

**TOWN OF REMINGTON, VIRGINIA**  
**FINANCIAL STATEMENTS - MODIFIED CASH BASIS**  
**YEAR ENDED JUNE 30, 2021**



**TOWN OF REMINGTON, VIRGINIA**

June 30, 2021

---

**MAYOR**

William E. Polk, Jr.

---

**TOWN COUNCIL**

Richard Heflin, Vice Mayor

Morgan Butler Lewis

Susan L. Tiffany

Stanley L. Heaney, Sr.

Veronica Meadows

Van M. Loving

---

**TOWN OFFICIALS**

David Burrelli

*Town Administrator*

Rachael R. Brinson

*Town Clerk/Town Treasurer*

Charles T. Proffitt

*Police Chief*

Andrea G. Erard

*Zoning Administrator/Town Attorney*

James E. Steward

*Superintendent*



## TABLE OF CONTENTS

---

	<u>Page</u>
Independent Auditors' Report	1-2
 <b><u>Financial Statements:</u></b>	
Exhibit 1      Statement of Net Position - Modified Cash Basis	3
Exhibit 2      Statement of Activities - Modified Cash Basis	4-5
Exhibit 3      Balance Sheet - Governmental Funds - Modified Cash Basis	6
Exhibit 4      Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Modified Cash Basis	7
Exhibit 5      Statement of Revenues, Expenses and Changes in Net Position - Water Fund - Modified Cash Basis	8
Notes to Financial Statements	9-15
 <b><u>Supplementary Information:</u></b>	
Exhibit 6      Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund and Special Revenue Funds - Modified Cash Basis	16-17
 <b><u>Supporting Schedule:</u></b>	
Schedule 1      Schedule of Revenues - Budget and Actual - Governmental Funds - Modified Cash Basis	18-19





ROBINSON, FARMER, COX ASSOCIATES, PLLC

*Certified Public Accountants*

---

**INDEPENDENT AUDITORS' REPORT**

---

**TO THE HONORABLE MEMBERS OF THE TOWN COUNCIL  
TOWN OF REMINGTON, VIRGINIA  
REMINGTON, VIRGINIA**

We have audited the accompanying modified cash basis financial statements of the governmental activities, business-type activities, and each major fund of the Town of Remington, Virginia, as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the Town of Remington, 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 the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, and each major fund of the Town of Remington, Virginia, as of June 30, 2021, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

## Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

## Other Matters

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Remington, Virginia's basic financial statements. The budgetary comparison information and supporting schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison information presented on pages 16-17 and supporting schedule presented on pages 18-19 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 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 budgetary comparison information and supporting schedule are fairly stated in all material respects in relation to the basic financial statements as a whole.

*Robinson, Farmer, Cox Associates*

Charlottesville, Virginia  
August 12, 2024

- Financial Statements -



Statement of Net Position - Modified Cash Basis  
At June 30, 2021

	Governmental Activities	Business- type Activities	Total
<b><u>Assets</u></b>			
Cash and cash equivalents	\$ 1,150,850	\$ 912,792	\$ 2,063,642
Total assets	\$ 1,150,850	\$ 912,792	\$ 2,063,642
<b><u>Liabilities</u></b>			
Current liabilities:			
Accrued liabilities	\$ 20,812	\$ 20,479	\$ 41,291
Refundable deposits	-	39,933	39,933
Total liabilities	\$ 20,812	\$ 60,412	\$ 81,224
<b><u>Net Position</u></b>			
Unrestricted	\$ 1,130,038	\$ 852,380	\$ 1,982,418
Total liabilities and net position	\$ 1,150,850	\$ 912,792	\$ 2,063,642

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

TOWN OF REMINGTON, VIRGINIA

Statement of Activities - Modified Cash Basis  
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Loans
Governmental activities:				
Salaries and benefits	\$ 133,050	\$ 28,800	\$ -	\$ -
Repairs and maintenance	6,384	-	-	-
Utilities	2,222	540	-	-
General and administrative	91,628	-	-	-
Professional fees	28,085	-	-	-
Other fees	3,378	-	-	-
Annexation and zoning	1,265	-	-	-
Other expenses	18,168	-	-	-
Police department	44,098	3,477	40,450	-
Street, lights and sidewalks	14,844	-	-	-
Capital outlays	28,465	-	-	-
Cemetery	17,782	15,725	-	-
DMV	150,142	-	183,811	-
Cemetery Trust	7,098	6,400	-	-
Total governmental activities	\$ 546,609	\$ 54,942	\$ 224,261	\$ -
Business-type activities:				
Water	262,771	332,175	-	-
Total primary government	\$ 809,380	\$ 387,117	\$ 224,261	\$ -

General revenues:

General property taxes

Other local taxes

Unrestricted revenues from use of money and property

Miscellaneous

Total general revenues

Change in net position

Net position - beginning

Net position - ending

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

Exhibit 2

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business- type Activities	Total
\$ (104,250)	\$ -	\$ (104,250)
(6,384)	-	(6,384)
(1,682)	-	(1,682)
(91,628)	-	(91,628)
(28,085)	-	(28,085)
(3,378)	-	(3,378)
(1,265)	-	(1,265)
(18,168)	-	(18,168)
(171)	-	(171)
(14,844)	-	(14,844)
(28,465)	-	(28,465)
(2,057)	-	(2,057)
33,669	-	33,669
(698)	-	(698)
\$ (267,406)	\$ -	\$ (267,406)
-	69,404	69,404
\$ (267,406)	\$ 69,404	\$ (198,002)
\$ 107,505	\$ -	\$ 107,505
81,625	-	81,625
96,599	987	97,586
537,899	70	537,969
\$ 823,628	\$ 1,057	\$ 824,685
\$ 556,222	\$ 70,461	\$ 626,683
573,816	781,919	1,355,735
\$ 1,130,038	\$ 852,380	\$ 1,982,418

## Balance Sheet - Governmental Funds - Modified Cash Basis

At June 30, 2021

	Governmental Funds				
	General Fund	Cemetery Fund	DMV Fund	Cemetery Trust Fund	Totals
<b><u>Assets</u></b>					
Cash and cash equivalents	\$ 583,548	\$ 12,819	\$ 135,628	\$ 418,855	\$ 1,150,850
Total assets	<u>\$ 583,548</u>	<u>\$ 12,819</u>	<u>\$ 135,628</u>	<u>\$ 418,855</u>	<u>\$ 1,150,850</u>
<b><u>Liabilities</u></b>					
Accrued liabilities	\$ 20,344	\$ -	\$ 468	\$ -	\$ 20,812
Total liabilities	<u>\$ 20,344</u>	<u>\$ -</u>	<u>\$ 468</u>	<u>\$ -</u>	<u>\$ 20,812</u>
<b><u>Fund Balance</u></b>					
Nonspendable:					
Permanent fund principal	\$ -	\$ -	\$ -	\$ 418,784	\$ 418,784
Committed:					
Cemetery	-	12,819	-	71	12,890
DMV	-	-	135,160	-	135,160
Unassigned:					
General	<u>563,204</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>563,204</u>
Total fund balances	<u>\$ 563,204</u>	<u>\$ 12,819</u>	<u>\$ 135,160</u>	<u>\$ 418,855</u>	<u>\$ 1,130,038</u>
Total liabilities and fund balances	<u>\$ 583,548</u>	<u>\$ 12,819</u>	<u>\$ 135,628</u>	<u>\$ 418,855</u>	<u>\$ 1,150,850</u>

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

Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds - Modified Cash Basis  
Year Ended June 30, 2021

	Governmental Funds				Totals
	General Fund	Cemetery Fund	DMV Fund	Cemetery Trust Fund	
Revenues:					
General property taxes	\$ 107,505	\$ -	\$ -	\$ -	\$ 107,505
Other local taxes	81,625	-	-	-	81,625
Permits, privilege fees and regulatory licenses	29,340	-	-	-	29,340
Fines and forfeitures	3,477	-	-	-	3,477
Revenue from use of money and property	43,600	3,028	-	49,971	96,599
Charges for services	-	15,725	-	6,400	22,125
Miscellaneous	537,899	-	-	-	537,899
Intergovernmental:					
Commonwealth	40,450	-	183,811	-	224,261
Total revenues	\$ 843,896	\$ 18,753	\$ 183,811	\$ 56,371	\$ 1,102,831
Expenditures:					
Salaries and benefits	\$ 133,050	\$ -	\$ -	\$ -	\$ 133,050
Repairs and maintenance	6,384	-	-	-	6,384
Utilities	2,222	-	-	-	2,222
General and administrative	91,628	-	-	-	91,628
Professional fees	28,085	-	-	-	28,085
Other fees	3,378	-	-	-	3,378
Annexation and zoning	1,265	-	-	-	1,265
Other expenses	18,168	-	-	-	18,168
Police department	44,098	-	-	-	44,098
Street, lights and sidewalks	14,844	-	-	-	14,844
Capital outlays	28,465	-	-	-	28,465
Cemetery	-	17,782	-	-	17,782
DMV	-	-	150,142	-	150,142
Cemetery Trust	-	-	-	7,098	7,098
Total expenditures	\$ 371,587	\$ 17,782	\$ 150,142	\$ 7,098	\$ 546,609
Excess (deficiency) of revenues over (under) expenditures	\$ 472,309	\$ 971	\$ 33,669	\$ 49,273	\$ 556,222
Net change in fund balances	\$ 472,309	\$ 971	\$ 33,669	\$ 49,273	\$ 556,222
Fund balances at beginning of year	90,895	11,848	101,491	369,582	573,816
Fund balances at end of year	\$ 563,204	\$ 12,819	\$ 135,160	\$ 418,855	\$ 1,130,038

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

Statement of Revenues, Expenses and Changes in Net Position -  
 Water Fund - Modified Cash Basis  
 Year Ended June 30, 2021

	<b>Proprietary Funds</b>
	<b>Enterprise</b>
Revenues:	
Water fees	\$ 313,785
Service fees	3,390
Tap fees	15,000
Interest	987
Miscellaneous	70
	<hr/>
Total revenues	\$ 333,232
	<hr/>
Expenses:	
Salaries and benefits	\$ 113,941
Water	15,712
Repairs and maintenance	25,287
Utilities	10,849
General and administrative	13,702
Professional fees	28,085
Capital outlays	55,195
	<hr/>
Total expenses	\$ 262,771
	<hr/>
Excess (deficiency) of revenues over (under) expenses	\$ 70,461
	<hr/>
Net position at beginning of year	781,919
	<hr/>
Net position at end of year	\$ 852,380
	<hr/> <hr/>

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

## TOWN OF REMINGTON, VIRGINIA

### Notes to Financial Statements As of June 30, 2021

---

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The accounts and records of the Town are maintained on a modified cash basis of accounting, a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). This basis of presentation differs from GAAP in that it reflects only certain receivables and payables; inventories, accrued income and expenses, capital assets, and depreciation, which are estimated to be material in amount, are not reflected, and these statements do not present the overall financial position or results of operations. Minor additions and replacements of furniture and equipment intended to be paid for out of normally recurring income are included in expenditures in lieu of depreciation in the financial statements. Consequently, certain revenues and expenditures are recognized in the determination of income in different reporting periods than they would be if the financial statements were prepared in conformity with generally accepted accounting principles.

#### **A. Financial Reporting Entity**

The government is a municipal corporation governed by a mayor and six-member council. These financial statements present the primary government. There are no component units for the Town of Remington.

#### **B. Financial Statement Presentation**

The financial statements are required to be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis" (MD&A). Management has elected not to prepare its financial statements in accordance with MD&A reporting requirements.

The accounts are organized on the basis of fund classifications, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, net position, revenues and expenditures. The various funds are grouped in the financial statements as follows:

##### **1. Governmental Funds:**

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

##### **a. General Fund:**

The General Fund is the primary operating fund of the Town. This fund is used to account for and report all financial transactions and 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.

##### **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. Special Revenue Funds consist of the Cemetery Fund and DMV Fund.

## TOWN OF REMINGTON, VIRGINIA

Notes to Financial Statements  
As of June 30, 2021 (Continued)

---

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

#### **B. Financial Statement Presentation (Continued)**

##### **1. Governmental Funds: (Continued)**

###### **c. Permanent Funds:**

Permanent Funds account for and report resources that are restricted to the extent that only earnings (and not principal) may be used for the purposes that support the government's programs (i.e. for the benefit of the government or its citizenry). Permanent Funds consist of the Cemetery Trust Fund.

##### **2. Proprietary Funds:**

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

###### **Enterprise Fund:**

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 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. Enterprise Funds consist of the Water Fund, which accounts for the operations of the Town's water system.

#### **C. Budgets and Budgetary Accounting**

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

1. Prior to year-end, the Town Council prepares a proposed operating budget for the fiscal year commencing the following July 1. The operating 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 adopted by Town Council.
4. All budgets are adopted on a cash basis of accounting.
5. All budgetary data presented in the accompanying financial statements is the original budget as adopted.
6. The Town Council may legally amend the budget only by following procedures used in the adoption of the original budget.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

**D. Cash and Cash Equivalents**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the government are reported at cost. The Local Government Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**E. Retirement Plan**

Retirement plan contributions are actuarially determined and consist of current service costs and amortization of prior service costs over a 30-year period. The Town's policy is to fund pension cost as it accrues.

**F. Property Taxes**

The Town levies real estate and personal property taxes on property within its boundaries, except those specifically exempted by statute. These levies are assessed each year as of January 1 on the estimated market value of the property.

**G. Fund Balance**

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

Nonspendable fund balance - amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (corpus of a permanent fund);

Restricted fund balance - amounts that can be sent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers;

Committed fund balance - amounts that can be used only for the specific purposes determined by the adoption of an ordinance committing fund balance for a specified purpose by the Town Council 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 Council 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.

## TOWN OF REMINGTON, VIRGINIA

Notes to Financial Statements  
As of June 30, 2021 (Continued)

---

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

#### **G. Fund Balance (Continued)**

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

Town Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment, which does not lapse at year-end, is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives).

#### **H. Net Position**

For government-wide reporting as well as in proprietary funds, the difference between assets less liabilities 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 Town 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 Town's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

### **NOTE 2 - DEPOSITS AND INVESTMENTS:**

#### **Deposits:**

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

## TOWN OF REMINGTON, VIRGINIA

Notes to Financial Statements  
As of June 30, 2021 (Continued)

### **NOTE 2 - DEPOSITS AND INVESTMENTS: (Continued)**

#### **Investments:**

Statutes authorize local governments and other public bodies 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 Services, 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).

During the course of our audit, we have noted the Town has several unrated investments which are illegal in accordance with investment laws of the Code of Virginia. These unrated investments are disclosed below.

#### **Credit Risk of Debt Securities:**

The Town's rated debt investments as of June 30, 2021 were rated by Standard and Poor's and/or an equivalent national rating organization and the ratings are presented below using the Standard and Poor's rating scale.

<b>Rated Debt Investments' Values</b>		
<b>Rated Debt Investments Value</b>	<b>Fair Quality Ratings</b>	
<b>Rated Debt Investments</b>	<b>AAAm</b>	<b>Unrated</b>
Local Government Investment Pool	\$ 5,890	\$ -
Equities	-	310,582
Fixed income and other	-	176,728
Total	<u>\$ 5,890</u>	<u>\$ 487,310</u>

#### **External Investment Pools:**

The fair value of the positions in the external investment pool (Local Government Investment Pool) is the same as the value of the pool shares. As this pool is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. LGIP is an amortized cost basis portfolio. There are no withdrawal limitations or restrictions imposed on participants.

#### **Interest Rate Risk:**

The following is a summary of interest rate risk disclosure:

<b>Investment Maturities (in years)</b>		
<b>Investment Type</b>	<b>Fair Value</b>	<b>Less Than 1 Year</b>
Local Government Investment Pool	\$ 5,890	\$ 5,890
Total	<u>\$ 5,890</u>	<u>\$ 5,890</u>

## TOWN OF REMINGTON, VIRGINIA

Notes to Financial Statements  
As of June 30, 2021 (Continued)

---

### **NOTE 3 - PENSION PLAN:**

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

#### ***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 Town's contractually required employer contribution rate for the year ended June 30, 2021 was 10.71% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

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 Town were \$16,777 and \$15,417 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

The Town's net pension liability of \$130,096 was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2019, rolled forward to the measurement date of June 30, 2020.

### **NOTE 4 - GROUP LIFE INSURANCE (GLI PLAN) (OPEB PLAN):**

The Virginia Retirement System (VRS) Group Life Insurance (GLI) Plan provides coverage to state employees, teachers, and employees of participating political subdivisions. The 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. The GLI Plan is a defined benefit plan that provides a basic group life insurance benefit for employees of participating employers. For purposes of measuring the net GLI OPEB Plan liability, deferred outflows of resources and deferred inflows of resources related to the GLI OPEB, and GLI OPEB expense, information about the fiduciary net position of the VRS GLI OPEB Plan and the additions to/deductions from the VRS GLI OPEB's net fiduciary position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## TOWN OF REMINGTON, VIRGINIA

Notes to Financial Statements  
As of June 30, 2021 (Continued)

---

### **NOTE 4 - GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (Continued)**

All full-time, salaried permanent employees of the state agencies, teachers, and employees of participating political subdivisions are automatically covered by the VRS Group Life Insurance 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 Group Life Insurance benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance 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 Group Life Insurance OPEB Plan.

#### ***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 Group Life Insurance Plan was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% x 60%) and the employer component was 0.54% (1.34% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2021 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the Group Life Insurance Plan from the entity were \$1,113 and \$995 for the years ended June 30, 2021 and June 30, 2020, respectively.

#### ***Net GLI OPEB Liability***

At June 30, 2021, the Town reported a liability of \$15,521 for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was determined by an actuarial valuation as of that date. The covered employer's portion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer 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, 2020, the participating employer's proportion was 0.00093%.

### **NOTE 5 - RISK MANAGEMENT:**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance for all of these risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.



- Supplementary Information -

**TOWN OF REMINGTON, VIRGINIA**

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
General Fund and Special Revenue Funds - Modified Cash Basis  
Year Ended June 30, 2021

	General Fund		
	Budget	Actual	Variance Positive (Negative)
Revenues:			
General property taxes	\$ 99,814	\$ 107,505	\$ 7,691
Other local taxes	71,000	81,625	10,625
Permits, privilege fees and regulatory licenses	25,240	29,340	4,100
Fines and forfeitures	6,211	3,477	(2,734)
Revenue from use of money and property	43,600	43,600	-
Charges for services	-	-	-
Miscellaneous	196,229	537,899	341,670
Intergovernmental: Commonwealth	27,994	40,450	12,456
Total revenues	\$ 470,088	\$ 843,896	\$ 373,808
Expenditures:			
Salaries and benefits	\$ 105,145	133,050	\$ (27,905)
Repairs and maintenance	24,150	6,384	17,766
Utilities	2,950	2,222	728
General and administrative	146,154	91,628	54,526
Professional fees	15,000	28,085	(13,085)
Other fees	5,000	3,378	1,622
Annexation / zoning	3,650	1,265	2,385
Other expenses	11,200	18,168	(6,968)
Police department	72,564	44,098	28,466
Street, lights and sidewalks	16,500	14,844	1,656
Capital Outlays	85,000	28,465	56,535
Cemetery	-	-	-
DMV	-	-	-
Total expenditures	\$ 487,313	\$ 371,587	\$ 115,726
Excess (deficiency) of revenues over (under) expenditures	\$ (17,225)	\$ 472,309	\$ 489,534
Net change in fund balances	\$ (17,225)	\$ 472,309	\$ 489,534
Fund balance at beginning of year	17,225	90,895	73,670
Fund balance at end of year	\$ -	\$ 563,204	\$ 563,204

Exhibit 6

Cemetery Fund			DMV Fund		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,500	3,028	(2,472)	-	-	-
10,150	15,725	5,575	-	-	-
-	-	-	-	-	-
-	-	-	100,000	183,811	83,811
\$ 15,650	\$ 18,753	\$ 3,103	\$ 100,000	\$ 183,811	\$ 83,811
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,550	17,782	(2,232)	-	-	-
-	-	-	140,885	150,142	(9,257)
\$ 15,550	\$ 17,782	\$ (2,232)	\$ 140,885	\$ 150,142	\$ (9,257)
\$ 100	\$ 971	\$ 871	\$ (40,885)	\$ 33,669	\$ 74,554
\$ 100	\$ 971	\$ 871	\$ (40,885)	\$ 33,669	\$ 74,554
(100)	11,848	11,948	40,885	101,491	60,606
\$ -	\$ 12,819	\$ 12,819	\$ -	\$ 135,160	\$ 135,160



- Supporting Schedule -



Schedule of Revenues - Budget and Actual - Governmental Funds - Modified Cash Basis  
Year Ended June 30, 2021

<u>Fund, Major and Minor Revenue Source</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>General Fund:</b>			
Revenue from local sources:			
General property taxes:			
Real property taxes	\$ 63,600	\$ 64,085	\$ 485
Personal property taxes	35,214	41,768	6,554
Penalties and interest	<u>1,000</u>	<u>1,652</u>	<u>652</u>
Total general property taxes	\$ <u>99,814</u>	\$ <u>107,505</u>	\$ <u>7,691</u>
Other local taxes:			
Sales taxes	\$ 41,000	\$ 52,858	\$ 11,858
Utility taxes	<u>30,000</u>	<u>28,767</u>	<u>(1,233)</u>
Total other local taxes	\$ <u>71,000</u>	\$ <u>81,625</u>	\$ <u>10,625</u>
Permits, privilege fees and regulatory licenses:			
Business licenses	\$ 16,000	\$ 19,496	\$ 3,496
Vehicle decals	8,000	5,457	(2,543)
Refuse tipping fees	540	540	-
Zoning permits	<u>700</u>	<u>3,847</u>	<u>3,147</u>
Total permits, privilege fees and regulatory licenses	\$ <u>25,240</u>	\$ <u>29,340</u>	\$ <u>4,100</u>
Fines and Forfeitures:			
Police fines	\$ <u>6,211</u>	\$ <u>3,477</u>	\$ <u>(2,734)</u>
Total fines and forfeitures	\$ <u>6,211</u>	\$ <u>3,477</u>	\$ <u>(2,734)</u>
Revenue from use of money and property:			
Revenue from use of property	\$ <u>43,600</u>	\$ <u>43,600</u>	\$ <u>-</u>
Total revenue from use of money and property	\$ <u>43,600</u>	\$ <u>43,600</u>	\$ <u>-</u>
Miscellaneous:			
Copier income	\$ 300	\$ 69	\$ (231)
Sale of assets	70,000	69,959	(41)
Miscellaneous income	<u>125,929</u>	<u>467,871</u>	<u>341,942</u>
Total miscellaneous	\$ <u>196,229</u>	\$ <u>537,899</u>	\$ <u>341,670</u>
Total revenue from local sources	\$ <u>442,094</u>	\$ <u>803,446</u>	\$ <u>361,352</u>

Schedule of Revenues - Budget and Actual - Governmental Funds - Modified Cash Basis  
Year Ended June 30, 2021 (Continued)

<u>Fund, Major and Minor Revenue Source</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>General Fund: (continued)</b>			
Intergovernmental:			
Revenue from the Commonwealth:			
Noncategorical aid:			
Law enforcement assistance	\$ 17,554	\$ 23,148	\$ 5,594
Rolling rail tax	440	430	(10)
Skill games	-	1,872	1,872
Fire and rescue assistance	10,000	15,000	5,000
	<u>27,994</u>	<u>40,450</u>	<u>12,456</u>
Total revenue from the Commonwealth	\$ 27,994	\$ 40,450	\$ 12,456
<b>Total General Fund</b>	<u>\$ 470,088</u>	<u>\$ 843,896</u>	<u>\$ 373,808</u>
<b>Special Revenue Funds:</b>			
<b>Cemetery Fund:</b>			
Revenue from local sources:			
Charges for services:			
Lot sales	\$ 4,000	\$ 9,000	\$ 5,000
Marker fees	250	375	125
Other fees	900	1,950	1,050
Burial fees	5,000	4,400	(600)
	<u>10,150</u>	<u>15,725</u>	<u>5,575</u>
Total charges for services	\$ 10,150	\$ 15,725	\$ 5,575
Revenue from use of money and property:			
Income distributions	\$ 5,500	\$ 3,028	\$ (2,472)
	<u>5,500</u>	<u>3,028</u>	<u>(2,472)</u>
Total revenue from use of money and property	\$ 5,500	\$ 3,028	\$ (2,472)
<b>Total Cemetery Fund</b>	<u>\$ 15,650</u>	<u>\$ 18,753</u>	<u>\$ 3,103</u>
<b>DMV Fund:</b>			
Intergovernmental:			
Revenue from the Commonwealth:			
Commissions from DMV	\$ 100,000	\$ 183,791	\$ 83,791
Postage reimbursement	-	20	20
	<u>100,000</u>	<u>183,811</u>	<u>83,811</u>
<b>Total DMV Fund</b>	<u>\$ 100,000</u>	<u>\$ 183,811</u>	<u>\$ 83,811</u>
<b>Permanent Fund:</b>			
<b>Cemetery Trust Fund:</b>			
Revenue from local sources:			
Revenue from use of money and property:			
Revenue from use of money	\$ 16,075	\$ 49,971	\$ 33,896
	<u>16,075</u>	<u>49,971</u>	<u>33,896</u>
Total revenue from use of money and property	\$ 16,075	\$ 49,971	\$ 33,896
Charges for services:			
80% Lot sales	\$ 3,200	\$ 6,400	\$ 3,200
	<u>3,200</u>	<u>6,400</u>	<u>3,200</u>
<b>Total Cemetery Trust Fund</b>	<u>\$ 19,275</u>	<u>\$ 56,371</u>	<u>\$ 37,096</u>
<b>Total Governmental Funds</b>	<u>\$ 605,013</u>	<u>\$ 1,102,831</u>	<u>\$ 497,818</u>