

COUNTY OF BUCKINGHAM, VIRGINIA



FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2020



**County of Buckingham, Virginia**

**Financial Report**

**For the Year Ended June 30, 2020**

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COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report  
For the Year Ended June 30, 2020

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**BOARD OF SUPERVISORS**

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Joe N. Chambers, Jr.	Harry W. Bryant, Chairman Don Matthews, Vice-Chairman	Robert C. "Bobby" Jones
Thomas Jordan Miles, III	Danny R. Allen	Donald E. Bryan

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**BOARD OF SOCIAL SERVICES**

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Linda Paige, Chairman  
Diane Holman James  
Danny R. Allen, Vice-Chairman

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**COUNTY SCHOOL BOARD**

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Joi W. Goodman	Thomas W. Hutcherson, Jr., Chairman Theresa D. Bryant, Vice-Chairman	Pamela P. Morris
Jacqueline J. Newton	Sherry S. Ragland	Rachel M. Castello-Dunn

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**OTHER OFFICIALS**

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

Donald C. Blessing  
Justin D. Midkiff  
Jody H. Fariss  
E.M. Wright, Jr.  
Stephanie D. Love  
Christy L. Christian  
William G. Kidd, Jr.  
Dr. Daisy Hicks  
Stephanie M. Coleman  
Rebecca S. Carter  
Karl R. Carter





**Independent Auditors' Report**

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of County of Buckingham, Virginia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise County of Buckingham, Virginia's basic financial statements as listed in the table of contents.

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

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

***Auditors' Responsibility***

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

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

### ***Auditors' Responsibility: (Continued)***

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of County of Buckingham, Virginia, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules related to pension and OPEB funding on pages 4-9, 81-83, and 84-94 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise County of Buckingham, Virginia's basic financial statements. The combining and individual fund financial statements and schedules, supporting schedules, and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

***Other Matters: (Continued)***

***Supplementary and Other Information: (Continued)***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2021, on our consideration of County of Buckingham, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County of Buckingham, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Buckingham, Virginia's internal control over financial reporting and compliance.

*Robinson Faren Cox Associates*

Charlottesville, Virginia  
February 2, 2021

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

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**To the Citizens of County of Buckingham, Virginia**

As management of the County of Buckingham, Virginia we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020.

**Financial Highlights**

**Government-wide Financial Statements**

- On a government-wide basis for governmental activities, the assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$17,666,359 (net position). For business-type activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$19,542,283.

**Fund Financial Statements**

In the Governmental Funds, on a current financial resource basis, revenues exceeded expenditures and other financing sources and uses by \$575,807 (Exhibit 5) after making contributions totaling \$6,776,814 to the School Board.

- As of the close of the current fiscal year, the County's governmental funds reported ending fund balances of \$11,795,752, an increase of \$575,807 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,268,504 or 37% of total general fund expenditures.
- Combined long-term obligations for the governmental funds decreased \$3,292,354 during the current fiscal year. Of that amount, debt (bonds and related items) decreased by \$2,651,274.

The Proprietary Funds, on an accrual basis, reported expenses in excess of revenues and other financing sources by \$258,889.

- As of the close of the current fiscal year, the County's proprietary funds reported ending net position of \$19,542,283, a decrease of \$258,889.
- Combined long-term obligations in the proprietary funds decreased \$204,156 during the current fiscal year. The decrease of \$270,543 directly related to bonds and loans was offset by increases in long-term payroll related liabilities.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

This report also contains required and other supplementary information in addition to the basic financial statements themselves.

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

## Overview of the Financial Statements: (Continued)

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

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

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

The Government-wide financial statements include not only the County of Buckingham, Virginia itself (known as the primary government), but also a legally separate school district and an Industrial Development Authority (IDA) for which the County of Buckingham, Virginia is financially accountable. Financial information for the Component Unit School Board is reported separately from the financial information presented for the primary government itself.

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

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

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

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



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

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

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and the schedules of pension and OPEB funding related to the Virginia Retirement System benefits. Other supplementary information presented includes various combining financial statements for the County's nonmajor funds, budgetary comparison schedules, and the discretely presented component unit School Board. Other information includes statistical tables. The School Board and IDA do not issue separate financial statements.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County's governmental activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$17,666,359 at the close of the most recent fiscal year.

**Summary Statement of Net Position**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Assets:</b>						
Current and other assets	\$ 22,209,744	\$ 19,258,600	\$ 3,684,205	\$ 4,530,411	\$ 25,893,949	\$ 23,789,011
Capital assets	35,053,665	32,019,663	27,235,509	26,880,803	62,289,174	58,900,466
Total assets	\$ 57,263,409	\$ 51,278,263	\$ 30,919,714	\$ 31,411,214	\$ 88,183,123	\$ 82,689,477
Deferred outflows of resources	\$ 787,462	\$ 355,983	\$ 82,758	\$ 38,218	\$ 870,220	\$ 394,201
<b>Liabilities:</b>						
Long-term liabilities	\$ 31,535,836	\$ 28,243,482	\$ 11,332,103	\$ 11,536,259	\$ 42,867,939	\$ 39,779,741
Current liabilities	2,834,925	797,574	86,230	34,531	2,921,155	832,105
Total liabilities	\$ 34,370,761	\$ 29,041,056	\$ 11,418,333	\$ 11,570,790	\$ 45,789,094	\$ 40,611,846
Deferred inflows of resources	\$ 6,013,751	\$ 6,269,080	\$ 41,856	\$ 77,470	\$ 6,055,607	\$ 6,346,550
<b>Net position:</b>						
Net investment in capital assets	\$ 5,433,690	\$ 5,223,079	\$ 16,061,204	\$ 15,487,592	\$ 21,494,894	\$ 20,710,671
Restricted	36,988	21,595	489,826	434,129	526,814	455,724
Unrestricted	12,195,681	11,079,436	2,991,253	3,879,451	15,186,934	14,958,887
Total net position	\$ 17,666,359	\$ 16,324,110	\$ 19,542,283	\$ 19,801,172	\$ 37,208,642	\$ 36,125,282

At the end of the current fiscal year, the County's investment in capital assets net of related debt used to acquire those assets was \$21,494,894. The County uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

**Governmental Activities** - Governmental activities increased the County's net position by \$1,342,249 during the fiscal year, and business-type activities decreased the County's net position by \$258,889. This resulted in a net increase of \$1,083,360. Key elements of this increase are as follows:

**Summary Statement of Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 189,197	\$ 200,833	\$ 1,788,805	\$ 1,755,511	\$ 1,978,002	\$ 1,956,344
Operating grants and contributions	5,379,629	4,762,701	-	-	5,379,629	4,762,701
Capital grants and contributions	489,639	454,620	-	112,096	489,639	566,716
<b>General revenues:</b>						
General property taxes	15,530,458	15,282,463	-	-	15,530,458	15,282,463
Other local taxes	1,777,159	1,812,988	-	-	1,777,159	1,812,988
Grants and other contributions not restricted	1,624,263	1,615,875	-	-	1,624,263	1,615,875
Use of money and property	214,677	156,576	12,821	1,041	227,498	157,617
Miscellaneous	445,255	17,544	-	-	445,255	17,544
<b>Total revenues</b>	<b>\$ 25,650,277</b>	<b>\$ 24,303,600</b>	<b>\$ 1,801,626</b>	<b>\$ 1,868,648</b>	<b>\$ 27,451,903</b>	<b>\$ 26,172,248</b>
<b>Expenses:</b>						
<b>General government administration</b>	<b>\$ 2,028,997</b>	<b>\$ 1,788,696</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,028,997</b>	<b>\$ 1,788,696</b>
Judicial administration	1,076,738	989,861	-	-	1,076,738	989,861
Public safety	4,412,405	3,920,161	-	-	4,412,405	3,920,161
Public works	1,926,025	1,798,682	-	-	1,926,025	1,798,682
Health and welfare	4,033,129	3,600,983	-	-	4,033,129	3,600,983
Education	8,762,701	8,944,546	-	-	8,762,701	8,944,546
Parks, recreation, and cultural	474,074	468,722	-	-	474,074	468,722
Community development	304,277	255,855	-	-	304,277	255,855
Interest on long-term debt	1,308,506	1,142,741	-	-	1,308,506	1,142,741
Water and Sewer	-	-	2,041,691	2,015,374	2,041,691	2,015,374
<b>Total expenses</b>	<b>\$ 24,326,852</b>	<b>\$ 22,910,247</b>	<b>\$ 2,041,691</b>	<b>\$ 2,015,374</b>	<b>\$ 26,368,543</b>	<b>\$ 24,925,621</b>
Increase (decrease) in net position before transfers	\$ 1,323,425	\$ 1,393,353	\$ (240,065)	\$ (146,726)	\$ 1,083,360	\$ 1,246,627
Transfers	18,824	(6,176)	(18,824)	6,176	-	-
Increase (decrease) in net position	\$ 1,342,249	\$ 1,387,177	\$ (258,889)	\$ (140,550)	\$ 1,083,360	\$ 1,246,627
Net position, July 1	16,324,110	14,936,933	19,801,172	19,941,722	36,125,282	34,878,655
Net position, June 30	<b>\$ 17,666,359</b>	<b>\$ 16,324,110</b>	<b>\$ 19,542,283</b>	<b>\$ 19,801,172</b>	<b>\$ 37,208,642</b>	<b>\$ 36,125,282</b>

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

Revenues increased by \$1,279,655 in fiscal year 2020 compared to an increase of \$100,843 in fiscal year 2019. Operating grants and contributions increased by \$616,928 due to increased state and federal funding, including CARES Act funds of \$210,653 received in response to COVID. Miscellaneous revenue increased by \$427,711 as a result of private donations received for a new animal control facility. Although tax collections declined due to the combination of the pandemic and the economy, the County is pleased with the overall collections during these abnormal times. Expenses closely paralleled the growth in demand and inflation and showed an increase of \$1,416,605. The functions with the more significant changes were public safety and health and welfare showing increases of \$492,244 and \$432,146, respectively. Due to the pandemic, the County's only volunteer rescue squad ceased performing services to the County. As a result the County has now permanently taken over this responsibility. In addition to affecting the County financially, this added responsibility has affected the County's organizational structure. Water and sewer revenues and expenses showed modest changes in comparison to the prior year.

## **Financial Analysis of the County's Funds**

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

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

As of the end of the current fiscal year, the County's governmental funds reported fund balances of \$11,795,752, an increase of \$575,807 in comparison with the prior year. Approximately 62% of this total amount constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reflected as nonspendable, restricted, committed, or assigned as appropriate to indicate that it is not available for new spending.

## **General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget was an increase of \$897,338 in expenditures and can be briefly summarized as follows:

- \$230,057 in increases for education
- \$516,926 in increases for capital projects
- \$150,355 in other net increases

A portion of this increase (\$1,245) was due to an increase in miscellaneous revenue. The remainder was to be budgeted from available fund balance. During the year, revenues exceeded budgetary estimates by \$498,297 and budgetary estimates exceeded expenditures by \$101,471 eliminating the need to draw on existing fund balance. In addition, commitments of \$1,379,469 were unspent resulting in unspent items totaling \$1,480,940.

## **Capital Asset and Debt Administration**

**Capital assets** - The County's net capital assets increased by \$3,388,708 during the current fiscal year. The County's investment in capital assets for its governmental operations as of June 30, 2020 amounted to \$35,053,665 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and construction in progress. The County's net capital assets for governmental activities increased \$3,034,002. New vehicles and other equipment were acquired in the current year, but the most significant activity was from completion of work on several solid waste convenience centers and the library/community center project. There are future plans to add concession stands and other improvements to Gene Dixon Park, as reflected in committed fund balance. Fund balance is also committed for the library/community center and solid waste sites.

The County's investment in capital assets for its proprietary funds was \$27,235,509 (net of accumulated depreciation) at year-end. This investment in capital assets includes land, construction in progress, water and sewer systems, and machinery and equipment. The proprietary net capital assets increased by \$354,706 over the prior fiscal year, including an increase of \$861,570 in accumulated depreciation. The most significant additions during fiscal year 2020 were related to the purchase of property and a sewer line extension project.

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

**Long-term obligations** - At the end of the current fiscal year, the County had total long-term obligations outstanding of \$31,535,836 for its governmental operations. Of this amount \$26,205,836 comprises debt backed by the full faith and credit of the County, including compensated absences of \$631,933, net pension liability of \$1,127,749, and net OPEB liability of \$328,296. The remainder of the County's debt for governmental operations (\$5,330,000) represents bonds secured solely by specified revenue sources (i.e., lease revenue bonds). Business-type obligations of \$11,332,103 is comprised of \$846,670 bonds secured solely by water and sewer revenues, loans totaling \$10,275,998 from the Virginia Resources Authority, compensated absences of \$61,706, net pension liability of \$115,260, and net OPEB liability of \$32,469.

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

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

- The unemployment rate for the County is currently 5.8 percent, which is higher than the rate of 3.0 percent a year ago. This is higher than the state's average unemployment rate of 5.1 percent and lower than the national average rate of 6.7 percent.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the County budget for fiscal year 2020.

The fiscal year 2021 budget amounted to \$30,212,332 (does not include School Funds). The budget includes capital improvements.

## **Requests for Information**

This financial report is designed to provide a general overview of the County of Buckingham, Virginia's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Administrator, P.O. Box 252, Buckingham, VA 23921.

**BASIC FINANCIAL STATEMENTS**

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## **Government-wide Financial Statements**

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Statement of Net Position  
June 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	School Board
<b>ASSETS</b>				
Cash and cash equivalents	\$ 12,213,560	\$ 2,937,028	\$ 15,150,588	\$ 1,203,632
Receivables (net of allowance for uncollectibles):				
Taxes receivable	7,404,361	-	7,404,361	-
Accounts receivable	84,181	249,268	333,449	20,450
Due from component unit	251,445	-	251,445	-
Due from other governmental units	1,584,864	-	1,584,864	587,105
Inventories	159,433	-	159,433	-
Prepaid items	44,376	-	44,376	-
Restricted assets:				
Cash and cash equivalents	467,524	497,909	965,433	-
Other assets:				
Net pension asset	-	-	-	228,319
Capital assets (net of accumulated depreciation):				
Land	616,382	208,974	825,356	257,165
Intangibles	-	712,100	712,100	-
Buildings, improvements, and systems	27,194,104	24,757,604	51,951,708	16,677,630
Improvements other than buildings	-	16,964	16,964	62,265
Machinery, equipment, and vehicles	1,828,388	219,674	2,048,062	2,564,210
Construction in progress	5,414,791	1,320,193	6,734,984	-
Total assets	\$ 57,263,409	\$ 30,919,714	\$ 88,183,123	\$ 21,600,776
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related items	\$ 721,992	\$ 76,284	\$ 798,276	\$ 3,599,202
OPEB related items	65,470	6,474	71,944	364,740
Total deferred outflows of resources	\$ 787,462	\$ 82,758	\$ 870,220	\$ 3,963,942
<b>LIABILITIES</b>				
Accounts payable	\$ 528,934	\$ 13,865	\$ 542,799	\$ 337,242
Accrued liabilities	-	-	-	902,116
Contracts payable	334,980	-	334,980	-
Retainage payable	242,631	51,637	294,268	-
Customers' deposits payable from restricted assets	-	8,083	8,083	-
Accrued interest payable	390,461	12,645	403,106	23,127
Due to primary government	-	-	-	251,445
Unearned revenue	1,337,919	-	1,337,919	-
Long-term liabilities:				
Due within one year	2,575,639	283,574	2,859,213	164,440
Due in more than one year	28,960,197	11,048,529	40,008,726	21,113,701
Total liabilities	\$ 34,370,761	\$ 11,418,333	\$ 45,789,094	\$ 22,792,071
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue - property taxes	\$ 5,680,417	\$ -	\$ 5,680,417	\$ -
Pension related items	308,199	39,370	347,569	2,573,889
OPEB related items	25,135	2,486	27,621	247,495
Total deferred inflows of resources	\$ 6,013,751	\$ 41,856	\$ 6,055,607	\$ 2,821,384
<b>NET POSITION</b>				
Net investment in capital assets	\$ 5,433,690	\$ 16,061,204	\$ 21,494,894	\$ 18,498,966
Restricted:				
Sheriff's fund - DCJS	8,417	-	8,417	-
Commonwealth's Attorney - DCJS	4,503	-	4,503	-
Courthouse security	24,068	-	24,068	-
Debt service and bond covenants	-	489,826	489,826	-
Unrestricted (deficit)	12,195,681	2,991,253	15,186,934	(18,547,703)
Total net position	\$ 17,666,359	\$ 19,542,283	\$ 37,208,642	\$ (48,737)

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

COUNTY OF BUCKINGHAM, VIRGINIA

Statement of Activities  
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT:</b>				
Governmental activities:				
General government administration	\$ 2,028,997	\$ 78,626	\$ 280,627	\$ -
Judicial administration	1,076,738	58,571	460,691	-
Public safety	4,412,405	23,828	1,406,748	-
Public works	1,926,025	15,393	26,542	-
Health and welfare	4,033,129	-	3,199,675	-
Education	8,762,701	-	-	489,639
Parks, recreation, and cultural	474,074	12,779	5,051	-
Community development	304,277	-	295	-
Interest on long-term debt	1,308,506	-	-	-
Total governmental activities	\$ 24,326,852	\$ 189,197	\$ 5,379,629	\$ 489,639
Business-type activities:				
Water and Sewer Funds	\$ 2,041,691	\$ 1,788,805	\$ -	\$ -
Total business-type activities	\$ 2,041,691	\$ 1,788,805	\$ -	\$ -
Total primary government	\$ 26,368,543	\$ 1,978,002	\$ 5,379,629	\$ 489,639
<b>COMPONENT UNIT:</b>				
School Board	\$ 26,054,070	\$ 126,486	\$ 17,970,550	\$ -
Total component unit	\$ 26,054,070	\$ 126,486	\$ 17,970,550	\$ -

General revenues:

- General property taxes
- Local sales and use taxes
- Consumers' utility taxes
- Motor vehicle licenses
- Other local taxes
- Payment from County of Buckingham - Education
- Unrestricted revenues from use of money and property
- Miscellaneous
- Grants and contributions not restricted to specific programs

Transfers

Total general revenues and transfers

Change in net position

Net position (deficit) - beginning

Net position (deficit) - ending

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

Exhibit 2

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Unit	
Governmental Activities	Business-type Activities	Total	School Board	
\$ (1,669,744)	\$ -	\$ (1,669,744)		
(557,476)	-	(557,476)		
(2,981,829)	-	(2,981,829)		
(1,884,090)	-	(1,884,090)		
(833,454)	-	(833,454)		
(8,273,062)	-	(8,273,062)		
(456,244)	-	(456,244)		
(303,982)	-	(303,982)		
(1,308,506)	-	(1,308,506)		
<u>\$ (18,268,387)</u>	<u>\$ -</u>	<u>\$ (18,268,387)</u>		
\$ -	\$ (252,886)	\$ (252,886)		
\$ -	\$ (252,886)	\$ (252,886)		
<u>\$ (18,268,387)</u>	<u>\$ (252,886)</u>	<u>\$ (18,521,273)</u>		
			\$ (7,957,034)	
			<u>\$ (7,957,034)</u>	
\$ 15,530,458	\$ -	\$ 15,530,458	\$ -	
863,034	-	863,034	-	
361,905	-	361,905	-	
349,277	-	349,277	-	
202,943	-	202,943	-	
-	-	-	8,709,411	
214,677	12,821	227,498	3,401	
445,255	-	445,255	305,936	
1,624,263	-	1,624,263	-	
18,824	(18,824)	-	-	
<u>\$ 19,610,636</u>	<u>\$ (6,003)</u>	<u>\$ 19,604,633</u>	<u>\$ 9,018,748</u>	
\$ 1,342,249	\$ (258,889)	\$ 1,083,360	\$ 1,061,714	
16,324,110	19,801,172	36,125,282	(1,110,451)	
<u>\$ 17,666,359</u>	<u>\$ 19,542,283</u>	<u>\$ 37,208,642</u>	<u>\$ (48,737)</u>	

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## **Fund Financial Statements**

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Balance Sheet  
 Governmental Funds  
 June 30, 2020

	General	Virginia Public Assistance	CARES Act Fund	Debt Service	County Capital Improvements	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 9,775,283	\$ 830,000	\$ 1,296,970	\$ -	\$ 311,307	\$ 12,213,560
Receivables (net of allowance for uncollectibles):						
Taxes receivable	7,404,361	-	-	-	-	7,404,361
Accounts receivable	70,941	13,240	-	-	-	84,181
Due from other funds	1,191,089	-	-	-	-	1,191,089
Due from component unit	251,445	-	-	-	-	251,445
Due from other governmental units	1,184,540	125,765	52,475	222,084	-	1,584,864
Prepaid items	44,376	-	-	-	-	44,376
Restricted assets:						
Temporarily restricted:						
(Cash and cash equivalents)	-	-	-	-	467,524	467,524
Total assets	<u>\$ 19,922,035</u>	<u>\$ 969,005</u>	<u>\$ 1,349,445</u>	<u>\$ 222,084</u>	<u>\$ 778,831</u>	<u>\$ 23,241,400</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 517,408	\$ -	\$ 11,526	\$ -	\$ -	\$ 528,934
Contracts payable	-	-	-	-	334,980	334,980
Retainage payable	-	-	-	-	242,631	242,631
Due to other funds	-	969,005	-	222,084	-	1,191,089
Unearned revenue	-	-	1,337,919	-	-	1,337,919
Total liabilities	<u>\$ 517,408</u>	<u>\$ 969,005</u>	<u>\$ 1,349,445</u>	<u>\$ 222,084</u>	<u>\$ 577,611</u>	<u>\$ 3,635,553</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	<u>\$ 7,810,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,810,095</u>
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid items	\$ 44,376	\$ -	\$ -	\$ -	\$ -	\$ 44,376
Restricted:						
Sheriff's fund - DCJS	8,417	-	-	-	-	8,417
Commonwealth's Attorney - DCJS	4,503	-	-	-	-	4,503
Courthouse security	24,068	-	-	-	-	24,068
Committed:						
Economic Development	676,385	-	-	-	-	676,385
Library construction	-	-	-	-	159,192	159,192
Gene Dixon park expansion	1,694,914	-	-	-	42,028	1,736,942
Fire/rescue training	20,000	-	-	-	-	20,000
Animal control facility	730,000	-	-	-	-	730,000
Solid waste plan	200,000	-	-	-	-	200,000
Sheriff's fund - non-DCJS	23,365	-	-	-	-	23,365
Capital projects	900,000	-	-	-	-	900,000
Unassigned	7,268,504	-	-	-	-	7,268,504
Total fund balances	<u>\$ 11,594,532</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 201,220</u>	<u>\$ 11,795,752</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 19,922,035</u>	<u>\$ 969,005</u>	<u>\$ 1,349,445</u>	<u>\$ 222,084</u>	<u>\$ 778,831</u>	<u>\$ 23,241,400</u>

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

Reconciliation of the Balance Sheet of Governmental Funds  
To the Statement of Net Position  
June 30, 2020

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds \$ 11,795,752

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

Land	\$	616,382	
Buildings and improvements		27,194,104	
Machinery, equipment and vehicles		1,828,388	
Construction in progress		5,414,791	35,053,665

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

159,433

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

2,129,678

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

Pension related items	\$	721,992	
OPEB related items		65,470	787,462

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

Lease revenue bonds	\$	(5,330,000)	
Refunding bonds		(4,890,000)	
Plus: Issuance premium (to be amortized against interest expense)		(707,554)	
General obligation bonds		(17,985,885)	
Plus: Issuance premium (to be amortized against interest expense)		(534,419)	
Net pension liability		(1,127,749)	
Net OPEB liability		(328,296)	
Compensated absences		(631,933)	(31,535,836)

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

Accrued interest payable			(390,461)
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Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.

Pension related items	\$	(308,199)	
OPEB related items		(25,135)	(333,334)

Net position of governmental activities \$ 17,666,359

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



Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2020

	General	Virginia Public Assistance	CARES Act Fund	Debt Service	County Capital Improvements	Total
<b>REVENUES</b>						
General property taxes	\$ 15,235,350	\$ -	\$ -	\$ -	\$ -	\$ 15,235,350
Other local taxes	1,777,159	-	-	-	-	1,777,159
Permits, privilege fees, and regulatory licenses	82,863	-	-	-	-	82,863
Fines and forfeitures	43,638	-	-	-	-	43,638
Revenue from the use of money and property	152,647	-	-	-	62,030	214,677
Charges for services	62,696	-	-	-	-	62,696
Miscellaneous	438,318	6,937	-	-	-	445,255
Recovered costs	-	13,225	-	-	-	13,225
Intergovernmental:						
Commonwealth	4,947,243	595,419	-	-	-	5,542,662
Federal	160,418	1,090,159	210,653	434,475	-	1,895,705
Total revenues	<u>\$ 22,900,332</u>	<u>\$ 1,705,740</u>	<u>\$ 210,653</u>	<u>\$ 434,475</u>	<u>\$ 62,030</u>	<u>\$ 25,313,230</u>
<b>EXPENDITURES</b>						
Current:						
General government administration	\$ 1,753,185	\$ -	\$ 25,587	\$ -	\$ -	\$ 1,778,772
Judicial administration	866,242	-	42	-	-	866,284
Public safety	4,479,932	-	2,597	-	-	4,482,529
Public works	1,729,506	-	23,488	-	-	1,752,994
Health and welfare	2,154,459	1,896,559	-	-	-	4,051,018
Education	6,830,104	-	-	-	-	6,830,104
Parks, recreation, and cultural	436,429	-	551	-	-	436,980
Community development	249,221	-	295	-	-	249,516
Nondepartmental	245,426	-	-	-	-	245,426
Capital projects	516,926	-	-	-	4,948,652	5,465,578
Debt service:						
Principal retirement	105,000	-	-	2,206,222	-	2,311,222
Interest and other fiscal charges	92,789	-	-	1,294,013	-	1,386,802
Bond issuance cost	-	-	-	-	104,186	104,186
Total expenditures	<u>\$ 19,459,219</u>	<u>\$ 1,896,559</u>	<u>\$ 52,560</u>	<u>\$ 3,500,235</u>	<u>\$ 5,052,838</u>	<u>\$ 29,961,411</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 3,441,113</u>	<u>\$ (190,819)</u>	<u>\$ 158,093</u>	<u>\$ (3,065,760)</u>	<u>\$ (4,990,808)</u>	<u>\$ (4,648,181)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	\$ 358,093	\$ 190,819	\$ -	\$ 3,010,596	\$ -	\$ 3,559,508
Transfers out	(3,382,591)	-	(158,093)	-	-	(3,540,684)
Issuance of lease revenue bonds	-	-	-	-	5,150,000	5,150,000
Advance refunding of bonds - VPSA	-	-	-	55,164	-	55,164
Total other financing sources (uses)	<u>\$ (3,024,498)</u>	<u>\$ 190,819</u>	<u>\$ (158,093)</u>	<u>\$ 3,065,760</u>	<u>\$ 5,150,000</u>	<u>\$ 5,223,988</u>
Net change in fund balances	\$ 416,615	\$ -	\$ -	\$ -	\$ 159,192	\$ 575,807
Fund balances - beginning	11,177,917	-	-	-	42,028	11,219,945
Fund balances - ending	<u>\$ 11,594,532</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 201,220</u>	<u>\$ 11,795,752</u>

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

Reconciliation of Statement of Revenues,  
Expenditures, and Changes in Fund Balances of Governmental Funds  
To the Statement of Activities  
For the Year Ended June 30, 2020

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

Net change in fund balances - total governmental funds \$ 575,807

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

Capital asset additions	\$ 5,916,998	
Depreciation expense	(1,413,110)	
Adjustment for jointly owned assets	<u>(1,469,886)</u>	3,034,002

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The change in unavailable property taxes is reported as revenues in the governmental funds. 295,108

The issuance of long-term obligations (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations and related items.

Issuance of bonds	\$ (5,150,000)	
Payment of principal	2,311,222	
Amortization of premium	<u>187,504</u>	(2,651,274)

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

Compensated absences	\$ (48,741)	
Change in pension related items	122,458	
Change in OPEB related items	19,911	
Accrued interest payable	<u>(5,022)</u>	<u>88,606</u>

Change in net position of governmental activities \$ 1,342,249

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

Statement of Net Position  
Proprietary Funds  
June 30, 2020

	Enterprise Funds			
	Water Fund	Sewer Fund	IDA	Total
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 4,309,515	\$ -	\$ 100	\$ 4,309,615
Accounts receivable (net of allowance)	214,788	34,480	-	249,268
Total current assets	\$ 4,524,303	\$ 34,480	\$ 100	\$ 4,558,883
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	\$ 356,569	\$ 141,340	\$ -	\$ 497,909
Capital assets:				
Land	\$ 135,757	\$ 73,217	\$ -	\$ 208,974
Intangibles	712,100	-	-	712,100
Construction in progress	-	1,320,193	-	1,320,193
Buildings and systems	19,044,280	13,919,556	-	32,963,836
Land improvements	22,634	-	-	22,634
Machinery, equipment, and vehicles	691,918	279,393	-	971,311
Less accumulated depreciation	(6,529,931)	(2,433,608)	-	(8,963,539)
Total capital assets	\$ 14,076,758	\$ 13,158,751	\$ -	\$ 27,235,509
Total noncurrent assets	\$ 14,433,327	\$ 13,300,091	\$ -	\$ 27,733,418
Total assets	\$ 18,957,630	\$ 13,334,571	\$ 100	\$ 32,292,301
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related items	\$ 62,101	\$ 14,183	\$ -	\$ 76,284
OPEB related items	5,755	719	-	6,474
Total deferred outflows of resources	\$ 67,856	\$ 14,902	\$ -	\$ 82,758
<b>LIABILITIES</b>				
Current liabilities:				
Reconciled overdraft	\$ -	\$ 1,372,587	\$ -	\$ 1,372,587
Accounts payable	10,814	3,051	-	13,865
Retainage payable	-	51,637	-	51,637
Customers' deposits payable from restricted assets	6,814	1,269	-	8,083
Accrued interest payable	4,691	7,954	-	12,645
Compensated absences - current portion	4,556	1,615	-	6,171
Bonds payable - current portion	32,436	-	-	32,436
Loans payable - current portion	133,409	111,558	-	244,967
Total current liabilities	\$ 192,720	\$ 1,549,671	\$ -	\$ 1,742,391
Noncurrent liabilities:				
Bonds payable - net of current portion	\$ 814,234	\$ -	\$ -	\$ 814,234
Loans payable - net of current portion	4,793,921	5,237,110	-	10,031,031
Compensated absences - net of current portion	40,995	14,540	-	55,535
Net pension liability	97,821	17,439	-	115,260
Net OPEB liability	28,861	3,608	-	32,469
Total noncurrent liabilities	\$ 5,775,832	\$ 5,272,697	\$ -	\$ 11,048,529
Total liabilities	\$ 5,968,552	\$ 6,822,368	\$ -	\$ 12,790,920
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related items	\$ 37,288	\$ 2,082	\$ -	\$ 39,370
OPEB related items	2,209	277	-	2,486
Total deferred inflows of resources	\$ 39,497	\$ 2,359	\$ -	\$ 41,856
<b>NET POSITION</b>				
Net investment in capital assets	\$ 8,302,758	\$ 7,758,446	\$ -	\$ 16,061,204
Restricted:				
Debt service and bond covenants	349,755	140,071	-	489,826
Unrestricted (deficit)	4,364,924	(1,373,771)	100	2,991,253
Total net position	\$ 13,017,437	\$ 6,524,746	\$ 100	\$ 19,542,283

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

Statement of Revenues, Expenses, and Changes in Net Position  
 Proprietary Funds  
 For the Year Ended June 30, 2020

	Enterprise Funds			
	Water Fund	Sewer Fund	IDA	Total
<b>OPERATING REVENUES</b>				
Charges for services:				
Water revenues	\$ 1,488,136	\$ -	\$ -	\$ 1,488,136
Sewer revenues	-	286,091	-	286,091
Tap fees	4,000	2,500	-	6,500
Other revenues	8,078	-	-	8,078
Total operating revenues	<u>\$ 1,500,214</u>	<u>\$ 288,591</u>	<u>\$ -</u>	<u>\$ 1,788,805</u>
<b>OPERATING EXPENSES</b>				
Salaries and benefits	\$ 483,601	\$ 103,366	\$ -	\$ 586,967
Contracted Services	3,133	10,661	-	13,794
Utilities	58,629	44,669	-	103,298
Supplies and other expenses	163,353	29,557	-	192,910
Depreciation	503,726	357,844	-	861,570
Total operating expenses	<u>\$ 1,212,442</u>	<u>\$ 546,097</u>	<u>\$ -</u>	<u>\$ 1,758,539</u>
Operating income (loss)	<u>\$ 287,772</u>	<u>\$ (257,506)</u>	<u>\$ -</u>	<u>\$ 30,266</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment earnings	\$ 34	\$ 13	\$ -	\$ 47
Rental income	12,774	-	-	12,774
Interest expense	(149,793)	(133,359)	-	(283,152)
Total nonoperating revenues (expenses)	<u>\$ (136,985)</u>	<u>\$ (133,346)</u>	<u>\$ -</u>	<u>\$ (270,331)</u>
Income (loss) before transfers	<u>\$ 150,787</u>	<u>\$ (390,852)</u>	<u>\$ -</u>	<u>\$ (240,065)</u>
<b>TRANSFERS</b>				
Transfers in	\$ 62,377	\$ 181,176	\$ 181,176	\$ 424,729
Transfers out	(262,377)	-	(181,176)	(443,553)
Net transfers	<u>\$ (200,000)</u>	<u>\$ 181,176</u>	<u>\$ -</u>	<u>\$ (18,824)</u>
Change in net position	<u>\$ (49,213)</u>	<u>\$ (209,676)</u>	<u>\$ -</u>	<u>\$ (258,889)</u>
Total net position - beginning	13,066,650	6,734,422	100	19,801,172
Total net position - ending	<u>\$ 13,017,437</u>	<u>\$ 6,524,746</u>	<u>\$ 100</u>	<u>\$ 19,542,283</u>

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

Statement of Cash Flows  
 Proprietary Funds  
 For the Year Ended June 30, 2020

	Enterprise Funds			
	Water Fund	Sewer Fund	IDA	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 1,501,899	\$ 287,778	\$ -	\$ 1,789,677
Payments to suppliers	(157,112)	1,068,331	-	911,219
Payments to and for employees	(571,162)	(106,073)	-	(677,235)
Net cash provided by (used for) operating activities	\$ 773,625	\$ 1,250,036	\$ -	\$ 2,023,661
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers to other funds	\$ (262,377)	\$ -	\$ (181,176)	\$ (443,553)
Transfers from other funds	62,377	181,176	181,176	424,729
Rental income	12,774	-	-	12,774
Net cash provided by (used for) noncapital financing activities	\$ (187,226)	\$ 181,176	\$ -	\$ (6,050)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Additions to utility plant	\$ -	\$ (1,126,639)	\$ -	\$ (1,126,639)
Purchase of property and equipment	-	(38,000)	-	(38,000)
Principal payments on bonds	(30,960)	-	-	(30,960)
Principal payments on loans	(130,765)	(108,817)	-	(239,582)
Interest payments	(149,997)	(133,523)	-	(283,520)
Net cash provided by (used for) capital and related financing activities	\$ (311,722)	\$ (1,406,979)	\$ -	\$ (1,718,701)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends received	\$ 34	\$ 13	\$ -	\$ 47
Net increase (decrease) in cash and cash equivalents	\$ 274,711	\$ 24,246	\$ -	\$ 298,957
Cash and cash equivalents - beginning - including restricted	4,391,373	117,094	100	4,508,567
Cash and cash equivalents - ending - including restricted	\$ 4,666,084	\$ 141,340	\$ 100	\$ 4,807,524
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	\$ 287,772	\$ (257,506)	\$ -	\$ 30,266
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	\$ 503,726	\$ 357,844	\$ -	\$ 861,570
(Increase) decrease in accounts receivable	974	(813)	-	161
(Increase) decrease in deferred outflows - pension related	(34,824)	(6,556)	-	(41,380)
(Increase) decrease in deferred outflows - OPEB related	(2,827)	(333)	-	(3,160)
Increase (decrease) in overdraft	-	1,145,001	-	1,145,001
Increase (decrease) in compensated absences	(1,394)	3,587	-	2,193
Increase (decrease) in accounts payable	(1,358)	1,077	-	(281)
Increase (decrease) in customer deposits	711	-	-	711
Increase (decrease) in net pension liability	48,652	9,953	-	58,605
Increase (decrease) in net OPEB liability	5,341	248	-	5,589
Increase (decrease) in deferred inflows - pension related	(32,767)	(2,373)	-	(35,140)
Increase (decrease) in deferred inflows - OPEB related	(381)	(93)	-	(474)
Total adjustments	\$ 485,853	\$ 1,507,542	\$ -	\$ 1,993,395
Net cash provided by (used for) operating activities	\$ 773,625	\$ 1,250,036	\$ -	\$ 2,023,661
Schedule of noncash capital and related financing activities:				
Acquisition of assets on account (change in accts/ret payable)	\$ -	\$ 51,637	\$ -	\$ 51,637

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

Statement of Fiduciary Net Position  
 Fiduciary Funds  
 June 30, 2020

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 236,242
Receivables:	
Other receivables	522
Total assets	<u>\$ 236,764</u>
<b>LIABILITIES</b>	
Amounts held for social services clients	\$ 39,764
Amounts held for others	197,000
Total liabilities	<u>\$ 236,764</u>

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

# COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020

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

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The County of Buckingham, Virginia was formed in 1761, and it is governed by an elected seven-member Board of Supervisors. The Board of Supervisors is responsible for appointing the County Administrator. The County provides a full range of services for its citizens. These services include police and volunteer fire protection, sanitation services, recreational activities, cultural events, education and social services.

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

### Financial Statement Presentation

#### Government-wide and Fund Financial Statements

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

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

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

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

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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

Budgetary comparison schedules - Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. The budgetary comparison schedules present the original budget, the final budget and the actual activity of the major governmental funds.

#### A. Financial Reporting Entity

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

#### B. Individual Component Unit Disclosures

##### *Blended Component Unit*

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

##### *Discretely Presented Component Unit*

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



## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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#### **C. Other Related Organizations**

Included in the County's Financial Report

None

Excluded from the County's Financial Report

Related Organizations

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

Jointly Governed Organizations

The County, in conjunction with other localities, has created the Central Virginia Regional Library, the Piedmont Regional Jail, the Piedmont Regional Juvenile Detention Center, and the Crossroads Community Services Board. The governing bodies of these organizations are appointed by the respective governing bodies of the participating jurisdictions. During the year, the County contributed \$203,784 to the regional library, \$472,867 to Piedmont Regional Jail Authority, \$83,087 to Piedmont Regional Juvenile Detention Center and \$40,000 to the Crossroads Community Services Board.

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

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

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

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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

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

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

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

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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

1. Governmental Funds

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

a. General Fund

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

b. Special Revenue Funds

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

c. Debt Service Fund

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

d. Capital Projects Fund

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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

2. Proprietary Funds

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

Enterprise Funds

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

3. Fiduciary Funds (Trust and Agency Funds)

Fiduciary Funds (Trust and Agency Funds) account for assets held by the County in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include Agency Funds, which consist of the Special Welfare Fund and Surety Bond Fund. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. These funds utilize the modified accrual basis of accounting.

4. Component Unit School Board

The Buckingham County School Board has the following funds:

Governmental Funds:

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

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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

4. Component Unit School Board: (Continued)

Capital Projects Fund: Capital projects funds account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments.

School Capital Projects Fund - This fund accounts for all financial resources used for the acquisition or construction of major capital facilities. This fund had no activity in fiscal year 2020.

**E. Budgets and Budgetary Accounting**

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

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the department level or category level. The appropriation for each department or category can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government departments; however, the School Board is authorized to transfer budgeted amounts within the school system's categories.
5. Formal budgetary integration is employed as a management control device during the year and budgets are legally adopted for the General Fund, VPA Fund, CARES Act Fund, and the Debt Service Fund of the primary government and the School Operating Fund, School Cafeteria Fund, and School Capital Projects Fund of the School Board.
6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Appropriations lapse on June 30, for all county units.
8. All budgetary data presented in the accompanying financial statements is the original budget at June 30. Several supplemental appropriations were necessary during the year and at year end because they were not included in the original budget.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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#### F. Use of Estimates

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

#### G. Cash and Cash Equivalents

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

Restricted cash consists of reserve accounts established as required by Rural Development bond covenants and unspent bond proceeds held in SNAP funds for the library/community center project.

#### H. Investments

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

#### I. Receivables and Payables

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$187,000 at June 30, 2020 and is comprised solely of property taxes. In addition, water and sewer receivables are reported net of a \$61,465 reserve.

#### J. Inventory and Prepaid Items

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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**K. Capital Assets**

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Structures, lines and accessories	40-50
Buildings	40
Building improvements	20-40
Land improvements	15
Vehicles	5
Office and computer equipment	5
Buses	8
Police vehicles	3

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

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County's deferred outflows of resources are comprised of certain items related to the measurement of the net pension asset/liabilities and net OPEB liabilities and contributions to the pension and OPEB plans made during the current year and subsequent to the net pension asset/liability and net OPEB liability measurement date. For more detailed information on these items, reference the related notes.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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#### **L. Deferred Outflows/Inflows of Resources: (Continued)**

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

#### **M. Pensions**

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

#### **N. Other Postemployment Benefits (OPEB)**

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

#### **O. Long-term Obligations**

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

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



## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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#### **P. Compensated Absences**

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

#### **Q. Net Position**

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

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

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

#### **R. Fund Balance**

The following classifications of fund balance describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (corpus of a permanent fund);
- Restricted fund balance - amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers;

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

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#### R. Fund Balance: (Continued)

- Committed fund balance - amounts that can be used only for the specific purposes determined by the adoption of an ordinance committing fund balance for a specified purpose by the Board of Supervisors prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Board adopts another ordinance to remove or revise the limitation;
- Assigned fund balance - amounts a government intends to use for a specific purpose but do not meet the criteria to be classified as committed; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. Unlike commitments, assignments general only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are only reported in the general fund. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

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

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

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

### Note 2—Deposits and Investments:

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#### Deposits

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

### Note 2—Deposits and Investments: (Continued)

#### Investments

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

The County’s investments at June 30, 2020 were held in the County’s name by the County’s custodial banks.

#### Credit Risk of Debt Securities

The County’s rated debt investments as of June 30, 2020 were rated by Standard & Poor’s and/or an equivalent national rating organization and the ratings are presented below using the Standard & Poor’s rating scale.

<u>Rated Debt Investments' Values</u>	
<u>Rated Debt Investments</u>	<u>Ratings</u>
	<u>AAAm</u>
Local Government Investment Pool	\$ 4,511,133
Virginia State Non-Arbitrage Pool	467,524
Total	<u>\$ 4,978,657</u>

#### Interest Rate Risk

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

<u>Investment Maturities (in years)</u>		
<u>Investment Type</u>	<u>Value</u>	<u>Less Than 1 Year</u>
Local Government Investment Pool	\$ 4,511,133	\$ 4,511,133
Virginia State Non-Arbitrage Pool	467,524	467,524
Total	<u>\$ 4,978,657</u>	<u>\$ 4,978,657</u>

#### External Investment Pools

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 3—Property Taxes:**

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

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

A ten percent penalty is levied on all taxes not collected on or before their due date. An interest charge of ten percent per annum is also levied on such taxes beginning on their due date. Convenience charges on debit and credit transactions were waived from April 2020 to June 2020 during the COVID pandemic.

Property taxes for calendar year 2019 were levied by the County Board of Supervisors on April 22, 2019, on the assessed values listed as of January 1, 2019. The second half of 2019 real estate taxes was due on December 5, 2019. The first half of 2020 real estate and public service corporation taxes was due on June 5, 2020. The 2020 taxes were levied by the County Board of Supervisors on April 20, 2020 on the assessed value listed as of January 1, 2020.

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

**Note 4—Receivables:**

The following is a summary of accounts receivable at June 30, 2020:

	Primary Government				Component Unit
	General	Special Revenue	Governmental Activities	Business-type Activities	School Board
Property taxes	\$ 7,591,361	\$ -	\$ 7,591,361	\$ -	\$ -
Allowance for uncollectibles	(187,000)	-	(187,000)	-	-
Net taxes receivable	<u>\$ 7,404,361</u>	<u>\$ -</u>	<u>\$ 7,404,361</u>	<u>\$ -</u>	<u>\$ -</u>
Accounts Receivable:					
Utility taxes	\$ 29,792	\$ -	\$ 29,792	\$ -	\$ -
Grantee tax	7,624	-	7,624	-	-
Solid waste	9,740	-	9,740	-	-
Recycling revenue	4,800	-	4,800	-	-
Other	18,985	-	18,985	-	-
Water and sewer	-	-	-	310,733	-
Rebates and refunds	-	15	15	-	20,450
Insurance recovery	-	13,225	13,225	-	-
Allowance for uncollectibles	-	-	-	(61,465)	-
Net accounts receivable	<u>\$ 70,941</u>	<u>\$ 13,240</u>	<u>\$ 84,181</u>	<u>\$ 249,268</u>	<u>\$ 20,450</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

Amounts due from other governments are detailed as follows:

	Governmental Activities					Component Unit
	General	Virginia	CARES	Debt	Total	School Board
		Public Assistance	Act	Service		
<b>Commonwealth of Virginia:</b>						
Local sales taxes	\$ 160,430	\$ -	\$ -	\$ -	\$ 160,430	\$ -
State sales taxes	-	-	-	-	-	325,305
Communication taxes	57,589	-	-	-	57,589	-
Public assistance	-	45,389	-	-	45,389	-
Comprehensive services	647,402	-	-	-	647,402	-
Shared expenses and grants	226,201	-	-	-	226,201	-
Forest land management	33,761	-	-	-	33,761	-
Motor vehicle carrier tax	10,280	-	-	-	10,280	-
Mobile home tax	12,468	-	-	-	12,468	-
Other	16,205	-	-	-	16,205	-
<b>Federal government:</b>						
Selective enforcement	9,170	-	-	-	9,170	-
Victim witness	11,034	-	-	-	11,034	-
Public assistance	-	80,376	-	-	80,376	-
CARES Election funds	-	-	52,475	-	52,475	-
QSCB subsidy payments	-	-	-	222,084	222,084	-
Title I	-	-	-	-	-	118,189
Title IV - Student Support	-	-	-	-	-	10,434
Special Education - Title IV-B	-	-	-	-	-	78,699
School Food	-	-	-	-	-	27,285
Other	-	-	-	-	-	27,193
<b>Total</b>	<b>\$ 1,184,540</b>	<b>\$ 125,765</b>	<b>\$ 52,475</b>	<b>\$ 222,084</b>	<b>\$ 1,584,864</b>	<b>\$ 587,105</b>

**Note 6—Interfund Obligations:**

Details of interfund receivables and payables as of June 30, 2020 are as follows:

Fund	Interfund Receivable	Interfund Payable
General	\$ 1,191,089	\$ -
Virginia Public Assistance	-	969,005
Debt Service	-	222,084
<b>Total</b>	<b>\$ 1,191,089</b>	<b>\$ 1,191,089</b>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

Details of obligations between the primary government and component unit School Board as of June 30, 2020 are as follows:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Primary government general fund	Component Unit - School Board	\$ <u>251,445</u>

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

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

	<u>Government-wide Statements Governmental Activities</u>	<u>Balance Sheet Governmental Funds</u>
<b>Primary Government:</b>		
Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures	\$ -	\$ 2,129,678
2nd half assessments due in December 2020	5,066,512	5,066,512
Prepaid property taxes due in December 2020, but paid in advance by the taxpayers	<u>613,905</u>	<u>613,905</u>
Total deferred revenue/unavailable revenue	<u>\$ 5,680,417</u>	<u>\$ 7,810,095</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 8—Capital Assets:**

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

**Primary Government:**

**Governmental Activities:**

	<u>Balance July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2020</u>
Capital assets not being depreciated:				
Land	\$ 616,382	\$ -	\$ -	\$ 616,382
Construction in progress	<u>434,912</u>	<u>5,630,467</u>	<u>650,588</u>	<u>5,414,791</u>
Total capital assets not being depreciated	<u>\$ 1,051,294</u>	<u>\$ 5,630,467</u>	<u>\$ 650,588</u>	<u>\$ 6,031,173</u>
Other capital assets:				
Buildings and improvements	\$ 18,773,877	\$ -	\$ -	\$ 18,773,877
Machinery, equipment and vehicles	5,405,769	937,119	24,835	6,318,053
Jointly owned assets	<u>20,394,759</u>	<u>-</u>	<u>2,035,471</u>	<u>18,359,288</u>
Total other capital assets	<u>\$ 44,574,405</u>	<u>\$ 937,119</u>	<u>\$ 2,060,306</u>	<u>\$ 43,451,218</u>
Accumulated depreciation:				
Buildings and improvements	\$ 6,436,249	\$ 503,938	\$ -	\$ 6,940,187
Machinery, equipment and vehicles	4,068,039	446,461	24,835	4,489,665
Jointly owned assets	<u>3,101,748</u>	<u>462,711</u>	<u>565,585</u>	<u>2,998,874</u>
Total accumulated depreciation	<u>\$ 13,606,036</u>	<u>\$ 1,413,110</u>	<u>\$ 590,420</u>	<u>\$ 14,428,726</u>
Other capital assets, net	<u>\$ 30,968,369</u>	<u>\$ (475,991)</u>	<u>\$ 1,469,886</u>	<u>\$ 29,022,492</u>
Net capital assets	<u>\$ 32,019,663</u>	<u>\$ 5,154,476</u>	<u>\$ 2,120,474</u>	<u>\$ 35,053,665</u>
Depreciation is allocated to:				
General government administration		\$ 195,824		
Judicial administration		230,731		
Public safety		259,711		
Public works		126,525		
Health and welfare		46,672		
Education		462,711		
Parks, recreation, and cultural		39,434		
Community development		<u>51,502</u>		
Total		<u>\$ 1,413,110</u>		

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

Note 8—Capital Assets: (Continued)

Primary Government: (Continued)

Business-type Activities:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Capital assets not being depreciated:				
Land	\$ 170,974	\$ 38,000	\$ -	\$ 208,974
Intangibles	712,100	-	-	712,100
Construction in progress	141,917	1,178,276	-	1,320,193
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total capital assets not being depreciated	\$ 1,024,991	\$ 1,216,276	\$ -	\$ 2,241,267
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Other capital assets:				
Buildings and systems	\$ 32,963,836	\$ -	\$ -	\$ 32,963,836
Land improvements	22,634	-	-	22,634
Machinery, equipment and vehicles	971,311	-	-	971,311
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total other capital assets	\$ 33,957,781	\$ -	\$ -	\$ 33,957,781
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Accumulated depreciation:				
Buildings and systems	\$ 7,389,998	\$ 816,234	\$ -	\$ 8,206,232
Land improvements	4,395	1,275	-	5,670
Machinery, equipment and vehicles	707,576	44,061	-	751,637
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total accumulated depreciation	\$ 8,101,969	\$ 861,570	\$ -	\$ 8,963,539
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Other capital assets, net	\$ 25,855,812	\$ (861,570)	\$ -	\$ 24,994,242
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Net capital assets	\$ 26,880,803	\$ 354,706	\$ -	\$ 27,235,509
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Depreciation is allocated to:				
Water operations		\$ 503,726		
Sewer operations		357,844		
		<u>          </u>		
		\$ 861,570		
		<u>          </u>		



COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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

**Component Unit-School Board:**

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Capital assets not being depreciated:				
Land	\$ 257,165	\$ -	\$ -	\$ 257,165
Construction in progress	129,943	90,050	219,993	-
Total capital assets not being depreciated	<u>\$ 387,108</u>	<u>\$ 90,050</u>	<u>\$ 219,993</u>	<u>\$ 257,165</u>
Other capital assets:				
Buildings and improvements	\$ 16,785,966	\$ -	\$ -	\$ 16,785,966
Improvements other than buildings	528,483	-	-	528,483
Machinery, equipment and vehicles	7,994,639	712,940	-	8,707,579
Jointly owned assets	16,335,562	2,035,471	-	18,371,033
Total other capital assets	<u>\$ 41,644,650</u>	<u>\$ 2,748,411</u>	<u>\$ -</u>	<u>\$ 44,393,061</u>
Accumulated depreciation:				
Buildings and improvements	\$ 11,268,345	\$ 211,189	\$ -	\$ 11,479,534
Improvements other than buildings	439,858	26,360	-	466,218
Machinery, equipment and vehicles	5,503,531	639,838	-	6,143,369
Jointly owned assets	5,974,974	1,024,861	-	6,999,835
Total accumulated depreciation	<u>\$ 23,186,708</u>	<u>\$ 1,902,248</u>	<u>\$ -</u>	<u>\$ 25,088,956</u>
Other capital assets, net	<u>\$ 18,457,942</u>	<u>\$ 846,163</u>	<u>\$ -</u>	<u>\$ 19,304,105</u>
Net capital assets	<u>\$ 18,845,050</u>	<u>\$ 936,213</u>	<u>\$ 219,993</u>	<u>\$ 19,561,270</u>
Depreciation is allocated to education		<u>\$ 1,902,248</u>		

Legislation enacted during the year ended June 30, 2002, Section 15.2-1800.1 of the Code of Virginia (1950), as amended, has changed the reporting of local capital assets and related debt for financial statement purposes. Historically, debt incurred by local governments “on-behalf” of school boards was reported in the school board’s discrete column along with the related capital assets. Under the law, local governments have a “tenancy in common” with the school board whenever the locality incurs any financial obligation for any school property which is payable over more than one year. For financial reporting purposes, the legislation permits the locality to report the portion of school property related to any outstanding financial obligation eliminating any potential deficit from capitalizing assets financed with debt. The effect on the County of Buckingham, Virginia for the year ended June 30, 2020, is that school financed assets in the amount of \$15,360,414 net are reported in the Primary Government for financial reporting purposes.

**Note 9—Compensated Absences:**

The County has accrued the liability arising from outstanding claims and judgments and compensated absences. County employees earn vacation and sick leave at various rates.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 10—Long-Term Obligations:**

The following is a summary of long-term obligation transactions for the County for the year ended June 30, 2020:

	<u>Balance July 1, 2019</u>	<u>Issuances/ Increases</u>	<u>Retirements/ Decreases</u>	<u>Balance June 30, 2020</u>
Primary Government:				
Governmental activities:				
Direct borrowings and direct placements:				
Lease revenue bonds	\$ 555,000	\$ 5,150,000	\$ 375,000	\$ 5,330,000
Refunding bonds	4,890,000	-	-	4,890,000
Premium on issuance	795,808	-	88,254	707,554
General obligation school bonds	19,922,107	-	1,936,222	17,985,885
Premium on issuance	633,669	-	99,250	534,419
Net pension liability	554,586	2,196,343	1,623,180	1,127,749
Net OPEB liability	309,120	83,614	64,438	328,296
Compensated absences	583,192	48,741	-	631,933
Total obligations from governmental activities	<u>\$ 28,243,482</u>	<u>\$ 7,478,698</u>	<u>\$ 4,186,344</u>	<u>\$ 31,535,836</u>
Business-type activities:				
Direct borrowings and direct placements:				
Revenue bonds	\$ 877,630	\$ -	\$ 30,960	\$ 846,670
Revolving loans	10,515,581	-	239,583	10,275,998
Net pension liability	56,655	225,565	166,960	115,260
Net OPEB liability	26,880	11,630	6,041	32,469
Compensated absences	59,513	2,193	-	61,706
Total obligations from business-type activities	<u>\$ 11,536,259</u>	<u>\$ 239,388</u>	<u>\$ 443,544</u>	<u>\$ 11,332,103</u>
Long-term obligations from component unit activities:				
School Board:				
Energy improvement lease	\$ 1,157,892	\$ -	\$ 95,588	\$ 1,062,304
Net pension liability	15,629,000	5,900,767	4,571,059	16,958,708
Net OPEB liabilities	2,597,000	527,841	482,887	2,641,954
Compensated absences	562,197	52,978	-	615,175
Total obligations from component unit activities	<u>\$ 19,946,089</u>	<u>\$ 6,481,586</u>	<u>\$ 5,149,534</u>	<u>\$ 21,278,141</u>
Total long-term obligations	<u>\$ 59,725,830</u>	<u>\$ 14,199,672</u>	<u>\$ 9,779,422</u>	<u>\$ 64,146,080</u>
Reconciliation to Exhibit 1:				
	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Component Unit School Board</u>	<u>Total</u>
Long-term liabilities:				
Due within one year	\$ 2,575,639	283,574	\$ 164,440	\$ 3,023,653
Due in more than one year	28,960,197	11,048,529	21,113,701	61,122,427
Total long-term obligations	<u>\$ 31,535,836</u>	<u>\$ 11,332,103</u>	<u>\$ 21,278,141</u>	<u>\$ 64,146,080</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

Note 10—Long-Term Obligations: (Continued)

Details of Long-term Obligations:

Type/ Project	Issue Date	Amount of Original Issue	Interest Rates	Amount of Principal Installments	Final Maturity Date	Balance	Amount Due Within One Year
<b>Primary Government:</b>							
Governmental activities:							
Lease revenue bonds:							
County projects	11/23/2010	\$ 9,255,000	2.357%-5.200% SA	\$230,000-\$590,000	A 10/1/2033	\$ 285,000	\$ 285,000
Library	8/15/2019	5,150,000	2.870% SA	\$105,000-\$372,000	A 4/1/2039	5,045,000	41,000
Total lease revenue bonds						\$ 5,330,000	\$ 326,000
Refunding bonds:							
County refunding bonds	11/15/2017	\$ 4,890,000	3.822%-5.125% SA	\$275,000-\$495,000	A 10/1/2033	\$ 4,890,000	\$ -
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	707,554	88,254
Total refunding bonds						\$ 5,597,554	\$ 88,254
General obligation school bonds:							
School bonds	11/7/2002	\$ 5,930,000	2.35%-5.10% SA	\$295,000-\$300,000	A 7/15/2022	\$ 885,000	\$ 295,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	47,484	11,871
School bonds	11/10/2005	\$ 5,856,256	4.60%-5.10% SA	\$222,289-\$370,235	A 7/15/2025	2,078,885	322,971
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	30,837	9,397
School bonds	12/1/2011	\$ 10,000,000	4.5% *	SA \$186,000-\$784,600	A 6/1/2027	5,517,000	778,000
School bonds	11/9/2011	\$ 13,325,000	2.05%-5.05% SA	\$320,000-\$985,000	A 7/15/2031	9,505,000	610,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	456,098	70,953
Net general obligation school bonds						\$ 18,520,304	\$ 2,098,192
* Interest to be refunded by Federal Tax Credit							
Other obligations:							
Net pension liability (payable from general fund)						\$ 1,127,749	\$ -
Net OPEB liability (payable from general fund)						328,296	-
Compensated absences (payable from general fund)						631,933	63,193
Total other obligations						\$ 2,087,978	\$ 63,193
Total long-term obligations from governmental activities						\$ 31,535,836	\$ 2,575,639
Business-type activities:							
Revenue bonds:							
Water system revenue bonds	4/16/1998	\$ 1,268,000	4.500% M	\$5,822 (P&I)	M 3/31/2038	\$ 846,670	\$ 32,436
Total revenue bonds						\$ 846,670	\$ 32,436
Revolving loans:							
VRA revolving fund loan	10/30/2004	\$ 1,056,863	1.000% SA	\$20,729 (P&I)	SA 3/1/2034	\$ 540,363	\$ 36,145
Rural Development loan	10/15/2007	\$ 1,171,700	4.125% M	\$5,097 (P&I)	M 10/13/2044	917,477	23,699
Rural Development loan	7/25/2011	\$ 5,000,000	2.375% M	\$16,700 (P&I)	M 8/25/2051	4,386,967	97,264
Rural Development loan **	1/6/2015	\$ 4,718,000	2.125% M	\$15,098 (P&I)	M 10/1/2033	4,431,191	87,859
Total revolving loans						\$ 10,275,998	\$ 244,967
** The IDA has pledged availability fees of up to \$256,068 annually or \$21,339 monthly as security for the loan.							
Other obligations:							
Net pension liability (payable from water and sewer funds)						\$ 115,260	\$ -
Net OPEB liability (payable from water and sewer funds)						32,469	-
Compensated absences (payable from water and sewer funds)						61,706	6,171
Total other obligations						\$ 209,435	\$ 6,171
Total long-term obligations from business-type activities						\$ 11,332,103	\$ 283,574
Total long-term obligations, Primary Government						\$ 42,867,939	\$ 2,859,213
<b>Component Unit School Board:</b>							
Other Obligations:							
Energy Improvement Lease	9/5/2012	\$ 1,596,421	2.75%	\$102,491-\$170,261	A 9/5/2027	\$ 1,062,304	\$ 102,922
Net pension liabilities (payable from school operating fund)						16,958,708	-
Net OPEB liabilities (payable from school operating fund)						2,641,954	-
Compensated absences (payable from school operating fund)						615,175	61,518
Total Other Obligations						\$ 21,278,141	\$ 164,440
Total long-term obligations, Component Unit School Board						\$ 21,278,141	\$ 164,440
Total long-term obligations						\$ 64,146,080	\$ 3,023,653

A = annual installments

M = monthly installments

SA = semi-annual installments

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 10—Long-Term Obligations: (Continued)**

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

Year Ending June 30,	Primary Government		Component Unit School Board	
	Direct Borrowings and Placements		Energy Improvement Lease	
	Principal	Interest	Principal	Interest
2021	\$ 2,789,849	\$ 1,638,615	\$ 102,922	\$ 29,213
2022	2,864,142	1,553,702	110,630	26,383
2023	2,935,972	1,466,781	118,728	23,341
2024	2,837,370	1,383,339	127,234	20,076
2025	2,885,350	1,298,977	136,165	16,577
2026-2030	11,404,612	4,045,673	466,625	26,219
2031-2035	7,271,665	1,467,444	-	-
2036-2040	3,192,791	729,373	-	-
2041-2045	1,717,836	401,621	-	-
2046-2050	1,703,050	204,830	-	-
2051-2055	967,889	41,714	-	-
Total	\$ <u>40,570,526</u>	\$ <u>14,232,069</u>	\$ <u>1,062,304</u>	\$ <u>141,809</u>

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

**IDA Agreements**

The County entered into an agreement with the Buckingham Industrial Development Authority (IDA) in 2013 pledged as security for the USDA Rural Development loan for construction of the new sewer plant. The IDA has agreed to pay an availability fee up to \$256,068 annually or \$21,339 per month to help fund loan payments. The first payment will be due when the 1<sup>st</sup> installment is made on the loan or the new sewer plant becomes operational, whichever occurs first. In fiscal year 2020, the County made payments of \$181,176 for debt service (principal payments of \$86,017 and interest of \$95,159) to the IDA. However, the debt is reflected on the County's financial statements and not the IDA's.

In fiscal year 2020, the IDA issued debt on behalf of the County for the Library/Community Center project under a lease financing agreement. The County has agreed to make rental payments to the Authority for the lease of the leased project. The obligation of the County to make payments under the Financing Lease constitutes a current expense of the County, subject to annual appropriation by the County. In fiscal year 2020, the County made payments of \$197,789 for debt service (principal payments of \$105,000 and interest of \$92,789) to the IDA. However, the debt is reflected on the County's financial statements and not the IDA's.

**Advance Refunding**

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### **Note 10—Long-Term Obligations: (Continued)**

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#### **Advance Refunding: (Continued)**

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

#### **Moral Obligations**

If the Piedmont Regional Jail Authority lacks sufficient funds to pay scheduled Debt Service on the Bonds, or to pay any debt service reserve funding requirements, the Authority will promptly notify the Member Jurisdictions of the amount of such insufficiency. Upon such notification, the Member Jurisdictions each agree to pay, subject to certain conditions, an equal portion of such deficit. Any such payment will be subject to the appropriation of funds by the governing body of each Member Jurisdiction and shall constitute a non-binding moral payment obligation. The obligations of the Members shall expire only upon the payment of the Bonds or such earlier date provided therefore, if any, in the documents under which the bonds are issued. In no event shall the obligation of any Member Jurisdiction be deemed to constitute a debt within the meaning of the Constitution of Virginia. The balance of outstanding debt at June 30, 2020 was \$3,184,000.

#### **Events of Default**

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

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

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

### **Note 11—Pension Plans:**

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

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### Note 11—Pension Plans: (Continued)

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#### ***Benefit Structures***

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

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

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 11—Pension Plans: (Continued)**

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

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

***Employees Covered by Benefit Terms***

As of the June 30, 2018 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>Primary Government</u>	<u>Component Unit School Board Nonprofessional</u>
Inactive members or their beneficiaries currently receiving benefits	54	46
Inactive members:		
Vested inactive members	17	12
Non-vested inactive members	19	18
Inactive members active elsewhere in VRS	39	19
Total inactive members	<u>75</u>	<u>49</u>
Active members	<u>92</u>	<u>50</u>
Total covered employees	<u><u>221</u></u>	<u><u>145</u></u>

***Contributions***

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

The County's contractually required employer contribution rate for the year ended June 30, 2020 was 8.02% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$354,698 and \$338,486 for the years ended June 30, 2020 and June 30, 2019, respectively.

The Component Unit School Board's contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2020 was 4.32% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 11—Pension Plans: (Continued)**

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**Contributions (Continued)**

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Component Unit School Board’s nonprofessional employees were \$34,689 and \$35,439 for the years ended June 30, 2020 and June 30, 2019, respectively.

**Net Pension Liability (Asset)**

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer’s total pension liability determined in accordance with GASB Statement No. 68, less that employer’s fiduciary net position. The County’s and Component Unit School Board’s (nonprofessional) net pension liability (asset) were measured as of June 30, 2019. The total pension liabilities used to calculate the net pension liability (asset) were determined by an actuarial valuation performed as of June 30, 2018 and rolled forward to the measurement date of June 30, 2019.

**Actuarial Assumptions - General Employees**

The total pension liability for General Employees in the County’s and Component Unit School Board’s (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2018, 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, 2019.

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

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

**Mortality rates:**

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

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.



COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 11—Pension Plans: (Continued)**

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**Actuarial Assumptions - General Employees (Continued)**

Mortality rates: (Continued)

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

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

**Actuarial Assumptions - Public Safety Employees with Hazardous Duty Benefits**

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2018, 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, 2019.

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 11—Pension Plans: (Continued)**

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

Mortality rates:

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

Pre-Retirement:

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

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 1 year, 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 11—Pension Plans: (Continued)**

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

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

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-Term Expected Rate of Return</u>	<u>Weighted Average Long-Term Expected Rate of Return*</u>
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS - Multi-Asset Public Strategies	6.00%	3.52%	0.21%
PIP - Private Investment Partnership	3.00%	6.29%	0.19%
Total	<u>100.00%</u>		<u>5.13%</u>
		Inflation	<u>2.50%</u>
		*Expected arithmetic nominal return	<u>7.63%</u>

\* The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. 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.

***Discount Rate***

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the County and Component Unit School Board (nonprofessional) was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2019, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2019, the rate contributed by the school division for the VRS Teacher Retirement Plan

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 11—Pension Plans: (Continued)**

**Discount Rate: (Continued)**

was subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2019 on, participating employer and school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

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

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2018	\$ 19,178,205	\$ 18,566,964	\$ 611,241
Changes for the year:			
Service cost	\$ 454,381	\$ -	\$ 454,381
Interest	1,316,068	-	1,316,068
Changes of assumptions	587,817	-	587,817
Differences between expected and actual experience	49,587	-	49,587
Contributions - employer	-	338,487	(338,487)
Contributions - employee	-	209,610	(209,610)
Net investment income	-	1,240,953	(1,240,953)
Benefit payments, including refunds of employee contributions	(754,453)	(754,453)	-
Administrative expenses	-	(12,184)	12,184
Other changes	-	(782)	782
Net changes	\$ 1,653,400	\$ 1,021,631	\$ 631,769
Balances at June 30, 2019	\$ 20,831,605	\$ 19,588,595	\$ 1,243,010

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

Note 11—Pension Plans: (Continued)

Changes in Net Pension Liability (Asset) (Continued)

	Component School Board (nonprofessional)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2018	\$ 3,440,472	\$ 3,670,535	\$ (230,063)
Changes for the year:			
Service cost	\$ 85,661	\$ -	\$ 85,661
Interest	235,535	-	235,535
Changes of assumptions	97,533	-	97,533
Differences between expected and actual experience	(98,586)	-	(98,586)
Contributions - employer	-	35,439	(35,439)
Contributions - employee	-	41,963	(41,963)
Net investment income	-	243,580	(243,580)
Benefit payments, including refunds of employee contributions	(151,386)	(151,386)	-
Administrative expenses	-	(2,430)	2,430
Other changes	-	(153)	153
Net changes	\$ 168,757	\$ 167,013	\$ 1,744
Balances at June 30, 2019	\$ 3,609,229	\$ 3,837,548	\$ (228,319)

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

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

	Rate		
	Current Discount		
	1% Decrease (5.75%)	Rate (6.75%)	1% Increase (7.75%)
County's Net Pension Liability (Asset)	\$ 3,896,012	\$ 1,243,010	\$ (872,507)
Component Unit School Board (nonprofessional) Net Pension Liability (Asset)	\$ 202,111	\$ (228,319)	\$ (573,411)

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 11—Pension Plans: (Continued)**

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

For the year ended June 30, 2020, the County and Component Unit School Board (nonprofessional) recognized pension expense of \$214,326 and (\$929), respectively. At June 30, 2020, the County and Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government		Component Unit School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 33,795	\$ 88,786	\$ -	\$ 66,369
Changes of assumptions	400,614	78,243	54,755	-
Net difference between projected and actual earnings on pension plan investments	-	171,371	-	33,769
Change in proportionate share	9,169	9,169	-	-
Employer contributions subsequent to the measurement date	354,698	-	34,685	-
<b>Total</b>	<b>\$ 798,276</b>	<b>\$ 347,569</b>	<b>\$ 89,440</b>	<b>\$ 100,138</b>

\$354,698 and \$34,685 reported as deferred outflows of resources related to pensions resulting from the County's and Component Unit School Board's (nonprofessional) contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability or addition to the Net Pension Asset in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year ended June 30	Primary Government	Component Unit School Board (nonprofessional)
2021	\$ 38,951	\$ (12,587)
2022	23,017	(33,989)
2023	23,831	(944)
2024	10,210	2,137
2025	-	-
Thereafter	-	-

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### **Note 11—Pension Plans: (Continued)**

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

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2019 Comprehensive Annual Financial Report (CAFR). A copy of the 2019 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2019-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

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

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

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

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

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each School Division's contractually required employer contribution rate for the year ended June 30, 2020 was 15.68% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the school division were \$1,739,502 and \$1,651,385 for the years ended June 30, 2020 and June 30, 2019, respectively.

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

At June 30, 2020, the school division reported a liability of \$16,958,708 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2018, and rolled forward to the measurement date of June 30, 2019. The school division's proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2019, the school division's proportion was .12886% as compared to .13290% at June 30, 2018.

For the year ended June 30, 2020, the school division recognized pension expense of \$1,575,507. 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.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 11—Pension Plans: (Continued)**

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

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

At June 30, 2020, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,085,938
Change in assumptions	1,679,310	-
Net difference between projected and actual earnings on pension plan investments	-	372,373
Changes in proportion and differences between employer contributions and proportionate share of contributions	90,950	1,015,440
Employer contributions subsequent to the measurement date	<u>1,739,502</u>	<u>-</u>
Total	<u>\$ 3,509,762</u>	<u>\$ 2,473,751</u>

\$1,739,502 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year ended June 30</u>	
2021	\$ (270,254)
2022	(583,856)
2023	(88,529)
2024	145,951
2025	93,197



COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 11—Pension Plans: (Continued)**

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

***Actuarial Assumptions***

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2018, 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, 2019.

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

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

Mortality rates:

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 11—Pension Plans: (Continued)**

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

**Actuarial Assumptions: (Continued)**

Mortality rates: (Continued)

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

**Net Pension Liability**

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2019, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	<b>Teacher Employee Retirement Plan</b>
Total Pension Liability	\$ 49,683,336
Plan Fiduciary Net Position	36,522,769
Employers' Net Pension Liability	\$ 13,160,567
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.51%

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 11—Pension Plans: (Continued)**

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

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

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

	Rate		
	(5.75%)	(6.75%)	(7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability (Asset)	\$ 25,530,223	\$ 16,958,708	\$ 9,871,653

***Pension Plan Fiduciary Net Position***

Detailed information about the VRS Teacher Retirement Plan’s Fiduciary Net Position is available in the separately issued VRS 2019 Comprehensive Annual Financial Report (CAFR). A copy of the 2019 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2019-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

**Primary Government and Component Unit School Board**

***Aggregate Pension Information***

	VRS Pension Plans:			
	Deferred Outflows	Deferred Inflows	Net Pension Liability (Asset)	Pension Expense
<b>Primary Government</b>				
Primary Government	\$ 798,276	\$ 347,569	\$ 1,243,010	\$ 214,326
Totals	\$ 798,276	\$ 347,569	\$ 1,243,010	\$ 214,326
<b>Component Unit School Board</b>				
School Board Nonprofessional	\$ 89,440	\$ 100,138	\$ (228,319)	\$ (929)
School Board Professional	3,509,762	2,473,751	16,958,708	1,575,507
Totals	\$ 3,599,202	\$ 2,573,889	\$ 16,730,389	\$ 1,574,578

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 12—Commitments and Contingencies:**

Federal programs in which the County and its component unit participate were audited in accordance with the provisions of Uniform Guidance. Pursuant to the provisions of this circular, all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, future disallowances of current grant program expenditures, if any, would be immaterial.

At June 30, 2020, the County had several major projects underway, which are presented in the financial statements as construction in progress. Presented is a list of major projects, contract amounts, expenditures to date, and balances of contracts remaining:

Project	Contract Amount	Expenditures to Date	Balance of Contract
Sprouse's Corner - Sewer Line Extension (engineering)	\$ 174,410	\$ 143,939	\$ 30,471
Sprouse's Corner - Sewer Line Extension (construction)	1,254,547	981,102	273,445
Library/Community Center Project - Dillwyn Primary School	5,363,436	4,909,863	453,573
	<u>\$ 6,792,393</u>	<u>\$ 6,034,904</u>	<u>\$ 757,489</u>

**Note 13—Surety Bonds:**

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### **Note 14—Landfill Closure and Postclosure Care Cost:**

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The County of Buckingham, Virginia owns a landfill which was closed with oversight of the Environmental Protection Agency (EPA). Under the closure plan, continuing monitoring and evaluation of the site is required. The County's responsibility under the monitoring and evaluation is met by performing in-kind services. The County's financial obligation for the landfill as a hazardous waste site has been met. The County at this time does not have an operating landfill. The County hauls waste to other surrounding localities.

### **Note 15—Risk Management:**

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

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

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

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

### **Note 16—Litigation:**

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At June 30, 2020, there were no matters of litigation involving the County which would materially affect the County's financial position should any court decisions on pending matters not be favorable.

### **Note 17—Expenditures and Appropriations:**

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Expenditures exceeded appropriations in the following functions of the General Fund: Public Safety (\$181,333), Public Works (\$327,417); Health and Welfare (\$316,619); and Parks, Recreation, and Cultural (\$16,957). However, all disbursements were approved in accordance with operating policies.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 18—Interfund Transfers:**

Interfund transfers for the year ended June 30, 2020 consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net</u>
Primary Government:			
Governmental Activities:			
General Fund	\$ 358,093	\$ 3,382,591	\$ (3,024,498)
VPA Fund	190,819	-	190,819
CARES Act Fund	-	158,093	(158,093)
Debt Service Fund	3,010,596	-	3,010,596
Total interfund transfers	<u>\$ 3,559,508</u>	<u>\$ 3,540,684</u>	<u>\$ 18,824</u>
Business-type Activities:			
Water Fund	\$ 62,377	\$ 262,377	\$ (200,000)
Sewer Fund	181,176	-	181,176
IDA	181,176	181,176	-
Total interfund transfers	<u>\$ 424,729</u>	<u>\$ 443,553</u>	<u>\$ (18,824)</u>
Net interfund transfers			<u>\$ -</u>

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

**Note 19—Other Postemployment Benefits (OPEB) - Health Insurance and LODA:**

**Health Insurance**

The County offers postemployment medical coverage to their retired employees. Retirees and their spouses are permitted to remain on the respective County plan until they are eligible for Medicare benefits. Premiums are paid by the retirees. At June 30, 2020, the County has elected not to obtain an actuarial valuation to determine liability for this benefit in accordance with the financial reporting requirements of GASB 75. Any liability at June 30, 2020 is not believed to be material to the financial statements. The School Board had no participants on its plan during the year and the benefit is no longer offered so there is minimal impact to the financial statements.

**Line of Duty Act (LODA)**

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### **Note 19—Other Postemployment Benefits (OPEB) - Health Insurance and LODA: (Continued)**

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

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

The current-year OPEB expense/expenditure for the insured benefits is defined as the amount of premiums or other payments required for the insured benefits for the reporting period in accordance with the agreement with the insurance company for LODA and a change in liability to the insurer equal to the difference between amounts recognized as OPEB expense and amounts paid by the employer to the insurer. The County's LODA coverage is fully covered or "insured" through VACORP. This is built into the LODA coverage cost presented in the annual renewals. The County's LODA premium for the year ended June 30, 2020 was \$17,335.

### **Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans:**

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

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

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

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

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

##### ***Eligible Employees***

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

##### ***Benefit Amounts***

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

***Benefit Amounts: (Continued)***

plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, safety belt benefit, repatriation benefit, felonious assault benefit, and accelerated death benefit option. The benefit amounts are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. For covered members with at least 30 years of service credit, the minimum benefit payable was set at \$8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was \$8,463 as of June 30, 2020.

***Contributions***

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.31% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.79% (1.31% x 60%) and the employer component was 0.52% (1.31% 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, 2020 was 0.52% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Plan from the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) were \$24,240 and \$22,602, \$4,599 and \$4,548, and \$59,222 and \$55,909 for the years ended June 30, 2020 and June 30, 2019, respectively.

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

At June 30, 2020, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) reported a liability of \$360,765, \$72,576, and \$892,556, respectively, for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2019 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, 2018 and rolled forward to the measurement date of June 30, 2019. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2019, the County's, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) proportion was .02217%, .00446%, and .05485%, respectively as compared to .02210%, .00448%, and .05615% at June 30, 2018.

For the year ended June 30, 2020, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) recognized GLI OPEB expense of \$7,180, \$1,630, and \$8,457, respectively. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.



COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

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

At June 30, 2020, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<b>Primary Government</b>		
Differences between expected and actual experience	\$ 23,993	\$ 4,680
Net difference between projected and actual earnings on GLI OPEB plan investments	-	7,410
Change in assumptions	22,777	10,879
Changes in proportion	934	4,652
Employer contributions subsequent to the measurement date	24,240	-
Total	<u>\$ 71,944</u>	<u>\$ 27,621</u>
<b>School Board - Nonprofessional</b>		
Differences between expected and actual experience	\$ 4,827	\$ 942
Net difference between projected and actual earnings on GLI OPEB plan investments	-	1,491
Change in assumptions	4,582	2,188
Changes in proportion		267
Employer contributions subsequent to the measurement date	4,599	-
Total	<u>\$ 14,008</u>	<u>\$ 4,888</u>
<b>School Board - Professional</b>		
Differences between expected and actual experience	\$ 59,360	\$ 11,577
Net difference between projected and actual earnings on GLI OPEB plan investments	-	18,334
Change in assumptions	56,351	26,914
Changes in proportion	-	52,389
Employer contributions subsequent to the measurement date	59,222	-
Total	<u>\$ 174,933</u>	<u>\$ 109,214</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

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

\$24,240, \$4,599, and \$59,222 reported as deferred outflows of resources related to the GLI OPEB resulting from the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional)'s contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2021. 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:

<u>Year Ended June 30</u>	<u>Primary Government</u>	<u>School Board (nonprofessional)</u>	<u>School Board (professional)</u>
2021	\$ 119	\$ 210	\$ (9,011)
2022	120	210	(9,011)
2023	3,258	841	(1,246)
2024	6,863	1,418	8,311
2025	7,598	1,443	13,416
Thereafter	2,125	399	4,038

***Actuarial Assumptions***

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2018, 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, 2019. The assumptions include several employer groups. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS CAFR.

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

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

**Mortality Rates - Teachers**

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

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

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

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates to 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

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

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

Pre-Retirement:

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

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 1 year with 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2020; males set forward 2 years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

***NET GLI OPEB Liability***

The net OPEB liability (NOL) for the GLI Plan represents the plan’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2019, NOL amounts for the GLI Plan is as follows (amounts expressed in thousands):

	<b>GLI OPEB Plan</b>
Total GLI OPEB Liability	\$ 3,390,238
Plan Fiduciary Net Position	1,762,972
GLI Net OPEB Liability (Asset)	\$ <u>1,627,266</u>
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	52.00%

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

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

***Plan Description***

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

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### **Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

##### ***Eligible Employees***

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

##### ***Benefit Amounts***

The Teacher Employee HIC Plan is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. For Teacher and other professional school employees who retire with at least 15 years of service credit, the monthly benefit is \$4.00 per year of service per month with no cap on the benefit amount. For Teacher and other professional school employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is either: \$4.00 per month, multiplied by twice the amount of service credit, or \$4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.

##### ***HIC Plan Notes***

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

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

The contribution requirements for active employees is governed by §51.1-1401(E) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Each school division's contractually required employer contribution rate for the year ended June 30, 2020 was 1.20% of covered employee compensation for employees in the VRS Teacher Employee HIC Plan. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the school division to the VRS Teacher Employee HIC Plan were \$136,666 and \$128,927 for the years ended June 30, 2020 and June 30, 2019, respectively.

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

At June 30, 2020, the school division reported a liability of \$1,676,822 for its proportionate share of the VRS Teacher Employee HIC Plan Net OPEB Liability. The Net VRS Teacher Employee HIC Plan OPEB Liability was measured as of June 30, 2019 and the total VRS Teacher Employee HIC Plan OPEB liability used to calculate the Net VRS Teacher Employee HIC Plan OPEB Liability was determined by an actuarial valuation performed as of June 30, 2018 and rolled forward to the measurement date of June 30, 2019. The school division's proportion of the Net VRS Teacher Employee HIC Plan OPEB Liability was based on the school division's actuarially determined employer contributions to the VRS Teacher Employee HIC Plan OPEB plan for the year ended June 30, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2019, the school division's proportion of the VRS Teacher Employee HIC Plan was .12809% as compared to .13195% at June 30, 2018.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

For the year ended June 30, 2020, the school division recognized VRS Teacher Employee HIC Plan OPEB expense of \$117,501. Since there was a change in proportionate share between measurement dates a portion of the VRS Teacher Employee HIC Plan Net OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2020, the school division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee HIC Plan OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 9,497
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	106	-
Change in assumptions	39,027	11,652
Changes in proportionate share	-	112,244
Employer contributions subsequent to the measurement date	<u>136,666</u>	<u>-</u>
Total	<u>\$ 175,799</u>	<u>\$ 133,393</u>

\$136,666 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	
2021	\$ (18,914)
2022	(18,916)
2023	(18,181)
2024	(18,427)
2025	(14,500)
Thereafter	(5,322)



COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

*Actuarial Assumptions*

The total Teacher Employee HIC OPEB liability for the VRS Teacher Employee HIC Plan was based on an actuarial valuation as of June 30, 2018, 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, 2019.

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

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

**Mortality Rates - Teachers**

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

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

*Actuarial Assumptions: (Continued)*

**Mortality Rates - Teachers: (Continued)**

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

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

The net OPEB liability (NOL) for the Teacher Employee HIC Plan represents the plan’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2019, NOL amounts for the VRS Teacher Employee HIC Plan is as follows (amounts expressed in thousands):

		<b>Teacher Employee HIC OPEB Plan</b>
Total Teacher Employee HIC OPEB Liability	\$	1,438,114
Plan Fiduciary Net Position		129,016
Teacher Employee HIC Net OPEB Liability (Asset)	\$	<u>1,309,098</u>
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability		8.97%

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

**Long-Term Expected Rate of Return**

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

Asset Class (Strategy)	Target Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	34.00%	5.61%	1.91%
Fixed Income	15.00%	0.88%	0.13%
Credit Strategies	14.00%	5.13%	0.72%
Real Assets	14.00%	5.27%	0.74%
Private Equity	14.00%	8.77%	1.23%
MAPS - Multi-Asset Public Strategies	6.00%	3.52%	0.21%
PIP - Private Investment Partnership	3.00%	6.29%	0.19%
Total	100.00%		5.13%
		Inflation	2.50%
		*Expected arithmetic nominal return	7.63%

\*The above allocation provides a one-year return of 7.63%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. The VRS Board elected a long-term rate of 6.75% which is roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation.

**Discount Rate**

The discount rate used to measure the total GLI and teacher employee HIC OPEB liabilities was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ended June 30, 2019, the rate contributed by the entity for the GLI OPEB and by each school division for the VRS teacher employee HIC Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

**Discount Rate (Continued)**

the actuarially determined contribution rate. From July 1, 2019 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI and Teacher Employee HIC OPEB plans' 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 and teacher employee HIC OPEB liability.

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

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

Proportionate Share of GLI Plan Net OPEB Liability	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Primary Government	\$ 473,945	\$ 360,765	\$ 268,979
School Board (nonprofessional)	95,344	72,576	54,111
School Board (professional)	1,172,571	892,556	665,471

School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
	\$ 1,876,649	\$ 1,676,822	\$ 1,507,070

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

Detailed information about the GLI and Teacher HIC Plan's Fiduciary Net Position is available in the separately issued VRS 2019 Comprehensive Annual Financial Report (CAFR). A copy of the 2019 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2019-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

**Note 20—Other Postemployment Benefits (OPEB) - VRS Cost-Sharing Plans: (Continued)**

**Aggregate OPEB Information**

	VRS OPEB Plans:			
	Deferred Outflows	Deferred Inflows	Net OPEB Liability (Asset)	OPEB Expense
<b>Primary Government</b>				
Primary Government - GLI	\$ 71,944	\$ 27,621	\$ 360,765	\$ 7,180
Totals	<u>\$ 71,944</u>	<u>\$ 27,621</u>	<u>\$ 360,765</u>	<u>\$ 7,180</u>
<b>Component Unit School Board</b>				
School Board Nonprofessional - GLI	\$ 14,008	\$ 4,888	\$ 72,576	\$ 1,630
School Board Professional - GLI	174,933	109,214	892,556	8,457
School Board Professional - HIC	175,799	133,393	1,676,822	117,501
Totals	<u>\$ 364,740</u>	<u>\$ 247,495</u>	<u>\$ 2,641,954</u>	<u>\$ 127,588</u>

**Note 21—Operating Leases:**

The County leases a building to the Departments of Health and Social Services. Future payments are as follows:

Year Ending June 30,	Health Dept	DSS
2021	\$ 50,000	\$ 29,052
2022	50,000	29,052
2023	50,000	29,052
2024	50,000	29,052
2025	50,000	29,052
2026-2029	141,666	101,682
Total	<u>\$ 391,666</u>	<u>\$ 246,942</u>

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

Year Ending June 30,	Land
2021	\$ 7,200
2022	7,200
2023	7,380
2024	7,416
2025	7,416
2026-2030	37,080
2031-2033	16,068
Total	<u>\$ 89,760</u>

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### **Note 22—Governor’s Agriculture & Forestry Industries Development:**

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The County was awarded a grant of \$150,000 from the Governor's Agriculture & Forestry Industries Development Fund through the Va Dept of Agriculture & Consumer Services for inducing Rock Wood Products of Dillwyn, Inc. to construct an agriculture &/or forestry processing/ value-added facility using Virginia-grown products in the County, thereby making a significant Capital Investment, creating a significant number of New Jobs, and purchasing a significant amount of Virginia-grown agriculture & forestall products.

The construction and operation of the Facility will

- entail a capital expenditure of approximately \$8,750,000, of which approximately \$4,250,000 will be invested in the construction of a new building & approximately \$4,500,000 will be invested in machinery and equipment.
- entail the creation of 12 new jobs at the facility.
- lead to the purchase of Virginia-grown agricultural and forestall products in the following amount: \$3,646,000 or 9,500,000 board feet of net new purchases of Virginia-grown timber over the performance period.

Grant funds of \$150,000 were paid from the County to the IDA to be paid to Rock Wood Products. An estimated \$9,600 is to be provided from the Commonwealth for the Virginia Jobs Investment Program. As matching grants, the County expects to provide tax abatements of \$150,000.

If the Company is unlikely to meet and maintain at least 50% of targets by and through the performance date, and if the Company has been promptly notified of such determination, the entire grant must be repaid by the Company to the Authority.

For purposes of repayment, the grant is to be allocated as \$50,000 (33%) for the Company’s Capital Investment Target, \$50,000 (33%) for its new jobs, and \$50,000 for its purchase of Virginia-grown agricultural and forestall products. If the Company has met at least 90% of each of the targets at the performance date, the Company is no longer obligated to repay any portion of the grant. If the Company has not met 90%, the Company shall repay a proportional share.

1. Repayment shall be due from the Company to the IDA within 30 days of the Performance Date or the Determination Date, as applicable.
2. Progress reports are due annually, starting February 28, 2018 and at such other times the County, IDA, or VDACS may reasonably require. The first progress report covered from 10/27/16 to 1/31/18. The second covered 2/1/18 to 1/31/19 and the third and final covered 2/1/19 to 1/31/20.

The Company met all targets as of April 2020 and has no further obligations related to this grant.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### Note 23—Tax Incentives:

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

The IDA agreed to grant to CVSI annually, subject to certain terms and conditions, for a period of five years a sum equal to the County machinery and tools and personal property taxes attributable to each year's construction costs of the Project in the County (the "Local Taxes Grant"). For example, if CVEC expends \$1,000,000 in construction costs in the County in calendar year 2019, then the machinery and tools and personal property taxes attributable to \$1,000,000 shall be payable to CVSI by the IDA during the calendar years 2020, 2021, 2022, 2023, and 2024. If an additional \$2,000,000.00 is expended in construction costs in the County in 2020, then the Local Taxes Grant shall be increased to include the machinery and tools and personal property taxes attributable to \$2,000,000 and shall be payable to CVSI during the calendar years 2021, 2022, 2023, 2024, and 2025. For each subsequent year of the construction of the Project the Local Taxes Grant shall be so calculated until the installation is complete. No construction after 2023 shall qualify for a grant.

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

CVEC shall report, document, and verify to the IDA the construction cost and the price of its related new equipment and personal property for the Project installed in the County by no later than January 31st for the preceding year.

### Note 24—Upcoming Pronouncements:

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Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

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

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

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### Note 24—Upcoming Pronouncements: (Continued)

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

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

Statement No. 93, *Replacement of Interbank Offered Rates*, establishes accounting and financial reporting requirements related to the replacement of Interbank Offered Rates (IBORs) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The requirements of this Statement, except for removal of London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate and the requirements related to lease modifications, are effective for reporting periods beginning after June 15, 2020. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All requirements related to lease modifications in this Statement are effective for reporting periods beginning after June 15, 2021.

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

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

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

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



## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### Note 25—Subsequent Events:

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

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency stemming from a new strain of coronavirus that was spreading globally (the “COVID-19 outbreak”). On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, triggering volatility in financial markets and a significant negative impact on the global economy.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed by the federal government to alleviate some of the effects of the sharp economic downturn due to the COVID-19 pandemic. Among the CARES Act key provisions was \$339.8 billion designated for programs for state and local government, which included \$150 billion in direct aid for state and local governments from the federal Coronavirus Relief Fund (CRF), pursuant to the federal CARES Act, to address spending shortages related to the COVID-19 pandemic.

The Commonwealth of Virginia received approximately \$3.1 billion from the CRF, of which \$1.3 billion was allocated for localities with fewer than 500,000 people. Localities with populations greater than 500,000 could apply to receive funds directly. All other CRF funds were distributed to the states to determine the allocations to localities.

On May 12, 2020, the first round of the allocations to local governments was authorized by the Commonwealth. On June 1, 2020, each locality received its share of the first half, or fifty (50) percent, of the locally based allocations. Unspent funds at June 30 from the initial allocation are reported as unearned revenue. Like the first round, the second round of allocations was based on population and was for the same total amount distributed in the first round. The County received the second round of CRF funds in the amount of \$1,496,097 on August 17, 2020. A total of \$1,677,835 was spent as of December 31, 2020, leaving a balance of \$1,314,359 in funds on hand.

The federal guidance for the CARES Act states that the CRF funds can be used only for the direct costs associated with the response to the COVID-19 pandemic and cannot be used to address revenue shortfalls. CRF funds are considered one-time funds and should not be used for ongoing services or base operations. As a condition of receiving CRF funds, any funds unexpended as of December 30, 2020 were to be returned to the federal government. In December 2020, legislation was passed that extended this spending deadline to December 31, 2021.

The COVID-19 pandemic developed rapidly in 2020 and remains a quickly evolving situation. As a result of the spread of COVID-19, economic uncertainties have arisen which are likely to negatively impact economic activity. The County is not able to estimate the effects of the COVID-19 pandemic for fiscal year 2021.

## COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements  
As of June 30, 2020 (Continued)

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### **Note 25—Subsequent Events: (Continued)**

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#### **Other Subsequent Events**

- On October 13, 2020, the County Accepted a bid proposal from:
  - DRT to contract for two 24 hour crews (one for Dillwyn and one for Glenmore Station) for December 15, 2020 - June 30, 2022 in the amount of \$1,485,550.
  - EMS-MC for Emergency Services Medical Insurance Billing Company and Revenue recovery for a percentage of 6.9% of the amount billed for 18.5 months.

The County took over EMS operations on December 15, 2020.

- On October 17, 2020, a soft opening was held for the Library and Community Center.
- On November 17, 2020, the County sold the Gold Hill School building and 25.741 acres to David and Ramona Christian as partners of In-House Pharmacy Partners for \$600,000. The transaction includes an agreement for a two-year tax abatement.

**REQUIRED SUPPLEMENTARY INFORMATION**

Note to Required Supplementary Information:

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

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## General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
General property taxes	\$ 15,557,000	\$ 15,557,000	\$ 15,235,350	\$ (321,650)
Other local taxes	1,671,360	1,671,360	1,777,159	105,799
Permits, privilege fees, and regulatory licenses	79,200	79,200	82,863	3,663
Fines and forfeitures	29,100	29,100	43,638	14,538
Revenue from the use of money and property	120,500	120,500	152,647	32,147
Charges for services	57,616	57,616	62,696	5,080
Miscellaneous	42,000	43,245	438,318	395,073
Intergovernmental:				
Commonwealth	4,844,014	4,844,014	4,947,243	103,229
Federal	-	-	160,418	160,418
Total revenues	<u>\$ 22,400,790</u>	<u>\$ 22,402,035</u>	<u>\$ 22,900,332</u>	<u>\$ 498,297</u>
<b>EXPENDITURES</b>				
Current:				
General government administration	\$ 1,747,802	\$ 1,817,366	\$ 1,753,185	\$ 64,181
Judicial administration	897,823	930,994	866,242	64,752
Public safety	4,232,392	4,298,599	4,479,932	(181,333)
Public works	1,353,498	1,402,089	1,729,506	(327,417)
Health and welfare	1,834,719	1,837,840	2,154,459	(316,619)
Education	7,327,399	7,557,456	6,830,104	727,352
Parks, recreation, and cultural	415,621	419,472	436,429	(16,957)
Community development	262,098	267,948	249,221	18,727
Nondepartmental	342,000	262,000	245,426	16,574
Capital projects	-	516,926	516,926	-
Debt service:				
Principal retirement	250,000	157,211	105,000	52,211
Interest and other fiscal charges	-	92,789	92,789	-
Total expenditures	<u>\$ 18,663,352</u>	<u>\$ 19,560,690</u>	<u>\$ 19,459,219</u>	<u>\$ 101,471</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 3,737,438</u>	<u>\$ 2,841,345</u>	<u>\$ 3,441,113</u>	<u>\$ 599,768</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 200,000	\$ 200,000	\$ 358,093	\$ 158,093
Transfers out	(3,750,870)	(3,835,170)	(3,382,591)	452,579
Total other financing sources (uses)	<u>\$ (3,550,870)</u>	<u>\$ (3,635,170)</u>	<u>\$ (3,024,498)</u>	<u>\$ 610,672</u>
Net change in fund balance	\$ 186,568	\$ (793,825)	\$ 416,615	\$ 1,210,440
Fund balance - beginning	(186,568)	793,825	11,177,917	10,384,092
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,594,532</u>	<u>\$ 11,594,532</u>

Virginia Public Assistance Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 5,000	\$ 5,000	\$ 6,937	\$ 1,937
Recovered costs	-	-	13,225	13,225
Intergovernmental:				
Commonwealth	557,896	557,896	595,419	37,523
Federal	1,018,081	1,018,081	1,090,159	72,078
Total revenues	<u>\$ 1,580,977</u>	<u>\$ 1,580,977</u>	<u>\$ 1,705,740</u>	<u>\$ 124,763</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	\$ 2,027,544	\$ 2,111,844	\$ 1,896,559	\$ 215,285
Total expenditures	<u>\$ 2,027,544</u>	<u>\$ 2,111,844</u>	<u>\$ 1,896,559</u>	<u>\$ 215,285</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (446,567)</u>	<u>\$ (530,867)</u>	<u>\$ (190,819)</u>	<u>\$ 340,048</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 446,567	\$ 530,867	\$ 190,819	\$ (340,048)
Total other financing sources (uses)	<u>\$ 446,567</u>	<u>\$ 530,867</u>	<u>\$ 190,819</u>	<u>\$ (340,048)</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CARES Act Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental:				
Federal	\$ -	\$ 1,496,097	\$ 210,653	\$ (1,285,444)
Total revenues	\$ -	\$ 1,496,097	\$ 210,653	\$ (1,285,444)
<b>EXPENDITURES</b>				
Current:				
General government administration	\$ -	\$ 1,311,031	\$ 25,587	\$ 1,285,444
Judicial administration	-	42	42	-
Public safety	-	2,597	2,597	-
Public works	-	23,488	23,488	-
Parks, recreation, and cultural	-	551	551	-
Community development	-	295	295	-
Total expenditures	\$ -	\$ 1,338,004	\$ 52,560	\$ 1,285,444
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 158,093	\$ 158,093	\$ -
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	\$ -	\$ (158,093)	\$ (158,093)	\$ -
Total other financing sources (uses)	\$ -	\$ (158,093)	\$ (158,093)	\$ -
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -

## Schedule Changes in Net Pension Liability and Related Ratios

Primary Government

For the Measurement Dates of June 30, 2014 through June 30, 2019

	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>						
Service cost	\$ 454,381	\$ 460,741	\$ 443,105	\$ 458,107	\$ 464,384	\$ 460,562
Interest	1,316,068	1,251,987	1,231,009	1,179,405	1,102,964	1,033,309
Changes in assumptions	587,817	-	(490,053)	-	-	-
Differences between expected and actual experience	49,587	(110,542)	(272,201)	(335,084)	43,830	-
Benefit payments	(754,453)	(619,030)	(605,297)	(525,169)	(513,164)	(484,431)
<b>Net change in total pension liability</b>	<b>\$ 1,653,400</b>	<b>\$ 983,156</b>	<b>\$ 306,563</b>	<b>\$ 777,259</b>	<b>\$ 1,098,014</b>	<b>\$ 1,009,440</b>
<b>Total pension liability - beginning</b>	<b>19,178,205</b>	<b>18,195,049</b>	<b>17,888,486</b>	<b>17,111,227</b>	<b>16,013,213</b>	<b>15,003,773</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 20,831,605</b>	<b>\$ 19,178,205</b>	<b>\$ 18,195,049</b>	<b>\$ 17,888,486</b>	<b>\$ 17,111,227</b>	<b>\$ 16,013,213</b>
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ 338,487	\$ 372,656	\$ 366,099	\$ 468,270	\$ 455,429	\$ 502,256
Contributions - employee	209,610	206,589	202,249	202,312	197,041	210,098
Net investment income	1,240,953	1,285,517	1,895,714	272,613	661,502	1,940,568
Benefit payments	(754,453)	(619,030)	(605,297)	(525,169)	(513,164)	(484,431)
Administrator charges	(12,184)	(10,925)	(10,770)	(9,247)	(8,779)	(10,150)
Other	(782)	(1,152)	(1,694)	(113)	(141)	102
<b>Net change in plan fiduciary net position</b>	<b>\$ 1,021,631</b>	<b>\$ 1,233,655</b>	<b>\$ 1,846,301</b>	<b>\$ 408,666</b>	<b>\$ 791,888</b>	<b>\$ 2,158,443</b>
<b>Plan fiduciary net position - beginning</b>	<b>18,566,964</b>	<b>17,333,309</b>	<b>15,487,008</b>	<b>15,078,342</b>	<b>14,286,454</b>	<b>12,128,011</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 19,588,595</b>	<b>\$ 18,566,964</b>	<b>\$ 17,333,309</b>	<b>\$ 15,487,008</b>	<b>\$ 15,078,342</b>	<b>\$ 14,286,454</b>
<b>County's net pension liability - ending (a) - (b)</b>	<b>\$ 1,243,010</b>	<b>\$ 611,241</b>	<b>\$ 861,740</b>	<b>\$ 2,401,478</b>	<b>\$ 2,032,885</b>	<b>\$ 1,726,759</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>94.03%</b>	<b>96.81%</b>	<b>95.26%</b>	<b>86.58%</b>	<b>88.12%</b>	<b>89.22%</b>
<b>Covered payroll</b>	<b>\$ 4,346,613</b>	<b>\$ 4,202,658</b>	<b>\$ 4,093,208</b>	<b>\$ 4,066,784</b>	<b>\$ 3,950,804</b>	<b>\$ 3,874,861</b>
<b>County's net pension liability as a percentage of covered payroll</b>	<b>28.60%</b>	<b>14.54%</b>	<b>21.05%</b>	<b>59.05%</b>	<b>51.45%</b>	<b>44.56%</b>

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



Schedule Changes in Net Pension Liability (Asset) and Related Ratios  
Component Unit School Board (nonprofessional)  
For the Measurement Dates of June 30, 2014 through June 30, 2019

	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>						
Service cost	\$ 85,661	\$ 83,525	\$ 82,904	\$ 82,952	\$ 88,072	\$ 89,530
Interest	235,535	230,217	220,434	213,652	207,919	198,288
Changes in assumptions	97,533	-	(21,292)	-	-	-
Differences between expected and actual experience	(98,586)	(89,756)	4,293	(52,634)	(70,545)	-
Benefit payments	(151,386)	(144,665)	(148,483)	(145,680)	(141,428)	(159,042)
<b>Net change in total pension liability</b>	<b>\$ 168,757</b>	<b>\$ 79,321</b>	<b>\$ 137,856</b>	<b>\$ 98,290</b>	<b>\$ 84,018</b>	<b>\$ 128,776</b>
<b>Total pension liability - beginning</b>	<b>3,440,472</b>	<b>3,361,151</b>	<b>3,223,295</b>	<b>3,125,005</b>	<b>3,040,987</b>	<b>2,912,211</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 3,609,229</b>	<b>\$ 3,440,472</b>	<b>\$ 3,361,151</b>	<b>\$ 3,223,295</b>	<b>\$ 3,125,005</b>	<b>\$ 3,040,987</b>
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ 35,439	\$ 38,697	\$ 39,046	\$ 68,989	\$ 66,646	\$ 68,290
Contributions - employee	41,963	41,184	41,222	41,524	40,260	39,920
Net investment income	243,580	256,712	383,857	55,416	139,344	418,583
Benefit payments	(151,386)	(144,665)	(148,483)	(145,680)	(141,428)	(159,042)
Administrator charges	(2,430)	(2,229)	(2,240)	(1,962)	(1,915)	(2,281)
Other	(153)	(228)	(340)	(23)	(29)	22
<b>Net change in plan fiduciary net position</b>	<b>\$ 167,013</b>	<b>\$ 189,471</b>	<b>\$ 313,062</b>	<b>\$ 18,264</b>	<b>\$ 102,878</b>	<b>\$ 365,492</b>
<b>Plan fiduciary net position - beginning</b>	<b>3,670,535</b>	<b>3,481,064</b>	<b>3,168,002</b>	<b>3,149,738</b>	<b>3,046,860</b>	<b>2,681,368</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 3,837,548</b>	<b>\$ 3,670,535</b>	<b>\$ 3,481,064</b>	<b>\$ 3,168,002</b>	<b>\$ 3,149,738</b>	<b>\$ 3,046,860</b>
<b>School Division's net pension liability (asset) - ending (a) - (b)</b>	<b>\$ (228,319)</b>	<b>\$ (230,063)</b>	<b>\$ (119,913)</b>	<b>\$ 55,293</b>	<b>\$ (24,733)</b>	<b>\$ (5,873)</b>
<b>Plan fiduciary net position as a percentage of the total liability</b>	<b>106.33%</b>	<b>106.69%</b>	<b>103.57%</b>	<b>98.28%</b>	<b>100.79%</b>	<b>100.19%</b>
<b>Covered payroll</b>	<b>\$ 874,540</b>	<b>\$ 852,394</b>	<b>\$ 843,268</b>	<b>\$ 844,944</b>	<b>\$ 814,326</b>	<b>\$ 799,196</b>
<b>School Division's net pension liability (asset) as a percentage of covered payroll</b>	<b>-26.11%</b>	<b>-26.99%</b>	<b>-14.22%</b>	<b>6.54%</b>	<b>-3.04%</b>	<b>-0.73%</b>

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

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan  
For the Measurement Dates of June 30, 2014 through June 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.12886%	0.13290%	0.13584%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 16,958,708	\$ 15,629,000	\$ 16,705,000
Employer's Covered Payroll	10,743,884	10,887,129	10,667,516
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	157.85%	143.55%	156.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.51%	74.81%	72.92%

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

Exhibit 16

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<u>2016</u>	<u>2015</u>	<u>2014</u>
0.14033%	0.13779%	0.14235%
\$ 19,666,000	\$ 17,343,000	\$ 17,202,000
9,980,456	10,294,522	10,268,842
197.05%	168.47%	167.52%
68.28%	70.68%	70.88%

Schedule of Employer Contributions  
 Pension Plans  
 For the Years Ended June 30, 2011 through June 30, 2020

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
<b>Primary Government</b>					
2020	\$ 354,698	\$ 354,698	\$ -	\$ 4,661,779	7.61%
2019	338,486	338,486	-	4,346,613	7.79%
2018	373,457	373,457	-	4,202,658	8.89%
2017	366,096	366,096	-	4,093,208	8.94%
2016	469,307	469,307	-	4,066,784	11.54%
2015	455,923	455,923	-	3,950,804	11.54%
2014	502,569	502,569	-	3,874,861	12.97%
2013	486,908	486,908	-	3,754,106	12.97%
2012	361,872	361,872	-	3,423,572	10.57%
2011	349,819	349,819	-	3,309,545	10.57%
<b>Component Unit School Board (nonprofessional)</b>					
2020	\$ 34,685	\$ 34,685	\$ -	\$ 884,357	3.92%
2019	35,439	35,439	-	874,540	4.05%
2018	38,992	38,992	-	852,394	4.57%
2017	36,777	36,777	-	843,268	4.36%
2016	69,623	69,623	-	844,944	8.24%
2015	67,100	67,100	-	814,326	8.24%
2014	68,331	68,331	-	799,196	8.55%
2013	64,905	64,905	-	759,122	8.55%
2012	48,989	48,989	-	796,563	6.15%
2011	53,330	53,330	-	867,158	6.15%
<b>Component Unit School Board (professional)</b>					
2020	\$ 1,739,502	\$ 1,739,502	\$ -	\$ 11,388,840	15.27%
2019	1,651,385	1,651,385	-	10,743,884	15.37%
2018	1,708,817	1,708,817	-	10,887,129	15.70%
2017	1,465,897	1,465,897	-	10,667,516	13.74%
2016	1,485,652	1,485,652	-	9,980,456	14.89%
2015	1,448,771	1,448,771	-	10,294,522	14.07%
2014	1,197,347	1,197,347	-	10,268,842	11.66%
2013	1,101,172	1,101,172	-	9,444,014	11.66%
2012	645,888	645,888	-	10,203,602	6.33%
2011	413,912	413,912	-	10,532,112	3.93%

Notes to Required Supplementary Information  
 Pension Plans  
 For the Year Ended June 30, 2020

**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, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

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

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

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

Component Unit School Board - Professional Employees

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

Schedule of County's and School Board's Share of Net OPEB Liability  
 Cost-Sharing OPEB Plans  
 For the Measurement Dates of June 30, 2017 through June 30, 2019

Date (1)	Employer's Proportion of the Net OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total OPEB Liability (6)
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Group Life Insurance (GLI) Plan

**Primary Government**

2019	0.02217%	\$ 360,765	\$ 4,346,613	8.30%	52.00%
2018	0.02210%	336,000	4,202,658	7.99%	51.22%
2017	0.02219%	334,000	4,093,208	8.16%	48.86%

**Component Unit School Board (nonprofessional)**

2019	0.00446%	\$ 72,576	\$ 874,540	8.30%	52.00%
2018	0.00448%	68,000	852,394	7.98%	51.22%
2017	0.00462%	70,000	852,080	8.22%	48.86%

**Component Unit School Board (professional)**

2019	0.05485%	\$ 892,556	\$ 10,751,719	8.30%	52.00%
2018	0.05615%	853,000	10,675,973	7.99%	51.22%
2017	0.05785%	870,000	10,669,622	8.15%	48.86%

Teacher Employee Health Insurance Credit (HIC) Plan

**Component Unit School Board (professional)**

2019	0.12809%	\$ 1,676,822	\$ 10,743,884	15.61%	8.97%
2018	0.13195%	1,676,000	10,671,599	15.71%	8.08%
2017	0.13517%	1,715,000	10,667,720	16.08%	7.04%

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

Schedule of Employer Contributions  
 VRS OPEB Plan - Group Life Insurance (GLI) Plan  
 For the Years Ended June 30, 2011 through June 30, 2020

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
<b>Primary Government</b>					
2020	\$ 24,240	\$ 24,240	\$ -	\$ 4,661,779	0.52%
2019	22,602	22,602	-	4,346,613	0.52%
2018	21,854	21,854	-	4,202,658	0.52%
2017	21,285	21,285	-	4,093,208	0.52%
2016	19,521	19,521	-	4,066,784	0.48%
2015	18,964	18,964	-	3,950,804	0.48%
2014	18,599	18,599	-	3,874,861	0.48%
2013	18,020	18,020	-	3,754,106	0.48%
2012	9,586	9,586	-	3,423,572	0.28%
2011	9,267	9,267	-	3,309,545	0.28%
<b>Component Unit School Board (nonprofessional)</b>					
2020	\$ 4,599	\$ 4,599	\$ -	\$ 884,357	0.52%
2019	4,548	4,548	-	874,540	0.52%
2018	4,432	4,432	-	852,394	0.52%
2017	4,431	4,431	-	852,080	0.52%
2016	4,056	4,056	-	844,944	0.48%
2015	3,909	3,909	-	814,326	0.48%
2014	3,844	3,844	-	800,764	0.48%
2013	3,644	3,644	-	759,122	0.48%
2012	2,250	2,250	-	803,445	0.28%
2011	2,457	2,457	-	877,338	0.28%
<b>Component Unit School Board (professional)</b>					
2020	\$ 59,222	\$ 59,222	\$ -	\$ 11,388,840	0.52%
2019	55,909	55,909	-	10,751,719	0.52%
2018	55,515	55,515	-	10,675,973	0.52%
2017	55,482	55,482	-	10,669,622	0.52%
2016	51,359	51,359	-	10,699,857	0.48%
2015	49,173	49,173	-	10,244,402	0.48%
2014	49,969	49,969	-	10,410,173	0.48%
2013	46,324	46,324	-	9,650,930	0.48%
2012	28,887	28,887	-	10,316,733	0.28%
2011	29,633	29,633	-	10,583,078	0.28%

Schedule of Employer Contributions  
 VRS OPEB Plan - Teacher Employee Health Insurance Credit (HIC) Plan  
 For the Years Ended June 30, 2011 through June 30, 2020

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
<b>Component Unit School Board (professional)</b>					
2020	\$ 136,666	\$ 136,666	\$ -	\$ 11,388,840	1.20%
2019	128,927	128,927	-	10,743,884	1.20%
2018	131,261	131,261	-	10,671,599	1.23%
2017	118,412	118,412	-	10,667,720	1.11%
2016	113,418	113,418	-	10,699,857	1.06%
2015	108,591	108,591	-	10,244,402	1.06%
2014	115,553	115,553	-	10,410,173	1.11%
2013	105,914	105,914	-	9,541,789	1.11%
2012	61,222	61,222	-	10,203,598	0.60%
2011	63,193	63,193	-	10,532,202	0.60%



Notes to Required Supplementary Information  
 VRS OPEB Plan - Group Life Insurance (GLI) Plan  
 For the Year Ended June 30, 2020

**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, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

**Teachers**

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

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

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

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

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

Notes to Required Supplementary Information  
 VRS OPEB Plan - Teacher Employee Health Insurance Credit (HIC) Plan  
 For the Year Ended June 30, 2020

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

**Changes of assumptions** - The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

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

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

**OTHER SUPPLEMENTARY INFORMATION**

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

Debt Service Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental:				
Federal	\$ 422,000	\$ 422,000	\$ 434,475	\$ 12,475
Total revenues	<u>\$ 422,000</u>	<u>\$ 422,000</u>	<u>\$ 434,475</u>	<u>\$ 12,475</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	\$ 2,206,222	\$ 2,206,222	\$ 2,206,222	\$ -
Interest and other fiscal charges	1,294,013	1,294,013	1,294,013	-
Total expenditures	<u>\$ 3,500,235</u>	<u>\$ 3,500,235</u>	<u>\$ 3,500,235</u>	<u>\$ -</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,078,235)</u>	<u>\$ (3,078,235)</u>	<u>\$ (3,065,760)</u>	<u>\$ 12,475</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 3,048,235	\$ 3,048,235	\$ 3,010,596	\$ (37,639)
Advance refunding of bonds - VPSA	30,000	30,000	55,164	25,164
Total other financing sources (uses)	<u>\$ 3,078,235</u>	<u>\$ 3,078,235</u>	<u>\$ 3,065,760</u>	<u>\$ (12,475)</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

County Capital Improvements Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Revenue from the use of money and property	\$ -	\$ -	\$ 62,030	\$ 62,030
Total revenues	\$ -	\$ -	\$ 62,030	\$ 62,030
<b>EXPENDITURES</b>				
Capital projects	\$ -	\$ 5,150,000	\$ 4,948,652	\$ 201,348
Debt service:				
Bond issuance cost	-	-	104,186	(104,186)
Total expenditures	\$ -	\$ 5,150,000	\$ 5,052,838	\$ 97,162
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (5,150,000)	\$ (4,990,808)	\$ 159,192
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of lease revenue bonds	\$ -	\$ 5,150,000	\$ 5,150,000	\$ -
Total other financing sources (uses)	\$ -	\$ 5,150,000	\$ 5,150,000	\$ -
Net change in fund balance	\$ -	\$ -	\$ 159,192	\$ 159,192
Fund balance - beginning	-	-	42,028	42,028
Fund balance - ending	\$ -	\$ -	\$ 201,220	\$ 201,220

Combining Statement of Changes in Assets and Liabilities  
 Agency Funds  
 For the Year Ended June 30, 2020

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
<b>Special Welfare Fund:</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 35,247	\$ 4,379	\$ 384	\$ 39,242
Other receivables	-	522	-	522
Total assets	<u>\$ 35,247</u>	<u>\$ 4,901</u>	<u>\$ 384</u>	<u>\$ 39,764</u>
<b>LIABILITIES</b>				
Amounts held for social services clients	\$ 35,247	\$ 4,901	\$ 384	\$ 39,764
Total liabilities	<u>\$ 35,247</u>	<u>\$ 4,901</u>	<u>\$ 384</u>	<u>\$ 39,764</u>
<b>Surety Bond Fund:</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 205,100	-	\$ 8,100	\$ 197,000
Total assets	<u>\$ 205,100</u>	<u>-</u>	<u>\$ 8,100</u>	<u>\$ 197,000</u>
<b>LIABILITIES</b>				
Amounts held for others	\$ 205,100	-	\$ 8,100	\$ 197,000
Total liabilities	<u>\$ 205,100</u>	<u>-</u>	<u>\$ 8,100</u>	<u>\$ 197,000</u>
<b>Totals - All Agency Funds:</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 240,347	\$ 4,379	\$ 8,484	\$ 236,242
Other receivables	-	522	-	522
Total assets	<u>\$ 240,347</u>	<u>\$ 4,901</u>	<u>\$ 8,484</u>	<u>\$ 236,764</u>
<b>LIABILITIES</b>				
Amounts held for social services clients	\$ 35,247	\$ 4,901	\$ 384	\$ 39,764
Amounts held for others	205,100	-	8,100	197,000
Total liabilities	<u>\$ 240,347</u>	<u>\$ 4,901</u>	<u>\$ 8,484</u>	<u>\$ 236,764</u>



**Discretely Presented Component Unit-School Board**

Combining Balance Sheet  
 Discretely Presented Component Unit - School Board  
 June 30, 2020

	<u>School Operating Fund</u>	<u>School Cafeteria Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 871,937	\$ 331,695	\$ 1,203,632
Receivables (net of allowance for uncollectibles):			
Accounts receivable	20,450	-	20,450
Due from other governmental units	559,820	27,285	587,105
Total assets	<u>\$ 1,452,207</u>	<u>\$ 358,980</u>	<u>\$ 1,811,187</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 328,825	\$ 8,417	\$ 337,242
Accrued liabilities	871,937	30,179	902,116
Due to primary government	251,445	-	251,445
Total liabilities	<u>\$ 1,452,207</u>	<u>\$ 38,596</u>	<u>\$ 1,490,803</u>
<b>FUND BALANCES</b>			
Committed:			
Cafeteria operations	\$ -	\$ 320,384	\$ 320,384
Total fund balances	<u>\$ -</u>	<u>\$ 320,384</u>	<u>\$ 320,384</u>
Total liabilities and fund balances	<u>\$ 1,452,207</u>	<u>\$ 358,980</u>	<u>\$ 1,811,187</u>
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:			
Total fund balances per above			\$ 320,384
The net pension asset is not available to pay for current-period expenditures and, therefore, is not reported in the funds.			228,319
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Land		\$ 257,165	
Buildings and improvements		5,306,432	
Improvements other than buildings		62,265	
Machinery, equipment, and vehicles		2,564,210	
Jointly owned assets		<u>11,371,198</u>	19,561,270
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.			
Pension related items		\$ 3,599,202	
OPEB related items		<u>364,740</u>	3,963,942
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.			
Energy improvement lease		\$ (1,062,304)	
Compensated absences		(615,175)	
Net pension liabilities		(16,958,708)	
Net OPEB liabilities		(2,641,954)	
Accrued interest payable		<u>(23,127)</u>	(21,301,268)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.			
Pension related items		\$ (2,573,889)	
OPEB related items		<u>(247,495)</u>	(2,821,384)
Net position of governmental activities			<u>\$ (48,737)</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds - Discretely Presented Component Unit - School Board  
 For the Year Ended June 30, 2020

	School Operating Fund	School Cafeteria Fund	Total Governmental Funds
<b>REVENUES</b>			
Revenue from the use of money and property	\$ 3,401	\$ -	\$ 3,401
Charges for services	13,810	112,676	126,486
Miscellaneous	305,736	200	305,936
Intergovernmental:			
Local government	6,776,814	-	6,776,814
Commonwealth	14,839,244	29,476	14,868,720
Federal	2,150,334	951,496	3,101,830
Total revenues	<u>\$ 24,089,339</u>	<u>\$ 1,093,848</u>	<u>\$ 25,183,187</u>
<b>EXPENDITURES</b>			
Current:			
Education	\$ 23,961,909	\$ 1,065,484	\$ 25,027,393
Debt service:			
Principal retirement	95,588	-	95,588
Interest and other fiscal charges	31,842	-	31,842
Total expenditures	<u>\$ 24,089,339</u>	<u>\$ 1,065,484</u>	<u>\$ 25,154,823</u>
Net change in fund balances	\$ -	\$ 28,364	\$ 28,364
Fund balances - beginning	-	292,020	292,020
Fund balances - ending	<u>\$ -</u>	<u>\$ 320,384</u>	<u>\$ 320,384</u>

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

Net change in fund balances - total governmental funds - per above	\$ 28,364
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded (did not exceed) depreciation in the current period.

Capital asset additions	\$ 582,997	
Depreciation in current year	(877,387)	
Adjustment for jointly owned assets	<u>1,010,610</u>	716,220

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. It represents principal payments on the energy improvement lease.

95,588

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The details of changes in the following items which comprise this adjustment are:

Compensated absences	\$ (52,978)	
Change in pension related items	198,532	
Change in OPEB related items	73,907	
Accrued interest payable	<u>2,081</u>	<u>221,542</u>

Change in net position of governmental activities	\$ 1,061,714
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COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 Discretely Presented Component Unit - School Board  
 For the Year Ended June 30, 2020

	School Operating Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>REVENUES</b>				
Revenue from the use of money and property	\$ 3,500	\$ 3,500	\$ 3,401	\$ (99)
Charges for services	14,000	14,000	13,810	(190)
Miscellaneous	312,500	342,500	305,736	(36,764)
Intergovernmental:				
Local government	7,271,002	7,501,059	6,776,814	(724,245)
Commonwealth	14,849,612	14,951,727	14,839,244	(112,483)
Federal	2,872,893	3,066,381	2,150,334	(916,047)
Total revenues	<u>\$ 25,323,507</u>	<u>\$ 25,879,167</u>	<u>\$ 24,089,339</u>	<u>\$ (1,789,828)</u>
<b>EXPENDITURES</b>				
Current:				
Education	\$ 25,196,076	\$ 25,751,736	\$ 23,961,909	\$ 1,789,827
Debt service:				
Principal retirement	95,589	95,589	95,588	1
Interest and other fiscal charges	31,842	31,842	31,842	-
Total expenditures	<u>\$ 25,323,507</u>	<u>\$ 25,879,167</u>	<u>\$ 24,089,339</u>	<u>\$ 1,789,828</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Exhibit 29

School Cafeteria Fund			
Budgeted Amounts		Actual	Variance with
Original	Final		Final Budget
			Positive (Negative)
\$ -	\$ -	\$ -	\$ -
200,000	200,000	112,676	(87,324)
-	-	200	200
-	-	-	-
36,122	29,678	29,476	(202)
890,000	890,000	951,496	61,496
<u>\$ 1,126,122</u>	<u>\$ 1,119,678</u>	<u>\$ 1,093,848</u>	<u>\$ (25,830)</u>
\$ 1,301,122	\$ 1,294,678	\$ 1,065,484	\$ 229,194
-	-	-	-
-	-	-	-
<u>\$ 1,301,122</u>	<u>\$ 1,294,678</u>	<u>\$ 1,065,484</u>	<u>\$ 229,194</u>
\$ (175,000)	\$ (175,000)	\$ 28,364	\$ 203,364
175,000	175,000	292,020	117,020
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 320,384</u>	<u>\$ 320,384</u>

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## Supporting Schedules

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Schedule of Revenues - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2020

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund:</b>				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 8,315,000	\$ 8,315,000	\$ 7,999,933	\$ (315,067)
Real and personal public service corporation taxes	3,600,000	3,600,000	3,195,819	(404,181)
Personal property taxes	2,850,000	2,850,000	3,162,790	312,790
Mobile home taxes	50,000	50,000	50,831	831
Machinery and tools taxes	210,000	210,000	258,761	48,761
Merchants' capital taxes	190,000	190,000	186,983	(3,017)
Aircraft taxes	2,000	2,000	930	(1,070)
Penalties	170,000	170,000	184,571	14,571
Interest	170,000	170,000	194,732	24,732
Total general property taxes	<u>\$ 15,557,000</u>	<u>\$ 15,557,000</u>	<u>\$ 15,235,350</u>	<u>\$ (321,650)</u>
Other local taxes:				
Local sales and use taxes	\$ 815,360	\$ 815,360	\$ 863,034	\$ 47,674
Consumers' utility taxes	350,000	350,000	361,905	11,905
Franchise license taxes	50,000	50,000	47,375	(2,625)
Transient occupancy taxes	4,000	4,000	3,499	(501)
Motor vehicle licenses	340,000	340,000	349,277	9,277
Bank stock taxes	40,000	40,000	56,671	16,671
Taxes on recordation and wills	72,000	72,000	95,398	23,398
Total other local taxes	<u>\$ 1,671,360</u>	<u>\$ 1,671,360</u>	<u>\$ 1,777,159</u>	<u>\$ 105,799</u>
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 4,000	\$ 4,000	\$ 4,237	\$ 237
Permits and other licenses	75,200	75,200	78,626	3,426
Total permits, privilege fees, and regulatory licenses	<u>\$ 79,200</u>	<u>\$ 79,200</u>	<u>\$ 82,863</u>	<u>\$ 3,663</u>
Fines and forfeitures:				
Court fines and forfeitures	\$ 21,000	\$ 21,000	\$ 28,725	\$ 7,725
Other fines and forfeitures	8,100	8,100	14,913	6,813
Total fines and forfeitures	<u>\$ 29,100</u>	<u>\$ 29,100</u>	<u>\$ 43,638</u>	<u>\$ 14,538</u>
Revenue from use of money and property:				
Revenue from use of money	\$ 20,000	\$ 20,000	\$ 72,308	\$ 52,308
Revenue from use of property	100,500	100,500	80,339	(20,161)
Total revenue from use of money and property	<u>\$ 120,500</u>	<u>\$ 120,500</u>	<u>\$ 152,647</u>	<u>\$ 32,147</u>
Charges for services:				
Sheriff's fees	\$ 1,216	\$ 1,216	\$ 1,626	\$ 410
Charges for law library	2,400	2,400	2,562	162
Excess fees of clerk	4,000	4,000	6,783	2,783
Charges for courthouse maintenance	6,000	6,000	4,138	(1,862)
Charges for parks and recreation	-	-	12,779	12,779
Miscellaneous jail and inmate fees	1,000	1,000	1,129	129
Courthouse security fees	25,000	25,000	15,935	(9,065)

Schedule of Revenues - Budget and Actual

Governmental Funds

For the Year Ended June 30, 2020 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Revenue from local sources: (Continued)				
Charges for services: (Continued)				
Charges for Commonwealth's Attorney	\$ 2,000	\$ 2,000	\$ 1,230	\$ (770)
Charges for local court appointed attorney	-	-	220	220
Charges for law enforcement	-	-	901	901
Charges for sanitation and waste removal	16,000	16,000	15,393	(607)
Total charges for services	<u>\$ 57,616</u>	<u>\$ 57,616</u>	<u>\$ 62,696</u>	<u>\$ 5,080</u>
Miscellaneous:				
Miscellaneous	\$ 32,000	\$ 33,245	\$ 434,557	\$ 401,312
Service charge on tax exempt properties	10,000	10,000	3,398	(6,602)
Sale of salvage and surplus	-	-	238	238
Donations, etc (Sheriff)	-	-	125	125
Total miscellaneous	<u>\$ 42,000</u>	<u>\$ 43,245</u>	<u>\$ 438,318</u>	<u>\$ 395,073</u>
Total revenue from local sources	<u>\$ 17,556,776</u>	<u>\$ 17,558,021</u>	<u>\$ 17,792,671</u>	<u>\$ 234,650</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Communications taxes	\$ 400,000	\$ 400,000	\$ 350,991	\$ (49,009)
Motor vehicle carriers' tax	10,000	10,000	10,294	294
Animal friendly plates - DMV	-	-	10	10
Mobile home titling tax	30,000	30,000	66,758	36,758
Grantor's tax on deeds	20,000	20,000	23,330	3,330
Auto rental tax	1,500	1,500	2,205	705
Forest product sales	15,000	15,000	33,761	18,761
Personal property tax relief funds	1,136,914	1,136,914	1,136,914	-
Total noncategorical aid	<u>\$ 1,613,414</u>	<u>\$ 1,613,414</u>	<u>\$ 1,624,263</u>	<u>\$ 10,849</u>
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 214,446	\$ 214,446	\$ 256,317	\$ 41,871
Sheriff	869,013	869,013	864,897	(4,116)
Commissioner of revenue	80,018	80,018	82,229	2,211
Treasurer	94,066	94,066	92,813	(1,253)
Registrar/electoral board	40,000	40,000	52,344	12,344
Clerk of the Circuit Court	203,483	203,483	204,332	849
Total shared expenses	<u>\$ 1,501,026</u>	<u>\$ 1,501,026</u>	<u>\$ 1,552,932</u>	<u>\$ 51,906</u>

Schedule of Revenues - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2020 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
Other categorical aid:				
Recordation tax	\$ 28,397	\$ 28,397	\$ 27,654	\$ (743)
Fire program funds	55,000	55,000	60,820	5,820
Arts grant	4,500	4,500	4,500	-
E-911 grants	46,000	46,000	204,551	158,551
Litter control grant	2,600	2,600	3,054	454
Miscellaneous grants	267,864	267,864	16,770	(251,094)
Comprehensive Services Act program	1,254,544	1,254,544	1,434,827	180,283
Victim and witness assistance	70,669	70,669	15,832	(54,837)
Asset forfeiture DCJS	-	-	2,040	2,040
Total other categorical aid	<u>\$ 1,729,574</u>	<u>\$ 1,729,574</u>	<u>\$ 1,770,048</u>	<u>\$ 40,474</u>
Total categorical aid	<u>\$ 3,230,600</u>	<u>\$ 3,230,600</u>	<u>\$ 3,322,980</u>	<u>\$ 92,380</u>
Total revenue from the Commonwealth	<u>\$ 4,844,014</u>	<u>\$ 4,844,014</u>	<u>\$ 4,947,243</u>	<u>\$ 103,229</u>
Revenue from the federal government:				
Categorical aid:				
State and community highway safety	\$ -	\$ -	\$ 46,019	\$ 46,019
Local law enforcement block grant	-	-	1,763	1,763
Victim Witness	-	-	47,496	47,496
Comprehensive Services Act program - SSBG	-	-	62,500	62,500
Other grants	-	-	2,640	2,640
Total categorical aid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,418</u>	<u>\$ 160,418</u>
Total revenue from the federal government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,418</u>	<u>\$ 160,418</u>
Total General Fund	<u><u>\$ 22,400,790</u></u>	<u><u>\$ 22,402,035</u></u>	<u><u>\$ 22,900,332</u></u>	<u><u>\$ 498,297</u></u>
<b>Special Revenue Funds:</b>				
<b>Virginia Public Assistance Fund:</b>				
Revenue from local sources:				
Miscellaneous:				
Other miscellaneous	\$ 5,000	\$ 5,000	\$ 6,937	\$ 1,937
Total miscellaneous revenue	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 6,937</u>	<u>\$ 1,937</u>
Recovered costs:				
Insurance recovery	\$ -	\$ -	\$ 13,225	\$ 13,225
Total recovered costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,225</u>	<u>\$ 13,225</u>
Total revenue from local sources	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 20,162</u>	<u>\$ 15,162</u>

Schedule of Revenues - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2020 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Special Revenue Funds: (Continued)</b>				
<b>Virginia Public Assistance Fund: (Continued)</b>				
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Public assistance and welfare administration	\$ 557,896	\$ 557,896	\$ 595,419	\$ 37,523
Total revenue from the Commonwealth	<u>\$ 557,896</u>	<u>\$ 557,896</u>	<u>\$ 595,419</u>	<u>\$ 37,523</u>
Revenue from the federal government:				
Categorical aid:				
Public assistance and welfare administration	\$ 1,018,081	\$ 1,018,081	\$ 1,090,159	\$ 72,078
Total revenue from the federal government	<u>\$ 1,018,081</u>	<u>\$ 1,018,081</u>	<u>\$ 1,090,159</u>	<u>\$ 72,078</u>
Total Virginia Public Assistance Fund	<u>\$ 1,580,977</u>	<u>\$ 1,580,977</u>	<u>\$ 1,705,740</u>	<u>\$ 124,763</u>
<b>CARES Act Fund:</b>				
Revenue from the federal government:				
Categorical aid:				
CARES funding	\$ -	\$ 1,496,097	\$ 210,653	\$ (1,285,444)
Total revenue from the federal government	<u>\$ -</u>	<u>\$ 1,496,097</u>	<u>\$ 210,653</u>	<u>\$ (1,285,444)</u>
Total CARES Act Fund	<u>\$ -</u>	<u>\$ 1,496,097</u>	<u>\$ 210,653</u>	<u>\$ (1,285,444)</u>
<b>Debt Service Fund:</b>				
Revenue from the federal government:				
Categorical aid:				
Federal tax credit	\$ 422,000	\$ 422,000	\$ 434,475	\$ 12,475
Total revenue from the federal government	<u>\$ 422,000</u>	<u>\$ 422,000</u>	<u>\$ 434,475</u>	<u>\$ 12,475</u>
Total Debt Service Fund	<u>\$ 422,000</u>	<u>\$ 422,000</u>	<u>\$ 434,475</u>	<u>\$ 12,475</u>
<b>Capital Projects Funds:</b>				
<b>County Capital Improvements Fund:</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 62,030	\$ 62,030
Total County Capital Improvements Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,030</u>	<u>\$ 62,030</u>
Total Primary Government	<u>\$ 24,403,767</u>	<u>\$ 25,901,109</u>	<u>\$ 25,313,230</u>	<u>\$ (587,879)</u>

Schedule of Revenues - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2020 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Discretely Presented Component Unit - School Board:</b>				
<b>School Operating Fund:</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 3,500	\$ 3,500	\$ 3,401	\$ (99)
Charges for services:				
Tuition and other payments	\$ 14,000	\$ 14,000	\$ 13,810	\$ (190)
Miscellaneous:				
Other miscellaneous	\$ 312,500	\$ 342,500	\$ 305,736	\$ (36,764)
Total revenue from local sources	\$ 330,000	\$ 360,000	\$ 322,947	\$ (37,053)
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Buckingham, Virginia	\$ 7,271,002	\$ 7,501,059	\$ 6,776,814	\$ (724,245)
Total revenues from local governments	\$ 7,271,002	\$ 7,501,059	\$ 6,776,814	\$ (724,245)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 2,519,497	\$ 2,567,974	\$ 2,583,035	\$ 15,061
Basic school aid	6,572,526	6,613,084	6,608,882	(4,202)
ISAEF	8,355	8,386	8,387	1
Remedial summer education	51,136	38,101	38,101	-
Regular foster care	8,390	11,169	-	(11,169)
Gifted and talented	63,684	64,243	64,211	(32)
Remedial education	356,631	359,763	359,581	(182)
Special education- SOQ	852,094	859,577	859,141	(436)
Textbooks	128,247	129,373	129,308	(65)
Vocational standards of quality payments	291,673	294,235	294,086	(149)
Social security fringe benefits	397,389	400,879	400,676	(203)
Retirement fringe benefits	877,567	885,275	884,826	(449)
Group life fringe benefits	26,747	26,982	26,969	(13)
Early reading intervention	163,041	145,619	145,619	-
Project Graduation	4,116	4,116	4,116	-
Homebound education	11,077	10,520	10,520	-
Vocational education - equipment	4,357	4,470	4,470	-
Vocational occupational preparedness	30,372	45,288	27,404	(17,884)
Safe and stable families	2,100	2,100	2,100	-
Special ed foster care	-	-	11,169	11,169
At risk payments	503,771	507,996	507,903	(93)
Primary class size/K-3 initiative	415,586	409,924	409,924	-
Virginia Preschool Initiative	375,046	375,046	375,046	-
Standards of Learning algebra readiness	37,601	38,053	38,053	-
Supplemental lottery per pupil allocation	482,138	469,173	470,036	863
Compensation supplement	421,435	421,434	421,434	-
VPSA technology funds	154,000	154,000	79,871	(74,129)
Other state funds	91,036	104,947	74,376	(30,571)
Total categorical aid	\$ 14,849,612	\$ 14,951,727	\$ 14,839,244	\$ (112,483)

Schedule of Revenues - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2020 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Discretely Presented Component Unit - School Board: (Continued)</b>				
<b>School Operating Fund: (Continued)</b>				
Intergovernmental: (Continued)				
Revenue from the federal government:				
Categorical aid:				
Title I	\$ 850,019	\$ 870,194	\$ 696,996	\$ (173,198)
School Improvement Grant	1,194,485	1,112,633	542,179	(570,454)
Title VI-B, special education flow-through	550,843	544,884	538,742	(6,142)
Title VI-B, special education pre-school	10,616	10,902	8,790	(2,112)
Vocational education	49,697	50,700	31,079	(19,621)
Drug free schools	-	199,553	92,351	(107,202)
Title II, Part A	104,237	97,803	82,334	(15,469)
ROTC	62,867	62,867	62,042	(825)
Title IV, Part A	9,093	71,971	63,167	(8,804)
Rural and low-income schools	41,036	43,548	32,654	(10,894)
Other federal funds	-	1,326	-	(1,326)
Total categorical aid	<u>\$ 2,872,893</u>	<u>\$ 3,066,381</u>	<u>\$ 2,150,334</u>	<u>\$ (916,047)</u>
Total School Operating Fund	<u>\$ 25,323,507</u>	<u>\$ 25,879,167</u>	<u>\$ 24,089,339</u>	<u>\$ (1,789,828)</u>
<b>Special Revenue Fund:</b>				
<b>School Cafeteria Fund:</b>				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 112,676</u>	<u>\$ (87,324)</u>
Miscellaneous revenue:				
Gifts and Donations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200</u>	<u>\$ 200</u>
Total revenue from local sources	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 112,876</u>	<u>\$ (87,124)</u>
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 11,122	\$ 11,534	\$ 11,332	\$ (202)
School breakfast program	25,000	18,144	18,144	-
Total revenue from the Commonwealth	<u>\$ 36,122</u>	<u>\$ 29,678</u>	<u>\$ 29,476</u>	<u>\$ (202)</u>
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 875,000	\$ 875,000	\$ 783,369	\$ (91,631)
Summer feeding program - USDA	15,000	15,000	88,924	73,924
Commodities	-	-	79,203	79,203
Total revenue from the federal government	<u>\$ 890,000</u>	<u>\$ 890,000</u>	<u>\$ 951,496</u>	<u>\$ 61,496</u>
Total School Cafeteria Fund	<u>\$ 1,126,122</u>	<u>\$ 1,119,678</u>	<u>\$ 1,093,848</u>	<u>\$ (25,830)</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 26,449,629</u>	<u>\$ 26,998,845</u>	<u>\$ 25,183,187</u>	<u>\$ (1,815,658)</u>

Schedule of Expenditures - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2020

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund:</b>				
General government administration:				
Legislative:				
Board of supervisors	\$ 290,109	\$ 168,744	\$ 88,592	\$ 80,152
General and financial administration:				
County administrator	\$ 258,044	\$ 264,932	\$ 276,571	\$ (11,639)
Accounting and Auditing Services	45,000	45,000	50,000	(5,000)
Cost allocation plan	4,000	4,000	4,000	-
Commissioner of revenue	264,849	270,936	265,505	5,431
Assessor	-	125,616	125,616	-
Treasurer	302,737	309,242	314,438	(5,196)
Finance/Human Resource	227,392	232,045	251,212	(19,167)
Information Technology	181,796	184,253	181,927	2,326
Total general and financial administration	<u>\$ 1,283,818</u>	<u>\$ 1,436,024</u>	<u>\$ 1,469,269</u>	<u>\$ (33,245)</u>
Board of elections:				
Electoral board and officials	\$ 69,449	\$ 93,449	\$ 76,092	\$ 17,357
Registrar	104,426	119,149	119,232	(83)
Total board of elections	<u>\$ 173,875</u>	<u>\$ 212,598</u>	<u>\$ 195,324</u>	<u>\$ 17,274</u>
Total general government administration	<u>\$ 1,747,802</u>	<u>\$ 1,817,366</u>	<u>\$ 1,753,185</u>	<u>\$ 64,181</u>
Judicial administration:				
Courts:				
Circuit court	\$ 19,277	\$ 19,277	\$ 1,200	\$ 18,077
General district court	9,242	9,242	7,404	1,838
Special magistrates	2,500	2,500	-	2,500
Clerk of the circuit court	368,644	391,683	363,664	28,019
Victim and witness assistance	70,669	70,669	63,328	7,341
Total courts	<u>\$ 470,332</u>	<u>\$ 493,371</u>	<u>\$ 435,596</u>	<u>\$ 57,775</u>
Commonwealth's attorney:				
Commonwealth's attorney	\$ 427,491	\$ 437,623	\$ 430,646	\$ 6,977
Total commonwealth's attorney	<u>\$ 427,491</u>	<u>\$ 437,623</u>	<u>\$ 430,646</u>	<u>\$ 6,977</u>
Total judicial administration	<u>\$ 897,823</u>	<u>\$ 930,994</u>	<u>\$ 866,242</u>	<u>\$ 64,752</u>
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 2,255,096	\$ 2,312,037	\$ 2,325,217	\$ (13,180)
Selective enforcement	-	-	42,226	(42,226)
Sheriff's fund	-	-	3,000	(3,000)
Triad	2,500	2,500	2,500	-
Total law enforcement and traffic control	<u>\$ 2,257,596</u>	<u>\$ 2,314,537</u>	<u>\$ 2,372,943</u>	<u>\$ (58,406)</u>

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2020 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Public safety: (Continued)				
Fire and rescue services:				
Volunteer fire department	\$ 522,777	\$ 522,777	\$ 526,799	\$ (4,022)
Ambulance and rescue services	201,200	201,200	109,225	91,975
Glenmore rescue services	-	-	199,343	(199,343)
Forest fire prevention	27,000	27,000	27,601	(601)
Emergency services	494,112	495,761	364,810	130,951
Total fire and rescue services	<u>\$ 1,245,089</u>	<u>\$ 1,246,738</u>	<u>\$ 1,227,778</u>	<u>\$ 18,960</u>
Correction and detention:				
Piedmont Regional Jail Authority	\$ 400,000	\$ 400,000	\$ 472,867	\$ (72,867)
Piedmont Regional Juvenile Detention Center	40,000	40,000	83,087	(43,087)
Total correction and detention	<u>\$ 440,000</u>	<u>\$ 440,000</u>	<u>\$ 555,954</u>	<u>\$ (115,954)</u>
Inspections:				
Building	\$ 121,456	\$ 124,615	\$ 125,903	\$ (1,288)
Total inspections	<u>\$ 121,456</u>	<u>\$ 124,615</u>	<u>\$ 125,903</u>	<u>\$ (1,288)</u>
Other protection:				
Animal control	\$ 163,051	\$ 167,509	\$ 192,194	\$ (24,685)
Medical Examiner	200	200	160	40
Southside Center for Violence Prevention	5,000	5,000	5,000	-
Total other protection	<u>\$ 168,251</u>	<u>\$ 172,709</u>	<u>\$ 197,354</u>	<u>\$ (24,645)</u>
Total public safety	<u>\$ 4,232,392</u>	<u>\$ 4,298,599</u>	<u>\$ 4,479,932</u>	<u>\$ (181,333)</u>
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Streetlights	\$ 4,200	\$ 4,200	\$ 4,949	\$ (749)
Total maintenance of highways, streets, bridges and sidewalks	<u>\$ 4,200</u>	<u>\$ 4,200</u>	<u>\$ 4,949</u>	<u>\$ (749)</u>
Sanitation and waste removal:				
Refuse collection and disposal	\$ 755,536	\$ 797,812	\$ 1,063,046	\$ (265,234)
Anti-Litter	2,600	2,600	325	2,275
Total sanitation and waste removal	<u>\$ 758,136</u>	<u>\$ 800,412</u>	<u>\$ 1,063,371</u>	<u>\$ (262,959)</u>
Maintenance of general buildings and grounds:				
General properties	\$ 591,162	\$ 597,477	\$ 661,186	\$ (63,709)
Total maintenance of general buildings and grounds	<u>\$ 591,162</u>	<u>\$ 597,477</u>	<u>\$ 661,186</u>	<u>\$ (63,709)</u>
Total public works	<u>\$ 1,353,498</u>	<u>\$ 1,402,089</u>	<u>\$ 1,729,506</u>	<u>\$ (327,417)</u>
Health and welfare:				
Health:				
Health Department	\$ 124,814	\$ 127,935	\$ 127,935	\$ -
Total health	<u>\$ 124,814</u>	<u>\$ 127,935</u>	<u>\$ 127,935</u>	<u>\$ -</u>
Mental health and mental retardation:				
Crossroads Board	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Total mental health and mental retardation	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ -</u>



Schedule of Expenditures - Budget and Actual  
 Governmental Funds  
 For the Year Ended June 30, 2020 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Health and welfare: (Continued)				
Welfare:				
Piedmont Sr Resources Area on Aging	\$ 14,000	\$ 14,000	\$ 14,000	\$ -
Buckingham County active seniors	5,000	5,000	-	5,000
Tax relief for the elderly	-	-	28,083	(28,083)
Jaunt Inc transportation service	38,344	38,344	38,344	-
Piedmont area transit	10,000	10,000	10,000	-
VA legal aid	7,100	7,100	7,100	-
Pregnancy Support Center	3,000	3,000	3,000	-
Comprehensive services	1,592,461	1,592,461	1,885,997	(293,536)
Total welfare	<u>\$ 1,669,905</u>	<u>\$ 1,669,905</u>	<u>\$ 1,986,524</u>	<u>\$ (316,619)</u>
Total health and welfare	<u>\$ 1,834,719</u>	<u>\$ 1,837,840</u>	<u>\$ 2,154,459</u>	<u>\$ (316,619)</u>
Education:				
Other instructional costs:				
Contributions to colleges and agencies	\$ 56,397	\$ 56,397	\$ 53,290	\$ 3,107
Contribution to Buckingham County School Board	7,271,002	7,501,059	6,776,814	724,245
Total education	<u>\$ 7,327,399</u>	<u>\$ 7,557,456</u>	<u>\$ 6,830,104</u>	<u>\$ 727,352</u>
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 189,274	\$ 193,125	\$ 194,200	\$ (1,075)
Programs	-	-	17,882	(17,882)
Ellis Acres Memorial Park	5,000	5,000	5,000	-
Total parks and recreation	<u>\$ 194,274</u>	<u>\$ 198,125</u>	<u>\$ 217,082</u>	<u>\$ (18,957)</u>
Cultural enrichment:				
Arts Council	\$ 9,000	\$ 9,000	\$ 9,000	\$ -
Longwood Center For the Visual Arts	1,063	1,063	1,063	-
Hatton ferry fund	2,000	2,000	-	2,000
VA Retreat	4,500	4,500	4,500	-
4-H	1,000	1,000	1,000	-
Total cultural enrichment	<u>\$ 17,563</u>	<u>\$ 17,563</u>	<u>\$ 15,563</u>	<u>\$ 2,000</u>
Library:				
Regional library	\$ 203,784	\$ 203,784	\$ 203,784	\$ -
Total library	<u>\$ 203,784</u>	<u>\$ 203,784</u>	<u>\$ 203,784</u>	<u>\$ -</u>
Total parks, recreation, and cultural	<u>\$ 415,621</u>	<u>\$ 419,472</u>	<u>\$ 436,429</u>	<u>\$ (16,957)</u>
Community development:				
Planning and community development:				
Planning	\$ 116,903	\$ 122,753	\$ 97,766	\$ 24,987
Planning District Commission	19,000	19,000	19,000	-
Economic Development	-	-	9,575	(9,575)
Longwood Small Business Development Center	5,849	5,849	5,849	-
Virginia's Growth Alliance	17,146	17,146	17,146	-
Total planning and community development	<u>\$ 158,898</u>	<u>\$ 164,748</u>	<u>\$ 149,336</u>	<u>\$ 15,412</u>
Environmental management:				
Peter Francisco Soil and Water Conservation	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Total environmental management	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2020 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Community development: (Continued)				
Cooperative extension program:				
Cooperative extension office	\$ 93,200	\$ 93,200	\$ 89,885	\$ 3,315
Total cooperative extension program	<u>\$ 93,200</u>	<u>\$ 93,200</u>	<u>\$ 89,885</u>	<u>\$ 3,315</u>
Total community development	<u>\$ 262,098</u>	<u>\$ 267,948</u>	<u>\$ 249,221</u>	<u>\$ 18,727</u>
Nondepartmental:				
Proposed salary increase	\$ 80,000	\$ -	\$ -	\$ -
Unemployment insurance	2,000	2,000	1,152	848
Worker's compensation	50,000	50,000	48,256	1,744
General liability insurance	100,000	100,000	88,683	11,317
LODA insurance	20,000	20,000	17,335	2,665
School sewer contract	90,000	90,000	90,000	-
Total nondepartmental	<u>\$ 342,000</u>	<u>\$ 262,000</u>	<u>\$ 245,426</u>	<u>\$ 16,574</u>
Capital projects:				
Solid Waste site	\$ -	\$ 516,926	\$ 516,926	\$ -
Total capital projects	<u>\$ -</u>	<u>\$ 516,926</u>	<u>\$ 516,926</u>	<u>\$ -</u>
Debt service:				
Principal retirement	\$ 250,000	\$ 157,211	\$ 105,000	\$ 52,211
Interest and other fiscal charges	-	92,789	92,789	-
Total debt service	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 197,789</u>	<u>\$ 52,211</u>
Total General Fund	<u><u>\$ 18,663,352</u></u>	<u><u>\$ 19,560,690</u></u>	<u><u>\$ 19,459,219</u></u>	<u><u>\$ 101,471</u></u>
<b>Special Revenue Funds:</b>				
<b>Virginia Public Assistance Fund:</b>				
Health and welfare:				
Welfare and social services:				
Welfare administration	\$ 1,533,998	\$ 1,618,298	\$ 1,369,189	\$ 249,109
Public assistance	493,546	493,546	527,370	(33,824)
Total welfare and social services	<u>\$ 2,027,544</u>	<u>\$ 2,111,844</u>	<u>\$ 1,896,559</u>	<u>\$ 215,285</u>
Total Virginia Public Assistance Fund	<u><u>\$ 2,027,544</u></u>	<u><u>\$ 2,111,844</u></u>	<u><u>\$ 1,896,559</u></u>	<u><u>\$ 215,285</u></u>
<b>CARES Act Fund:</b>				
General government administration:				
Legislative:				
Board of supervisors	\$ -	\$ 1,304,590	\$ 19,146	\$ 1,285,444
General and financial administration:				
Treasurer	\$ -	\$ 2,913	\$ 2,913	\$ -
Board of elections:				
Registrar	\$ -	\$ 3,528	\$ 3,528	\$ -
Total general government administration	<u>\$ -</u>	<u>\$ 1,311,031</u>	<u>\$ 25,587</u>	<u>\$ 1,285,444</u>
Judicial administration:				
Special magistrates	\$ -	\$ 42	\$ 42	\$ -
Total judicial administration	<u>\$ -</u>	<u>\$ 42</u>	<u>\$ 42</u>	<u>\$ -</u>

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2020 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Special Revenue Funds: (Continued)</b>				
<b>CARES Act Fund: (Continued)</b>				
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ -	\$ 1,547	\$ 1,547	\$ -
Fire and rescue services:				
Emergency services	\$ -	\$ 1,050	\$ 1,050	\$ -
Total public safety	\$ -	\$ 2,597	\$ 2,597	\$ -
Public works:				
Maintenance of general buildings and grounds:				
General properties	\$ -	\$ 23,488	\$ 23,488	\$ -
Total public works	\$ -	\$ 23,488	\$ 23,488	\$ -
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ -	\$ 551	\$ 551	\$ -
Total parks, recreation, and cultural	\$ -	\$ 551	\$ 551	\$ -
Community development:				
Planning and community development:				
Planning	\$ -	\$ 295	\$ 295	\$ -
Total community development	\$ -	\$ 295	\$ 295	\$ -
Total CARES Act Fund	\$ -	\$ 1,338,004	\$ 52,560	\$ 1,285,444
<b>Debt Service Fund:</b>				
Debt service:				
Principal retirement	\$ 2,206,222	\$ 2,206,222	\$ 2,206,222	\$ -
Interest and other fiscal charges	1,294,013	1,294,013	1,294,013	-
Total Debt Service Fund	\$ 3,500,235	\$ 3,500,235	\$ 3,500,235	\$ -
<b>Capital Projects Fund:</b>				
<b>County Capital Improvements Fund:</b>				
Capital projects expenditures:				
Library renovation	\$ -	\$ 5,150,000	\$ 4,948,652	\$ 201,348
Total capital projects	\$ -	\$ 5,150,000	\$ 4,948,652	\$ 201,348
Debt service:				
Bond issuance cost	\$ -	\$ -	\$ 104,186	\$ (104,186)
Total debt service	\$ -	\$ -	\$ 104,186	\$ (104,186)
Total County Capital Improvements Fund	\$ -	\$ 5,150,000	\$ 5,052,838	\$ 97,162
Total Primary Government	\$ 24,191,131	\$ 31,660,773	\$ 29,961,411	\$ 1,699,362

Schedule of Expenditures - Budget and Actual  
Governmental Funds  
For the Year Ended June 30, 2020 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Discretely Presented Component Unit - School Board:</b>				
<b>School Operating Fund:</b>				
Education:				
Administration of schools:				
Administration, attendance and health	\$ 1,270,085	\$ 1,270,085	\$ 1,183,124	\$ 86,961
Instruction	18,429,221	18,723,692	17,390,035	1,333,657
Operation and maintenance services	2,183,017	2,197,779	2,090,837	106,942
Pupil transportation	2,298,810	2,455,180	2,274,191	180,989
Facilities	-	90,057	90,050	7
Total administration of schools	<u>\$ 24,181,133</u>	<u>\$ 24,736,793</u>	<u>\$ 23,028,237</u>	<u>\$ 1,708,556</u>
Capital Projects:				
Technology	\$ 1,014,943	\$ 1,014,943	\$ 933,672	\$ 81,271
Total Capital Projects	<u>\$ 1,014,943</u>	<u>\$ 1,014,943</u>	<u>\$ 933,672</u>	<u>\$ 81,271</u>
Total education	<u>\$ 25,196,076</u>	<u>\$ 25,751,736</u>	<u>\$ 23,961,909</u>	<u>\$ 1,789,827</u>
Debt service:				
Principal retirement	\$ 95,589	\$ 95,589	\$ 95,588	\$ 1
Interest and other fiscal charges	31,842	31,842	31,842	-
Total debt service	<u>\$ 127,431</u>	<u>\$ 127,431</u>	<u>\$ 127,430</u>	<u>\$ 1</u>
Total School Operating Fund	<u>\$ 25,323,507</u>	<u>\$ 25,879,167</u>	<u>\$ 24,089,339</u>	<u>\$ 1,789,828</u>
<b>Special Revenue Fund:</b>				
<b>School Cafeteria Fund:</b>				
Education:				
School food services:				
Administration of school food program	\$ 1,301,122	\$ 1,294,678	\$ 986,281	\$ 308,397
Commodities	-	-	79,203	(79,203)
Total school food services	<u>\$ 1,301,122</u>	<u>\$ 1,294,678</u>	<u>\$ 1,065,484</u>	<u>\$ 229,194</u>
Total education	<u>\$ 1,301,122</u>	<u>\$ 1,294,678</u>	<u>\$ 1,065,484</u>	<u>\$ 229,194</u>
Total School Cafeteria Fund	<u>\$ 1,301,122</u>	<u>\$ 1,294,678</u>	<u>\$ 1,065,484</u>	<u>\$ 229,194</u>
Total Discretely Presented Component Unit - School Board	<u>\$ 26,624,629</u>	<u>\$ 27,173,845</u>	<u>\$ 25,154,823</u>	<u>\$ 2,019,022</u>

**OTHER SUPPLEMENTARY INFORMATION**

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## Statistical Information

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COUNTY OF BUCKINGHAM, VIRGINIA

Table 1

Government-Wide Expenses by Function  
Last Ten Fiscal Years

Fiscal Year	General										Total
	Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education	Parks, Recreation, and Cultural	Community Development	Interest on Long-Term Debt	Water and Sewer Funds	
2010-11	\$ 1,384,736	\$ 917,801	\$ 2,762,662	\$ 1,408,760	\$ 2,737,450	\$ 6,040,884	\$ 325,171	\$ 201,937	\$ 1,165,465	\$ 1,207,953	\$ 18,152,819
2011-12	1,257,550	985,318	2,690,813	1,451,262	2,939,399	6,306,702	348,226	188,906	1,569,248	1,268,953	19,006,377
2012-13	2,595,482	1,035,208	3,363,851	1,498,252	2,239,623	7,749,790	387,451	193,740	1,569,221	1,267,501	21,900,119
2013-14	1,685,556	1,060,639	3,842,550	1,529,098	3,294,797	8,147,210	389,563	207,163	1,553,742	1,580,946	23,291,264
2014-15	1,565,410	1,002,077	4,017,264	1,646,492	3,523,182	8,427,308	432,069	218,033	1,436,287	1,615,778	23,883,900
2015-16	1,700,580	987,071	3,653,291	1,653,036	3,555,122	8,666,368	413,473	220,325	1,382,617	1,662,310	23,894,193
2016-17	1,463,715	1,061,769	3,594,958	1,706,511	3,512,614	8,998,345	438,922	411,948	1,326,584	1,521,786	24,037,152
2017-18	1,601,653	1,001,768	3,922,202	1,866,685	3,427,967	9,317,443	437,508	282,258	1,269,360	1,543,224	24,670,068
2018-19	1,788,696	989,861	3,920,161	1,798,682	3,600,983	8,944,546	468,722	255,855	1,142,741	2,015,374	24,925,621
2019-20	2,028,997	1,076,738	4,412,405	1,926,025	4,033,129	8,762,701	474,074	304,277	1,308,506	2,041,691	26,368,543

COUNTY OF BUCKINGHAM, VIRGINIA

Table 2

Government-Wide Revenues  
Last Ten Fiscal Years

Fiscal Year	PROGRAM REVENUES					GENERAL REVENUES					Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	General Property Taxes	Other Local Taxes	Unrestricted Investment Earnings	Miscellaneous (1)	Grants and Contributions Not Restricted to Specific Programs	Gain on Disposal of Assets		
2010-11	\$ 1,802,334	\$ 3,593,877	\$ 313,505	\$ 10,616,164	\$ 1,558,471	\$ 114,818	\$ 105,766	\$ 1,643,192	\$ -	\$ 19,748,127	
2011-12	1,720,579	3,680,538	463,673	11,745,730	1,405,633	94,894	56,144	1,617,869	-	20,785,060	
2012-13	1,762,976	3,900,775	5,911,322	12,678,306	1,440,590	75,566	56,263	1,652,039	-	27,477,837	
2013-14	1,898,194	4,315,514	723,746	12,986,630	1,604,503	85,167	87,704	1,673,742	-	23,375,200	
2014-15	1,902,629	4,299,529	970,564	13,631,179	1,663,458	83,592	71,861	1,626,021	-	24,248,833	
2015-16	1,811,877	4,446,058	2,190,206	15,796,716	1,531,218	88,822	32,599	1,604,344	-	27,501,840	
2016-17	1,805,861	4,517,168	2,652,093	15,240,213	1,544,266	97,973	41,055	1,621,690	-	27,520,319	
2017-18	1,971,648	4,436,609	927,906	15,316,841	1,667,879	114,609	43,353	1,587,349	5,211	26,071,405	
2018-19	1,956,344	4,762,701	566,716	15,282,463	1,812,988	157,617	17,544	1,615,875	-	26,172,248	
2019-20	1,978,002	5,379,629	489,639	15,530,458	1,777,159	227,498	445,255	1,624,263	-	27,451,903	

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

COUNTY OF BUCKINGHAM, VIRGINIA

Table 3

General Governmental Expenditures by Function (1)

Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education (2)	Parks, Recreation, and Cultural	Community Development	Non-departmental	Debt Service (3)	Total
2010-11	\$ 1,153,471	\$ 654,802	\$ 2,587,032	\$ 1,268,721	\$ 2,745,685	\$ 21,371,496	\$ 337,377	\$ 191,679	\$ 176,258	\$ 1,812,632	\$ 32,299,153
2011-12	1,228,193	726,999	2,519,559	1,541,936	2,933,693	21,963,359	337,794	178,648	174,677	2,593,520	34,198,378
2012-13	1,429,691	737,529	3,316,080	1,385,267	3,139,453	21,565,379	373,627	183,482	159,694	3,944,365	36,234,567
2013-14	1,521,630	802,694	3,528,585	1,409,089	3,237,366	22,805,455	402,645	196,905	172,235	4,811,303	38,887,907
2014-15	1,352,741	765,866	3,994,971	1,532,059	3,535,951	23,693,675	420,234	210,616	173,601	3,203,387	38,883,101
2015-16	1,456,920	780,627	3,616,697	1,537,630	3,584,376	24,182,516	398,855	212,814	169,951	3,194,871	39,135,257
2016-17	1,368,455	832,656	3,495,764	1,588,409	3,470,753	23,282,800	385,309	360,841	136,847	3,591,459	38,513,293
2017-18	1,435,902	823,038	3,908,298	1,851,969	3,540,904	24,203,403	391,698	236,136	283,133	3,660,339	40,334,820
2018-19	1,556,018	861,657	4,115,478	1,696,635	3,660,348	24,638,321	439,265	214,648	247,185	3,606,853	41,036,408
2019-20	1,778,772	866,284	4,482,529	1,752,994	4,051,018	25,080,683	436,980	249,516	245,426	3,929,640	42,873,842

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

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Table 4

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

Fiscal Year	General Property Taxes	Other Local Taxes	Permits, Privilege Fees, Regulatory Licenses	Fines and Forfeitures	Revenue from the Use of Money and Property	Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental (2)	Total
2010-11	\$ 10,563,656	\$ 1,558,471	\$ 61,439	\$ 56,670	\$ 69,642	\$ 338,340	\$ 906,055	\$ 22,447	\$ 20,923,637	\$ 34,500,357
2011-12	11,465,915	1,405,633	58,249	44,598	62,663	350,436	784,144	3,034	21,201,190	35,375,862
2012-13	12,443,638	1,440,590	85,392	78,760	67,085	336,213	926,178	-	21,294,948	36,672,804
2013-14	13,147,771	1,604,503	60,746	54,451	84,140	328,259	852,561	-	22,217,446	38,349,877
2014-15	13,495,901	1,663,458	57,211	48,488	86,870	310,933	815,594	-	22,662,073	39,140,528
2015-16	15,710,523	1,531,218	63,097	37,720	94,724	303,587	511,867	-	23,225,245	41,477,981
2016-17	15,179,208	1,544,266	80,714	34,051	101,148	283,853	291,014	-	22,881,258	40,395,512
2017-18	15,324,281	1,667,879	219,657	34,513	116,362	260,264	248,070	15,875	23,088,994	40,975,895
2018-19	15,416,355	1,812,988	84,651	41,662	166,009	269,163	270,200	23,475	24,194,522	42,279,025
2019-20	15,235,350	1,777,159	82,863	43,638	156,048	189,182	751,191	13,225	25,408,917	43,657,573

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Table 5

Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy (1)	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections (1)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes (1,2)	Percent of Delinquent Taxes to Tax Levy
		Amount Collected (1,3)	Percent of Levy Collected					
2010-11	\$ 11,439,032	\$ 10,550,992	92.24%	\$ 796,391	\$ 11,347,383	99.20%	\$ 91,649	0.80%
2011-12	12,433,137	11,649,756	93.70%	672,976	12,322,732	99.11%	110,405	0.89%
2012-13	13,446,472	12,776,284	95.02%	553,522	13,329,806	99.13%	116,666	0.87%
2013-14	13,805,588	13,240,204	95.90%	443,819	13,684,023	99.12%	121,565	0.88%
2014-15	14,467,711	13,743,751	95.00%	593,602	14,337,353	99.10%	130,358	0.90%
2015-16	16,658,592	15,801,943	94.86%	700,449	16,502,392	99.06%	156,200	0.94%
2016-17	16,015,659	15,123,883	94.43%	698,133	15,822,016	98.79%	193,643	1.21%
2017-18	15,983,840	15,084,303	94.37%	640,726	15,725,029	98.38%	258,811	1.62%
2018-19	16,012,888	15,169,420	94.73%	482,893	15,652,313	97.75%	360,575	2.25%
2019-20	16,333,715	15,388,780	94.21%	-	15,388,780	94.21%	944,935	5.79%

(1) Exclusive of penalties and interest.

(2) Includes all delinquent taxes.

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

COUNTY OF BUCKINGHAM, VIRGINIA

Table 6

Assessed Value of Taxable Property Last Ten Fiscal Years								
Fiscal Year	Real Estate (1)	Personal Property and Mobile Homes (1)	Machinery and Tools	Merchants' Capital	Public Service (2,3,4)	Aircraft	Total	
2010-11	\$ 1,445,038,406	\$ 102,709,557	\$ 7,411,150	\$ 11,029,035	\$ 274,324,587	\$ 147,150	\$ 1,840,659,885	
2011-12	1,452,096,856	104,942,505	7,685,500	12,406,003	466,323,519	151,500	2,043,605,883	
2012-13	1,461,765,706	107,585,400	8,184,860	17,701,611	647,876,531	139,400	2,243,253,508	
2013-14	1,447,598,003	108,393,316	7,216,720	17,311,230	647,182,004	135,200	2,227,836,473	
2014-15	1,419,142,650	101,741,211	7,016,330	17,054,639	641,413,099	134,400	2,186,502,329	
2015-16	1,412,731,450	103,671,456	7,255,010	18,854,949	962,370,653	130,400	2,505,013,918	
2016-17	1,418,184,000	109,294,993	7,425,880	19,487,757	673,628,750	126,400	2,228,147,780	
2017-18	1,425,087,600	112,131,988	7,479,530	19,318,250	640,842,630	99,000	2,204,958,998	
2018-19	1,432,653,300	115,490,423	7,654,800	19,081,530	614,469,116	165,000	2,189,514,169	
2019-20	1,510,039,100	118,815,597	9,010,020	18,530,910	626,128,254	169,000	2,282,692,881	

- (1) Assessed at 100% of fair market value.
- (2) Assessed values are established by the State Corporation Commission.
- (3) Increase in public service assessment is related to new power plant locating in the County in fiscal year 2010.
- (4) Elected to do semi-annual billing of Public Service Corp taxes beginning in fiscal year 2016.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 7

Property Tax Rates (1)  
Last Ten Fiscal Years

Fiscal Year	Real Estate		Mobile Homes	Personal Property (2)	Machinery and Tools (2)	Merchants' Capital	Aircraft
	1st Half	2nd Half					
2010-11	\$ 0.44	\$ 0.44	\$ 0.44	4.05	2.90	1.00	0.55
2011-12	0.44	0.44	0.44	4.05	2.90	1.00	0.55
2012-13	0.44	0.44	0.44	4.05	2.90	1.00	0.55
2013-14	0.44	0.50	0.44	4.05	2.90	1.00	0.55
2014-15	0.50	0.50	0.50	4.05	2.90	1.00	0.55
2015-16	0.50	0.55	0.50	4.05	2.90	1.00	0.55
2016-17	0.55	0.55	0.55	4.05	2.90	1.00	0.55
2017-18	0.55	0.55	0.55	4.05	2.90	1.00	0.55
2018-19	0.55	0.55	0.55	4.05	2.90	1.00	0.55
2019-20	0.52	0.55	0.55	4.05	2.90	1.00	0.55

(1) Per \$100 of assessed value.

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

COUNTY OF BUCKINGHAM, VIRGINIA

Table 8

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

Fiscal Year	Population (1)	Assessed Value (in thousands) (2)	Gross Bonded Debt (3)	Less:			Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt	Net Bonded Debt per Capita
				Service Monies Available					
2010-11	17,182	\$ 1,840,660	\$ 42,076,504	-	\$ -	-	42,076,504	2.29%	2,449
2011-12	17,143	2,043,606	39,714,254	-	-	-	39,714,254	1.94%	2,317
2012-13	17,296	2,243,254	37,684,292	-	-	-	37,684,292	1.68%	2,179
2013-14	17,185	2,227,836	34,763,484	-	-	-	34,763,484	1.56%	2,023
2014-15	17,152	2,186,502	33,345,895	-	-	-	33,345,895	1.53%	1,944
2015-16	16,988	2,186,502	31,853,527	-	-	-	31,853,527	1.46%	1,875
2016-17	16,913	2,505,014	31,272,870	-	-	-	31,272,870	1.25%	1,849
2017-18	16,957	2,228,148	29,107,711	-	-	-	29,107,711	1.31%	1,717
2018-19	16,952	2,204,959	26,796,584	-	-	-	26,796,584	1.22%	1,581
2019-20	17,075	2,189,514	24,117,858	-	-	-	24,117,858	1.10%	1,412

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

(2) From table 6.

(3) Includes all long-term general obligation bonded debt, bonded anticipation notes, and literary fund loans. Excludes revenue bonds, capital leases, and compensated absences.



COUNTY OF BUCKINGHAM, VIRGINIA

Table 9

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

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
2010-11	\$ 830,343	\$ 982,289	\$ 1,812,632	\$ 32,299,153	5.61%
2011-12	1,343,921	1,249,599	2,593,520	34,198,378	7.58%
2012-13	2,029,962	1,914,403	3,944,365	36,234,567	10.89%
2013-14	2,979,397	1,831,906	4,811,303	38,887,907	12.37%
2014-15	1,508,581	1,694,806	3,203,387	38,883,101	8.24%
2015-16	1,562,051	1,632,820	3,194,871	39,135,257	8.16%
2016-17	2,025,176	1,756,691	3,781,867	38,513,293	9.82%
2017-18	2,111,988	1,476,261	3,588,249	40,334,820	8.90%
2018-19	2,205,521	1,401,332	3,606,853	41,036,408	8.79%
2019-20	2,406,810	1,418,644	3,825,454	42,873,842	8.92%

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

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## **COMPLIANCE**

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Buckingham, Virginia as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise County of Buckingham, Virginia's basic financial statements and have issued our report thereon dated February 2, 2021.

**Internal Control over Financial Reporting**

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

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

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

## Compliance and Other Matters

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

### Purpose of this Report

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

*Robinson Farver Cox Associates*

Charlottesville, Virginia

February 2, 2021



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

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

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

We have audited County of Buckingham, Virginia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of County of Buckingham, Virginia's major federal programs for the year ended June 30, 2020. County of Buckingham, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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

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

In our opinion, County of Buckingham, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

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

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

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

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

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

*Robinson Farrow Cox Associates*

Charlottesville, Virginia

February 2, 2021



COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2020

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Pass Through Payments:			
Virginia Department of Social Services:			
Promoting Safe and Stable Families	93.556	0950118/0950119	\$ 8,182
Temporary Assistance for Needy Families (TANF)	93.558	0400119/0400120	145,079
Refugee and Entrant Assistance - State Administered Programs	93.566	0500120	217
Low-Income Home Energy Assistance	93.568	0600419/0600420	28,044
CCDF Cluster:			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760119/0760120	27,680
Stephanie Tubbs Jones Child Welfare Services Program	93.645	900118/900119	369
Foster Care - Title IV-E	93.658	1100119/1100120	189,520
Adoption Assistance	93.659	1120119/1120120	106,697
Social Services Block Grant	93.667	1000119/1000120	171,078
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	9150118/9150119	2,126
Children's Health Insurance Program (CHIP)	93.767	0540119/0540120	3,565
Medicaid Cluster:			
Medical Assistance Program	93.778	1200119/1200120	236,161
Total Department of Health and Human Services			<u>\$ 918,718</u>
Department of Agriculture:			
Pass Through Payments:			
Child Nutrition Cluster:			
Virginia Department of Agriculture and Consumer Services:			
Food Distribution - School Nutrition Program	10.555	402540	\$ 79,203
Virginia Department of Education:			
National School Lunch Program (NSLP)	10.555	402540	486,511
COVID-19 - National School Lunch Program (NSLP)	10.555	402640	<u>33,951</u> \$ 599,665
Virginia Department of Health:			
Summer Food Service Program for Children (SFSPC)	10.559	603020/603030	\$ 3,711
COVID-19 - Summer Food Service Program for Children (SFSPC)	10.559	601750/601760	<u>57,928</u> 61,639
Virginia Department of Education:			
School Breakfast Program (SBP)	10.553	402530	\$ 246,623
COVID-19 - School Breakfast Program (SBP)	10.553	402630	<u>16,284</u> <u>262,907</u> \$ 924,211
Virginia Department of Education:			
Child Nutrition Discretionary Grants Limited Availability	10.579	Unknown	27,285
Virginia Department of Social Services:			
SNAP Cluster:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010119/ 0010120/0040119/0040120	<u>233,942</u>
Total Department of Agriculture			<u>\$ 1,185,438</u>

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)  
 For the Year Ended June 30, 2020

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Defense:			
Direct Payments:			
ROTC	12.U00	N/A	\$ 62,042
Total Department of Defense			<u>\$ 62,042</u>
Department of Justice:			
Direct payments:			
Bulletproof Vest Partnership Program	16.607	N/A	\$ 2,639
Equitable Sharing Program (asset forfeitures)	16.922	N/A	799
Total Department of Justice - direct payments			<u>\$ 3,438</u>
Pass Through Payments:			
Virginia Department of Criminal Justice Services:			
Crime Victim Assistance	16.575	16VAGX0039/17VAGX0018	\$ 47,496
Edward Byrne Memorial Justice Assistance Grant Program	16.738	20-T112L017	1,763
Total Department of Justice - pass-through payments			<u>\$ 49,259</u>
Total Department of Justice			<u>\$ 52,697</u>
Department of Transportation:			
Pass Through Payments:			
Virginia Department of Motor Vehicles:			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	FSC-2019-59247/50326 FOP-2020-50329	\$ 23,969
National Priority Safety Programs	20.616	M6OT-2019-59245-9245	5,440
Alcohol Open Container Requirements	20.607	154AL-2020-50330	16,610
Total Department of Transportation			<u>\$ 46,019</u>
Department of Treasury:			
Pass Through Payments:			
Virginia Department of Accounts:			
COVID-19 - Coronavirus Relief Fund	21.019	SLT0022	\$ 210,653
Department of Education:			
Pass Through Payments:			
Virginia Department of Education:			
Title I - Grants to Local Educational Agencies	84.010	429010	\$ 696,996
Special Education Cluster (IDEA):			
Special Education - Grants to States (IDEA, Part B)	84.027	430710	\$ 538,742
Special Education - Preschool Grants (IDEA Preschool)	84.173	625210	8,790
Career and Technical Education - Basic Grants to States	84.048	610950/600310	31,079
Twenty-First Century Community Learning Centers	84.287	605650	92,351
Rural Education	84.358	434810	32,654
Supporting Effective Instruction State Grants	84.367	614800	82,334
School Improvement Grants	84.377	430400	542,179
Student Support and Academic Enrichment Program	84.424	602810	63,167
Total Department of Education			<u>\$ 2,088,292</u>
Total Expenditures of Federal Awards			<u>\$ 4,563,859</u>

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2020

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of County of Buckingham, Virginia under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the County of Buckingham, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County of Buckingham, Virginia.

Note 2 - Summary of Significant Accounting Policies

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

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

Note 3 - Food Donation

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

Note 4 - Subrecipients

No awards were passed through to subrecipients.

Note 5 - Indirect Costs

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

Note 6 - Relationship to Financial Statements

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

Intergovernmental federal revenues per the basic financial statements:	
Primary government:	
General Fund	\$ 160,418
Special Revenue Fund:	
Virginia Public Assistance Fund	1,090,159
CARES Act Fund	210,653
Debt Service Fund	434,475
Total primary government	<u>\$ 1,895,705</u>
Component Unit School Board:	
School Operating Fund	\$ 2,150,334
School Cafeteria Fund	951,496
Total component unit school board	<u>\$ 3,101,830</u>
Total federal expenditures per basic financial statements	<u>\$ 4,997,535</u>
BABs interest subsidy	\$ (434,475)
Equitable sharing funds received in a prior year	<u>\$ 799</u>
Total federal expenditures per the Schedule of Expenditures of Federal Awards	<u><u>\$ 4,563,859</u></u>

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2020

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

**Financial Statements**

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

**Federal Awards**

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

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
10.553/10.555/10.559	Child Nutrition Cluster
84.027/84.173	Special Education Cluster

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

**Section II - Financial Statement Findings**

There are no financial statement findings to report.

**Section III - Federal Award Findings and Questioned Costs**

There are no federal award findings to report.

**COUNTY OF BUCKINGHAM, VIRGINIA**

Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2020

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There were no findings reported for the year ended June 30, 2019.

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