Primary Government as buildings - jointly owned assets for financial reporting purposes.

School Board Component Unit activities:	Balance July 1, 2022	Increases	(Decreases)	Balance June 30, 2023
Capital assets, not being depreciated or amortized:				
Land and land improvements	$ 607,079	$ -	$ -	$ 607,079
Total capital assets, not being depreciated or amortized	607,079	-	-	607,079
Capital assets, being depreciated or amortized:				
Buildings	61,292,632	4,589,248	-	65,881,880
Machinery and equipment	11,696,707	1,838,935	(273,957)	13,261,685
Intangible right-to-use lease equipment	-	157,002	-	157,002
Intangible right-to-use lease building	73,166	-	(17,646)	55,520
Total capital assets, being depreciated or amortized	73,062,505	6,585,185	(291,603)	79,356,087
Less accumulated depreciation/amortization for:				
Buildings	(31,051,059)	(1,812,298)	-	(32,863,357)
Machinery and equipment	(6,317,738)	(735,197)	375,398	(6,677,537)
Intangible right-to-use lease equipment	-	(16,586)	-	(16,586)
Intangible right-to-use lease building	(27,895)	(10,641)	-	(38,536)
Total accumulated depreciation/amortization	(37,396,692)	(2,574,722)	375,398	(39,596,016)
Total capital assets, being depreciated or amortized, net	35,665,813	4,010,463	83,795	39,760,071
School Board Component Unit capital assets, net	$ 36,272,892	$ 4,010,463	$ 83,795	$ 40,367,150

E. Interfund transfers

The primary purpose of interfund transfers is to fund certain capital projects partially or fully and to provide funding for the operations of the Office of Children's Services. Interfund transfers for the year-ended June 30, 2023 are as follows:

Primary Government	Transfers In	Transfers Out
General Fund	$ -	$ 7,258,427
Capital Projects Fund	6,983,112	-
Nonmajor Governmental Funds	608,427	333,112
	$ 7,591,539	$ 7,591,539

F. Long-term obligations

The following is a summary of changes in the government-wide noncurrent liabilities and the School Board Component Unit for the year-ended June 30, 2023:

Primary Government	Balance July 1, 2022*	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Governmental activities:					
Incurred for County:					
Private placement notes	$ 4,529,000	$ -	$ 1,026,000	$ 3,503,000	$ 410,000
Leases	4,447	-	1,972	2,475	1,978
Subscription liabilities	332,042	-	129,737	202,305	126,551
Compensated absences	1,528,665	1,682,283	1,384,046	1,826,902	182,700
Liability for landfill post-closure	1,784,363	54,580	15,629	1,823,314	15,000
General obligation bonds	8,200,000	-	274,400	7,925,600	259,200
Total incurred for County	16,378,517	1,736,863	2,831,784	15,283,596	995,429
Incurred for School Board:					
General obligation bonds	44,475,000	-	1,975,600	42,499,400	1,895,800
Premium	9,859,529	-	508,557	9,350,972	508,557
Total incurred for School Board	54,334,529	-	2,484,157	51,850,372	2,404,357
Total governmental activities	70,713,046	1,736,863	5,315,941	67,133,968	3,399,786
Business-type activities:					
Utilities:					
Water and sewer revenue bonds payable:					
Principal amount of bonds payable	84,212,894	-	1,512,487	82,700,407	1,791,731
Premium	783,392	-	72,940	710,452	72,940
Total bonds payable	84,996,286	-	1,585,427	83,410,859	1,864,671
Accreted interest revenue bonds	14,803,208	-	1,150,490	13,652,718	-
Leases	26,192	-	15,622	10,570	10,570
Compensated absences	75,446	73,878	61,097	88,227	8,823
Capacity rights obligations	14,378,307	-	1,000,000	13,378,307	1,000,000
Contractual obligations	6,307,031	-	-	6,307,031	-
Total utilities	120,586,470	73,878	3,812,636	116,847,712	2,884,064
Total - Primary government	$ 191,299,516	$ 1,810,741	$ 9,128,577	$ 183,981,680	$ 6,283,850
School Board Component Unit					
Private placement notes	$ 89,982	$ -	$ 44,202	$ 45,780	$ 45,780
Leases	45,810	157,002	59,711	143,101	48,389
Compensated absences	445,690	362,174	290,831	517,033	278,636
Total - School Board Component Unit	$ 581,482	$ 519,176	$ 394,744	$ 705,914	$ 372,805
EDA Component Unit					
Contractual agreement	$ 846,608	$ -	$ 236,235	$ 610,373	$ 240,000
Total -EDA Component Unit	$ 846,608	$ -	$ 236,235	$ 610,373	$ 240,000

* Beginning balance was restated for implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

Private placement notes, leases, compensated absences, net pension liability, net OPEB liability and the liability for landfill closure reported as governmental activities liabilities of the Primary Government are liquidated by the General Fund. See Notes V. E. through V. I. for further discussion of net pension liabilities and net OPEB liabilities.

Liability for Landfill Post-Closure

State and federal laws and regulations require the County perform certain maintenance and monitoring functions subsequent to closure of the County's landfill site. The County closed its landfill and is liable for post-closure monitoring over a period of 30 years. The amount reported as landfill post-closure liability at June 30, 2023 represents the estimated liability for post-closure monitoring ($1,823,314) over a remaining period of fifteen years. This amount includes the County's liability of $1,000,000 for corrective action. These amounts are based on what it would cost to perform all post-closure care in 2023. The total current cost of landfill post-closure care is an estimate subject to change due to inflation, deflation, technology, or changes in applicable laws or regulations.

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds (including Virginia Public School Authority bonds) have been issued for construction and renovation of Schools facilities. General obligation bonds are direct obligations and pledge of the full faith and credit of the County.

On February 1, 2022, the County sold General Obligation Public Improvement Bonds, Series 2022 in the aggregate principal amount of $50,000,000. The proceeds of the Bonds will be used to finance school capital improvement projects and public safety projects in the County pursuant to the voter authorizations at elections held in the County on November 2, 2021. The Bonds mature on January 15th in each of the years 2023 through 2042. The interest ranges from 4 percent to 5 percent.

Revenue Bonds

The County also issues revenue bonds for which it pledges the income derived from the acquired or constructed assets to pay the debt service. Outstanding revenue bonds have been issued on behalf of the water and sewer system function.

The County has pledged its future Utilities Fund Operating Income or Loss, prior to depreciation expense, and its Utilities Fund Nonoperating Revenues (together "Net Available Revenues') in the approximate amount of $121.7 million as of June 30, 2023, to secure the total remaining debt service requirements of the then-outstanding Utilities Water and Sewer Revenue Bonds (Bonds), which have financed various Utilities improvements. Based on an estimate of the average Net Available Revenues over the five-year period ended June 30, 2023 of approximately $11.0 million annually, it is estimated that approximately 65% of future Utility Net Available Revenues are pledged through fiscal 2043, and will expire in that fiscal year with the final maturity of the current Bonds. During fiscal year 2023, pledged Net Available Revenues totaled $16.9 million and the water and sewer revenue bond debt service requirement was $5.8 million.

On May 11, 2022, the County issued $5,735,000 of Series 2022A infrastructure and state moral obligation revenue bonds through the VRA. In return for issuing the 2022A VRA Bond, VRA provided the County with a portion of the proceeds realized from its May 2022 pooled financing bond transaction. The County has pledged the sum of its future Public Utilities Fund Operating Income or Loss, prior to depreciation expense, and its Public Utilities Fund Nonoperating Revenues (together "Net Available Revenues") to secure the total debt service requirements of the Series 2022A VRA Bond, which will be used to fund public utility improvements.

At June 30, 2023, there was $615,030 in bonds still outstanding that were considered defeased.

In prior years, the County defeased certain outstanding revenue bonds by placing the proceeds of newly issued bonds in irrevocable escrow funds to provide for all future debt service payments on the old bonds. At June 30, 2023, the County had revenue bonds that were outstanding but considered defeased totaling $615,030.

General Obligation Bonds, Revenue Bonds and Leases

The County's general obligation bonds and revenue bonds contain a provision that in the event of default, the timing of outstanding amounts become immediately due.

Outstanding general obligation bonds and revenue bonds as of June 30, 2023 are comprised of the following issues:

Purpose	Interest Rates	Date Issued		Original Issue		Principal Outstanding
Governmental activities:						
General obligation bonds:						
Schools:						
VPSA Series 2006	4.48%-5.10%	5/11/2006	$	10,745,000	$	2,140,000
2022 GO Bonds	4.00%-5.00%	2/1/2022		50,000,000		48,285,000
					$	50,425,000

Business-type activities:

$3,605,000 Virginia Resources Authority, issued April 25, 2016, maturing annually through October 1, 2029, interest payable at rates ranging from 4.15% to 5.13%.	$	2,065,000
$62,747,167 Virginia Resources Authority, issued July 31, 2002, partially defeased on November 6, 2012, maturing annually through October 1, 2027, interest payable at rates ranging from 4.74% to 5.35%.		6,820,407
$56,053,736 Virginia Resources Authority, issued November 6, 2012, partially defeased on July 29, 2020, maturing annually through October 1, 2029, interest payable at rates ranging from 3.55% to 4.01%.		6,730,000
$61,350,000 Virginia Resources Authority, issued July 29, 2020, maturing annually from October 1, 2029 through October 1, 2041, interest rates payable at rates ranging from 1.61% to 2.56%.		61,350,000
$5,735,000 Virginia Resources Authority, issued May 11, 2022, maturing annually through April 1, 2043, interest payable at rates ranging from 4.313% to 5.125%.		5,735,000
Total revenue bond obligations	$	82,700,407
Accreted interest on $19,253,420 of capital appreciation bonds issued as part of the $62,747,167 Virginia Resources Authority issue dated July 31, 2002 and remaining after the November 1, 2012 refunding and partial defeasance.	$	13,652,718
Total accreted interest	$	13,652,718
$21,300,000 Wastewater treatment capacity rights purchased from the City of Richmond in June 2002. Payable at 0% interest over thirty years, through treatment rates paid by the County, which commenced January 2007.	$	13,378,307
$6,691,468 Contractual agreement with the City of Richmond related to the County's share of Nutrient Reduction Program infrastructure completed during fiscal year 2012, payable at 0% interest over thirty years, through treatment rates paid by the County, which commenced during fiscal year 2013.		6,307,031
Total contractual obligations	$	19,685,338

The County's future principal and interest payments related to debt, leases and contractual obligations are as follows:

	Governmental Activities					
	General Obligation Bonds		Leases		Subscriptions	
Fiscal Year(s) June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 2,155,000	$ 2,223,910	$ 1,978	$ 5	$ 126,551	$ 3,984
2025	2,235,000	2,118,300	497	1	37,495	1,544
2026	2,320,000	2,008,690	-	-	38,259	780
2027	2,405,000	1,893,493	-	-	-	-
2028	1,970,000	1,786,350	-	-	-	-
2029-2033	11,425,000	7,352,000	-	-	-	-
2034-2038	14,290,000	4,484,200	-	-	-	-
2039-2043	13,625,000	1,389,200	-	-	-	-
Totals	$ 50,425,000	$ 23,256,143	$ 2,475	$ 6	$ 202,305	$ 6,308

	Business-type Activities					
	Water and Sewer Revenue Bonds		Leases		Capacity Rights Obligation	Contractual Agreement
Fiscal Year(s) June 30,	Principal	Interest	Principal	Interest	Principal	Principal
2024	$ 1,616,732	$ 4,583,548	$ 10,570	$ 70	$ 1,000,000	$ -
2025	1,885,104	4,979,935	-	-	1,000,000	-
2026	1,977,568	5,366,730	-	-	1,000,000	-
2027	1,929,891	5,417,807	-	-	1,500,000	-
2028	1,876,113	5,464,328	-	-	1,500,000	-
2029-2033	24,310,000	7,276,807	-	-	7,378,307	-
2034-2038	25,560,000	2,636,571	-	-	-	6,307,031
2039-2043	23,544,999	1,328,782	-	-	-	-
	$ 82,700,407	$ 37,054,508	$ 10,570	$ 70	$ 13,378,307	$ 6,307,031

The School Board's future principal and interest payments related to leases are as follows:

	Component Unit School Board	
	Leases	
Fiscal Year June 30,	Principal	Interest
2024	$ 48,389	$ 2,729
2025	30,736	2,044
2026	31,405	1,376
2027	32,088	693
2028	483	2
Totals	$ 143,101	$ 6,844

Private Placement Notes

The County has financed the acquisition of a communications system and other equipment by entering into private placement notes. The County's future principal and interest payments related to private placement notes are as follows:

	Primary Government	
	Private Placement Notes	
Fiscal Year(s) June 30,	Principal	Interest
2024	$ 410,000	$ 65,919
2025	418,000	58,205
2026	425,000	50,338
2027	433,000	42,341
2028	442,000	34,192
2029-2032	1,375,000	52,069
Totals	$ 3,503,000	$ 303,064

The School Board has financed the acquisition of equipment by entering into private placement notes. The School Board's future principal and interest payments related to private placement notes are as follows:

	School Board	
	Private Placement Notes	
Fiscal Year June 30,	Principal	Interest
2024	$ 45,780	$ 876
Totals	$ 45,780	$ 876

Contractual Agreement (EDA)

The County entered into a three-party agreement with the EDA and Capital One Bank (Capital One) in 2001. The County will pay a portion of the increase in real property taxes generated by a site owned by Capital One to the EDA, an aggregate amount of $4,300,000. The carrying amount of the obligation represents the original contractual amount less payments made through June 30, 2023.	$ 610,373
Total due to component unit	$ 610,373

Primary Government	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Governmental activities	$ 846,608	$ -	$ 236,235	$ 610,373	$ 240,000
Due to component unit	$ 846,608	$ -	$ 236,235	$ 610,373	$ 240,000

G. Leases

Lease Receivable

Primary Government

During the current fiscal year, the County leased buildings and infrastructure to a third party. The building leases range from 23 to 120 months. The County will receive monthly, quarterly and annual fixed payments ranging from $500 to $2,194. The infrastructure leases range from 38 to 192 months. The County will receive monthly fixed payments ranging from $2,388 to $31,482. The County recognized $144,759 in lease revenue during the current fiscal year related to these leases. As of June 30, 2023, the County's receivable for lease payments was $599,355. Also, the County has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was $586,905.

School Board

During the current fiscal year, the School Board leased a building to a third party. The building lease is for 46 months. The School Board will receive monthly fixed payments of $1,293. As of June 30, 2023, the School Board's receivable for lease payments was $28,295. Also, the School Board has a deferred inflow of resources associated with the leases that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was $28,219.

Lease Payable

Primary Government

During the current fiscal year, the County had agreements as a lessee for buildings and equipment. For the equipment lease, the County is required to make quarterly fixed principal and interest payments of $496 over 37 months with an interest rate of 0.285%. For the building leases, the County is required to make monthly fixed payments of $1,330 over a period of 24 months with an interest rate of 1.772%. The County has extension options. As of June 30, 2023, the County's payable for lease payments was $13,045.

School Board

During the current fiscal year, the School Board had agreements as a lessee for buildings and equipment. For the building leases, the School Board is required to make monthly fixed principal and interest payments ranging from $803 to $1,632 over a period ranging from 22 to 36 months with interest rates ranging from 0.198% to 0.285%. For the equipment leases, the School Board is required to make quarterly and annual fixed principal and interest payments ranging from $485 to $30,840 with interest rates ranging from 0.494% to 2.186%. As of June 30, 2023, the School Board's payable for lease payments was $143,101. The two equipment leases above began in the current fiscal year, resulting in $157,002 in issuance of leases.

H. Subscription-based information technology arrangements

Primary Government

During the current fiscal year, the County had two SBITAs. In accordance with the implementation of GASB Statement No. 96, an initial subscription liability was recorded in the amount of $332,042 during the current fiscal year. As of June 30, 2023, the value of the subscription liability was $202,305. The County is required to make monthly principal and interest payments of $130,535. The subscriptions have an interest rate ranging from 1.894% to 2.038%. The intangible right-to-use subscription assets have a three and twelve year estimated useful life. The value of the intangible right-to-use subscription assets as of the end of the current fiscal year was $332,042 and had accumulated amortization of $168,185.

V. Other information

A. Risk management

The County and School Board utilize commercially available insurance to mitigate various risks of loss. The County and School Board have not had reductions in insurance coverage from the prior year and there were no settlements which exceeded insurance coverage in the past three years.

The County and School Board have contracted with private carriers to administer employee health insurance. Accounting for these activities is made in the General and School Operating Funds. The health insurance plans are fully insured. The County and School Board have no liability for claims incurred but not reported.

The County and School Board are fully self-insured for unemployment claims. The Virginia Employment Commission (VEC) bills the entities for all unemployment claims. No liability has been recorded for estimated unreported claims, as the amount of estimated unreported claims is not deemed significant based on historical trends.

The County and School Board contract with the Virginia Association of Counties Group Self Insurance Risk Pool (the Pool) and private insurance carriers to provide coverage for property damage, employee crime and dishonesty, and general liability. In the event of a loss deficit and depletion of all assets and available insurance of the Pool, the Pool may assess all members in the proportion to the premium each bears to the total premiums of all members in the year in which such deficit occurs. The property coverage is for specific amounts based on values assigned to the insured properties. Liability coverage is $2,000,000 for the County and $5,000,000 for the School Board.

The County and School Board also contract with the Pool for its workers' compensation coverage. These insurance pools have similar provisions as the Pool for assumptions of a loss deficit by the members.

B. Fund balance classifications

Specific purpose information for fund balance classifications is as follows:

	Primary Government				
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds	School Board Component Unit
Nonspendable:					
Prepaid items	$ 248,137	$ -	$ 711	$ 248,848	$ -
Inventories	6,949	-	-	6,949	65,208
Restricted for:					
Forfeiture funds	-	-	42,443	42,443	-
Capital improvements		47,038,996			
Courthouse maintenance	44,728	-	-	44,728	-
Committed to:					
Revenue stabilization	3,250,000	-	-	3,250,000	-
Assigned to:					
Office of Children's Services	-	-	270,888	270,888	-
Transportation	2,000,000	14,704,240	5,951,280	22,655,520	-
Capital improvements	17,757,082	-	-	17,757,082	-
Education	676,273	-	-	676,273	1,271,236
Reserve for future debt service	6,000,000	-	-	6,000,000	-
Future studies and special projects	500,000	-	-	500,000	-
Park development	43,000	-	-	43,000	-
Courthouse security	150,000	-	-	150,000	-
Utilities future debt service	1,000,000	-	-	1,000,000	-
Open fiscal year purchase orders	654,128	-	-	654,128	-
Social Services	334,106	-	-	334,106	-
Unassigned Fund Balance	23,832,293	-	-	23,832,293	-
Total fund balances	$ 56,496,696	$ 61,743,236	$ 6,265,322	$ 77,466,258	$ 1,336,444

C. Commitments and contingent liabilities

Other Commitments

At June 30, 2023, the primary government had commitments for capital projects totaling $48,558,014, commitments for transportation totaling $269,000, and commitments for utilities totaling $8,571,431 as follows:

	Capital Projects Fund	Utilities Fund	Total Primary Government
Total capital commitments	$ 12,158,704	$ 3,830,944	$ 15,989,648

The total capital commitments in the Capital Project Fund include $3.4 million committed to broadband expansion, $1.5 million to the new courthouse, $9.1 million committed to the new West Creek Fire Station 7 and $4.8 million for the Fairgrounds Road Extension. Other major projects include the new Goochland Elementary that had encumbered $10.5 million in FY2024 funds.

The major capital commitments in the Utilities Fund includes $2.7 million for Huguenot Hills water and sewer, and $6.1 million encumbered for the EGPS force main.

Encumbrances

Encumbrance accounting, under which purchase orders for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in governmental funds. In accordance with the County's adopted Budget Policy, encumbered funds are reappropriated annually by the Board of Supervisors in the succeeding year's budget resolution. Encumbrances represent the estimated amount of expenditures that will ultimately result if open purchase orders are paid. Encumbrances outstanding at the end of the fiscal year are disclosed below, in accordance with GAAP. However, encumbered amounts are already included within the restricted, committed or assigned fund balances, as appropriate, and are not in addition thereto.

	General Fund	Capital Projects Fund	Utilities Fund	Total Primary Government	School Board Component Unit
Encumbrances outstanding at fiscal year end	$ 35,671	$ 30,210,225	$ 3,274,609	$ 33,520,505	$ 1,443,060

Federal and State-Assisted Programs

Federal programs in which the County and the discretely presented School Board component unit participate are audited in accordance with the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Pursuant to the provisions of the Uniform Guidance, all major programs, and certain other programs, were tested for compliance with applicable grant requirements. While matters of noncompliance may be disclosed by the audit, the grantors may also subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, future disallowance of current grant program expenditures, if any, would likely be immaterial.

D. Jointly governed organizations

Jointly governed organizations are regional governments or other multi-governmental arrangements that are governed by representation from each of the governments that create the organizations, and the participants do not retain an ongoing financial interest or responsibility in the organization.

The following entities are jointly governed organizations and are excluded from the accompanying basic financial statements:

- **Pamunkey Regional Library (Library)**

The Counties of King William, King and Queen, Hanover, and Goochland provide the financial support for the Library and appoint its governing board, in which is vested the ability to execute contracts and to budget and expend funds. The County appoints two (2) of the seven (7) members of the Board of Trustees. The County of Hanover provides over 50% of the Library's funding. The County has no equity interest in the Library and made operating contributions of $567,651 to the Library in fiscal year 2023. Complete financial statements can be obtained from the office of the County Administrator of Goochland County.

- **Central Virginia Waste Authority (Authority)**

The Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan and Prince George and the Municipalities of Colonial Heights, Hopewell, Petersburg, Richmond and the Town of Ashland provide financial support for the Authority and appoint its governing Board, in which is vested the ability to execute contracts and to budget and expend funds. The County appoints one or more members to the Board. No one locality contributes more than 50% of the Authority's funding or has oversight responsibility over its operations. The County has no equity interest in the Authority. Complete financial statements can be obtained from the office of the County Administrator of Goochland County.

- **Goochland-Powhatan Community Services (Board)**

The Counties of Goochland and Powhatan provide the financial support for the Board and appoint its governing board in which is vested the ability to execute contracts and to budget and expend funds. No one locality contributes more than 50% of the Board's funding or has oversight responsibility over its operations. The County, which has no equity interest in the Board, made operating contributions of $373,630 to the Board in fiscal year 2023. Complete financial statements can be obtained from the Goochland-Powhatan Community Services.

- **Central Virginia Transportation Authority (CVTA)**

The Central Virginia Transportation Authority is a newly created authority in central Virginia that provides new funding opportunities for priority transportation investments across the region. This Authority was established by the 2020 General Assembly of Virginia. It is a priority of the CVTA that its meetings and decision-making process is transparent and accessible to the general public.

The Central Virginia Transportation Authority comprises the counties and cities located in Planning District 15. The Authority administers transportation funding generated through the imposition of an additional regional 0.7 percent sales and use tax (revenue collection began October 2020) and a wholesale gas tax of 7.6 cents per gallon of gasoline and 7.7 cents per gallon of diesel fuel (revenue collection began July 2020). The gas tax rates would be indexed for inflation. The bill requires a local maintenance of effort for transit funding of at least 50 percent of what was provided on July 1, 2020, with such amount to be indexed beginning in 2023.

E. Pension plan – Virginia Retirement System

Plan Description – County, School Board Professional and Non-Professional Plans

Plan	Virginia Retirement System (VRS)
Identification of plan	Agent and Cost Sharing Multiple-Employer Pension Plans
Administering entity	Virginia Retirement System (System)

All full-time, salaried permanent employees of the County of Goochland and full-time, salaried permanent (professional) employees of the Goochland County School Board are automatically covered by the VRS Retirement Plan or 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. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active duty 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 a different eligibility criterion. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

Plan 1	Plan 2	Hybrid Retirement Plan
About Plan 1 Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula.	**About Plan 2** Political Subdivision Employees: Same as Plan 1. School Division (Teachers): Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, service credit and average final compensation at retirement using a formula.	**About the Hybrid Retirement Plan** The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. • The defined benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. • The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.

- In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.

Eligible Members

Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013, and they have not taken a refund.

Hybrid Opt-In Election

VRS non-hazardous duty-covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.

The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.

If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.

Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.

Eligible Members

Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.

Hybrid Opt-In Election

Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.

The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.

If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.

Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.

Eligible Members

Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:

- Political subdivision employees*
- Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1 through April 30, 2014; the plan's effective date for opt-in members was July 1, 2014.
- School division employees (teachers)

***Non-Eligible Members**

Some employees are not eligible to participate in the Hybrid Retirement Plan.

They include:

- Political subdivision employees who are covered by enhanced benefits for hazardous duty employees.

		Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.
Retirement Contributions	**Retirement Contributions**	**Retirement Contributions**
Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.	Same as Plan 1.	A member’s retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee’s creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.

Service Credit	**Service Credit**	**Service Credit**
Service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.	Same as Plan 1.	**Defined Benefit Component:** Under the defined benefit component of the plan, service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit. **Defined Contributions Component:** Under the defined contribution component, service credit is used to determine vesting for the employer contribution portion of the plan.
Vesting	**Vesting**	**Vesting**
Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan.	Same as Plan 1.	**Defined Benefit Component:** Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit.

Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.

Members are always 100% vested in the contributions that they make.

Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.

Defined Contributions Component:

Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.

Members are always 100% vested in the contributions that they make.

Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.

- After two years, a member is 50% vested and may withdraw 50% of employer contributions.
- After three years, a member is 75% vested and may withdraw 75% of employer contributions.

- After four or more years, a member is 100% vested and may withdraw 100% of employer contributions.

Distribution are not required, except as governed by law.

Calculating the Benefit

The Basic Benefit is calculated using the average final compensation, service credit and plan multiplier.

An early retirement reduction factor is applied to this amount if the member is retiring with a reduced benefit. In cases where the member has elected an optional form of retirement payment, an option factor specific to the option chosen is then applied.

Calculating the Benefit

See definition under Plan 1.

Calculating the Benefit

<u>Defined Benefit Component:</u>

See definition under Plan 1.

<u>Defined Contribution Component:</u>

The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.

Average Final Compensation

A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.

Average Final Compensation

A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.

Average Final Compensation

Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.

Service Retirement Multiplier

VRS: The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%.

Service Retirement Multiplier

VRS: Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for service credit earned, purchased or granted on or after January 1, 2013.

Service Retirement Multiplier

<u>Defined Benefit Component:</u>

VRS: The retirement multiplier for the defined benefit component is 1.00%.

For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

Sheriffs and regional jail superintendents: The retirement multiplier for sheriffs and regional jail superintendents is 1.85%.	**Sheriffs and regional jail superintendents:** Same as Plan 1.	**Sheriffs and regional jail superintendents:** Not applicable.
Political subdivision hazardous duty employees: The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.	**Political subdivision hazardous duty employees:** Same as Plan 1.	**Political subdivision hazardous duty employees:** Not applicable. **<u>Defined Contribution Component:</u>** Not applicable.
Normal Retirement Age Age 65.	**Normal Retirement Age** Normal Social Security retirement age.	**Normal Retirement Age** **<u>Defined Benefit Component:</u>** Same as Plan 2.
Political subdivisions hazardous duty employees: Age 60.	**Political subdivisions hazardous duty employees:** Same as Plan 1.	**Political subdivisions hazardous duty employees:** Not applicable. **<u>Defined Contribution Component:</u>** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Earliest Unreduced Retirement Eligibility Age 65 with at least five years (60 months) of service credit or at age 50 with at least 30 years of creditable service.	**Earliest Unreduced Retirement Eligibility** Normal Social Security retirement age and have at least five years (60 months) of service credit or when their age and service equal 90.	**Earliest Unreduced Retirement Eligibility** **<u>Defined Benefit Component:</u>** Normal Social Security retirement age and have at least five years (60 months) of service credit or when their age and service equal 90.
Political subdivisions hazardous duty employees: Age 60 with at least five years of service credit or age 50 with at least 25 years of creditable service.	**Political subdivisions hazardous duty employees:** Same as Plan 1.	**Political subdivisions hazardous duty employees:** Not applicable. **<u>Defined Contribution Component:</u>** Members are eligible to receive distributions upon leaving employment, subject to restrictions.

Earliest Reduced Retirement Eligibility

Age 55 with at least five years (60 months) of service credit or age 50 with at least 10 years of service credit.

Political subdivisions hazardous duty employees: Age 50 with at least five years of service credit.

Earliest Reduced Retirement Eligibility

Age 60 with at least five years (60 months) of service credit.

Political subdivisions hazardous duty employees: Same as Plan 1.

Earliest Reduced Retirement Eligibility

Defined Benefit Component:

Age 60 with at least five years (60 months) of service credit.

Political subdivisions hazardous duty employees: Not applicable.

Defined Contribution Component:

Members are eligible to receive distributions upon leaving employment, subject to restrictions.

Cost-of-Living Adjustment (COLA) in Retirement

The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.

Eligibility:

For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date.

For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.

Cost-of-Living Adjustment (COLA) in Retirement

The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), to a maximum COLA of 3%.

Eligibility:

Same as Plan 1.

Cost-of-Living Adjustment (COLA) in Retirement

Defined Benefit Component:

Same as Plan 2.

Defined Contribution Component:

Not applicable.

Eligibility:

Same as Plan 1 and Plan 2.

Exceptions to COLA Effective Dates:

School Division (Teachers) and Political Subdivision Employees:

The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:

- The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013.
- The member retires on disability.
- The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program.
- The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.

Political Subdivision Employees:

- The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP).

Exceptions to COLA Effective Dates:

School Division (Teachers) and Political Subdivision Employees:

Same as Plan 1.

Exceptions to COLA Effective Dates:

School Division (Teachers) and Political Subdivision Employees:

Same as Plan 1 and Plan 2.

Disability Coverage	**Disability Coverage**	**Disability Coverage**
Political Subdivision Employees: Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.	Political Subdivision Employees: Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.	Employees of political subdivisions and school divisions (teachers), including Plan 1 and Plan 2 opt-ins, participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members. Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.
Purchase of Prior Service	**Purchase of Prior Service**	**Purchase of Prior Service**
Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. Members also may be eligible to purchase periods of leave without pay.	Same as Plan 1.	**Defined Benefit Component:** Same as Plan 1, with the following exceptions: • Hybrid Retirement Plan members are ineligible for ported service. **Defined Contribution Component:** Not applicable.

Long-Term Expected Rate of Return

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

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

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

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

<u>County Plan (Agent Plan)</u>

Employees Covered by Benefit Terms

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

Pensions County

	Number
Inactive members or their beneficiaries currently receiving benefits	124
Inactive members:	
Vested inactive members	43
Non-vested inactive members	65
Active elsewhere in VRS	78
Total inactive members	186
Active members	254
Total covered employees	564

Contributions

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

The County's contractually required contribution rate for the year-ended June 30, 2023 was 11.77% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by an employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the political subdivision were $2,017,017 and $1,483,106 for the years ended June 30, 2023 and June 30, 2022, respectively.

Net Pension Liability

The net pension liability (NPL) is calculated separately for each employer and represents the County's total pension liability determined in accordance with GASB Statement No. 68, less the County's fiduciary net position. The County's net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2021 rolled forward to the measurement date of June 30, 2022.

Actuarial Assumptions – General Employees

The total pension liability for General Employees in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.5%
Salary increases, including inflation	3.5% – 5.35%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates: 15 % of deaths are assumed to be service related.

Pre-retirement:	Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.
Post-retirement:	Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years.
Post-disablement:	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.
Beneficiaries and Survivors:	Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.
Mortality Improvement:	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

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

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

Actuarial Assumptions – Public Safety Employees

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.5%
Salary increases, including inflation	3.5% – 4.75%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates: 45% of deaths are assumed to be service related.

Pre-retirement:	Pub-2010 Amount Weighted Safety Employee Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males; 105% of rates for females set forward 2 years.
Post-retirement:	Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males; 105% of rates for females set forward 3 years.
Post-disablement:	Pub-2010 Amount Weighted General Disabled Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.
Beneficiaries and Survivors	Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males and females set forward 2 years.
Mortality Improvements	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

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

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

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, 2023, the alternate rate was the employer contribution rate used in FY2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2021, actuarial valuations, whichever was greater. From July 1, 2022 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 and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances at June 30, 2021	$ 45,610,437	$ 47,036,927	$ (1,426,490)
Changes for the year:			
Service cost	2,104,962	-	2,104,962
Interest	3,156,813	-	3,156,813
Difference between expected and actual experience	(944,947)	-	(944,947)
Contributions - employer	-	1,483,106	(1,483,106)
Contributions - employee	-	755,829	(755,829)
Net investment income	-	(76,089)	76,089
Benefit payments, including refunds of employee contributions	(1,895,608)	(1,895,608)	-
Administrative expense	-	(28,928)	28,928
Other changes	-	1,111	(1,111)
Net changes	2,421,220	239,421	2,181,799
Balances at June 30, 2022	$ 48,031,657	$ 47,276,348	$ 755,309

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

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
County's net pension liability (asset)	$ 7,636,447	$ 755,309	$ (4,808,588)

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

For the year-ended June 30, 2023, the County recognized pension expense of $1,561,251 and the Commonwealth's special contribution of $825,199. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 455,423	$ (723,648)
Changes of assumptions	827,098	-
Net difference between projected and actual earnings on plan investments	-	(1,278,836)
Employer contributions subsequent to the measurement date	2,017,017	-
	$ 3,299,538	$ (2,002,484)

The $2,017,017 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year June 30,	Amount
2024	$ 37,072
2025	(305,682)
2026	(1,043,948)
2027	592,595
	$ (719,963)

Pension Plan Data

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

School Board Professional Plan (Cost-Sharing Plan)

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. The School Board Professional's contractually required contribution rate for the year-ended June 30, 2023 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School Board for the professional plan were $2,981,775 and $2,760,372 for the years ended June 30, 2023 and June 30, 2022, respectively.

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

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

At June 30, 2023, the School Board reported a liability of $17,759,725 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The School 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, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the School Board's proportion was 0.18654% as compared to 0.18232% at June 30, 2021.

For the year-ended June 30, 2023, the School Board recognized pension expense related to the professional plan of $899,341. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022 measurement date, the difference between expected and actual contributions is included with the pension expense calculation.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (1,224,603)
Net difference between projected and actual earnings on plan investments	-	(2,315,496)
Changes of assumptions	1,674,384	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	479,073	(390,854)
Employer contributions subsequent to the measurement date	2,981,775	-
	$ 5,135,232	$ (3,930,953)

The $2,981,775 reported as deferred outflows of resources related to pensions resulting from the School Board's contributions for the professional plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year June 30,	Amount
2024	$ (595,146)
2025	(799,587)
2026	(1,522,467)
2027	1,139,704
	$ (1,777,496)

Actuarial Assumptions

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.5%
Salary increases, including inflation	3.5% – 5.95%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates:

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

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

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

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2022, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	Teacher Employee Retirement Plan
Total pension liability	$ 54,732,329
Plan fiduciary net position	45,211,731
Employers' net pension liability	$ 9,520,598
Plan fiduciary net position as a percentage of the total pension liability	82.61%

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

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

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
School Board professional net pension liability	$ 31,720,288	$ 17,759,725	$ 6,392,805

Pension Plan Fiduciary Net Position

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

School Board Non-Professional Plan (Agent Plan)

Employees Covered by Benefit Terms

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

	Number
Inactive members or their beneficiaries currently receiving benefits	28
Inactive members:	
Vested inactive members	4
Non-vested inactive members	10
Active elsewhere in VRS	8
Total inactive members	22
Active members	34
Total covered employees	84

Contributions

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

The School Board non-professional's contractually required contribution rate for the year-ended June 30, 2023 was 7.32% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School Board for the non-professional plan were $91,635 and $66,611 for the years ended June 30, 2023 and June 30, 2022, respectively.

Net Pension Liability

The School Board's non-professional net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2021, rolled forward to the measurement date of June 30, 2022.

Actuarial Assumptions – General Employees – School Board Non-Professional Plan

The total pension liability for General Employees in the School Board non-professional retirement plan was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.5%
Salary increases, including inflation	3.5% – 5.35%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates: 15 % of deaths are assumed to be service related.

Pre-retirement:	Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.
Post-retirement:	Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years.
Post-disablement:	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.
Beneficiaries and Survivors:	Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.
Mortality Improvement:	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

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

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

Changes in Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances at June 30, 2021	$ 5,179,965	$ 5,426,181	$ (246,216)
Changes for the year:			
Service cost	101,112	-	101,112
Interest	348,987	-	348,987
Difference between expected and actual experience	(124,923)	-	(124,923)
Contributions - employer	-	66,611	(66,611)
Contributions - employee	-	57,800	(57,800)
Net investment income	-	(6,129)	6,129
Benefit payments, including refunds of employee contributions	(221,800)	(221,800)	-
Administrative expense	-	(3,397)	3,397
Other changes	-	125	(125)
Net changes	103,376	(106,790)	210,166
Balances at June 30, 2022	$ 5,283,341	$ 5,319,391	$ (36,050)

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

The following presents the net pension liability (asset) of the School Board non-professional plan using the discount rate of 6.75%, as well as what the political subdivision's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
School Board non-professional net pension liability (asset)	$ 573,065	$ (36,050)	$ (540,141)

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

For the year ended June 30, 2023, the School Board recognized pension expense related to its non-professional plan of $85,649. At June 30, 2023, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (75,741)
Net difference between projected and actual earnings on plan investments	-	(155,461)
Employer contributions subsequent to the measurement date	91,635	-
	$ 91,635	$ (231,202)

The $91,635 reported as deferred outflows of resources related to pensions resulting from the School Board non-professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the School Board non-professional plan will be recognized in pension expense as follows:

Fiscal Year June 30,		Amount
2024	$	(109,860)
2025		(89,857)
2026		(105,284)
2027		73,799
	$	(231,202)

F. Other Postemployment Benefits – Retiree Healthcare Plans

Plan Description

Goochland County Retiree Healthcare Plan

The Goochland County Retiree Healthcare Plan (County's plan) is a defined benefit other postemployment benefit (OPEB) plan which provides OPEB for all permanent full-time general and public safety employees of the County. The County's plan was established by the County's Board of Supervisors and any amendments to the plan must be approved by the Board of Supervisors. This plan is a single-employer defined benefit OPEB plan administered by the County. No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75. This plan does not issue stand-alone financial reports.

Goochland County Public Schools Retiree Healthcare Plan

The Goochland County Public Schools Retiree Healthcare Plan (School Board's plan) is a defined benefit plan which provides OPEB for all permanent full-time employees of the County's schools. The School Board's plan was established by the School Board and any amendments to the plan must be approved by the School Board. This plan is a single employer defined benefit OPEB plan administered by the School Board. No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75. This plan does not issue stand-alone financial reports.

The specific information for the County's plan and School Board's plan (collectively referred to as "County Retiree Healthcare Plans"), including eligibility, is set out in the tables below:

County's Plan

COUNTY'S PLAN PROVISIONS
Eligible Employees Full-time employees are eligible to participate in the County sponsored Healthcare plan if they terminate employment from the County, are eligible for retirement under the VRS and meet the eligibility requirements. Spouses of eligible retirees may also participate in the plan.
Retirement Eligibility Employees must be eligible for retirement under the VRS and meet the following County years of service requirement: • If retiring under VRS Plan 1, must be at least age 50 with 5 consecutive years of County service; • If retiring under VRS Plan 2, must be at least age 60 with 5 consecutive years of County service; • If a County public safety employee under LEOS and retiring under VRS with an unreduced pension, must be age 50 with 25 years of VRS service and 5 years of County service, or age 65 with 5 years of County service.

Benefit Amounts Retirees must pay the full, aggregate active employee rate for both individual and spousal coverage. For retirees who have completed the above requirements, who began service with the County prior to July 1, 2011, and who have at least 15 years of VRS service, a premium credit is provided to offset the cost of medical coverage. The amount of the credit is $4 per month for each year of service, up to a maximum monthly credit of $140 per month. The credit is payable for the lifetime of the retiree only; it is not paid on behalf of surviving spouses of retirees. The credit is payable to any eligible retiree, regardless of whether they choose to obtain postretirement healthcare coverage through the County.
Death of a Retiree Surviving spouses of current retirees may continue healthcare coverage upon the retiree's death, but do not receive the premium credit described in "Benefit Amounts."

School Board's Plan

SCHOOL BOARD'S PLAN PROVISIONS
Eligible Employees Full-time employees are eligible for post-retirement health insurance coverage if they terminate employment from Goochland Schools and are eligible for retirement under the VRS. Part-time employees who were hired prior to July 1, 2013 and who were covered under the active-employee healthcare plan as of July 1, 2013, are eligible for post-retirement health insurance coverage on the same basis as full-time employees. Part-time employees hired after July 1, 2013 are not eligible for post-retirement healthcare coverage. For those retirees who are eligible for post-retirement healthcare coverage, coverage is provided to both retirees and their spouses for their lifetimes.
Retirement Eligibility School Board employees may retire under the VRS according to the same eligibility requirements as the County employees described above.
Benefit Amounts Retirees must pay the full, aggregate active employee rate for both individual and spousal coverage. Medical coverage is provided through the same plans as are available to active employees. Currently, the plans offered are three plans sponsored through The Local Choice Health Benefits Program (TLC). The three TLC plans available to Schools employees are Key Advantage 250, Key Advantage 500 and Key Advantage HDHP. However, for Medicare-eligible retirees, the full aggregate rate for the TLC Advantage 65 plan must be paid for both individual and spousal coverage.
Death of a Retiree Upon death of a current retiree, the surviving spouse is eligible for coverage until age 65. Survivors of actives are not eligible for postretirement benefits, even if the deceased active was eligible to retire at the time of death.

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

<u>County's Plan</u>

	Number
Inactive employees or beneficiaries currently receiving benefit payments	27
Active employees	250
Total	277

<u>School Board's Plan</u>

	Number
Inactive employees or beneficiaries currently receiving benefit payments	9
Active employees	372
Total	381

Total Retiree Healthcare Plans' OPEB Liabilities

The County's total OPEB liability of $2,246,176 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2022. The School Board's total OPEB liability of $1,824,569 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liabilities were based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Discount rate	3.54%
Healthcare cost trend rates	5.9% (2022) declining to 3.53% (2060+)

The discount rate was based on 20-year general obligation bonds as of June 30, 2022.

<u>Mortality Rates for the County's and School Board's Plans</u>

The following mortality assumptions were chosen to match the mortality assumptions used in the June 30, 2021 Annual Financial Statement for the Virginia Retirement System.

Pre-retirement:	Pub-2010 Amount Weighted General Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years.
Post-retirement:	Pub-2010 Amount Weighted General Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year.
Post-disablement:	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years.
Beneficiaries and Survivors:	Pub-2010 Amount Weighted General Contingent Annuitant Rates projected generationally.
Mortality Improvement:	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2016 – June 30, 2020.

Changes in the Total OPEB Liabilities

County's Plan

	Total OPEB Liability
Balance at June 30, 2021	$ 3,068,507
Changes for the year:	
Service cost	265,383
Interest	62,037
Differences between expected and actual experience	(425,291)
Changes in assumptions or other inputs	(639,857)
Benefit payments	(84,603)
Net changes	(822,331)
Balance at June 30, 2022	$ 2,246,176

School Board's Plan

	Total OPEB Liability
Balance at June 30, 2021	$ 1,915,700
Changes for the year:	
Service cost	156,109
Interest	38,549
Differences between expected and actual experience	346,934
Changes in assumptions or other inputs	(562,188)
Benefit payments	(70,535)
Net changes	(91,131)
Balance at June 30, 2022	$ 1,824,569

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

The following presents the total OPEB liabilities of the County's plan and the School Board's plan calculated using the stated discount rate, as well as what the County's plan and the School Board's plan total OPEB liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
County's Plan	$ 307,640	$ 2,246,176	$ (262,332)
School Board's Plan	169,462	1,824,569	(154,687)

Sensitivity of the Total OPEB Liabilities to Changes in Healthcare Cost Trend Rate

The following represents the total OPEB liabilities of the County's plan and the School Board's plan calculated using the stated discount rate, as well as what the County's plan and the School Board's plan total OPEB liabilities would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.9% increasing to 3.0% over 56 years) or 1-percentage-point higher (6.9% increasing to 5.0% over 56 years) than the current healthcare cost trend:

	1% Decrease (4.9% increasing to 3.0% over 56 years)	Current Medical Trend Rate (5.9% decreasing to 4.0% over 56 years)	1% Increase (6.9% decreasing to 5.0% over 56 years)
County's Plan	$ (235,392)	$ 2,246,176	$ 288,455
School Board's Plan	(208,104)	1,824,569	246,154

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

For the year ended June 30, 2023, the County's plan recognized an OPEB expense of $142,264 and the School Board's plan recognized an OPEB expense of $110,813. At June 30, 2023, the employers reported deferred outflows of resources and deferred inflows of resources related to the Retiree Healthcare OPEB from the following sources:

County's Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 540,637
Change in assumptions	231,980	554,085
Total	$ 231,980	$ 1,094,722

School Board's Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 301,524	$ 310,070
Change in assumptions	85,003	589,987
Total	$ 386,527	$ 900,057

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

County's Plan

Fiscal Year(s) June 30,		Amount
2024	$	(172,457)
2025		(108,724)
2026		(124,289)
2027		(124,289)
2028		(128,022)
Thereafter		(204,961)
Total	$	(862,742)

School Board's Plan

Fiscal Year(s) June 30,		Amount
2024	$	(83,845)
2025		(83,845)
2026		(83,845)
2027		(83,845)
2028		(64,024)
Thereafter		(114,126)
Total	$	(513,530)

G. Other Postemployment Benefits – Group Life Insurance Program

Plan Description

All full-time, salaried permanent employees of the County, and the School Board non-professional and the School Board professional employees are automatically covered by the VRS Group Life Insurance Program (GLI) upon employment. This plan is administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI. For members who elect the optional GLI coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from the 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 OPEB.

The specific information for GLI OPEB, including eligibility, coverage and benefits is set out in the table below:

<table>
<tr><th>GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS</th></tr>
<tr><td>Eligible Employees
The GLI was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program.

Basic GLI coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their accumulated retirement member contributions and accrued interest.</td></tr>
<tr><td>Benefit Amounts
The benefits payable under the GLI have several components.
Natural Death Benefit – The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled.
Accidental Death Benefit – The accidental death benefit is double the natural death benefit.
Other Benefit Provisions – In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include:
Accidental dismemberment benefit
Seatbelt benefit
Repatriation benefit
Felonious assault benefit
Accelerated death benefit option</td></tr>
<tr><td>Reduction in Benefit Amounts
The benefit amounts provided to members covered under the GLI are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value.</td></tr>
<tr><td>Minimum Benefit Amount and Cost-of-Living Adjustment (COLA)
For covered members with at least 30 years of creditable service, there is a minimum benefit payable under GLI. The minimum benefit was set at $8,000 by statute in 2015. This amount will be increased annually based on the VRS Plan 2 COLA calculation. The minimum benefit adjusted for the COLA was $8,984 as of June 30, 2023.</td></tr>
</table>

Contributions

The contribution requirements for the GLI are governed by Sections 51.1-506 and 51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% X 60%) and the employer component was 0.54% (1.34% X 40%). Employers may elect to pay all or part of the employee contribution, however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2023 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI from the participating employers for the years ended June 30, 2023 and June 30, 2022 were as follows.

	2023	2022
County	$ 97,475	$ 85,386
School Board Non-Professional	7,563	6,828
School Board Professional	102,980	95,456

In june 2022, the Commonwealth made a special contribution of approximately $30.4 million to the GLI plan. This special payment was authorized by a Budget Amendment included in Chapter 1 of the 2022 Appropriation Act.

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

At June 30, 2023, the participating employers' reported liabilities for their proportionate share of the net GLI OPEB liabilities are as follows:

	Amount
County	$ 875,378
School Board Non-Professional	69,958
School Board Professional	978,449

The net GLI OPEB liability was measured as of June 30, 2022 and the total GLI OPEB liability used to calculate the net GLI OPEB liability was determined by an actuarial valuation performed as of June 30, 2021, and rolled forward to the measurement date of June 30, 2022. The covered employers' proportion of the net GLI OPEB liability was based on the covered employer's actuarially determined employer contributions to the GLI for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, comparisons of the participating employers' proportions to June 30, 2021 are as follows:

	2022	2021
County	0.07270%	0.06794%
School Board Non-Professional	0.00581%	0.00432%
School Board Professional	0.08126%	0.07909%

For the year ended June 30, 2023, the County, School Board non-professional, and School Board professional employees recognized GLI OPEB expense of $74,700, $5,012 and $34,851, respectively. Since there was a change in the proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

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

County

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 69,319	$ (35,118)
Net difference between projected and actual earnings on GLI OPEB program investments	-	(54,698)
Change in assumptions	32,650	(85,265)
Changes in proportion	136,168	(122)
Employer contributions subsequent to the measurement date	97,475	-
Total	$ 335,612	$ (175,203)

The $97,475 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net GLI OPEB liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Fiscal Year June 30,	Amount
2024	$ 30,041
2025	21,397
2026	(17,677)
2027	24,689
2028	4,484
Total	$ 62,934

School Board Non-Professional Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,540	$ (2,807)
Net difference between projected and actual earnings on GLI OPEB program investments	-	(4,371)
Change in assumptions	2,609	(6,814)
Changes in proportion	20,632	(1,424)
Employer contributions subsequent to the measurement date	7,563	-
Total	$ 36,344	$ (15,416)

The $7,563 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net GLI OPEB liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Fiscal Year June 30,		Amount
2024	$	2,417
2025		3,158
2026		416
2027		4,445
2028		2,929
Total	$	13,365

School Board Professional Plan

		Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	$	77,481	$	(39,253)
Net difference between projected and actual earnings on GLI OPEB program investments		-		(61,139)
Change in assumptions		36,495		(95,305)
Changes in proportion		28,201		(18,196)
Employer contributions subsequent to the measurement date		102,980		-
Total	$	245,157	$	(213,893)

The $102,980 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net GLI OPEB liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Fiscal Year June 30,		Amount
2024	$	(14,286)
2025		(15,349)
2026		(48,565)
2027		8,768
2028		(2,284)
Total	$	(71,716)

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.5%
Salary increases, including inflation:	
Teachers	3.5%-5.95%
Locality – general employees	3.5%-5.35%
Locality – hazardous duty employees	3.5%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation

School Board Professional Plan

Mortality Rates – Teachers

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

Post-Retirement: Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward one year; 105% of rates for females.

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

Beneficiaries and Survivors: Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally.

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through nine years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

County and School Board Non-Professional Plans

Mortality Rates – General Employees

Pre-retirement:	Pub-2010 Amount Weighted General Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years.
Post-retirement:	Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year.
Post-disablement:	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years.
Beneficiaries and Survivors:	Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally.
Mortality Improvement Scale:	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

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

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

Mortality Rates – Hazardous Duty Employees

Pre-retirement:	Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.
Post-retirement:	Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years.
Post-disablement:	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

Beneficiaries and Survivors:	Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110$ of rates for males and females set forward 2 years.
Mortality Improvement Scale:	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

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

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

Net GLI OPEB Liability

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

	Group Life Insurance OPEB Program
Total GLI OPEB liability	$ 3,672,085
Plan fiduciary net position	2,467,989
Employers' net GLI OPEB liability	$ 1,204,096
Plan fiduciary net position as a percentage of the total GLI OPEB liability	67.21%

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

Long-Term Expected Rate of Return

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

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

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

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

Discount Rate

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

Sensitivity of the Participating Employers' Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
County	$ 1,273,778	$ 875,378	$ 553,417
School Board Non-Professional	101,797	69,958	44,228
School Board Professional	1,423,757	978,449	618,578

GLI Fiduciary Net Position

Detailed information about the GLI's fiduciary net position is available in the separately issued VRS 2022 Annual Comprehensive Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at www.varetire.org/Pdf/Publications/2022-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia, 23218-2500.

H. Other Postemployment Benefits – Health Insurance Credit Program

Plan Description

The County has two types of Health Insurance Credit (HIC) OPEB plans. The first plan, the School Board non-professional plan, is a single-employer plan for political subdivisions. The second plan, the School Board professional plan, is a multiple-employer, cost-sharing employer plan for VRS teacher employees. For the School Board non-professional plan, all full-time, salaried permanent employees of participating political subdivision are automatically covered by the HIC plan upon employment. For the School Board professional plan, all full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the HIC plan upon employment. These plans are administered by the System, along with pension and other OPEB plans, for eligible public employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which their employer contributes 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.

The School Board non-professional employees joined the HIC plan effective July 1, 2020.

The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

POLITICAL SUBDIVISION AND TEACHER EMPLOYEE HIC PLAN PROVISIONS
School Board Non-professional plan ***Eligible Employees*** The Political Subdivision Retiree HIC was established July 1, 1993 for retired political subdivision employees of employers who elect the benefit and who retire with at least 15 years of service credit. Eligible employees are enrolled automatically upon employment. They include: • Full-time permanent salaried employees of the participating political subdivision who are covered under VRS. **School Board Professional plan** ***Eligible Employees*** The Teacher Employee Retiree HIC was established July 1, 1993 for retired Teacher Employees covered under VRS who retire with at least 15 years of service credit. Eligible employees are enrolled automatically upon employment. They include: • Full-time permanent (professional) salaried employees of public school divisions covered under VRS.

School Board Non-professional plan
Benefit Amounts
The political subdivision's Retiree HIC provides the following benefits for eligible employees:
• At Retirement – for employees who retire, the monthly benefit is $1.50 per year of service per month with a maximum benefit of $45.00 per month.
• Disability Retirement – for employees who retire on disability or go on long-term disability under the VLDP, the monthly benefit is $45.00 per month.
School Board Professional plan
Benefit Amounts
The Teacher Employee Retiree HIC provides the following benefits for eligible employees:
• At Retirement – for teacher and other professional school employees who retire, the monthly benefit is $4.00 per year of service per month with no cap on the benefit amount.
• Disability Retirement – for teacher and other professional school employees who retire on disability or go on long-term disability under the VLDP, the monthly benefit is either:
  o $4.00 per month, multiplied by twice the amount of service credit, or
  o $4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.

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

Employees Covered by Benefit Terms

<u>School Board Professional Plan</u>

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

	Number
Inactive members or their beneficiaries currently receiving benefits	8
Active members	34
Total covered employees	42

Contributions

<u>School Board Professional Plan</u>

The contribution requirement for active employees is governed by Section 51.1-1402(E) of the <u>Code of Virginia</u>, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. For the year ended June 30, 2023, the contractually required employer contribution rates for the School Board non-professional and the School Board professional were 0.56% and 1.21%, respectively, of covered employee compensation. These rates were based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the HIC Program from the participating employers for the years ended June 30, 2023 and June 30, 2022 were as follows:

	2023	2022
School Board Non-Professional	$ 7,844	$ 7,080
School Board Professional	229,768	211,981

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

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

At June 30, 2023, the School Board non-professional and professional plans reported liabilities of $58,322 and $2,347,833 for their proportionate share of their HIC total OPEB liabilities. The HIC net OPEB liabilities were measured as of June 30, 2022 and the total HIC OPEB liabilities used to calculate the HIC OPEB liabilities were determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The School Board non-professional and professional plan's proportions of the HIC net OPEB liabilities were based on the School Board non-professional and School Board professional plans' actuarially determined employer contributions to their HIC OPEB plans for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, comparisons of the participating employers' proportions to June 30, 2021 are as follows:

	2022	2021
School Board Professional	0.18797%	0.18432%

For the year ended June 30, 2023, the School Board non-professional and School board professional plans recognized HIC OPEB expenses of $1,718 and $186,584, respectively. Since there was a change in proportionate share between measurement dates, a portion of the HIC net OPEB expense was related to deferred amounts from changes in proportionate share and differences between actual and expected contributions.

School Board Non-professional Plan

At June 30, 2023, the School Board non-professional plan reported deferred outflows of resources and deferred inflows of resources related to the HIC OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (1,718)
Net difference between projected and actual earnings on HIC OPEB program investments	286	-
Change in assumptions	4,992	-
Employer contributions subsequent to the measurement date	7,844	-
Total	$ 13,122	$ (1,718)

The $7,844 reported as deferred outflows of resources related to the HIC OPEB resulting from the School Board non-professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net HIC OPEB liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows

Fiscal Year June 30,	Amount
2024	$ 987
2025	987
2026	862
2027	724
Total	$ 3,560

School Board Professional Plan

At June 30, 2023, the School Board professional plan reported deferred outflows of resources and deferred inflows of resources related to the HIC OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (95,701)
Net difference between projected and actual earnings on HIC OPEB program investments	-	(2,357)
Change in assumptions	68,592	(5,996)
Changes in proportionate share	56,365	(53,245)
Employer contributions subsequent to the measurement date	229,768	-
Total	$ 354,725	$ (157,299)

The $229,768 reported as deferred outflows of resources related to the HIC OPEB resulting from the School Board professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net HIC OPEB liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

Fiscal Year(s) June 30,		Amount
2024	$	(8,216)
2025		(6,708)
2026		(7,212)
2027		(647)
2028		(7,597)
Thereafter		(1,962)
Total	$	(32,342)

Actuarial Assumptions

The total HIC OPEB liability was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.5%
Salary increases, including inflation:	
Political subdivision employees	3.5%-5.35%
Teacher employees	3.5%-5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation

School Board Non-professional Plan

Mortality Rates – Non-largest Ten Locality Employers – General and Non-Hazardous Duty Employees

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

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

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

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

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in 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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Morality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service decrement through nine years of service
Disability Rates	No change
Salary Scale	No change
Discount rate	No change

School Board Professional Plan

Mortality Rates – Teachers

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

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

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

Beneficiaries and Survivors: Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally.

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in 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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through nine years of service
Disability Rates	No change
Salary Scale	No change
Discount rate	No change

Net HIC OPEB Liability

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

	Teacher Employee HIC OPEB Plan
Total teacher employee HIC OPEB liability	$ 1,470,891
Plan fiduciary net position	221,845
Teacher employee net HIC OPEB liability	$ 1,249,046
Plan fiduciary net position as a percentage of the total teacher employee HIC OPEB liability	15.08%

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

Long-Term Expected Rate of Return

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

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

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

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

Discount Rate

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

Changes in Net HIC OPEB Liability

School Board Non-professional Plan

	Increase (Decrease)		
	Total HIC OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net HIC OPEB Liability (Asset) (a)-(b)
Balances at June 30, 2021	$ 61,842	$ 5,685	$ 56,157
Changes for the year:			
Service Cost	1,954	-	1,954
Interest	4,291	-	4,291
Changes of assumptions	5,129	-	5,129
Difference between expected and actual experience	(2,153)	-	(2,153)
Contributions - employer	-	7,080	(7,080)
Contributions - employee	(457)	-	(457)
Net investment income	-	(156)	156
Benefit payments	-	(457)	457
Administrative expense	-	(25)	25
Other changes	-	157	(157)
Net changes	8,764	6,599	2,165
Balances at June 30, 2022	$ 70,606	$ 12,284	$ 58,322

Sensitivity of the HIC Net OPEB Liability to Changes in the Discount Rate

The following presents the net HIC OPEB liability using the discount rate of 6.75%, as well as what the net HIC OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate (amounts expressed in thousands):

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
School Board Non-Professional	$ 64,967	$ 58,322	$ 52,581
School Board Professional	2,646,034	2,347,833	2,095,055

HIC Credit Program Plan Data

Information about the VRS Political Subdivision and Teacher HIC is available in the separately issued VRS 2022 Annual Comprehensive Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at www.varetire.org/Pdf/Publications/2022-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia, 23218-2500.

I. Other Postemployment Benefits – Virginia Local Disability Program

Plan Description

The County has two types of Virginia Local Disability Programs (VLDP) OPEB plans. The first plan, the School Board non-professional plan, is a single-employer plan for political subdivisions. The second plan, the School Board professional plan, is a multiple-employer, cost-sharing employer plan for VRS teacher employees. For the School Board non-professional plan, all full-time, salaried general employees, including local law enforcement officers, firefighters, or emergency medical technicians of the School Board non-professional plan who do not provide enhanced hazardous duty benefits; who are in the VRS Hybrid Retirement Plan benefit structure and whose employer has not elected to opt out of the VRS-sponsored program are automatically covered by the VRS Political Subdivision Employee VLDP. For the School Board professional plan, all full-time, salaried permanent (professional) employees of public school divisions who are in the VRS Hybrid Retirement Plan benefit structure and whose employer has not elected to opt out of the VRS-sponsored program are automatically covered by the VRS Teacher Employee VLDP. These plans are administered by the System, along with pension and other OPEB plans, for eligible public employer groups in the Commonwealth of Virginia. These plans are required by Title 51.1 of the Code of Virginia, as amended, to provide short-term and long-term disability benefits for their Hybrid employees either through a local plan or through the VLDP.

The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

POLITICAL SUBDIVISION AND TEACHER EMPLOYEE VLDP PLAN PROVISIONS
School Board Non-Professional Plan ***Eligible Employees*** The Political Subdivision Employee VLDP was implemented January 1, 2014 to provide short-term and long-term disability benefits for non-work-related and work-related disabilities for employees with Hybrid retirement benefits. Eligible employees are enrolled automatically upon employment, unless their employer has elected to provide comparable coverage. They include: • Full-time general employees; including local law enforcement officers, firefighters, or emergency medical technicians who do not have enhanced hazardous duty benefits; of public political subdivisions covered under VRS. **School Board Professional Plan** ***Eligible Employees*** The Teacher Employee Virginia Local Disability Program was implemented January 1, 2014 to provide short-term and long-term disability benefits for non-work-related and work-related disabilities for employees with Hybrid retirement benefits. Eligible employees are enrolled automatically upon employment, unless their employer has elected to provide comparable coverage. They include: • Teachers and other full-time permanent (professional) salaried employees of public school divisions covered under VRS.

Benefit Amounts
The Political Subdivision VLDP provides the following benefits for eligible employees:
• Short-Term Disability:
  o The program provides a short-term disability benefit beginning after a seven-calendar-day waiting period from the first day of disability. Employees become eligible for non-work-related short-term disability coverage after one year of continuous participation in VLDP with their current employer.
  o During the first five years of continuous participation in VLDP with their current employer, employees are eligible for 60% of their pre-disability income if they go out on non-work-related of work-related disability.
  o Once the eligibility period is satisfied, employees are eligible for higher income replacement levels.
• Long-Term Disability:
  o The VLDP program provides a long-term disability benefit beginning after 125 workdays of short-term disability. Members are eligible if they are unable to work at all or are working fewer than 20 hours per week.
  o Members approved for long-term disability will receive 60% of their pre-disability income. If approved for work-related long-term disability, the VLDP benefit will be offset by the workers' compensation benefit. Members will not receive a VLDP benefit if their workers' compensation benefit is greater than the VLDP benefit.

Virginia Local Disability Program Notes • Members approved for short-term or long-term disability at age 60 or older will be eligible for a benefit, provided they remain medically eligible. • VLDP Long-Term Care Plan is a self-funded program that assists with the cost of covered long-term care services.

Contributions

The contribution requirement for active Hybrid employees is governed by Section 51.1-1178(C) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to the School Board non-professional and School Board professional plans by the Virginia General Assembly. For the year ended June 30, 2023, the contractually required employer contribution rates of covered employee compensation for employees in the VLDP for the School Board non-professional and School Board professional plans were 0.85% and 0.47%, respectively. These rates were based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the VLDP from the School Board non-professional plan and School Board professional plan to the VLDP from the participating employers for the years ended June 30, 2023 and June 30, 2022 were as follows:

	2023	2022
School Board Non-Professional	$ 5,158	$ 4,497
School Board Professional	34,929	29,566

VLDP OPEB Liability (Asset), VLDP OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the VLDP OPEB

At June 30, 2023, the School Board non-professional and School Board professional plans reported assets of $680 and $879 for their proportionate share of their VLDP net OPEB liabilities. The VLDP net OPEB liabilities were measured as of June 30, 2022 and the total VLDP OPEB liabilities used to calculate the VLDP net OPEB liabilities were determined by an actuarial valuations performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The School Board non-professional and School Board professional plans' proportions of the VLDP net OPEB liabilities were based on the School Board non-professional and School Board professional plans' actuarially determined employer contributions to their VLDP OPEB plans for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, comparisons of the participating employers' proportions to June 30, 2021 are as follows:

	2022	2021
School Board Non-Professional	0.11565%	0.05737%
School Board Professional	0.78158%	0.80132%

For the year ended June 30, 2023, the School Board non-professional and School Board professional plans recognized VLDP OPEB expenses of $3,790 and $22,331, respectively. Since there was a change in proportionate share between measurement dates, a portion of the VLDP net OPEB expenses were related to deferred amounts from changes in proportion.

<u>School Board Non-Professional Plan</u>

At June 30, 2023, the School Board non-professional plan reported deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 956	$ (1,455)
Net difference between projected and actual earnings on GLI OPEB program investments	-	(3)
Change in assumptions	26	(244)
Changes in proportion	443	(38)
Employer contributions subsequent to the measurement date	5,158	-
Total	$ 6,583	$ (1,740)

The $5,158 reported as deferred outflows of resources related to the VLDP OPEB resulting from the School Board non-professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net VLDP OPEB liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB will be recognized in the VLDP OPEB expense in future reporting periods as follows:

Fiscal Year(s) June 30,	Amount
2024	$ 22
2025	16
2026	(225)
2027	113
2028	25
Thereafter	(266)
Total	$ (315)

School Board Professional Plan

At June 30, 2023, the School Board professional plan reported deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 10,364	$ (2,666)
Net difference between projected and actual earnings on VLDP OPEB program investments	-	(244)
Change in assumptions	2,621	-
Changes in proportionate share	90	(788)
Employer contributions subsequent to the measurement date	34,929	-
Total	$ 48,004	$ (3,698)

The $34,929 reported as deferred outflows of resources related to the VLDP OPEB resulting from the School Board professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net VLDP OPEB liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB will be recognized in the VLDP OPEB expense in future reporting periods as follows:

Fiscal Year(s) June 30,	Amount
2024	$ 607
2025	614
2026	446
2027	1,664
2028	894
Thereafter	5,152
Total	$ 9,377

Actuarial Assumptions

The total VLDP OPEB liability was based on an actuarial valuation as of June 30, 2021, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

Inflation	2.5%
Salary increases, including inflation:	
Political subdivision employees	3.5%-5.35%
Teacher employees	3.5%-5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation

School Board Non-Professional Plan

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

Pre-Retirement: Pub-2010 Amount Weighted General Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years.

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

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

Beneficiaries and Survivors: Pub-2010 Amount Weighted General Contingent Annuitant Rates projected generationally.

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in 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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale of MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount rate	No change

School Board Professional Plan

Mortality Rates – Teachers

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

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

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

Beneficiaries and Survivors: Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally.

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in 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:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount rate	No change

Net VLDP OPEB Liability

The net OPEB liabilities (NOL) for the School Board non-professional and School Board professional plans VLDP represents the programs' total OPEB liabilities determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2022, NOL amounts for the School Board non-professional and School Board professional plans VLDP is as follows (amounts expressed in thousands):

	School Board Non-Professional Plan	School Board Professional Plan
	VLDP OPEB Plans	
Total VLDP OPEB liability	$ 7,360	$ 7,207
Plan fiduciary net position	7,948	7,320
Employers' net VLDP OPEB liability	$ (588)	$ (113)
Plan fiduciary net position as a percentage of the total VLDP OPEB liability	107.99%	101.57%

The total VLDP OPEB liabilities are calculated by the System's actuary, and the plan's fiduciary net positions are reported in the System's financial statements. The net VLDP OPEB liabilities are disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to financial statements and required supplementary information.

Long-Term Expected Rate of Return

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

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

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

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

Discount Rate

The discount rate used to measure the total VLDP OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2022, the rate contributed by the School Board non-professional and School Board professional plans for the VLDP will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2022 on, all agencies are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the School Board non-professional and School board professional plans VLDP OPEB plans' fiduciary net positions were 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 School Board non-professional School Board professional plans VLDP OPEB liabilities.

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

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

Proportionate Share of the VLDP OPEB Plan Net VLDP OPEB Liability (Asset)	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
School Board Non-Professional	$ 72	$ (680)	$ (1,333)
School Board Professional	6,366	(879)	(7,145)

VLDP OPEB Fiduciary Net Position

Detailed information about the School Board non-professional and professional plans VLDP's Fiduciary Net Position is available in the separately issued VRS 2022 Annual Comprehensive Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at www.varetire.org/Pdf/Publications/2022-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

J. Pension and other postemployment benefits

Pension and Other Postemployment Benefits (OPEB) are long-term liabilities created by a commitment to provide benefits to employee's postemployment. The net pension liability and net OPEB liability are determined by an actuarial assessment and presented on the face of the financial statements. Amounts for deferred inflows and deferred outflows are also presented on the face of the financial statements. Details about the actuarial assessment and inflows and outflows are presented in the Pension and OPEB note disclosures. Individual plan expenses are also presented in those notes. Aggregate amounts of the recognized pension expense and OPEB expense for the fiscal year ended June 30, 2023 are presented below.

	Primary Government			Component Unit		
	Governmental Activities	Business-Type Activities	Totals	School Board Professional	School Board Non-Professional	Totals
Pension Expense	$ 1,484,750	$ 76,501	$ 1,561,251	$ 899,341	$ 85,649	$ 984,990
Net Pension Liability	725,553	29,756	755,309	17,759,725	-	17,759,725
Net Pension Asset	-	-	-	-	36,050	36,050
Deferred Inflows	1,927,848	74,636	2,002,484	3,930,953	231,202	4,162,155
Deferred Outflows	3,156,678	142,860	3,299,538	5,135,232	91,635	5,226,867

Aggregate OPEB expense, liabilities, deferred outflows, and deferred inflows recognized for the fiscal year ended June 30, 2023:

	Primary Government			Component Unit		
	Governmental Activities	Business-Type Activities	Totals	School Board Professional	School Board Non-Professional	Totals
Medical						
OPEB Expense	$ 135,293	$ 6,971	$ 142,264	$ 110,813	$ -	$ 110,813
Total OPEB Liability	2,144,194	101,982	2,246,176	1,824,569	-	1,824,569
Deferred Inflows	1,040,949	53,773	1,094,722	900,057	-	900,057
Deferred Outflows	221,239	10,764	232,003	386,527	-	386,527
GLI						
OPEB Expense	$ 71,040	$ 3,660	$ 74,700	$ 34,851	$ 5,012	$ 39,863
Total OPEB Liability	835,634	39,744	875,378	978,449	69,958	1,048,407
Deferred Inflows	166,597	8,606	175,203	213,893	15,416	229,309
Deferred Outflows	320,020	15,569	335,589	245,157	36,344	281,501
HIC						
OPEB Expense	$ -	$ -	$ -	$ 186,584	$ 1,718	$ 188,302
Total OPEB Liability	-	-	-	2,347,833	58,322	2,406,155
Deferred Inflows	-	-	-	157,299	1,718	159,017
Deferred Outflows	-	-	-	354,725	13,122	367,847
VLDP						
OPEB Expense	$ -	$ -	$ -	$ 22,331	$ 3,790	$ 26,121
OPEB Asset	-	-	-	879	680	1,559
Deferred Inflows	-	-	-	3,698	1,740	5,438
Deferred Outflows	-	-	-	48,004	6,583	54,587
Totals						
OPEB Expense	$ 206,333	$ 10,631	$ 216,964	$ 354,579	$ 10,520	$ 365,099
Total OPEB Liability	2,979,828	141,726	3,121,554	5,150,851	128,280	5,279,131
Total OPEB Asset	-	-	-	879	680	1,559
Deferred Inflows	1,207,546	62,379	1,269,925	1,274,947	18,874	1,293,821
Deferred Outflows	541,259	26,333	567,592	1,034,413	56,049	1,090,462

K. Tax abatements

Goochland County enters into property tax abatement agreements with local businesses on an individual basis. All property tax abatement agreements are based on performance agreements between Goochland County, the EDA, and the local business and are approved by the Goochland County Board of Supervisors and the EDA Board. The County provides the agreed upon tax abatement payments to the EDA, and then the EDA pays the local business if the terms of the agreement have been met. Goochland County and the EDA have tax abatement agreements with three entities as of June 30, 2023.

For the fiscal year-ended June 30, 2023, the County abated $289,312 in property taxes.

L. Pending GASB statements

At June 30, 2023, the Governmental Accounting Standards Board (GASB) had issued statements not yet implemented by the County. The statements which might impact the County are as follows:

GASB Statement No. 99, *Omnibus 2022,* will enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Certain requirements of Statement No. 99 will be effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 100, *Accounting Changes and Error Corrections,* is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Statement No. 100 will be effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101, *Compensated Absences,* is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 will be effective for fiscal years beginning after December 15, 2023.

Management has not determined the effects these new Statements may have on prospective financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the County Net Pension Liability (Asset) and Related Ratios - Virginia Retirement System

	Fiscal Year June 30,								
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability:									
Service Cost	$ 1,009,510	$ 1,130,059	$ 1,224,914	$ 1,222,010	$ 1,310,519	$ 1,391,535	$ 1,622,459	$ 1,767,302	$ 2,104,962
Interest	1,697,680	1,815,347	1,944,652	2,091,477	2,179,856	2,347,851	2,455,052	2,712,380	3,156,813
Changes of assumptions	-	-	-	(232,989)	-	1,112,814	-	1,603,714	-
Difference between expected and actual experience	-	17,229	119,708	(476,088)	305,794	(445,032)	1,475,868	251,253	(944,947)
Benefit Payments, including refunds of employee contributions	(827,416)	(1,225,029)	(1,005,819)	(1,377,730)	(1,305,975)	(1,486,516)	(1,667,002)	(1,815,226)	(1,895,608)
Net change in total pension liability	1,879,774	1,737,606	2,283,455	1,226,680	2,490,194	2,920,652	3,886,377	4,519,423	2,421,220
Total pension liability, beginning	24,666,276	26,546,050	28,283,656	30,567,111	31,793,791	34,283,985	37,204,637	41,091,014	45,610,437
Total pension liability, ending (a)	$ 26,546,050	$ 28,283,656	$ 30,567,111	$ 31,793,791	$ 34,283,985	$ 37,204,637	$ 41,091,014	$ 45,610,437	$ 48,031,657
Plan fiduciary net position:									
Contributions - employer	$ 1,098,298	$ 939,774	$ 984,325	$ 879,535	$ 978,181	$ 1,044,355	$ 1,146,002	$ 1,323,651	$ 1,483,106
Contributions - employee	438,821	460,160	477,799	494,180	551,069	597,243	653,061	671,704	755,829
Net investment income	3,429,951	1,172,620	487,177	3,387,664	2,309,297	2,267,305	691,450	10,151,480	(76,089)
Benefit payments, including refunds of employee contributions	(827,416)	(1,225,029)	(1,005,819)	(1,377,730)	(1,305,975)	(1,486,516)	(1,667,002)	(1,815,226)	(1,895,608)
Administrative expense	(17,703)	(15,681)	(16,227)	(19,177)	(19,386)	(21,628)	(22,963)	(24,398)	(28,928)
Other	181	(249)	(202)	(3,032)	(2,081)	(1,434)	(828)	(1,264)	1,111
Net change in plan fiduciary net position	4,122,132	1,331,595	927,053	3,361,440	2,511,105	2,399,325	799,720	10,305,947	239,421
Plan fiduciary net position - beginning	21,278,610	25,400,742	26,732,337	27,659,390	31,020,830	33,531,935	35,931,260	36,730,980	47,036,927
Plan fiduciary net position - ending (b)	$ 25,400,742	$ 26,732,337	$ 27,659,390	$ 31,020,830	$ 33,531,935	$ 35,931,260	$ 36,730,980	$ 47,036,927	$ 47,276,348
Net pension liability (asset) - ending (a)-(b)	$ 1,145,308	$ 1,551,319	$ 2,907,721	$ 772,961	$ 752,050	$ 1,273,377	$ 4,360,034	$ (1,426,490)	$ 755,309
Plan fiduciary net position as a percentage of the total pension liability	95.69%	94.52%	90.49%	97.57%	97.81%	96.58%	89.39%	103.13%	98.43%
Covered payroll	$ 9,355,179	$ 9,186,452	$ 9,621,945	$ 9,904,673	$ 11,015,552	$ 11,854,200	$ 13,007,968	$ 13,383,731	$ 14,996,016
Net pension liability (asset) as a percentage of covered payroll	12.24%	16.89%	30.22%	7.80%	6.83%	10.74%	33.52%	-10.66%	5.04%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years which information is available.

Schedule of Changes in the School Board Non-Professional Net Pension Liability (Asset) and Related Ratios - Virginia Retirement System

	Fiscal Year June 30,								
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability:									
Service Cost	$ 85,613	$ 87,520	$ 83,222	$ 83,351	$ 71,494	$ 77,102	$ 81,613	$ 86,492	$ 101,112
Interest	231,123	245,059	266,650	273,513	282,676	288,724	296,794	307,815	348,987
Changes of assumptions	-	-	-	(8,144)	-	114,979	-	201,106	-
Difference between expected and actual experience	-	107,899	(96,074)	(33,951)	(71,899)	(876)	2,872	135,133	(124,923)
Benefit Payments, including refunds of employee contributions	(105,866)	(129,446)	(134,628)	(176,864)	(190,884)	(200,855)	(214,373)	(221,618)	(221,800)
Net change in total pension liability	210,870	311,032	119,170	137,905	91,387	279,074	166,906	508,928	103,376
Total pension liability, beginning	3,354,693	3,565,563	3,876,595	3,995,765	4,133,670	4,225,057	4,504,131	4,671,037	5,179,965
Total pension liability, ending (a)	$ 3,565,563	$ 3,876,595	$ 3,995,765	$ 4,133,670	$ 4,225,057	$ 4,504,131	$ 4,671,037	$ 5,179,965	$ 5,283,341
Plan fiduciary net position:									
Contributions - employer	$ 78,372	$ 68,960	$ 71,588	$ 48,627	$ 51,794	$ 42,929	$ 42,568	$ 49,087	$ 66,611
Contributions - employee	51,366	37,319	38,550	34,502	36,688	39,770	39,821	42,281	57,800
Net investment income	481,752	162,620	64,336	449,637	299,296	281,143	84,140	1,186,114	(6,129)
Benefit Payments, including refunds of employee contributions	(105,866)	(129,446)	(134,628)	(176,864)	(190,884)	(200,855)	(214,373)	(221,618)	(221,800)
Administrative expense	(2,549)	(2,217)	(2,281)	(2,638)	(2,617)	(2,841)	(2,920)	(2,998)	(3,397)
Other	25	(33)	(27)	(398)	(265)	(177)	(99)	111	125
Net change in plan fiduciary net position	503,100	137,203	37,538	352,866	194,012	159,969	(50,863)	1,052,977	(106,790)
Plan fiduciary net position - beginning	3,039,379	3,542,479	3,679,682	3,717,220	4,070,086	4,264,098	4,424,067	4,373,204	5,426,181
Plan fiduciary net position - ending (b)	$ 3,542,479	$ 3,679,682	$ 3,717,220	$ 4,070,086	$ 4,264,098	$ 4,424,067	$ 4,373,204	$ 5,426,181	$ 5,319,391
Net pension liability (asset) - ending (a)-(b)	$ 23,084	$ 196,913	$ 278,545	$ 63,584	$ (39,041)	$ 80,064	$ 297,833	$ (246,216)	$ (36,050)
Plan fiduciary net position as a percentage of the total pension liability	99.35%	94.92%	93.03%	98.46%	100.92%	98.22%	93.62%	104.75%	100.68%
Covered payroll	$ 769,107	$ 747,129	$ 775,601	$ 694,671	$ 739,914	$ 794,981	$ 788,296	$ 834,813	$ 1,132,840
Net pension liability (asset) as a percentage of covered payroll	3.00%	26.36%	35.91%	9.15%	-5.28%	10.07%	37.78%	-29.49%	-3.18%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board will present information for those years which information is

Schedule of Employer's Share of Net Pension Liability - VRS Teacher Retirement Plan (Cost-Sharing)

	Fiscal Year June 30,								
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Employer's proportion of the net pension liability	0.18686%	0.18865%	0.18811%	0.18557%	0.18799%	0.18520%	0.18602%	0.18232%	0.18654%
Employer's proportionate share of the net pension liability	$ 22,581,000	$ 23,744,000	$ 26,362,000	$ 22,821,000	$ 22,108,000	$ 24,373,372	$ 27,070,795	$ 14,153,982	$ 17,759,725
Employer's covered payroll	13,665,309	14,026,124	14,342,930	14,793,145	15,312,028	15,136,856	15,764,190	16,304,639	17,519,103
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	165.24%	169.28%	183.80%	154.27%	144.38%	161.02%	171.72%	86.81%	101.37%
Plan fiduciary net position as a percentage of the total pension liability	70.88%	70.68%	68.28%	72.92%	74.81%	73.51%	71.47%	85.46%	82.61%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board will present information for those years which information is

Schedule of Employer Contributions - Virginia Retirement System

County	Fiscal Year June 30, 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution (CRC)	$ 1,098,298	$ 939,774	$ 984,325	$ 879,535	$ 978,181	$ 1,044,355	$ 1,146,002	$ 1,323,651	$ 1,483,106	$ 2,017,017
Contributions in relation to the CRC	1,098,298	939,774	984,325	879,535	978,181	1,044,355	1,146,002	1,323,651	1,483,106	2,017,017
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 9,355,179	$ 9,186,452	$ 9,621,945	$ 9,904,673	$ 11,015,552	$ 11,854,200	$ 13,007,968	$ 13,383,731	$ 14,996,016	$ 17,136,932
Contributions as a percentage of covered payroll	11.74%	10.23%	10.23%	8.88%	8.88%	8.81%	8.81%	9.89%	9.89%	11.77%

School Board Non-professional	Fiscal Year June 30, 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution (CRC)	$ 78,372	$ 68,960	$ 71,588	$ 48,627	$ 51,794	$ 42,929	$ 42,568	$ 49,087	$ 66,611	$ 91,635
Contributions in relation to the CRC	78,372	68,960	71,588	48,627	51,794	42,929	42,568	49,087	66,611	91,635
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 769,107	$ 747,129	$ 775,601	$ 694,671	$ 739,914	$ 794,981	$ 788,296	$ 834,813	$ 1,132,840	$ 1,251,844
Contributions as a percentage of covered payroll	10.19%	9.23%	9.23%	7.00%	7.00%	5.40%	5.40%	5.88%	5.88%	7.32%

School Board Professional	Fiscal Year June 30, 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution (CRC)	$ 1,593,375	$ 2,033,788	$ 2,016,616	$ 2,168,675	$ 2,498,923	$ 2,373,459	$ 2,471,825	$ 2,709,831	$ 2,911,675	$ 2,981,775
Contributions in relation to the CRC	1,593,375	2,033,788	2,016,616	2,168,675	2,498,923	2,373,459	2,471,825	2,709,831	2,911,675	2,981,775
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 13,665,309	$ 14,026,124	$ 14,342,930	$ 14,793,145	$ 15,312,028	$ 15,136,856	$ 15,764,190	$ 16,304,639	$ 17,519,103	$ 17,940,884
Contributions as a percentage of covered payroll	11.66%	14.50%	14.06%	14.66%	16.32%	15.68%	15.68%	16.62%	16.62%	16.62%

Changes of Benefit Terms

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

Changes of Assumptions

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

County and School Board Non-Professional:

General Employees

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

Public Safety Employees with Hazardous Duty Benefits

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

School Board Professional:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through nine years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Schedules of Changes in the County's Total OPEB Liability and Related Ratios - Retiree Healthcare Plan

	Fiscal Year June 30,				
	2018	2019	2020	2021	2022
Total OPEB liability:					
Service cost	$ 101,564	$ 69,571	$ 78,719	$ 254,229	$ 265,383
Interest	78,797	69,288	66,156	62,022	62,037
Changes of benefit terms	-	-	597,080	-	-
Differences between expected and actual experience	(473,918)	-	(177,559)	-	(425,291)
Changes of assumptions or other inputs	(83,233)	108,205	214,202	97,617	(639,857)
Benefit payments	(86,881)	(90,442)	(89,566)	(83,906)	(84,603)
Net change in total OPEB liability	(463,671)	156,622	689,032	329,962	(822,331)
Total OPEB liability - beginning	2,356,562	1,892,891	2,049,513	2,738,545	3,068,507
Total OPEB liability - ending	$ 1,892,891	$ 2,049,513	$ 2,738,545	$ 3,068,507	$ 2,246,176
Covered payroll	$ 4,900,000	$ 5,047,000	$ 13,677,636	$ 14,087,965	$ 15,571,857
Total OPEB liability as a percentage of covered payroll	38.63%	40.61%	20.02%	21.78%	14.42%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years which information is available.

Schedules of Changes in the School Board's Total OPEB Liability and Related Ratios - Retiree Healthcare Plan

	Fiscal Year June 30,				
	2018	2019	2020	2021	2022
Total OPEB liability:					
Service cost	$ 152,052	$ 167,803	$ 187,593	$ 149,499	$ 156,109
Interest	66,186	66,993	66,894	39,662	38,549
Differences between expected and actual experience	(18,395)	-	(437,562)	-	346,934
Changes of assumptions or other inputs	(264,617)	86,766	(33,162)	46,019	(562,188)
Benefit payments	(128,575)	(76,999)	(84,925)	(87,870)	(70,535)
Net change in total OPEB liability	(193,349)	244,563	(301,162)	147,310	(91,131)
Total OPEB liability - beginning	2,018,338	1,824,989	2,069,552	1,768,390	1,915,700
Total OPEB liability - ending	$ 1,824,989	$ 2,069,552	$ 1,768,390	$ 1,915,700	$ 1,824,569
Covered payroll	$ 18,879,003	$ 19,445,373	$ 20,041,618	$ 20,642,867	$ 18,496,528
Total OPEB liability as a percentage of covered payroll	9.67%	10.64%	8.82%	9.28%	9.86%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board will present information for those years which information is available.

Schedule of Employer's Share of Net OPEB Liability - Group Life Insurance Program

	Fiscal Year June 30,					
	2017	2018	2019	2020	2021	2022
County:						
Employer's proportion of the net GLI OPEB liability	0.05508%	0.06003%	0.06261%	0.06576%	0.06794%	0.07270%
Employer's proportionate share of the net GLI OPEB liability	$ 829,000	$ 912,000	$ 1,018,831	$ 1,097,428	$ 791,006	$ 875,378
Employer's covered payroll	$ 10,160,000	$ 11,423,077	$ 12,273,077	$ 13,534,423	$ 14,026,296	$ 15,813,835
Employer's proportionate share of the net GLI OPEB liability as a percentage of its covered payroll	8.16%	7.98%	8.30%	8.11%	5.64%	5.54%
Plan fiduciary net position as a percentage of the total GLI OPEB liability	48.86%	51.22%	52.00%	52.64%	67.45%	67.21%
School Board Non-Professional:						
Employer's proportion of the net GLI OPEB liability	0.00386%	0.00401%	0.00422%	0.00413%	0.00432%	0.00581%
Employer's proportionate share of the net GLI OPEB liability	$ 59,000	$ 61,000	$ 68,671	$ 68,923	$ 50,296	$ 69,958
Employer's covered payroll	$ 711,346	$ 761,731	$ 826,923	$ 849,423	$ 891,667	$ 1,264,355
Employer's proportionate share of the net GLI OPEB liability as a percentage of its covered payroll	8.29%	8.01%	8.30%	8.11%	5.64%	5.53%
Plan fiduciary net position as a percentage of the total GLI OPEB liability	48.86%	51.22%	52.00%	52.64%	67.45%	67.21%
School Board Professional:						
Employer's proportion of the net GLI OPEB liability	0.08065%	0.08116%	0.08072%	0.08044%	0.07909%	0.08126%
Employer's proportionate share of the net GLI OPEB liability	$ 1,214,000	$ 1,233,000	$ 1,313,529	$ 1,342,412	$ 920,822	$ 978,449
Employer's covered payroll	$ 14,875,962	$ 15,432,115	$ 15,826,923	$ 16,554,615	$ 16,361,667	$ 17,676,909
Employer's proportionate share of the net GLI OPEB liability as a percentage of its covered payroll	8.16%	7.99%	8.30%	8.11%	5.63%	5.54%
Plan fiduciary net position as a percentage of the total GLI OPEB liability	48.86%	51.22%	52.00%	52.64%	67.45%	67.21%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County and the School Board non-professional, and the School Board professional will present information for those years for which information is available.

Schedule of Employer Contributions - OPEB - Group Life Insurance Program

County	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Fiscal Year June 30,									
Contractually required contribution (CRC)	$ 46,143	$ 48,960	$ 51,657	$ 52,832	$ 59,400	$ 63,820	$ 70,379	$ 75,742	$ 85,386	$ 97,475
Contributions in relation to the CRC	46,143	48,960	51,657	52,832	59,400	63,820	70,379	75,742	85,386	97,475
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 9,613,125	$ 10,200,000	$ 10,761,875	$ 10,160,000	$ 11,423,077	$ 12,273,077	$ 13,534,423	$ 14,026,296	$ 15,813,835	$ 18,046,636
Contributions as a percentage of covered payroll	0.48%	0.48%	0.48%	0.52%	0.52%	0.52%	0.52%	0.54%	0.54%	0.54%

School Board Non-Professional	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Fiscal Year June 30,									
Contractually required contribution (CRC)	$ 4,076	$ 3,964	$ 4,140	$ 3,699	$ 3,961	$ 4,300	$ 4,417	$ 4,815	$ 6,828	$ 7,563
Contributions in relation to the CRC	4,076	3,964	4,140	3,699	3,961	4,300	4,417	4,815	6,828	7,563
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 849,167	$ 825,833	$ 862,500	$ 711,346	$ 761,731	$ 826,923	$ 849,423	$ 891,667	$ 1,264,355	$ 1,400,634
Contributions as a percentage of covered payroll	0.48%	0.48%	0.48%	0.52%	0.52%	0.52%	0.52%	0.54%	0.54%	0.54%

School Board Professional	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Fiscal Year June 30,									
Contractually required contribution (CRC)	$ 72,520	$ 74,477	$ 76,287	$ 77,355	$ 80,247	$ 82,300	$ 86,084	$ 88,353	$ 95,456	$ 102,980
Contributions in relation to the CRC	72,520	74,477	76,287	77,355	80,247	82,300	86,084	88,353	95,456	102,980
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 15,108,333	$ 15,516,042	$ 15,893,125	$ 14,875,962	$ 15,432,115	$ 15,826,923	$ 16,554,615	$ 16,361,667	$ 17,676,909	$ 19,070,202
Contributions as a percentage of covered payroll	0.48%	0.48%	0.48%	0.52%	0.52%	0.52%	0.52%	0.54%	0.54%	0.54%

Schedule of Changes in the School Board Non-professional Plan Net OPEB Liability and Related Ratios - Health Insurance Credit Program

	Fiscal Year June 30, 2020	2021	2022
Total OPEB liability:			
Service Cost	$ -	$ 1,005	$ 1,954
Interest	-	3,746	4,291
Change in benefit terms	55,510	-	-
Changes of assumptions	-	1,581	5,129
Difference between expected and actual experience	-	-	(2,153)
Benefit Payments, including refunds of employee contributions	-	-	(457)
Net change in total pension liability	55,510	6,332	8,764
Total OPEB liability, beginning	-	55,510	61,842
Total OPEB liability, ending (a)	$ 55,510	$ 61,842	$ 70,606
Plan fiduciary net position:			
Contributions - employer	$ -	$ 4,993	$ 7,080
Net investment income	-	714	(156)
Benefit payments, including refunds of employee contributions	-	-	(457)
Administrative expense	-	(22)	(25)
Other	-	-	157
Net change in plan fiduciary net position	-	5,685	6,599
Plan fiduciary net position - beginning	-	-	5,685
Plan fiduciary net position - ending (b)	$ -	$ 5,685	$ 12,284
Net OPEB liability - ending (a)-(b)	$ 55,510	$ 56,157	$ 58,322
Plan fiduciary net position as a percentage of the total pension liability	0.00%	9.19%	17.40%
Covered payroll	$ 788,296	$ 891,786	$ 1,264,355
Net OPEB liability as a percentage of covered payroll	7.04%	6.30%	4.61%

Notes to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the

(2) School Board Non-professional employees joined the Health Insurance Credit Program Plan effective July 1, 2020.

Schedule of Changes in the School Board Professional Plan Net OPEB Liability and Related Ratios - Health Insurance Credit Program

	Fiscal Year June 30,					
School Board Professional	2017	2018	2019	2020	2021	2022
Employer's proportion of the net HIC OPEB liability	0.18745%	0.18971%	0.18782%	0.18860%	0.18432%	0.18797%
Employer's proportionate share of the net HIC OPEB liability	$ 2,378,000	$ 2,408,000	$ 2,458,747	$ 2,460,318	$ 2,365,875	$ 2,347,833
Employer's covered payroll	$ 16,393,243	$ 15,258,226	$ 15,753,750	$ 16,533,750	$ 16,301,322	$ 17,519,101
Employer's proportionate share of the net HIC OPEB liability as a percentage of its covered payroll	14.51%	15.78%	15.61%	14.88%	14.51%	13.40%
Plan fiduciary net position as a percentage of the total HIC OPEB liability	7.04%	8.08%	8.97%	9.95%	13.15%	15.08%

Notes to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board professional and non-professional plans will present information for those years which information is available.

(2) The amounts presented have a measurement date of the previous fiscal year end.

Schedule of School Board Non-Professional Plan Contributions - OPEB - Health Insurance Credit Program

	Fiscal Year June 30,		
	2021	2022	2023
Contractually required contribution (CRC)	$ 4,994	$ 7,080	$ 7,844
Contributions in relation to the CRC	4,994	7,080	7,844
Contribution deficiency (excess)	$ -	$ -	$ -
Employer's covered payroll	$ 891,786	$ 1,264,355	$ 1,400,634
Contributions as a percentage of covered payroll	0.56%	0.56%	0.56%

Schedule of School Board Professional Plan Contributions - OPEB - Health Insurance Credit Program

	Fiscal Year June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution (CRC)	$ 159,884	$ 165,508	$ 169,247	$ 181,965	$ 189,202	$ 189,045	$ 198,405	$ 197,246	$ 211,981	$ 229,768
Contributions in relation to the CRC	159,884	165,508	169,247	181,965	189,202	189,045	198,405	197,246	211,981	229,768
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 14,403,964	$ 15,613,962	$ 15,966,698	$ 16,393,243	$ 15,258,226	$ 15,753,750	$ 16,533,750	$ 16,301,322	$ 17,519,101	$ 18,989,126
Contributions as a percentage of covered payroll	1.11%	1.06%	1.06%	1.11%	1.24%	1.20%	1.20%	1.21%	1.21%	1.21%

Schedule of School Board Plan Share of Net OPEB Liability (Asset) - Virginia Local Disability Program

	Fiscal Year June 30,					
School Board Non-Professional	2017	2018	2019	2020	2021	2022
Employer's proportion of the net VLDP OPEB liability (asset)	0.0588%	0.05765%	0.04463%	0.04912%	0.05737%	0.11565%
Employer's proportionate share of the net VLDP OPEB liability (asset)	$ 1,000	$ 1,000	$ 904	$ 490	$ (580)	$ (680)
Employer's covered payroll	$ 108,001	$ 139,976	$ 137,917	$ 183,056	$ 230,482	$ 541,813
Employer's proportionate share of the net VLDP OPEB liability (asset) as a percentage of its covered payroll	0.9259%	0.7144%	0.6555%	0.2677%	-0.2516%	-0.1255%
Plan fiduciary net position as a percentage of the total VLDP OPEB liability	38.40%	51.39%	49.19%	76.84%	119.59%	107.99%

	Fiscal Year June 30,					
School Board Professional	2017	2018	2019	2020	2021	2022
Employer's proportion of the net VLDP OPEB liability (asset)	1.04436%	1.00484%	0.86263%	0.95230%	0.80132%	0.78158%
Employer's proportionate share of the net VLDP OPEB liability (asset)	$ 6,000	$ 7,000	$ 5,536	$ 6,921	$ (5,641)	$ (879)
Employer's covered payroll	$ 2,947,192	$ 3,746,746	$ 4,556,540	$ 5,097,477	$ 5,392,128	$ 6,290,669
Employer's proportionate share of the net VLDP OPEB liability (asset) as a percentage of its covered payroll	0.2036%	0.1868%	0.1215%	0.1358%	-0.1046%	-0.0140%
Plan fiduciary net position as a percentage of the total VLDP OPEB liability	31.96%	46.18%	74.12%	78.28%	114.46%	101.57%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board non-professional plan will present information for those years for which information is available.

(2) The amounts presented have a measurement date of the previous fiscal year.

Schedule of School Board Plan Contributions - OPEB - Virginia Local Disability Program

School Board Non-Professional	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Fiscal Year June 30,									
Contractually required contribution (CRC)	$ -	$ 49	$ 302	$ 648	$ 840	$ 993	$ 1,318	$ 1,913	$ 4,497	$ 5,158
Contributions in relation to the CRC	-	49	302	648	840	993	1,318	1,913	4,497	5,158
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	N/A	$ 8,223	$ 50,285	$ 108,001	$ 139,976	$ 137,917	$ 183,056	$ 230,482	$ 541,813	$ 606,803
Contributions as a percentage of covered payroll	N/A	0.60%	0.60%	0.60%	0.60%	0.72%	0.72%	0.83%	0.83%	0.85%

School Board Professional	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Fiscal Year June 30,									
Contractually required contribution (CRC)	$ -	$ 3,985	$ 6,278	$ 9,136	$ 11,550	$ 18,723	$ 20,920	$ 25,343	$ 29,566	$ 34,929
Contributions in relation to the CRC	-	3,985	6,278	9,136	11,550	18,723	20,920	25,343	29,566	34,929
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	N/A	$ 1,373,998	$ 2,164,860	$ 2,947,192	$ 3,746,746	$ 4,556,540	$ 5,097,477	$ 5,392,128	$ 6,290,669	$ 7,431,650
Contributions as a percentage of covered payroll	N/A	0.29%	0.29%	0.31%	0.31%	0.41%	0.41%	0.47%	0.47%	0.47%

I. Retiree Healthcare Plan

Changes of Benefit Terms

Since the prior actuarial valuation, the Retiree Healthcare Plan eligibility has been expanded. Previously, only employees hired prior to July 1, 2011 could participate in the plan. Changes to the plan have been made such that employees hired after July 1, 2011 can participate in the plan if they meet all of the other eligibility requirements. Employees hired after July 1, 2011 are not eligible for the premium credit.

Changes of Assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following is the discount rate used for the period presented:

2023	3.54%

II. Group Life Insurance Program

Changes of Benefit Terms

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

Changes of Assumptions

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

<u>School Board Professional</u>

Teachers

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experienced for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service decrement through nine years of service
Disability Rates	No change
Salary Scale	No change
Discount rate	No change

<u>County and School Board Non-Professional Plans</u>

General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered retirement rates at older ages and extended final retirement age from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each age and service year

Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increased rate from 14% to 15%
Discount rate	Decreased rate from 7.00% to 6.75%

Hazardous Duty Employees

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

III. Health Insurance Credit Program

Changes of Benefit Terms

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

Changes of Assumptions

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

School Board Non-Professional Plan

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through nine years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

School Board Professional Plan

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through nine years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

IV. Virginia Local Disability Program

Changes of Benefit Terms

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

Changes of Assumptions

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

School Board Non-Professional Plan

Non-Largest Ten Locality Employers – General and Non-Hazardous Duty Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

School Board Professional Plan

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

SUPPLEMENTARY INFORMATION

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

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
General property taxes:				
Real property taxes	$ 37,505,000	$ 37,505,000	$ 39,726,253	$ 2,221,253
TCSD property tax revenue share	(2,600,000)	(2,600,000)	(2,821,001)	(221,001)
Public service corporation property taxes	925,000	925,000	955,362	30,362
Personal property taxes	17,183,100	17,183,100	20,898,373	3,715,273
Penalties and interest	340,000	340,000	642,599	302,599
Total general property taxes	53,353,100	53,353,100	59,401,586	6,048,486
Other local taxes:				
Local sales and use taxes	4,700,000	4,700,000	6,208,820	1,508,820
Consumer utility taxes	515,000	515,000	619,269	104,269
Consumption taxes	90,000	90,000	123,167	33,167
Business license taxes	1,300,000	1,300,000	1,279,198	(20,802)
Bank stock taxes	600,000	600,000	874,352	274,352
Taxes on recordation and wills	1,000,000	1,000,000	917,540	(82,460)
Other local taxes	90,000	90,000	122,154	32,154
Total other local taxes	8,295,000	8,295,000	10,144,500	1,849,500
Permits, privilege fees, and regulatory licenses:				
General Government Administration:				
Land use application fees	3,000	3,000	3,825	825
Other general government	-	-	(6)	(6)
Public Safety:				
Animal licenses	10,000	10,000	11,059	1,059
Building permits	1,750,000	1,869,490	1,660,508	(208,982)
Other public safety	4,500	4,500	4,285	(215)
Community Development:				
Planning fees	276,000	276,000	232,042	(43,958)
Total permits, privilege fees, and regulatory licenses	2,043,500	2,162,990	1,911,713	(251,277)
Fines and forfeitures:				
Judicial administration:				
Court fines and forfeitures	51,000	51,000	113,865	62,865
Revenue from use of money and property:				
Revenue from use of money	50,000	50,000	3,270,514	3,220,514
Revenue from use of property	50,000	50,000	65,840	15,840
Total revenue from use of money and property	100,000	100,000	3,336,354	3,236,354
Charges for services:				
Sheriff fees	5,000	5,000	5,247	247
Commonwealth's attorney	1,500	1,500	1,192	(308)
Courthouse security	50,000	50,000	84,890	34,890
Other court services	2,100	2,100	1,799	(301)
Sanitation and waste removal	45,000	45,000	58,230	13,230
Parks and recreation	140,000	140,000	277,143	137,143
Fire and rescue	850,000	850,000	905,943	55,943
Total charges for services	1,093,600	1,093,600	1,334,444	240,844
Miscellaneous:				
Miscellaneous revenues	55,000	55,000	69,831	14,831

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

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES (Continued)				
Revenues from local sources (continued):				
Recovered costs:				
General government	$ 18,600	$ 18,600	19,329	$ 729
Judicial administration	6,000	6,000	8,716	2,716
Public safety	42,000	42,000	91,447	49,447
General services	205,000	205,000	136,586	(68,414)
Parks and recreation	-	-	1,891	1,891
Community development	1,000	1,000	1,470	470
Total revenue from recovered costs	272,600	272,600	259,439	(13,161)
Total revenue from local sources	65,263,800	65,383,290	76,571,732	11,188,442
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Communications sales and use tax	625,000	625,000	593,336	(31,664)
Other noncategorical aid	125,000	125,000	148,305	23,305
Personal property tax relief funds	2,853,012	2,853,012	2,853,012	-
Total noncategorical aid	3,603,012	3,603,012	3,594,653	(8,359)
Categorical aid:				
Shared expenses:				
Commonwealth's Attorney	301,800	301,800	306,099	4,299
Sheriff	1,127,786	1,127,786	1,131,988	4,202
Commissioner of Revenue	108,000	108,000	114,622	6,622
Treasurer	128,000	128,000	144,721	16,721
Registrar/electoral board	50,000	50,000	73,939	23,939
Clerk of the Circuit Court	272,000	272,000	289,850	17,850
Total shared expenses	1,987,586	1,987,586	2,061,219	73,633
Other categorical aid:				
Social Services	679,621	745,076	527,918	(217,158)
Fire-rescue	113,636	164,104	179,530	15,426
DMV agent compensation	300,000	300,000	439,760	139,760
Other categorical aid	122,763	338,733	255,076	(83,657)
Total other categorical aid	1,216,020	1,547,913	1,402,284	(145,629)
Total categorical aid	3,203,606	3,535,499	3,463,503	(71,996)
Total revenue from the Commonwealth	6,806,618	7,138,511	7,058,156	(80,355)
Revenue from the Federal government:				
Categorical aid:				
ARPA Act	-	30,000	30,000	-
General Government	110,000	110,000	119,218	9,218
Judicial Administration	45,000	45,000	67,801	22,801
Public Safety	51,904	51,904	60,528	8,624
Social Services	1,508,379	1,516,049	1,443,397	(72,652)
Total categorical aid	1,715,283	1,752,953	1,720,944	(32,009)
Total revenue from the Federal government	1,715,283	1,752,953	1,720,944	(32,009)
Total intergovernmental	8,521,901	8,891,464	8,779,100	(112,364)
Total revenues	73,785,701	74,274,754	85,350,832	11,076,078

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

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES				
General government administration:				
Legislative:				
Board of Supervisors	$ 218,478	$ 218,478	$ 196,357	$ 22,121
General and financial administration:				
County Administrator	740,350	754,832	506,432	248,400
County Attorney	473,291	478,078	460,027	18,051
Human resources	303,425	316,397	311,809	4,588
Commissioner of the Revenue	518,500	536,831	521,193	15,638
Assessor	668,749	686,474	615,413	71,061
Other general and financial administration	1,279,436	351,376	239,291	112,085
Treasurer	656,064	676,104	650,931	25,173
Information systems	1,702,596	1,750,320	1,730,868	19,452
Finance	564,235	570,031	582,215	(12,184)
Purchasing	125,881	134,765	147,848	(13,083)
Total general and financial administration	7,032,527	6,255,208	5,766,027	489,181
Board of Elections:				
Registrar	340,948	356,795	340,773	16,022
Total general government administration	7,591,953	6,830,481	6,303,157	527,324
Judicial administration:				
Courts:				
Circuit Court	41,680	41,680	52,644	(10,964)
General District Court	17,750	17,750	21,361	(3,611)
Sheriff - Court services	759,332	765,584	642,332	123,252
Clerk of the Circuit Court	789,236	829,486	835,296	(5,810)
Total courts	1,607,998	1,654,500	1,551,633	102,867
Commonwealth's Attorney	706,995	722,112	632,606	89,506
Total judicial administration	2,314,993	2,376,612	2,184,239	192,373
Public safety:				
Law enforcement and traffic control:				
Sheriff	6,270,444	6,627,048	5,699,128	927,920
School resource officer	-	178,044	174,305	3,739
Sheriff's grants	35,000	35,000	31,395	3,605
Total law enforcement and traffic control	6,305,444	6,840,092	5,904,828	935,264
Fire and rescue services:				
Fire and rescue	8,427,475	8,659,417	8,094,559	564,858
Emergency planning	149,119	167,953	144,709	23,244
Total fire and rescue services	8,576,594	8,827,370	8,239,268	588,102
Correction and detention:				
Confinement and care of prisoners	557,100	555,100	466,107	88,993
Inspections:				
Building inspections	966,409	1,059,452	996,343	63,109

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

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)				
Public safety (continued):				
Other protection:				
Animal control	$ 870,962	$ 940,322	$ 879,735	$ 60,587
Emergency dispatch services	1,347,502	1,382,564	1,215,208	167,356
E911 System	627,900	678,368	685,753	(7,385)
Virginia Community Crime Control Act	-	8,585	3,112	5,473
Total other protection	2,846,364	3,009,839	2,783,808	226,031
Total public safety	19,251,911	20,291,853	18,390,354	1,901,499
General services:				
Convenience centers	1,241,730	1,268,507	1,190,382	78,125
Facilities management	1,631,740	1,663,321	1,660,773	2,548
Grounds management	670,252	764,971	737,441	27,530
Total general services	3,543,722	3,696,799	3,588,596	108,203
Health and human services:				
Health:				
Supplement of local health department	337,306	337,306	337,306	-
Mental health and mental retardation:				
Goochland Powhatan Community Services	376,010	376,010	374,154	1,856
Human Services:				
Public assistance and welfare administration	3,086,293	3,159,418	2,664,200	495,218
Tax relief for the elderly and disabled	500,000	500,000	551,475	(51,475)
Goochland Cares	242,000	242,000	243,265	(1,265)
Contributions	76,177	76,177	73,545	2,632
Total health and human services	4,617,786	4,690,911	4,243,945	446,966
Parks, recreation, and facilities management:				
Parks, recreation, and facilities management	1,108,780	1,151,754	1,108,929	42,825
Contribution to regional library	568,029	568,029	567,651	378
Total parks, recreation, and facilities management	1,676,809	1,719,783	1,676,580	43,203
Community development:				
Planning and community development:				
Planning and zoning	914,051	1,088,487	926,428	162,059
Community development	186,089	331,416	287,028	44,388
Environmental plan review and code enforcement	519,309	519,309	235,038	284,271
Extension office	86,476	86,476	68,599	17,877
Economic development	377,176	420,735	364,179	56,556
Appropriation to Economic Development Authority	350,000	350,000	302,898	47,102
Total community development	2,433,101	2,796,423	2,184,170	612,253
Education:				
Appropriation to the County School Board	25,500,000	25,863,687	25,187,414	676,273
Total education	25,500,000	25,863,687	25,187,414	676,273

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

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)				
Debt service:				
Principal retirement	$ 3,276,000	$ 3,276,000	$ 3,276,000	$ -
Interest and other fiscal charges	2,235,426	2,235,426	2,193,151	42,275
Total debt service	5,511,426	5,511,426	5,469,151	42,275
Total expenditures	72,441,701	73,777,975	69,227,606	4,550,369
Excess of revenues over expenditures	1,344,000	496,779	16,123,226	15,626,447
OTHER FINANCING SOURCES (USES)				
Other financing uses:				
Transfer to Capital Projects Fund	(5,400,000)	(6,650,000)	(6,650,000)	-
Transfer to Office of Children's Services Fund	(950,000)	(950,000)	(608,427)	(341,573)
Total other financing sources (uses), net	(6,350,000)	(7,600,000)	(7,258,427)	(341,573)
Net change in fund balance	(5,006,000)	(7,103,221)	8,864,799	15,968,020
Fund balance - beginning	5,006,000	6,629,687	47,631,897	41,002,210
Fund balance - ending	$ -	$ (473,534)	$ 56,496,696	$ 56,970,230

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

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Revenue from use of money and property	$ -	$ -	$ 2,168,678	$ 2,168,678
Miscellaneous	705,000	1,555,000	2,712,772	1,157,772
Intergovernmental:				
Revenue from the Commonwealth	-	7,200,394	534,218	(6,666,176)
Total revenues	705,000	8,755,394	5,415,668	(3,339,726)
EXPENDITURES				
Capital outlay:				
General government administration	330,000	5,017,860	469,351	4,548,509
Judicial administration	1,500,000	1,505,934	-	1,505,934
Public safety	11,295,750	14,559,807	2,227,236	12,332,571
General services	200,000	890,744	572,574	318,170
Education	2,539,767	44,332,180	17,619,048	26,713,132
Parks and cultural	585,000	2,235,010	543,838	1,691,172
Community development	-	5,411,207	323,571	5,087,636
Debt service:				
Cost of debt issuance	-	-	775	(775)
Total expenditures	16,450,517	73,952,742	21,756,393	52,196,349
Deficiency of revenues under expenditures	(15,745,517)	(65,197,348)	(16,340,725)	48,856,623
OTHER FINANCING SOURCES				
Issuance of long-term debt	9,700,000	-	-	-
Transfers in	6,045,517	7,355,000	6,983,112	371,888
Total other financing sources	15,745,517	7,355,000	6,983,112	371,888
Net change in fund balance	-	(57,842,348)	(9,357,613)	48,484,735
Fund balance - beginning	-	52,177,988	71,100,849	18,922,861
Fund balance - ending	$ -	$ (5,664,360)	$ 61,743,236	$ 67,407,596

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2023

	Nonmajor Governmental Funds			
	Asset Forfeiture	Office of Children's Services	Central Virginia Transportation	Totals
ASSETS				
Cash and cash equivalents	$ 64,444	$ 324,979	$ 5,482,085	$ 5,871,508
Prepaid items	-	711	-	711
Due from other governmental units	-	87,969	469,195	557,164
Total assets	$ 64,444	$ 413,659	$ 5,951,280	$ 6,429,383
LIABILITIES				
Accounts payable	$ -	$ 142,060	$ -	$ 142,060
Unearned revenue	22,001	-	-	22,001
Total liabilities	22,001	142,060	-	164,061
FUND BALANCES				
Nonspendable	-	711	-	711
Restricted	42,443	-	-	42,443
Assigned	-	270,888	5,951,280	6,222,168
Total fund balances	42,443	271,599	5,951,280	6,265,322
Total liabilities and fund balances	$ 64,444	$ 413,659	$ 5,951,280	$ 6,429,383

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

Year Ended June 30, 2023

	Nonmajor Governmental Funds			
	Asset Forfeiture	Office of Children's Services	Central Virginia Transportation Authority	Totals
REVENUES				
Revenue from local sources:				
Local sales and use tax	$ -	$ -	$ 2,643,576	$ 2,643,576
Revenue from use of money and property	1,890	-	-	1,890
Miscellaneous	-	160	-	160
Intergovernmental:				
Revenue from the Commonwealth	1,839	392,037	-	393,876
Revenue from the Federal government	-	11,289	-	11,289
Total revenues	3,729	403,486	2,643,576	3,050,791
EXPENDITURES				
Judicial administration	1,839	-	-	1,839
Health and human services	-	969,606	-	969,606
Community development	-	-	152,372	152,372
Total expenditures	1,839	969,606	152,372	1,123,817
Excess (deficiency) of revenues over (under) expenditures	1,890	(566,120)	2,491,204	1,926,974
OTHER FINANCING SOURCES (USES)				
Transfers in	-	608,427	-	608,427
Transfers out	-	-	(333,112)	(333,112)
Total other financing sources (uses), net	-	608,427	(333,112)	275,315
Net change in fund balances	1,890	42,307	2,158,092	2,202,289
Fund balances - beginning	40,553	229,292	3,793,188	4,063,033
Fund balances - ending	$ 42,443	$ 271,599	$ 5,951,280	$ 6,265,322

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

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Revenue from use of money and property	$ -	$ -	$ 1,890	$ 1,890
Intergovernmental:				
Revenue from the Commonwealth	-	-	1,839	1,839
Total revenues	-	-	3,729	3,729
EXPENDITURES				
Judicial administration	-	-	1,839	(1,839)
Total expenditures	-	-	1,839	(1,839)
Excess of revenues over expenditures	-	-	1,890	1,890
Net change in fund balance	-	-	1,890	1,890
Fund balance - beginning	-	-	40,553	40,553
Fund balance - ending	$ -	$ -	$ 42,443	$ 42,443

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Office of Children's Services Fund

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Miscellaneous	$ 10,000	$ 10,000	$ 160	$ (9,840)
Intergovernmental:				
Revenue from the Commonwealth	825,000	825,000	392,037	(432,963)
Revenue from the Federal government	-	-	11,289	11,289
Total revenues	835,000	835,000	403,486	(431,514)
EXPENDITURES				
Health and human services	1,851,040	1,851,040	969,606	881,434
Total expenditures	1,851,040	1,851,040	969,606	881,434
Deficiency of revenues under expenditures	(1,016,040)	(1,016,040)	(566,120)	449,920
OTHER FINANCING SOURCES				
Transfers in	950,000	950,000	608,427	(341,573)
Net change in fund balance	(66,040)	(66,040)	42,307	108,347
Fund balance - beginning	66,040	66,040	229,292	163,252
Fund balance - ending	$ -	$ -	$ 271,599	$ 271,599

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Central Virginia Transportation Authority

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Local sales and use tax	$ -	$ -	$ 2,643,576	$ 2,643,576
Total revenues	-	-	2,643,576	2,643,576
EXPENDITURES				
Total expenditures	-	269,000	152,372	116,628
Excess (deficiency) of revenues over (under) expenditures	-	(269,000)	2,491,204	2,760,204
OTHER FINANCING USES				
Transfers out	-	(333,112)	(333,112)	-
Net change in fund balance	-	(602,112)	2,158,092	2,760,204
Fund balance - beginning	-	602,112	3,793,188	3,191,076
Fund balance - ending	$ -	$ -	$ 5,951,280	$ 5,951,280

Combining Balance Sheet - Discretely Presented Component Unit - School Board

June 30, 2023

	Governmental Funds				
	School Operating	Textbook	Cafeteria	Special Revenue	Totals
ASSETS					
Cash and cash equivalents	$ 2,794,061	$ 387,695	$ 377,012	$ 183,189	$ 3,741,957
Accounts receivable	12,763	-	568	-	13,331
Lease receivable	28,295	-	-	-	28,295
Due from other governmental units	1,069,664	-	17,552	-	1,087,216
Inventories	-	-	65,208	-	65,208
Total assets	$ 3,904,783	$ 387,695	$ 460,340	$ 183,189	$ 4,936,007
LIABILITIES					
Accounts payable	$ 375,444	$ 461	$ 46,981	$ 61,811	$ 484,697
Accrued liabilities	1,842,196	-	50,247	8,288	1,900,731
Unearned revenue	1,185,916	-	-	-	1,185,916
Total liabilities	3,403,556	461	97,228	70,099	3,571,344
DEFERRED INFLOWS OF RESOURCES					
Leases	28,219	-	-	-	28,219
Total deferred inflow of resources	28,219	-	-	-	28,219
FUND BALANCES					
Nonspendable	-	-	65,208	-	65,208
Assigned	473,008	387,234	297,904	113,090	1,271,236
Total fund balances	473,008	387,234	363,112	113,090	1,336,444
Total liabilities, deferred inflows of resources and fund balances	$ 3,904,783	$ 387,695	$ 460,340	$ 183,189	$ 4,936,007

Reconciliation of the School Board's Combining Balance Sheet to the Statement of Net Position (Exhibit 1)

Total fund balances per above	$ 1,336,444
Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:	
Capital assets, cost	79,963,166
Less - accumulated depreciation and amortization	(39,596,016)
	40,367,150
Net pension asset	36,050
Net OPEB asset	1,559
Deferred outflows of resources - pension and other postemployment plans represent a consumption of net position that applies to a future period and, therefore, are not recognized as deferred outflows of resources in the governmental funds.	6,317,329
Deferred inflows of resources - pension plan and other postemployment plans represent an acquisition of net position that applies to a future period and, therefore, are not recognized as deferred inflows of resources in the governmental funds.	(5,455,976)
Long-term obligations are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Private placement note	(45,780)
Leases	(143,101)
Compensated absences	(517,033)
Net pension liability	(17,759,725)
Other postemployment benefits	(5,279,131)
	(23,744,770)
Net position of governmental activities	$ 18,857,786

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Discretely Presented Component Unit - School Board

Year Ended June 30, 2023

	Governmental Funds				
	School Operating	Textbook	Cafeteria	Special Revenue	Totals
REVENUES					
Revenue from local sources:					
Revenue from use of money and property	$ 50,513	$ -	$ -	$ -	$ 50,513
Charges for services	112,771	-	527,845	226,125	866,741
Miscellaneous	174,406	-	2,899	-	177,305
Recovered costs	149,125	-	-	-	149,125
Payments from primary government	24,919,074	268,340	-	-	25,187,414
Intergovernmental revenues:					
Revenue from the Commonwealth	10,829,665	67,085	26,285	-	10,923,035
Revenue from the Federal government	3,487,700	-	786,839	-	4,274,539
Total revenues	39,723,254	335,425	1,343,868	226,125	41,628,672
EXPENDITURES					
Education	39,573,237	210,902	1,472,181	289,206	41,545,526
Debt service:					
Principal retirement	103,658	-	-	-	103,658
Interest and other fiscal charges	3,887	-	-	-	3,887
Total expenditures	39,680,782	210,902	1,472,181	289,206	41,653,071
Excess (deficiency) of revenues over (under) expenditures	42,472	124,523	(128,313)	(63,081)	(24,399)
Net change in fund balances	42,472	124,523	(128,313)	(63,081)	(24,399)
Fund balances - beginning	430,536	262,711	491,425	176,171	1,360,843
Fund balances - ending	$ 473,008	$ 387,234	$ 363,112	$ 113,090	$ 1,336,444

Net change in fund balances - total governmental funds - per above	$ (24,399)
Amounts reported for governmental activities in the Statement of Activities (Exhibit 2) 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 depreciation and amortization expense. This is the amount by which capital assets were impacted by capital outlays, depreciation, amortization, and transfers of joint tenancy assets in the current period:	
Capital outlay	5,867,647
Depreciation and amortization	(2,574,722)
Transfer of depreciation and amortization expense related to joint tenancy assets from Primary Government	(269,283)
Transfer of joint tenancy assets from Primary Government	717,538
	3,741,180
Net effect of various miscellaneous transactions involving capital assets (i.e. sales, disposals, and donations) is to increase net position	353,078
Debt proceeds provide current financial resources to governmetnal funds, but issuing debt increases long-term liabliiteis in the Statement of Net Position	(157,002)
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:	
Leases	59,711
Private placement note	44,202
Pension expense	2,924,792
Other postemployment benefits	137,989
Compensated absences	(71,343)
	3,095,351
Change in net position of governmental activities	$ 7,008,208

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - School Operating Fund - School Board

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Revenue from use of money and property	$ 33,513	$ 33,513	$ 50,513	$ 17,000
Charges for services	83,700	83,700	112,771	29,071
Miscellaneous	78,800	163,529	174,406	10,877
Recovered costs	130,329	132,013	149,125	17,112
Payments from primary government	25,235,240	25,231,660	24,919,074	(312,586)
Intergovernmental revenues:				
Revenue from the Commonwealth:				
Share of State sales tax	4,268,304	4,058,731	4,486,114	427,383
Basic school aid	2,654,424	2,553,473	2,543,402	(10,071)
Instructional fringe benefits	566,000	566,000	579,735	13,735
Special education	421,000	421,000	426,694	5,694
VPSA technology grant	180,000	231,734	231,734	-
Other state categorical aid	1,009,284	2,606,485	2,561,986	(44,499)
Revenue from the Federal government:				
COVID-19 ARPA/CRRSA ESSER	2,815,289	3,125,647	2,175,707	(949,940)
IDEA Part B Special Education	646,862	677,690	646,208	(31,482)
Title I Part A Basic Education	419,019	419,165	414,503	(4,662)
Other federal categorical aid	251,491	1,475,408	251,282	(1,224,126)
Total revenues	38,793,255	41,779,748	39,723,254	(2,056,494)
EXPENDITURES				
Education:				
Instruction	27,823,604	27,960,781	26,905,451	1,055,330
Administration, attendance, and health	2,405,133	2,551,575	2,527,816	23,759
Pupil transportation	2,520,469	4,017,711	2,402,427	1,615,284
Operation and maintenance	3,006,412	3,691,918	3,474,281	217,637
Food services	-	16,686	21,316	(4,630)
Facilities	511,409	1,710,929	1,569,053	141,876
Technology	2,457,964	2,773,372	2,672,893	100,479
Debt service:				
Principal retirement	-	-	103,658	(103,658)
Interest and other fiscal charges	-	-	3,887	(3,887)
Total expenditures	38,724,991	42,722,972	39,680,782	3,042,190
Excess (deficiency) of revenues over (under) expenditures	68,264	(943,224)	42,472	985,696
OTHER FINANCING SOURCES (USES)				
Issuance of leases	-	-	157,002	157,002
Transfers out	(68,264)	(48,264)	-	48,264
Total other financing sources, net	(68,264)	(48,264)	157,002	205,266
Net change in fund balance	-	(991,488)	199,474	1,190,962
Fund balance - beginning	-	363,687	430,536	66,849
Fund balance - ending	$ -	$ (627,801)	$ 630,010	$ 1,257,811

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Textbook Fund - School Board

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Payments from primary government	$ 264,760	$ 268,340	$ 268,340	$ -
Intergovernmental:				
Revenue from the Commonwealth	66,190	66,190	67,085	895
Total revenues	330,950	334,530	335,425	895
EXPENDITURES				
Education	330,950	397,852	210,902	186,950
Total expenditures	330,950	397,852	210,902	186,950
Excess (deficiency) of revenues over (under) expenditures	-	(63,322)	124,523	187,845
Net change in fund balance	-	(63,322)	124,523	187,845
Fund balance - beginning	-	169,572	262,711	93,139
Fund balance - ending	$ -	$ 106,250	$ 387,234	$ 280,984

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Cafeteria Fund - School Board

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Charges for services	$ 590,966	$ 590,966	$ 527,845	$ (63,121)
Miscellaneous	-	-	2,899	2,899
Intergovernmental:				
Revenue from the Commonwealth	15,766	15,766	26,285	10,519
Revenue from the Federal government	587,399	702,533	786,839	84,306
Total revenues	1,194,131	1,309,265	1,343,868	34,603
EXPENDITURES				
Education	1,200,008	1,730,906	1,472,181	258,725
Total expenditures	1,200,008	1,730,906	1,472,181	258,725
Deficiency of revenues under expenditures	(5,877)	(421,641)	(128,313)	293,328
Net change in fund balance	(5,877)	(421,641)	(128,313)	293,328
Fund balance - beginning	5,877	360,877	491,425	130,548
Fund balance - ending	$ -	$ (60,764)	$ 363,112	$ 423,876

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Special Revenue Fund - School Board

Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Revenue from local sources:				
Charges for services	$ 240,010	$ 240,010	$ 226,125	$ (13,885)
Total revenues	240,010	240,010	226,125	(13,885)
EXPENDITURES				
Education	240,010	240,010	289,206	(49,196)
Total expenditures	240,010	240,010	289,206	(49,196)
Net change in fund balance	-	-	(63,081)	(63,081)
Fund balance - beginning	-	159,399	176,171	16,772
Fund balance - ending	$ -	$ 159,399	$ 113,090	$ (46,309)

Statement of Net Position - Discretely Presented Component Unit - Economic Development Authority

June 30, 2023

ASSETS	
Current assets:	
Cash and cash equivalents	$ 758,601
Total current assets	758,601
Noncurrent assets:	
Due from primary government	610,373
Land held for resale	28,642
Total noncurrent assets	639,015
Total assets	1,397,616
LIABILITIES	
Current liabilities:	
Accounts payable	108
Total current liabilities	108
Current liabilities:	
Contractual agreement payable	240,000
Total current liabilities	240,000
Non-current liabilities:	
Contractual agreement payable - net of current portion	370,374
Total noncurrent liabilities	370,374
Total liabilities	610,482
NET POSITION	
Unrestricted	787,134
Total net position	$ 787,134

Schedule of Revenues, Expenses, and Change in Net Position - Discretely Presented Component Unit - Economic Development Authority

Year Ended June 30, 2023

OPERATING REVENUES	
Charges for services	$ 671
OPERATING EXPENSES	
Economic development	74,905
Operating loss	(74,234)
NONOPERATING REVENUES	
Revenue from use of money	22,108
Total nonoperating revenues	22,108
Loss before capital grants and contributions	(52,126)
Capital grants and contributions - primary government	66,389
Change in net position	14,263
Total net position - beginning	772,871
Total net position - ending	$ 787,134

STATISTICAL SECTION

COUNTY OF GOOCHLAND, VIRGINIA
Statistical Section (Unaudited)

The statistical section of the Annual Comprehensive Financial Report provides readers with additional detailed information as a context to assist in understanding what the information in the financial statements, accompanying notes, and required supplementary information indicates about the County's economic condition over an extended period of time. Information is presented in the following five categories:

Tables

County of Goochland, Virginia — *Table 1*

Net Position by Component (Unaudited)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	June 30,									
	2014 [1]	**2015**	**2016**	**2017 [2]**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Governmental activities										
Net investment in capital assets	$ 22,927,053	$ 23,112,562	$ 28,321,068	$ 25,282,032	$ 29,497,738	$ 34,256,767	$ 39,575,403	$ 41,990,117	$ 35,322,952	$ 51,143,055
Restricted	209,922	109,498	138,572	3,341,960	539,165	65,458	73,888	65,694	58,660,822	47,128,592
Unrestricted (deficit)	36,164,646	36,331,089	36,851,707	39,760,233	40,858,215	40,847,962	43,949,118	49,867,691	10,324,852	22,924,582
Total governmental activities net position	$ 59,301,621	$ 59,553,149	$ 65,311,347	$ 68,384,225	$ 70,895,118	$ 75,170,187	$ 83,598,409	$ 91,923,502	$ 104,308,626	$ 121,196,229
Business-type activities										
Net investment in capital assets	$ 3,251,218	$ 2,616,401	$ 3,185,598	$ 3,259,402	$ 3,878,591	$ 10,792,633	$ 11,663,830	$ 3,054,114	$ 21,564,826	$ 23,418,250
Restricted	13,782,829	14,279,691	13,535,478	13,529,930	13,535,851	13,542,120	13,535,897	13,842,709	19,834,025	17,497,922
Unrestricted (deficit)	(8,548,768)	(10,099,290)	(9,876,792)	(10,749,698)	(8,473,985)	(14,797,208)	(13,555,738)	(2,304,880)	(18,959,201)	(6,402,966)
Total business-type activities net position	$ 8,485,279	$ 6,796,802	$ 6,844,284	$ 6,039,634	$ 8,940,457	$ 9,537,545	$ 11,643,989	$ 14,591,943	$ 22,439,650	$ 34,513,206
Primary Government										
Net investment in capital assets	$ 26,178,271	$ 25,728,963	$ 31,506,666	$ 28,541,434	$ 33,376,329	$ 45,049,400	$ 51,239,233	$ 45,044,231	$ 56,887,778	$ 74,561,305
Restricted	13,992,751	14,389,189	13,674,050	16,871,890	14,075,016	13,607,578	13,609,785	13,908,403	78,494,847	64,626,514
Unrestricted (deficit)	27,615,878	26,231,799	26,974,915	29,010,535	32,384,230	26,050,754	30,393,380	47,562,811	(8,634,349)	16,521,616
Total Primary Government net position	$ 67,786,900	$ 66,349,951	$ 72,155,631	$ 74,423,859	$ 79,835,575	$ 84,707,732	$ 95,242,398	$ 106,515,445	$ 126,748,276	$ 155,709,435

Notes:

(1) At June 30, 2014, net position was restated for the implementation of GASB Statements No. 68 and 71 which reduced net position by $2,284,368.
(2) At June 30, 2017, net position was restated for the implementation of GASB Statement No. 75 which reduced net position by $2,216,226.

County of Goochland, Virginia

Changes in Net Position (Unaudited)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	June 30,									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Expenses										
Governmental activities:										
General government administration	$ 4,036,684	$ 4,197,626	$ 4,392,816	$ 4,937,982	$ 5,159,350	$ 5,786,584	$ 6,176,990	$ 6,654,957	$ 8,013,018	$ 8,239,951
Judicial administration	1,631,514	1,527,917	1,641,333	1,855,368	1,715,890	1,321,227	1,348,979	2,060,878	2,169,659	2,268,635
Public safety	8,223,726	8,105,378	8,531,631	9,191,033	10,992,193	11,394,515	13,780,076	15,564,412	18,078,923	20,360,863
Public works	784,017	825,229	760,112	2,220,929	2,105,022	3,376,481	3,295,293	3,681,882	3,406,061	4,272,110
Health and welfare	4,031,891	4,342,568	4,744,149	4,982,426	4,775,671	4,827,829	4,823,495	4,964,698	5,208,411	5,185,956
Education	20,255,232	23,761,695	21,875,546	24,665,127	24,617,455	25,854,715	25,775,126	26,104,626	25,603,125	30,385,441
Parks, recreation, and facilities management	2,124,874	2,031,018	2,415,654	1,050,389	914,960	588,169	1,032,257	1,255,019	1,837,796	1,808,048
Community development	1,265,385	1,121,129	1,844,255	1,105,859	1,667,282	1,618,182	1,879,998	1,644,920	3,668,487	2,269,181
Interest and other fiscal charges	726,881	598,042	539,984	627,357	505,074	380,413	257,942	207,644	676,320	1,847,503
Total governmental activities expenses	43,080,204	46,510,602	46,745,480	50,636,470	52,452,897	55,148,115	58,370,156	62,139,036	68,661,800	76,637,688
Business-type activities:										
Public utilities	10,761,364	1,208,532	11,672,931	11,447,534	11,760,612	13,096,007	12,545,315	14,813,529	12,205,755	17,856,582
Total Primary Government expenses	53,841,568	47,719,134	58,418,411	62,084,004	64,213,509	68,244,122	70,915,471	76,952,565	80,867,555	94,494,270
Program revenues										
Governmental activities:										
Charges for services:										
General government	64,513	77,785	97,985	124,371	148,624	140,556	3,666	3,666	3,364	3,819
Judicial administration	75,219	75,504	83,059	173,188	167,671	132,713	53,870	105,945	193,689	206,993
Public safety	1,251,462	1,309,043	1,826,008	1,809,165	1,841,212	1,766,693	1,878,390	2,049,043	2,962,382	2,581,795
Public works	39,768	26,794	36,532	35,705	35,622	34,105	41,686	39,088	47,430	58,230
Health and welfare	30,672	21,182	25,725	24,790	23,631	25,404	-	-	-	-
Parks, recreation, and facilities management	135,617	152,552	195,078	217,490	208,116	209,848	75,762	107,671	230,408	277,143
Community development	27,659	28,625	309,049	124,718	128,488	129,507	239,825	272,200	316,337	232,042
Operating grants and contributions	3,693,077	3,872,169	4,899,901	4,463,141	4,636,596	4,418,646	5,647,843	4,902,194	5,780,417	5,589,612
Capital grants and contributions	1,366,358	105,238	118,814	125,000	54,900	150,000	193,727	777,628	416,293	534,218
Total governmental activities revenues	6,684,345	5,668,892	7,592,151	7,097,568	7,244,860	7,007,472	8,134,769	8,257,435	9,950,320	9,483,852
Business-type activities:										
Charges for services:										
Public utilities	4,272,246	4,610,848	5,021,894	4,478,230	5,346,858	5,219,877	6,152,519	6,486,321	6,984,162	7,822,579
Operating grants and contributions	878,797	778,312	1,156,394	878,797	3,175,036	1,001,296	1,128,370	2,564,052	3,144,808	8,235,997
Capital grants and contributions	2,335,129	453,250	654,500	360,651	1,166,520	1,769,246	997,683	1,566,829	1,531,204	3,937,903
Total business-type activities revenues	7,486,172	5,842,410	6,832,788	5,717,678	9,688,414	7,990,419	8,278,572	10,617,202	11,660,174	19,996,479
Total Primary Government program revenues	14,170,517	11,511,302	14,424,939	12,815,246	16,933,274	14,997,891	16,413,341	18,874,637	21,610,494	29,480,331

Changes in Net Position (Unaudited) (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	June 30,									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Net expense:										
Governmental activities	$ (36,395,859)	$ (40,841,710)	$ (39,153,329)	$ (43,538,902)	$ (45,208,037)	$ (48,140,643)	$ (50,239,053)	$ (53,881,601)	$ (58,711,480)	$ (67,153,836)
Business-type activities	(3,275,192)	(6,166,122)	(4,840,143)	(5,729,856)	(2,072,198)	(5,105,588)	(4,266,743)	(4,196,327)	(545,581)	2,139,897
Total Primary Government net expense	(39,671,051)	(47,007,832)	(43,993,472)	(49,268,758)	(47,280,235)	(53,246,231)	(54,505,796)	(58,077,928)	(59,257,061)	(65,013,939)
General revenues and other changes in net position										
Governmental activities:										
Taxes:										
Property taxes	30,880,310	31,564,455	33,856,674	34,908,623	36,957,414	39,787,132	42,849,346	46,254,390	53,253,282	59,369,025
Local sales and use taxes	2,495,443	2,800,373	-	2,822,028	3,026,300	3,263,319	7,251,410	9,516,517	11,459,040	7,488,018
Consumer utility taxes	390,637	441,456	453,843	459,699	466,496	484,220	-	-	-	-
Communications tax (1)	-	-	-	-	-	-	-	-	-	-
Other local taxes	3,592,955	3,965,972	6,174,773	3,340,470	3,459,266	2,633,381	-	-	-	5,300,058
Unrestricted grants and contributions	3,944,607	3,919,183	3,912,925	3,913,355	3,813,619	3,937,956	3,820,345	4,275,130	327,010	5,506,922
Unrestricted revenues from use of money and property	154,059	59,084	133,704	311,479	675,161	1,242,788	882,694	141,975	3,556,258	3,594,653
Fines and forfeitures	124,052	117,109	123,069	-	-	-	-	-	-	-
Miscellaneous	729,424	811,268	506,539	856,126	1,391,536	1,066,916	3,863,480	2,018,682	2,501,014	2,782,763
Transfers	(790,577)	(381,000)	(250,000)	-	-	-	-	-	-	-
Total general revenues, governmental activities	41,520,910	43,297,900	44,911,527	46,611,780	49,789,792	52,415,712	58,667,275	62,206,694	71,096,604	84,041,439
Business-type activities:										
Taxes:										
Property taxes	3,302,746	3,650,266	4,083,633	4,368,155	4,555,993	5,128,920	5,805,125	6,646,962	7,778,592	9,075,822
Unrestricted revenues from use of money and property	520,733	524,238	552,765	557,051	562,392	573,756	568,062	497,319	614,696	857,837
Miscellaneous	2,492	6,847	1,227	-	-	-	-	-	-	-
Transfers	790,577	381,000	250,000	-	-	-	-	-	-	-
Total general revenues, business-type activities	4,616,548	4,562,351	4,887,625	4,925,206	5,118,385	5,702,676	6,373,187	7,144,281	8,393,288	9,933,659
Total general revenues, Primary Government	46,137,458	47,860,251	49,799,152	51,536,986	54,908,177	58,118,388	65,040,462	69,350,975	79,489,892	93,975,098
Change in net position										
Governmental activities	5,125,051	2,456,190	5,758,198	3,072,878	4,581,755	4,275,069	8,428,222	8,325,093	12,385,124	16,887,603
Business-type activities	1,341,356	(1,603,771)	47,482	(804,650)	3,046,187	597,088	2,106,444	2,947,954	7,847,707	12,073,556
Total Primary Government	$ 6,466,407	$ 852,419	$ 5,805,680	$ 2,268,228	$ 7,627,942	$ 4,872,157	$ 10,534,666	$ 11,273,047	$ 20,232,831	$ 28,961,159

Note:

(1) Beginning in fiscal year 2014, communications tax was reclassified as unrestricted grants and contributions.

Fund Balances - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General fund										
Nonspendable	$ 2,577,195	$ 2,594,189	$ 2,630,719	$ 2,418,984	$ 1,890,095	$ 1,290,362	$ 803,978	$ 308,261	$ 214,484	$ 255,086
Restricted	108,620	92,580	89,250	55,239	22,520	25,583	33,360	25,160	45,999	44,728
Committed	-	-	-	580,000	1,815,700	1,922,345	1,922,345	2,120,000	3,000,000	3,250,000
Assigned	11,756,216	11,674,825	12,261,758	11,954,116	14,083,500	13,625,600	16,141,374	19,326,570	19,216,799	29,114,589
Unassigned	19,401,025	19,401,951	19,404,095	19,450,499	18,425,513	18,643,136	19,038,866	19,600,903	25,154,615	23,832,293
Total general fund	$ 33,843,056	$ 33,763,545	$ 34,385,822	$ 34,458,838	$ 36,237,328	$ 35,507,026	$ 37,939,923	$ 41,380,894	$ 47,631,897	$ 56,496,696
All other governmental funds										
Nonspendable for:										
Comprehensive services/ Office of Children's Services	$ -	$ 529	$ 543	$ 582	$ 610	$ 634	$ 634	$ 638	$ 638	$ 711
Restricted for:										
Forfeiture funds	101,302	90,808	49,322	38,418	38,961	39,875	40,528	40,534	40,553	42,443
Capital improvements	-	-	-	3,303,542	477,684	-	-	-	-	-
Debt covenants/bond proceeds	-	-	-	-	-	-	-	-	58,574,270	47,038,996
Assigned, reported in:										
Capital projects	6,613,619	8,780,683	8,252,623	10,977,829	11,787,376	11,728,523	11,541,722	13,354,459	12,526,579	14,704,240
Special revenue fund	198,594	142,743	58,087	57,520	68,975	82,777	156,562	1,991,707	4,021,842	6,222,168
Total all other government funds	$ 6,913,515	$ 9,014,763	$ 8,360,575	$ 14,377,891	$ 12,373,606	$ 11,851,809	$ 11,739,446	$ 15,387,338	$ 75,163,882	$ 68,008,558

Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	June 30,									
	2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Revenues										
General property taxes	$ 31,119,082	$ 31,996,585	$ 34,024,340	$ 34,968,837	$ 37,025,060	$ 39,909,469	$ 42,399,909	$ 46,520,448	$ 52,462,655	$ 59,401,586
Other local taxes	6,479,035	7,207,801	6,628,616	6,622,197	6,952,062	6,380,920	7,251,410	9,516,517	11,459,040	12,788,076
Permits, privilege fees, and regulatory licenses	594,726	796,842	1,323,690	1,435,503	1,364,408	1,369,228	1,325,504	1,521,728	2,300,994	1,911,713
Fines and forfeitures	124,052	117,109	123,069	114,795	115,307	77,182	54,790	60,398	113,277	113,865
Revenue from use of money and property	154,059	59,084	133,704	311,479	675,161	1,242,788	882,694	141,975	327,010	5,506,922
Lease revenue	-	-	-	-	-	-	-	-	-	-
Charges for services	1,030,184	894,643	968,146	959,129	1,073,649	992,416	909,239	995,487	1,339,341	1,334,444
Miscellaneous	729,424	811,268	788,139	856,126	1,391,536	1,066,916	3,863,480	2,018,682	2,501,014	2,782,763
Recovered costs	206,319	178,954	156,350	170,160	348,704	296,222	248,153	281,191	349,548	259,439
Intergovernmental:										
Commonwealth	6,618,871	6,716,446	7,762,328	7,103,396	7,031,202	6,994,306	6,944,583	6,949,601	7,694,954	7,986,250
Federal	1,018,813	1,180,144	1,169,312	1,398,100	1,473,913	1,512,296	2,717,331	3,005,351	2,058,014	1,732,233
Total revenues	48,074,565	49,958,876	53,077,694	53,939,722	57,451,002	59,841,743	66,597,093	71,011,378	80,605,847	93,817,291
Expenditures										
General government administration	4,113,215	4,255,040	4,660,951	5,213,013	5,698,385	6,594,657	6,676,426	7,357,989	7,589,279	6,772,508
Judicial administration	1,507,389	1,482,281	1,606,251	1,716,551	1,664,707	2,106,043	1,766,529	2,189,225	2,105,577	2,186,078
Public safety	7,436,057	8,806,727	13,684,127	15,065,967	13,528,103	13,613,068	17,161,357	15,037,852	19,876,750	20,617,590
Public works	776,933	712,448	843,705	2,481,016	2,878,480	3,527,981	3,326,664	3,704,682	3,629,328	4,161,170
Health and welfare	3,969,700	4,396,878	4,768,175	5,036,886	4,800,757	4,884,107	4,823,634	4,858,176	5,235,434	5,213,551
Education	18,614,757	21,824,649	20,383,046	22,772,450	22,646,784	24,109,293	23,795,796	25,409,154	28,240,810	42,806,462
Parks, recreation, and facilities management	2,355,179	2,189,014	2,477,416	1,350,010	935,973	1,009,987	1,069,420	1,661,585	1,850,553	2,220,418
Community development	1,435,436	1,452,284	2,171,726	1,349,793	2,037,891	1,834,340	2,268,176	1,935,007	3,932,555	2,660,113
Capital projects	-	-	-	-	-	-	-	-	-	-
Debt service:										
Cost of debt issuance	-	-	-	-	-	-	-	-	342,864	775
Principal	2,036,724	1,781,732	1,815,812	2,413,563	2,912,706	2,963,556	3,058,814	1,524,000	1,543,970	3,276,000
Interest and other fiscal charges	789,572	655,086	599,976	643,012	573,011	450,810	329,743	244,845	197,121	2,193,151
Total expenditures	43,034,962	47,556,139	53,011,185	58,042,261	57,676,797	61,093,842	64,276,559	63,922,515	74,544,241	92,107,816
Excess (deficiency) of revenues over (under) expenditures	5,039,603	2,402,737	66,509	(4,102,539)	(225,795)	(1,252,099)	2,320,534	7,088,863	6,061,606	1,709,475
Other financing sources (uses)										
Issuance of long-term debt	-	-	151,580	10,192,871	-	-	-	-	50,000,000	-
Bond issuance premium	-	-	-	-	-	-	-	-	9,965,941	-
Transfers in	3,474,087	5,903,664	5,840,551	5,756,809	3,518,420	7,567,435	6,675,029	7,062,736	7,179,454	7,591,539
Transfers out	(4,264,664)	(6,284,664)	(6,090,551)	(5,756,809)	(3,518,420)	(7,567,435)	(6,675,029)	(7,062,736)	(7,179,454)	(7,591,539)
Total other financing sources (uses), net	(790,577)	(381,000)	(98,420)	10,192,871	-	-	-	-	59,965,941	-
Net change in fund balances	$ 4,249,026	$ 2,021,737	$ (31,911)	$ 6,090,332	$ (225,795)	$ (1,252,099)	$ 2,320,534	$ 7,088,863	$ 66,027,547	$ 1,709,475
Debt service as a percentage of noncapital expenditures	6.84%	6.04%	5.28%	5.90%	6.78%	6.41%	6.07%	2.77%	2.80%	5.94%

County of Goochland, Virginia

Table 5

Assessed Value and Estimated Actual Value of Taxable Property (Unaudited)
Last Ten Calendar Years

Calendar Year	Real Estate	Personal Property	Machinery and Tools	Public Service	Total Taxable Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2014	$ 4,054,090,042	$ 275,403,341	$ 9,286,565	$ 119,954,347	$ 4,458,734,295	$ 0.74	$ 4,458,734,295	100.00%
2015	4,207,913,780	273,133,074	35,772,558	117,609,110	4,634,428,522	0.74	4,634,428,522	100.00%
2016	4,535,164,147	280,261,771	38,640,103	129,676,678	4,983,742,699	0.73	4,983,742,699	100.00%
2017	4,657,013,092	281,314,285	42,501,277	132,940,480	5,113,769,134	0.72	5,113,769,134	100.00%
2018	4,864,785,549	287,214,586	44,200,310	146,834,768	5,343,035,213	0.72	5,343,035,213	100.00%
2019	5,314,537,900	294,644,949	45,472,780	145,333,404	5,799,989,033	0.71	5,799,989,033	100.00%
2020	5,646,430,650	312,985,039	47,075,783	164,524,596	6,171,016,068	0.71	6,171,016,068	100.00%
2021	6,117,653,700	332,365,305	48,520,170	165,559,908	6,664,099,083	0.70	6,664,099,083	100.00%
2022	6,944,362,700	493,352,063	53,869,870	180,256,923	7,671,841,556	0.75	7,671,841,556	100.00%
2023	7,836,139,300	537,428,630	67,219,815	193,746,576	8,634,534,321	0.75	8,634,534,321	100.00%

Note:

(1) The total direct rate for each fiscal year is per $100 of assessed valuation, calculated on the weighted average basis.

Source: Commissioner of Revenue, Jennifer Brown

County of Goochland, Virginia **Table 6**

Property Tax Rates (Unaudited) (1)
Direct and Overlapping Governments
Last Ten Calendar Years

Calendar Year	Direct Rates Real Estate	Direct Rates Personal Property	Direct Rates Machinery and Tools	Total Direct Tax Rate (2)	Tuckahoe Creek Service District Ad Valorem
2014	$ 0.53	$ 4.00	$ 1.00	$ 0.74	$ 0.32
2015	0.53	4.00	1.00	0.74	0.32
2016	0.53	4.00	1.00	0.73	0.32
2017	0.53	4.00	1.00	0.72	0.32
2018	0.53	4.00	1.00	0.72	0.32
2019	0.53	4.00	1.00	0.71	0.32
2020	0.53	3.95	1.00	0.71	0.32
2021	0.53	3.95	1.00	0.70	0.32
2022	0.53	3.95	1.00	0.70	0.32
2023	0.53	3.95	1.00	0.75	0.32

Notes:

(1) The individual tax rates are per $100 of assessed value.
(2) The total direct tax rates are calculated per $100 of assessed valuation and calculated on the weighted average basis.

Principal Property Taxpayers (Unaudited)
Current Year and the Period Nine Years Prior

		Fiscal Year 2023*			Fiscal year 2014*		
Taxpayer	Business Type	Rank	Tax Year 2023 Assessed Valuation	% of Total Assessed Valuation	Rank	Tax Year 2014 Assessed Valuation	% of Total Assessed Valuation
Capital One NA	Bank Headquarters	1	$ 227,472,500	2.63%	1	$ 154,074,308	3.36%
Bristol Apartments (CS1031 2000)	Apartments	2	120,511,400	1.40%	-	-	-
Avery Point	Retirement Community	3	104,831,400	1.21%	-	-	-
Sheltering Arms	Retirement Community	4	97,367,500	1.13%	-	-	-
Dominion Virginia Power	Public Utility	5	97,262,430	1.13%	3	53,754,553	1.17%
Mid America Apartment	Apartments	6	95,771,900	1.11%	-	-	-
Pruitt, Richard I	Rock Quarries	7	45,679,300	0.53%	6	21,892,100	0.48%
Car Max Business Services	Car Sales Headquarters	8	40,476,200	0.47%	4	39,094,800	0.85%
Luck Stone Corporation	Rock Quarries	9	31,401,000	0.36%	5	27,762,338	0.60%
CSX Transportation	Railroad	10	27,757,279	0.32%	9	18,257,675	0.40%
MMAC 150 Goochland	Apartments	11	26,435,100	0.31%	-	-	-
Federal Reserve Bank	Bank Headquarters	12	26,141,600	0.30%	7	21,462,995	0.47%
Markel Properties LLC	Insurance/RE assets	13	22,600,600	0.26%	-	-	-
Riverstone Group LLC	Commercial Real Estate	14	22,278,500	0.26%	-	-	-
West Creek/WC/GC Land	Land Developers	-	-	-	2	119,100,700	2.59%
Gotwald, Jame T	Individual	-	-	-	8	18,898,616	0.41%
Tuckahoe LLC	Land Developers	-	-	-	10	16,576,300	0.36%
			$ 985,986,709	11.42%		$ 490,874,385	10.69%

Source: Commissioner of Revenue
*Commissioner's figures are based on Calendar Year 2021 and Calendar Year 2011 without abatements or supplements.

County of Goochland, Virginia *Table 8*

Property Tax Levies and Collections (Unaudited)
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	$ 33,104,770	$ 31,802,496	96.07%	$ 1,285,664	$ 33,088,160	99.95%
2015	34,354,491	33,176,890	96.57%	1,257,847	34,434,737	100.23%
2016	36,476,715	35,342,767	96.89%	1,196,155	36,538,922	100.17%
2017	38,190,041	37,032,670	96.97%	1,241,794	38,274,464	100.22%
2018	40,127,807	38,886,293	96.91%	1,216,004	40,102,297	99.94%
2019	43,873,083	42,315,579	96.45%	1,461,032	43,776,611	99.78%
2020	47,522,033	45,748,151	96.27%	1,631,915	47,380,066	99.70%
2021	51,711,581	49,741,543	96.19%	1,840,015	51,581,558	99.75%
2022	59,341,335	55,826,591	94.08%	3,077,830	58,904,421	99.26%
2023	66,501,160	64,024,586	96.28%	-	-	0.00%

Source: County Treasurer's office

Note: 2015, 2016 and 2017 appear to have collected over 100%. For comparability, the total tax levy for fiscal year is not updated for subsequent assessments.

Ratios of Outstanding Debt by Type [1] (Unaudited)
Last Ten Fiscal Years

	Governmental Activities							Business-Type Activities							
Fiscal Year	General Obligation Bonds	Total General Bonded Debt	Percent of General Bonded Debt to Estimated Actual Value of Taxable Property	General Bonded Debt per Capita	Private Placement Notes	Leases	Subscriptions	Revenue Bonds	Accreted Interest on Revenue Bonds	Capacity Rights Obligations	Contractual Obligations	Leases	Total Primary Government	Total Debt as a Percent of Personal Income (2)	Total Debt Per Capita (2)
2014	$ 15,003,690	$ 15,003,690	0.34%	$ 687	$ 101,732	$ -	$ -	$ 80,658,180	$ 16,039,612	$ 19,069,443	$ 5,099,856	$ -	$ 135,972,513	7.58%	$ 6,223
2015	13,304,215	13,304,215	0.29	600	-	-	-	79,352,175	17,747,281	18,776,878	5,855,594	-	135,036,143	6.84	6,092
2016	11,544,740	11,544,740	0.23	513	75,768	-	-	78,052,945	19,290,536	18,515,235	6,691,468	-	134,170,692	6.72	5,967
2017	9,730,265	9,730,265	0.19	429	9,650,076	-	-	76,502,944	20,627,543	17,893,991	6,497,342	-	140,902,161	6.69	6,206
2018	7,845,790	7,845,790	0.15	338	8,602,370	-	-	74,843,503	21,702,513	17,379,681	6,311,595	-	136,685,452	6.56	5,887
2019	5,891,315	5,891,315	0.10	248	7,573,814	-	-	73,086,941	22,461,944	16,378,307	6,307,031	-	131,699,352	5.90	5,545
2020	3,861,840	3,861,840	0.06	156	6,525,000	-	-	71,236,938	22,853,017	15,378,307	6,307,031	-	126,162,133	5.33	5,102
2021	3,307,365	3,307,365	0.05	132	5,536,000	-	-	80,492,453	15,751,757	15,378,307	6,307,031	-	126,772,913	5.17	5,044
2022	62,534,529	62,534,529	0.01	2,412	4,529,000	4,447	-	84,996,286	14,803,208	14,378,307	6,307,031	26,192	187,548,361	75.98	7,233
2023	59,775,972	59,775,972	0.01	2,289	3,503,000	2,475	202,305	83,410,859	13,652,718	13,378,307	6,307,031	10,570	180,027,887	67.10	6,895

Notes:

(1) Details regarding the County's outstanding debt can be found in Note IV-G to the financial statements.
(2) See Table 11 for population and personal income data.

Pledged Revenue Coverage (Unaudited)
Last Ten Fiscal Years

Utility - Water and Sewer Revenue Bonds

				Debt Service Requirements		
Fiscal Year	Utility Revenues	Less: Operating Expenses (1)	Net Available Revenues	Principal	Interest	Net Available Revenues Coverage
2014	$ 9,498,818	$ 3,786,096	$ 5,712,722	$ 1,486,288	$ 2,689,123	1.4
2015	9,570,510	4,285,384	5,285,126	1,605,007	2,869,049	1.2
2016	10,815,913	4,242,290	6,573,623	1,692,128	3,135,683	1.4
2017	10,282,234	4,399,365	5,882,869	1,786,569	3,252,521	1.2
2018	13,640,279	4,750,658	8,889,621	1,888,689	3,529,385	1.6
2019	11,923,849	4,953,843	6,970,006	1,987,131	3,821,937	1.2
2020	13,654,076	5,545,084	8,108,992	1,913,020	3,691,292	1.4
2021	16,149,804	5,691,986	10,457,818	1,663,020	3,473,007	2.0
2022	18,522,258	5,952,851	12,569,407	1,586,928	3,874,007	2.3
2023	25,992,235	9,580,886	16,411,349	1,585,427	5,313,123	2.4

Note:

(1) Utility operating expenses exclude depreciation and amortization.

Demographic and Economic Statistics (Unaudited)
Last Ten Years

Fiscal Year	Population (1)	Total Personal Income (000's) (2)	Median Income (1)	Median Age (1)	School Enrollment (3)	Unemployment Rate (4)
2014	21,849	$ 1,794,059	$ 82,460	46.60	2,387	4.80%
2015	22,165	1,975,645	79,330	47.20	2,392	4.30
2016	22,485	1,996,349	82,326	47.70	2,495	3.80
2017	22,703	2,107,681	86,652	48.40	2,500	3.50
2018	23,219	2,083,696	89,741	48.30	2,567	3.10
2019	23,753	2,232,639	93,994	48.30	2,575	2.80
2020	24,727	2,367,882	95,761	48.74	2,514	7.90
2021	25,488	2,547,832	100,517	48.80	2,509	3.80
2022	26,109	2,682,779	102,715	49.21	2,503	2.80
2023	26,565	2,824,966	104,962	49.62	2,542	2.70

Notes:

(1) 2014 to 2022 population estimates from the US Census Bureau. 2014 to 2021 personal income, median income and median age from US Census Bureau. 2023 population estimated from the average change year over year. 2022 to 2023 personal income, median income and median age estimated from the average change year over year.
(2) Total personal income per US Census Bureau total annual payroll.
(3) Based on Virginia Department of Education "Spring Student Record Count" (unadjusted average daily membership, not enrollment).
(4) Virginia Employment Commission, Labor Market Information (LMI), as of June 30 each year.

Principal Employers (Unaudited)
Current Year and the Period Nine Years Prior

	2023		2014	
Employer	**Employees**	**Rank**	**Employees**	**Rank**
Capital One Bank	1000 and over	1	1,000 and over	1
Capital One NA	1000 and over	2	n/a	n/a
Carmax Enterprise Services LLC	500 to 999	3	n/a	n/a
Goochland County School Board	500 to 999	4	250 to 499	3
Carmax Auto Superstores	250 to 499	5	500 to 999	2
Sheltering Arms Institute	250 to 499	6	250 to 499	n/a
Performance Food Group In	250 to 499	7	100 to 249	7
County of Goochland	250 to 499	8	100 to 249	8
Luck Stone Corporation	250 to 499	9	250 to 499	4
Virginia Farm Bureau Mutual Insurance, Inc.	100 to 249	10	100 to 249	5
Virginia Correctional Center for Women	100 to 249	11	100 to 249	6
L.E. Myers Company	n/a	n/a	100 to 249	9
Psychiatric Institue or Richmond	n/a	n/a	100 to 249	10

Source: Virginia Employment Commission, Quarterly Census of Employment and Wages

** The Virginia Employment Commission is precluded from disclosing the actual number of employees per the Confidential Information Protection and Statistical Efficiency Act - Title V of Public Law 107-347.

County of Goochland, Virginia — *Table 13*

Full-time Equivalent County Employees by Function (Unaudited)
Last Ten Fiscal Years

	June 30,									
Function	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Government:										
General government	36	35	34	35	37	40	41	41	46	46
Judicial administration	24	15	16	17	17	17	17	17	19	19
Public safety:										
Sheriff's department	41	41	45	50	49	52	53	56	64	71
Fire and rescue	22	24	27	34	41	41	48	51	58	64
Building inspections	6	7	7	8	8	8	9	9	10	10
Animal control	3	3	4	5	7	7	7	7	9	9
General services:										
Facilities maintenance	-	-	-	10	10	10	10	10	13	13
Convenience centers	6	6	6	6	6	6	7	7	9	9
Utilities	6	6	7	8	8	9	9	9	8	8
Health and welfare:										
Department of social services	22	23	23	23	21	21	22	22	21	19
Parks, recreation, and facilities management	19	16	19	4	5	5	5	5	9	9
Community development:										
Planning	10	10	10	10	10	10	12	13	15	15
Total Government	195	186	198	210	219	226	240	247	281	292
School Board:										
Central office administrators	12	13	13	13	13	13	14	13	14	14
Principals and Assistant Principals [(1)]	8	8	8	9	9	9	9	9	8	8
Instructors:										
Elementary school	102	104	105	105	109	107	102	103	109	111
Middle school	52	51	50	48	51	53	53	53	56	56
High school	55	58	60	62	63	67	65	65	66	67
Special education professionals	14	14	14	14	14	15	15	15	15	15
Instructional aides (all schools)	36	39	37	39	36	37	37	31	43	45
Other administrative support staff	23	25	25	25	25	27	31	35	35	35
Custodians, bus drivers, cafeteria workers	75	75	77	78	76	75	73	66	70	75
Total School Board	377	387	389	393	396	403	399	390	416	426
Total County	572	573	587	603	615	629	639	637	697	718

Source: Payroll, Virginia Department of Education IPAL (Instructional Personnel and Licensure) and the related IPAL survey

Operating Indicators by Function (Unaudited)
Last Ten Fiscal Years

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	June 30,									
PUBLIC SAFETY										
Sheriff's department:										
Number of Calls for Service	18,972	21,301	22,963	22,981	21,070	21,961	22,002	22,620	31,724	30,022
Total number of calls into the 911 center (4)	-	-	-	19,152	36,055	36,328	36,809	38,600	39,346	38,452
Civil papers	4,259	4,466	4,780	4,847	5,269	4,712	4,964	4,755	4,978	5,108
Fire and rescue:										
Number of calls answered	2,572	2,522	2,680	2,444	2,809	3,165	3,195	3,483	4,137	4,274
Building inspections:										
New residential and commercial permits	150	216	236	293	273	311	373	452	474	543
Animal protection:										
Number of calls answered	5,500	534	637	1,212	1,421	1,882	1,894	1,940	1,891	2,702
CULTURE AND RECREATION										
Parks and recreation:										
After-school program participants (3)	1,648	1,683	2,041	2,358	2,287	2,107	1,041	2,998	5,829	6,609
Youth sports participants	1,300	1,450	1,575	1,060	1,104	915	900	965	1,182	1,143
COMPONENT UNIT - SCHOOL BOARD										
Education:										
School age population (1)										
Elementary school	1,061	1,036	1,108	1,098	1,118	1,098	1,042	1,041	1,033	1,080
Middle school	570	588	575	585	611	627	642	616	608	572
High school	756	768	812	817	838	850	829	852	862	890
Free and reduced meals served (2)	127,674	121,617	124,036	131,906	139,678	137,482	120,886	216,943	335,101	133,850

Source: Individual County departments

Note:

(1) Based on Virginia Department of Education "Spring Student Record Collection." (Unadjusted average daily membership, not enrollment)
(2) Based on Virginia Department of Education SNP Report. During the Covid Pandemic, the federal government made breakfast and lunch available free to all students.
(3) The FY2020 decrease was due to the Covid Pandemic. The FY2021 increase was caused by more residents moving to Goochland.
(4) A midyear FY2017 software upgrade allowed tracking of total calls into the 911 center.

County of Goochland, Virginia *Table 15*

Capital Asset Statistics by Function (Unaudited)
Last Ten Fiscal Years

	June 30,									
Function	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Governmental activities:										
General government:										
Administration buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	4	6	6	7	8	8	8	8	9	9
Public safety:										
Sheriff's department:										
Patrol units	55	55	60	63	63	69	86	89	92	107
Fire and rescue:										
Vehicles	19	19	20	20	21	26	28	29	31	43
Building inspections:										
Vehicles	4	5	4	5	5	6	7	7	6	7
Animal control:										
Vehicles	5	6	6	6	7	8	8	8	10	12
Public works:										
General maintenance:										
Trucks/vehicles (1)	-	-	-	9	13	15	15	16	16	16
Convenience center:										
Vehicles	2	2	2	3	3	3	2	2	2	2
Equipment	1	1	2	2	2	2	2	3	5	5
Sites	2	2	2	2	2	2	2	2	2	2
Health and welfare:										
Department of Social Services:										
Vehicles	6	6	5	5	5	6	5	5	5	5
Parks, recreation, and Facilities management:										
Community Centers	1	1	1	1	1	2	2	2	2	2
Vehicles	16	15	15	6	6	6	6	7	9	10
Community development:										
Planning & Environmental										
Vehicles	3	4	4	5	3	4	5	5	5	5
Business-type activities:										
Utilities:										
Vehicles	6	7	7	7	9	12	13	14	14	15
Education:										
Administration buildings	1	1	1	1	1	1	1	1	1	1
Elementary schools	3	3	3	3	3	3	3	3	3	3
Middle schools	1	1	1	1	1	1	1	1	1	1
High schools	1	1	1	1	1	1	1	1	1	1
Vehicles	51	55	56	56	62	59	60	60	61	64
School buses	59	58	61	60	63	62	63	63	59	58

Source: Munis Capital Assets, School administration

Note:

(1) Combined with Parks and Recreation vehicles beginning in fiscal year 2014 to 2016

COMPLIANCE SECTION

PBMares
CPAs and Consultants

**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 the Board of Supervisors
County of Goochland, Virginia

We have audited, 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 (*Government Auditing Standards*); and the *Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparison of the General Fund of the County of Goochland, Virginia (County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 4, 2023.

Report on 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 County'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 we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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.

PBMares, LLP

Harrisonburg, Virginia
December 4, 2023

PBMares
CPAs and Consultants

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

PBMares, LLP

Harrisonburg, Virginia
December 4, 2023

County of Goochland, Virginia

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided To Subrecipients	Total Federal Expenditures
DEPARTMENT OF AGRICULTURE				
Pass-through payments:				
Department of Agriculture and Consumer Services:				
Child Nutrition Cluster:				
Commodity Distributions	10.555	00185	$ -	$ 79,282
Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	202222N11994 1	-	139,955
National School Lunch Program	10.555	202222N11994 1	-	552,605
Summer Food Service Program for Children	10.559	202222N11994 1	-	9,273
Total Child Nutrition Cluster				781,115
State Administrative Expenses for Child Nutrition	10.560	00185	-	2,983
COVID-19 Pandemic Electronic Benefit Transfer (P-EBT) Administrativ	10.649	202222S900941	-	628
Department of Social Services:				
Child and Adult Care Food Program	10.558	10,104	-	2,113
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010117/0010118/0040117/0040118	-	393,838
Total SNAP Cluster				393,838
Total Department of Agriculture				1,180,677
DEPARTMENT OF DEFENSE				
Direct payments:				
JROTC	12.000	N/A	-	78,917
Total Department of Defense				78,917
DEPARTMENT OF JUSTICE				
Pass-through payments:				
Department of Criminal Justice Services				
Crime Victim Assistance	16.575	16-S9582VW15	-	67,801
Total Department of Justice				67,801
DEPARTMENT OF TRANSPORTATION				
Pass-through payments:				
Department of Motor Vehicles:				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	FSC-2022-52324-22324	-	12,002
Selective Enforcement - Occupant Protection	20.616	FM2HVE-2022-52325-22325	-	1,634
Total Highway Safety Cluster				13,636
Alcohol Open Container Requirements	20.607	154AL-2022-52135	-	9,473
Alcohol Open Container Requirements	20.607	ENF-AL-2023-53220-23220	-	7,073
Alcohol Open Container Requirements	20.607	BPT-2023-53221-23221	-	13,449
Total Department of Transportation				43,631

See Notes to Schedule of Expenditures of Federal Awards.

County of Goochland, Virginia

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided To Subrecipients	Total Federal Expenditures
DEPARTMENT OF TREASURY				
Direct payments:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		$ -	$ 30,000
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLRP1026	-	491,658
Total Department of Treasury				521,658
FEDERAL COMMUNICATIONS COMMISSION				
Direct payments:				
COVID-19 American Rescue Plan - Emergency Connectivity Fund	32.009	BEN 126494	-	103,153
Total Federal Communications Commission				103,153
DEPARTMENT OF EDUCATION				
Pass-through payments:				
Virginia Department of Education:				
Special Education Cluster (IDEA):				
Special Education - Grants to States	84.027A	H027A210107-2021-430710000	-	646,208
COVID- 19 Special Education - Grants to States	84.027X	H027X210107	-	60,696
Special Education - Preschool Grants	84.173A	H173A210112, H173A220112	-	17,109
COVID-19 Special Education - Preschool Grants	84.173X	H173X210112	-	5,009
Total Special Education Cluster (IDEA)				729,022
Title I Grants to Local Educational Agencies	84.010A	S010A210046, S010A220046	-	414,503
Career and Technical Education - Basic Grant to States	84.048	V048A210046-2022-610950000	-	37,357
Title III, Part A: English Language Acquisition State Grant	84.365A	S365A210046-2021-605120000	-	6,975
Supporting Effective Instruction State Grant (formerly Improving Teacher Quality State Grants)	84.367	S367A210044, S367A220044	-	89,293
Student Support and Academic Enrichment Program	84.424A	190048, S424A200048, S424A210048, S424A2	-	21,631
Education Stabilization Fund				
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	S425D200008, S425D210008	-	396,349
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	S425U210008	-	1,064,289
Total Education Stabilization Fund				1,460,638
Total Department of Education				2,759,419

See Notes to Schedule of Expenditures of Federal Awards.

County of Goochland, Virginia

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided To Subrecipients	Total Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Pass-through payments:				
Department of Social Services:				
Guardianship Assistance	93.090	Not provided	$ -	$ 84
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	NU50CK000555	-	15,249
Public Health Emergency Response: Cooperative Agreement for Emerge	93.354	NU90TP922153	-	39,305
Title IV-E Prevention Program	93.472	Not provided	-	3,090
Promoting Safe and Stable Families	93.556	0950116/0950117	-	18,626
Temporary Assistance to Needy Families (TANF)	93.558	0400117/0400118	-	128,798
Refugee and Entrant Assistance - State Administered Programs	93.566	0500117/0500118	-	2,008
Low Income Home Energy Assistance	93.568	0600417/0600418	-	24,827
Community Services Block Grant	93.569	Not provided	-	296,914
Child Care and Development Fund Cluster:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760117/0760118	-	30,294
Total Child Care and Development Fund Cluster				30,294
Chafee Education and Training Vouchers Program	93.599	Not provided	-	4,425
Stephanie Tubbs Jones Child Welfare Services Program	93.645	090116/0900117	-	204
Foster Care - Title IV-E	93.658	1100117/1100118	-	160,326
Adoption Assistance	93.659	1120117/1120118	-	141,860
Social Services Block Grant	93.667	1000117/100118	-	167,573
Chafee Foster Care Independence Program	93.674	9150117/9150118	-	6,265
Elder Abuse Prevention Intervention Programs	93.747	93747-8000221	-	2,115
Children's Health Insurance Program	93.767	0540117/0540118	-	1,598
Medicaid Cluster:				
Medical Assistance Program (Title XIX)	93.778	1200117/1200118	-	201,978
Total Medicaid Cluster				201,978
Total Department of Health and Human Services				1,245,539
DEPARTMENT OF HOMELAND SECURITY				
Pass-through payments:				
Department of Emergency Management:				
Emergency Management Performance Grants	97.042	Not provided	-	16,898
Total Department of Homeland Security				16,898
Total Federal Expenditures				$ 6,017,693

See Notes to Schedule of Expenditures of Federal Awards.

I. Basis of presentation and accounting

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the County of Goochland, Virginia (County) and component units of the Goochland County Public School Board and the Goochland County Economic Development Authority under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

Federal Financial Assistance – The Single Audit Act Amendments of 1996 (Public Law 104-156) and Uniform Guidance define federal financial assistance as grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations or other assistance. Nonmonetary deferral assistance including food commodities is considered federal assistance and, therefore, is reported on the Schedule. Federal financial assistance does not include direct federal cash assistance to individuals.

Direct Payments – Assistance received directly from the Federal government is classified as direct payments on the Schedule.

Pass-through Payments – Assistance received in a pass-through relationship from entities other than the Federal government is classified as pass-through payments on the Schedule.

Major Programs – The Single Audit Act Amendments of 1996 and Uniform Guidance establish the criteria to be used in defining major programs. Major programs for the County of Goochland, Virginia and its component units were determined using a risk-based approach in accordance with Uniform Guidance.

Federal Assistance Listing – The Federal Assistance Listing is a government-wide compendium of individual federal programs. Each program included in the catalog is assigned a five-digit program identification number, which is reflected in the Schedule.

Cluster of Programs – Closely related programs that share common compliance requirements are grouped into clusters of programs. A cluster of programs is considered as one federal program for determining major programs. The following are the clusters administered by the County of Goochland, Virginia and its component units: Child Nutrition, SNAP, Highway Safety, Special Education, Child Care and Development Fund, and Medicaid.

II. Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the modified 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.

III. Indirect cost rate

The County has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

IV. Non-cash assistance

In addition to amounts reported on the Schedule, the County of Goochland, Virginia consumed non-cash assistance in the form of food commodities. Commodities with a fair value of $79,282 at the time received were consumed during the year ended June 30, 2023. These commodities were included in the determination of federal awards expended during the year ended June 30, 2023.

COUNTY OF GOOCHLAND, VIRGINIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2023

Section I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:		
Material weakness(es) identified?	______ Yes	√ No
Significant deficiency(ies) identified?	______ Yes	√ None Reported
Noncompliance material to financial statements noted?	______ Yes	√ No

Federal Awards

Internal control over major federal programs:		
Material weakness(es) identified?	______ Yes	√ No
Significant deficiency(ies) identified?	______ Yes	√ None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

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

Identification of major federal programs:

Federal Assistance Listing Number	Name of Federal Program or Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Education Stabilization Fund:	
84.425D	COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund
84.425U	COVID-19 American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER)

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

Auditee qualified as low-risk auditee?	√ Yes	______ No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Year Ended June 30, 2023

Section II. FINANCIAL STATEMENT FINDINGS

None.

Section III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2023

The prior year single audit disclosed no findings in the Schedule of Findings and Questioned Costs and no uncorrected or unresolved findings exist from prior audit's Summary Schedule of Prior Audit Findings.