

COUNTY OF BUCKINGHAM, VIRGINIA



FINANCIAL REPORT
YEAR ENDED JUNE 30, 2021

County of Buckingham, Virginia

Financial Report

For the Year Ended June 30, 2021

COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report
For the Year Ended June 30, 2021

TABLE OF CONTENTS

| | <u>PAGE</u> |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Independent Auditors' Report | 1-3 |
| Management's Discussion and Analysis | 4-9 |
| <u>BASIC FINANCIAL STATEMENTS:</u> | |
| Government-wide Financial Statements: | |
| Exhibit 1 Statement of Net Position | 10 |
| Exhibit 2 Statement of Activities | 11-12 |
| Fund Financial Statements: | |
| Exhibit 3 Balance Sheet—Governmental Funds | 13 |
| Exhibit 4 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position | 14 |
| Exhibit 5 Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds | 15 |
| Exhibit 6 Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 16 |
| Exhibit 7 Statement of Net Position—Proprietary Funds | 17 |
| Exhibit 8 Statement of Revenues, Expenses, and Changes in Net Position—Proprietary Funds | 18 |
| Exhibit 9 Statement of Cash Flows—Proprietary Funds | 19 |
| Exhibit 10 Statement of Fiduciary Net Position—Fiduciary Funds | 20 |
| Exhibit 11 Statement of Changes in Fiduciary Net Position—Fiduciary Funds | 21 |
| Notes to Financial Statements | 22-89 |

COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report
For the Year Ended June 30, 2021

TABLE OF CONTENTS (CONTINUED)

| | <u>PAGE</u> |
|----------------------------------------------------------------------------------------------------------------------------------|-------------|
| <u>REQUIRED SUPPLEMENTARY INFORMATION:</u> | |
| Exhibit 12 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—General Fund | 90 |
| Exhibit 13 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—Virginia Public Assistance Fund | 91 |
| Exhibit 14 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—CARES Act Fund | 92 |
| Exhibit 15 Schedule of Changes in Net Pension Liability and Related Ratios—Primary Government | 93-94 |
| Exhibit 16 Schedule of Changes in Net Pension Liability (Asset) and Related Ratios—Component Unit School Board (nonprofessional) | 95-96 |
| Exhibit 17 Schedule of Employer’s Share of Net Pension Liability VRS Teacher Retirement Plan | 97-98 |
| Exhibit 18 Schedule of Employer Contributions—Pension Plans | 99 |
| Exhibit 19 Notes to Required Supplementary Information—Pension Plans | 100 |
| Exhibit 20 Schedule of County’s and School Board’s Share of Net OPEB Liability—Cost-Sharing OPEB Plans | 101 |
| Exhibit 21 Schedule of Employer Contributions VRS OPEB Plan—Group Life Insurance (GLI) Plans | 102 |
| Exhibit 22 Schedule of Changes in the School Board’s Net OPEB Liability and Related Ratios—Health Insurance Credit (HIC) Plan | 103 |
| Exhibit 23 Schedule of Employer Contributions—VRS OPEB Plan—Health Insurance Credit (HIC) Plans | 104 |
| Exhibit 24 Notes to Required Supplementary Information—VRS OPEB Plan—Group Life Insurance (GLI) Plans | 105 |
| Exhibit 25 Notes to Required Supplementary Information—VRS OPEB Plan—Health Insurance Credit (HIC) Plans | 106 |

COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report
For the Year Ended June 30, 2021

TABLE OF CONTENTS (CONTINUED)

| | PAGE |
|-------------------------------------------------------------------------------------------------------------------------------|---------|
| <u>OTHER SUPPLEMENTARY INFORMATION:</u> | |
| Combining and Individual Fund Financial Statements and Schedules: | |
| Exhibit 26 Combining Balance Sheet—Nonmajor Special Revenue Funds | 107 |
| Exhibit 27 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Nonmajor Special Revenue Funds | 108 |
| Exhibit 28 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual— Nonmajor Special Revenue Funds | 109 |
| Exhibit 29 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—Debt Service Fund | 110 |
| Exhibit 30 Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual— County Capital Improvements Fund | 111 |
| Exhibit 31 Combining Statement of Fiduciary Net Position—Fiduciary Funds | 112 |
| Exhibit 32 Combining Statement of Changes in Fiduciary Net Position—Fiduciary Funds | 113 |
| Discretely Presented Component Unit—School Board | |
| Exhibit 33 Combining Balance Sheet | 114 |
| Exhibit 34 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds | 115 |
| Exhibit 35 Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual | 116-117 |
| Supporting Schedules: | |
| Schedule 1 Schedule of Revenues—Budget and Actual—Governmental Funds | 118-123 |
| Schedule 2 Schedule of Expenditures—Budget and Actual—Governmental Funds | 124-129 |

COUNTY OF BUCKINGHAM, VIRGINIA

Financial Report
For the Year Ended June 30, 2021

TABLE OF CONTENTS (CONTINUED)

| | <u>PAGE</u> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <u>STATISTICAL INFORMATION:</u> | |
| Table 1 Government-Wide Expenses by Function–Last Ten Fiscal Years | 130 |
| Table 2 Government-Wide Revenues–Last Ten Fiscal Years | 131 |
| Table 3 General Governmental Expenditures by Function–Last Ten Fiscal Years | 132 |
| Table 4 General Governmental Revenues by Source–Last Ten Fiscal Years | 133 |
| Table 5 Property Tax Levies and Collections–Last Ten Fiscal Years | 134 |
| Table 6 Assessed Value of Taxable Property–Last Ten Fiscal Years | 135 |
| Table 7 Property Tax Rates–Last Ten Fiscal Years | 136 |
| Table 8 Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita–Last Ten Fiscal Years | 137 |
| Table 9 Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures–Last Ten Fiscal Years | 138 |
| <u>COMPLIANCE</u> | |
| 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 <i>Government Auditing Standards</i> | 139-140 |
| Independent Auditors’ Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance | 141-142 |
| Schedule of Expenditures of Federal Awards | 143-144 |
| Notes to Schedule of Expenditures of Federal Awards | 145 |
| Schedule of Findings and Questioned Costs | 146 |
| Summary Schedule of Prior Audit Findings | 147 |

BOARD OF SUPERVISORS

| | | |
|----------------------|-------------------------------------------------------------------|-----------------|
| Joe N. Chambers, Jr. | Don Matthews, Chairman Thomas Jordan Miles, III, Vice-Chairman | Dennis Davis |
| Harry W. Bryant | Danny R. Allen | Donald E. Bryan |

BOARD OF SOCIAL SERVICES

Linda Paige, Chairman
Diane Holman James
Joe N. Chambers, Jr., Vice-Chairman

COUNTY SCHOOL BOARD

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

OTHER OFFICIALS

| | |
|------------------------------------------------|-----------------------|
| Presiding Judge of the Circuit Court | Donald C. Blessing |
| Clerk of the Circuit Court | Justin D. Midkiff |
| Presiding Judge of the General District Court | Jody H. Fariss |
| Presiding Judge of Juvenile and Domestic Court | Marvin H. Dunkum, Jr. |
| Commonwealth's Attorney | E.M. Wright, Jr. |
| Commissioner of the Revenue | Stephanie D. Love |
| Treasurer | Christy L. Christian |
| Sheriff | William G. Kidd, Jr. |
| Superintendent of Schools | Dr. Daisy Hicks |
| Director of Social Services | Stephanie M. Coleman |
| County Administrator | Rebecca S. Carter |
| Finance Director | Karl R. Carter |



ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

Independent Auditors' Report

**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, 2021, 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, 2021, 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.

Change in Accounting Principle

As described in Note 22 to the financial statements, in 2021, the County adopted new accounting guidance, GASB Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Restatement of Beginning Balances

As described in Note 22 to the financial statements, in 2021, the County restated beginning balances to reflect the requirements of GASB Statement No. 84. Our opinion is not modified with respect to this matter.

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, 90-92, and 93-106, 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 April 11, 2022, 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

April 11, 2022

This page intentionally left blank

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

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, 2021.

Financial Highlights

Government-wide Financial Statements

- On a government-wide basis for governmental activities, the assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$22,763,149 (net position). For business-type activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$18,792,517.

Fund Financial Statements

In the Governmental Funds, on a current financial resource basis, revenues exceeded expenditures and other financing sources and uses by \$2,348,872 (Exhibit 5) after making contributions totaling \$6,794,696 to the School Board.

- As of the close of the current fiscal year, the County's governmental funds reported ending fund balances of \$14,144,620, an increase of \$2,348,872 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$8,297,961 or 43% of total general fund expenditures.
- Combined long-term obligations for the governmental funds decreased \$1,365,380 during the current fiscal year. Of that amount, debt (bonds and related items) decreased by \$2,331,971.

The Proprietary Funds, on an accrual basis, reported expenses in excess of revenues and other financing sources by \$749,766.

- As of the close of the current fiscal year, the County's proprietary funds reported ending net position of \$18,792,517, a decrease of \$749,766.
- Combined long-term obligations in the proprietary funds decreased \$155,126 during the current fiscal year. The decrease of \$277,408 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. Custodial funds are used to provide accountability of client and other monies for which the County is custodian.

Overview of the Financial Statements: (Continued)

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

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County's governmental activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$22,763,149 at the close of the most recent fiscal year.

Summary Statement of Net Position

| | Governmental Activities | | Business-type Activities | | Totals | |
|----------------------------------|--------------------------------|----------------------|---------------------------------|----------------------|----------------------|----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Assets: | | | | | | |
| Current and other assets | \$ 25,271,807 | \$ 22,209,744 | \$ 3,237,736 | \$ 3,684,205 | \$ 28,509,543 | \$ 25,893,949 |
| Capital assets | <u>35,649,987</u> | <u>35,053,665</u> | <u>26,619,403</u> | <u>27,235,509</u> | <u>62,269,390</u> | <u>62,289,174</u> |
| Total assets | <u>\$ 60,921,794</u> | <u>\$ 57,263,409</u> | <u>\$ 29,857,139</u> | <u>\$ 30,919,714</u> | <u>\$ 90,778,933</u> | <u>\$ 88,183,123</u> |
| Deferred outflows of resources | <u>\$ 1,352,468</u> | <u>\$ 787,462</u> | <u>\$ 144,722</u> | <u>\$ 82,758</u> | <u>\$ 1,497,190</u> | <u>\$ 870,220</u> |
| Liabilities: | | | | | | |
| Long-term liabilities | \$ 30,170,456 | \$ 31,535,836 | \$ 11,176,977 | \$ 11,332,103 | \$ 41,347,433 | \$ 42,867,939 |
| Current liabilities | <u>3,524,955</u> | <u>2,834,925</u> | <u>29,685</u> | <u>86,230</u> | <u>3,554,640</u> | <u>2,921,155</u> |
| Total liabilities | <u>\$ 33,695,411</u> | <u>\$ 34,370,761</u> | <u>\$ 11,206,662</u> | <u>\$ 11,418,333</u> | <u>\$ 44,902,073</u> | <u>\$ 45,789,094</u> |
| Deferred inflows of resources | <u>\$ 5,815,702</u> | <u>\$ 6,013,751</u> | <u>\$ 2,682</u> | <u>\$ 41,856</u> | <u>\$ 5,818,384</u> | <u>\$ 6,055,607</u> |
| Net position: | | | | | | |
| Net investment in capital assets | \$ 8,693,446 | \$ 5,433,690 | \$ 15,774,143 | \$ 16,061,204 | \$ 24,467,589 | \$ 21,494,894 |
| Restricted | 1,099,591 | 36,988 | 545,528 | 489,826 | 1,645,119 | 526,814 |
| Unrestricted | <u>12,970,112</u> | <u>12,195,681</u> | <u>2,472,846</u> | <u>2,991,253</u> | <u>15,442,958</u> | <u>15,186,934</u> |
| Total net position | <u>\$ 22,763,149</u> | <u>\$ 17,666,359</u> | <u>\$ 18,792,517</u> | <u>\$ 19,542,283</u> | <u>\$ 41,555,666</u> | <u>\$ 37,208,642</u> |

At the end of the current fiscal year, the County's investment in capital assets net of related debt used to acquire those assets was \$24,467,589. 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 \$5,096,790 during the fiscal year, and business-type activities decreased the County's net position by \$749,766. This resulted in a net increase of \$4,347,024. Key elements of this increase are as follows:

Summary Statement of Changes in Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|------------------------------------------------------|-------------------------|---------------|--------------------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 810,132 | \$ 189,197 | \$ 1,859,766 | \$ 1,788,805 | \$ 2,669,898 | \$ 1,978,002 |
| Operating grants and contributions | 8,661,713 | 5,379,629 | - | - | 8,661,713 | 5,379,629 |
| Capital grants and contributions | 2,521,756 | 489,639 | - | - | 2,521,756 | 489,639 |
| General revenues: | | | | | | |
| General property taxes | 16,032,384 | 15,530,458 | - | - | 16,032,384 | 15,530,458 |
| Other local taxes | 1,969,209 | 1,777,159 | - | - | 1,969,209 | 1,777,159 |
| Grants and other contributions not restricted | 1,592,397 | 1,624,263 | - | - | 1,592,397 | 1,624,263 |
| Use of money and property | 86,769 | 214,677 | 12,052 | 12,821 | 98,821 | 227,498 |
| Miscellaneous | 34,208 | 445,255 | - | - | 34,208 | 445,255 |
| Gain on disposal of capital assets | 440,567 | - | - | - | 440,567 | - |
| Total revenues | \$ 32,149,135 | \$ 25,650,277 | \$ 1,871,818 | \$ 1,801,626 | \$ 34,020,953 | \$ 27,451,903 |
| Expenses: | | | | | | |
| General government administration | \$ 2,333,628 | \$ 2,028,997 | \$ - | \$ - | \$ 2,333,628 | \$ 2,028,997 |
| Judicial administration | 1,053,033 | 1,076,738 | - | - | 1,053,033 | 1,076,738 |
| Public safety | 5,746,753 | 4,412,405 | - | - | 5,746,753 | 4,412,405 |
| Public works | 2,354,266 | 1,926,025 | - | - | 2,354,266 | 1,926,025 |
| Health and welfare | 4,256,211 | 4,033,129 | - | - | 4,256,211 | 4,033,129 |
| Education | 8,885,369 | 8,762,701 | - | - | 8,885,369 | 8,762,701 |
| Parks, recreation, and cultural | 690,333 | 474,074 | - | - | 690,333 | 474,074 |
| Community development | 568,066 | 304,277 | - | - | 568,066 | 304,277 |
| Interest on long-term debt | 1,151,416 | 1,308,506 | - | - | 1,151,416 | 1,308,506 |
| Water and Sewer | - | - | 2,634,854 | 2,041,691 | 2,634,854 | 2,041,691 |
| Total expenses | \$ 27,039,075 | \$ 24,326,852 | \$ 2,634,854 | \$ 2,041,691 | \$ 29,673,929 | \$ 26,368,543 |
| Increase (decrease) in net position before transfers | \$ 5,110,060 | \$ 1,323,425 | \$ (763,036) | \$ (240,065) | \$ 4,347,024 | \$ 1,083,360 |
| Transfers | (13,270) | 18,824 | 13,270 | (18,824) | - | - |
| Increase (decrease) in net position | \$ 5,096,790 | \$ 1,342,249 | \$ (749,766) | \$ (258,889) | \$ 4,347,024 | \$ 1,083,360 |
| Net position, July 1 | 17,666,359 | 16,324,110 | 19,542,283 | 19,801,172 | 37,208,642 | 36,125,282 |
| Net position, June 30 | \$ 22,763,149 | \$ 17,666,359 | \$ 18,792,517 | \$ 19,542,283 | \$ 41,555,666 | \$ 37,208,642 |

Government-wide Financial Analysis: (Continued)

Revenues increased by \$6,498,858 in fiscal year 2021 compared to an increase of \$1,279,655 in fiscal year 2020. Operating grants and contributions increased by \$3,282,084 due to increased state and federal funding, including CARES Act funds of \$2,498,370 received in response to COVID and a \$1,500,000 grant received from Dominion for rescue operations. The transfer of land, the Dillwyn rescue squad building, and related vehicles as well as funding for capital improvements to the Glenmore squad caused capital grants and contributions to increase by \$2,032,117. Expenses closely paralleled the growth in demand and inflation and showed an increase of \$2,712,223. The functions with the more significant changes were public safety and public works showing increases of \$1,334,348 and \$428,241, 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 \$14,144,620, an increase of \$2,348,872 in comparison with the prior year. Approximately 59% of this total amount constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reflected as nonspendable, restricted, committed, or assigned as appropriate to indicate that it is not available for new spending.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was an increase of \$1,022,885 in expenditures and can be briefly summarized as follows:

- \$279,000 in increases for education
- \$669,977 in increases for capital projects
- \$73,908 in other net increases

A portion of this increase (\$22,090) was due to an increase in revenues from other governments. The remainder was to be budgeted from available fund balance. During the year, revenues exceeded budgetary estimates by \$1,037,129 and budgetary estimates exceeded expenditures by \$169,586 eliminating the need to draw on existing fund balance. In addition, commitments of \$3,851,385 were unspent resulting in unspent items totaling \$4,020,971.

Capital Asset and Debt Administration

Capital assets - The County's net capital assets decreased by \$19,784 during the current fiscal year. The County's investment in capital assets for its governmental operations as of June 30, 2021 amounted to \$35,649,987 (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 \$596,322. New vehicles, including two ambulances, and other equipment were acquired in the current year, but the most significant activity was from the transfer of land, the Dillwyn rescue squad building, and related vehicles as well as the completion of 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 Dillwyn solid waste site.

The County's investment in capital assets for its proprietary funds was \$26,619,403 (net of accumulated depreciation) at year-end. This investment in capital assets includes land, construction in progress, water and sewer systems, and machinery and equipment. The proprietary net capital assets decreased by \$616,106 from the prior fiscal year, including an increase of \$894,773 in accumulated depreciation. The most significant additions during fiscal year 2021 were related to the completion of the 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 \$30,170,456 for its governmental operations. Of this amount \$25,166,456 comprises debt backed by the full faith and credit of the County, including compensated absences of \$671,183, net pension liability of \$2,216,889, and net OPEB liability of \$343,972. The remainder of the County's debt for governmental operations (\$5,004,000) represents bonds secured solely by specified revenue sources (i.e., lease revenue bonds). Business-type obligations of \$11,176,977 is comprised of \$814,288 bonds secured solely by water and sewer revenues, loans totaling \$10,030,972 from the Virginia Resources Authority, compensated absences of \$66,360, net pension liability of \$231,338, and net OPEB liability of \$34,019.

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 3.8 percent, which is lower than the rate of 5.8 percent a year ago. This is higher than the state's average unemployment rate of 3.0 percent and lower than the national average rate of 4.2 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 2022.

The fiscal year 2022 budget amounted to \$36,846,697 (does not include School Funds). The budget includes capital improvements.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

Statement of Net Position
June 30, 2021

| | Primary Government | | | Component Unit |
|----------------------------------------------------|-------------------------|--------------------------|----------------------|----------------------|
| | Governmental Activities | Business-type Activities | Total | School Board |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 16,014,787 | \$ 2,447,169 | \$ 18,461,956 | \$ 1,487,147 |
| Receivables (net of allowance for uncollectibles): | | | | |
| Taxes receivable | 7,587,104 | - | 7,587,104 | - |
| Accounts receivable | 193,562 | 239,240 | 432,802 | 39,004 |
| Notes receivable | 550,000 | - | 550,000 | - |
| Due from primary government | - | - | - | 667,043 |
| Due from other governmental units | 922,099 | - | 922,099 | 1,051,996 |
| Prepaid items | 4,255 | - | 4,255 | - |
| Restricted assets: | | | | |
| Temporarily restricted: | | | | |
| Cash and cash equivalents | - | 551,327 | 551,327 | - |
| Capital assets (net of accumulated depreciation): | | | | |
| Land | 728,582 | 208,974 | 937,556 | 257,165 |
| Intangibles | - | 712,100 | 712,100 | - |
| Buildings, improvements, and systems | 29,721,004 | 25,455,400 | 55,176,404 | 17,428,671 |
| Improvements other than buildings | 1,226,124 | 15,689 | 1,241,813 | 60,690 |
| Machinery, equipment, and vehicles | 3,467,461 | 227,240 | 3,694,701 | 2,778,994 |
| Construction in progress | 506,816 | - | 506,816 | - |
| Total assets | <u>\$ 60,921,794</u> | <u>\$ 29,857,139</u> | <u>\$ 90,778,933</u> | <u>\$ 23,770,710</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Pension related items | \$ 1,272,661 | \$ 136,829 | \$ 1,409,490 | \$ 5,073,526 |
| OPEB related items | 79,807 | 7,893 | 87,700 | 428,160 |
| Total deferred outflows of resources | <u>\$ 1,352,468</u> | <u>\$ 144,722</u> | <u>\$ 1,497,190</u> | <u>\$ 5,501,686</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 423,132 | \$ 11,617 | \$ 434,749 | \$ 1,740,385 |
| Accrued liabilities | - | - | - | 993,729 |
| Retainage payable | 21,129 | - | 21,129 | - |
| Customers' deposits payable from restricted assets | - | 5,799 | 5,799 | - |
| Accrued interest payable | 358,574 | 12,269 | 370,843 | 20,887 |
| Due to component unit | 667,043 | - | 667,043 | - |
| Unearned revenue | 2,055,077 | - | 2,055,077 | - |
| Long-term liabilities: | | | | |
| Due within one year | 2,647,085 | 291,111 | 2,938,196 | 173,445 |
| Due in more than one year | 27,523,371 | 10,885,866 | 38,409,237 | 23,317,736 |
| Total liabilities | <u>\$ 33,695,411</u> | <u>\$ 11,206,662</u> | <u>\$ 44,902,073</u> | <u>\$ 26,246,182</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred revenue - property taxes | \$ 5,787,971 | \$ - | \$ 5,787,971 | \$ - |
| Pension related items | 14,452 | 1,369 | 15,821 | 1,813,460 |
| OPEB related items | 13,279 | 1,313 | 14,592 | 195,826 |
| Total deferred inflows of resources | <u>\$ 5,815,702</u> | <u>\$ 2,682</u> | <u>\$ 5,818,384</u> | <u>\$ 2,009,286</u> |
| NET POSITION | | | | |
| Net investment in capital assets | \$ 8,693,446 | \$ 15,774,143 | \$ 24,467,589 | \$ 19,566,138 |
| Restricted: | | | | |
| Sheriff's fund - DCJS | 6,920 | - | 6,920 | - |
| Commonwealth's Attorney - DCJS | 4,503 | - | 4,503 | - |
| Courthouse security | 39,846 | - | 39,846 | - |
| Glenmore emergency services | 1,048,322 | - | 1,048,322 | - |
| Debt service and bond covenants | - | 545,528 | 545,528 | - |
| School activity funds | - | - | - | 238,996 |
| Unrestricted (deficit) | 12,970,112 | 2,472,846 | 15,442,958 | (18,788,206) |
| Total net position | <u>\$ 22,763,149</u> | <u>\$ 18,792,517</u> | <u>\$ 41,555,666</u> | <u>\$ 1,016,928</u> |

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, 2021

| | | Program Revenues | | |
|-----------------------------------|---------------|----------------------|------------------------------------|----------------------------------|
| Functions/Programs | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT: | | | | |
| Governmental activities: | | | | |
| General government administration | \$ 2,333,628 | \$ 271,057 | \$ 677,691 | \$ - |
| Judicial administration | 1,053,033 | 50,079 | 423,181 | - |
| Public safety | 5,746,753 | 467,356 | 3,490,382 | 2,050,907 |
| Public works | 2,354,266 | 15,412 | 379,272 | - |
| Health and welfare | 4,256,211 | - | 3,219,182 | - |
| Education | 8,885,369 | - | 157,852 | 470,849 |
| Parks, recreation, and cultural | 690,333 | 6,228 | 34,834 | - |
| Community development | 568,066 | - | 279,319 | - |
| Interest on long-term debt | 1,151,416 | - | - | - |
| Total governmental activities | \$ 27,039,075 | \$ 810,132 | \$ 8,661,713 | \$ 2,521,756 |
| Business-type activities: | | | | |
| Water and Sewer Funds | \$ 2,634,854 | \$ 1,859,766 | \$ - | \$ - |
| Total business-type activities | \$ 2,634,854 | \$ 1,859,766 | \$ - | \$ - |
| Total primary government | \$ 29,673,929 | \$ 2,669,898 | \$ 8,661,713 | \$ 2,521,756 |
| COMPONENT UNIT: | | | | |
| School Board | \$ 28,145,585 | \$ 112,567 | \$ 19,969,935 | \$ - |
| Total component unit | \$ 28,145,585 | \$ 112,567 | \$ 19,969,935 | \$ - |

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

Gain on sale of land and building

Transfers

Total general revenues and transfers

Change in net position

Net position (deficit) - beginning, as restated

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 |
| \$ (1,384,880) | \$ - | \$ (1,384,880) | |
| (579,773) | - | (579,773) | |
| 261,892 | - | 261,892 | |
| (1,959,582) | - | (1,959,582) | |
| (1,037,029) | - | (1,037,029) | |
| (8,256,668) | - | (8,256,668) | |
| (649,271) | - | (649,271) | |
| (288,747) | - | (288,747) | |
| (1,151,416) | - | (1,151,416) | |
| <u>\$ (15,045,474)</u> | <u>\$ -</u> | <u>\$ (15,045,474)</u> | |
| \$ - | \$ (775,088) | \$ (775,088) | |
| \$ - | \$ (775,088) | \$ (775,088) | |
| <u>\$ (15,045,474)</u> | <u>\$ (775,088)</u> | <u>\$ (15,820,562)</u> | |
| | | \$ (8,063,083) | |
| | | <u>\$ (8,063,083)</u> | |
| \$ 16,032,384 | \$ - | \$ 16,032,384 | \$ - |
| 999,745 | - | 999,745 | - |
| 367,039 | - | 367,039 | - |
| 360,201 | - | 360,201 | - |
| 242,224 | - | 242,224 | - |
| - | - | - | 8,678,913 |
| 86,769 | 12,052 | 98,821 | - |
| 34,208 | - | 34,208 | 190,705 |
| 1,592,397 | - | 1,592,397 | - |
| 440,567 | - | 440,567 | - |
| (13,270) | 13,270 | - | - |
| <u>\$ 20,142,264</u> | <u>\$ 25,322</u> | <u>\$ 20,167,586</u> | <u>\$ 8,869,618</u> |
| \$ 5,096,790 | \$ (749,766) | \$ 4,347,024 | \$ 806,535 |
| 17,666,359 | 19,542,283 | 37,208,642 | 210,393 |
| <u>\$ 22,763,149</u> | <u>\$ 18,792,517</u> | <u>\$ 41,555,666</u> | <u>\$ 1,016,928</u> |

This page intentionally left blank

Fund Financial Statements

Balance Sheet
Governmental Funds
June 30, 2021

| | General | Virginia Public Assistance | CARES Act Fund | Debt Service | County Capital Improvements | Other Governmental Funds | Total |
|------------------------------------------------------------------------|----------------------|----------------------------------|----------------------|-----------------|-----------------------------------|--------------------------------|----------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 11,804,720 | \$ 1,147,352 | \$ 411,082 | \$ - | \$ 42,028 | \$ 2,609,605 | \$ 16,014,787 |
| Receivables (net of allowance for uncollectibles): | | | | | | | |
| Taxes receivable | 7,587,104 | - | - | - | - | - | 7,587,104 |
| Accounts receivable | 74,437 | - | - | - | - | 119,125 | 193,562 |
| Notes receivable | 550,000 | - | - | - | - | - | 550,000 |
| Due from other funds | 1,254,566 | - | - | - | - | - | 1,254,566 |
| Due from other governmental units | 795,929 | 126,170 | - | - | - | - | 922,099 |
| Prepaid items | 4,255 | - | - | - | - | - | 4,255 |
| Total assets | <u>\$ 22,071,011</u> | <u>\$ 1,273,522</u> | <u>\$ 411,082</u> | <u>\$ -</u> | <u>\$ 42,028</u> | <u>\$ 2,728,730</u> | <u>\$ 26,526,373</u> |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ 388,892 | \$ 18,956 | \$ 275 | \$ - | \$ - | \$ 15,009 | \$ 423,132 |
| Retainage payable | - | - | 21,129 | - | - | - | 21,129 |
| Due to other funds | - | 1,254,566 | - | - | - | - | 1,254,566 |
| Due to component unit | 667,043 | - | - | - | - | - | 667,043 |
| Unearned revenue | - | - | 389,678 | - | - | 1,665,399 | 2,055,077 |
| Total liabilities | <u>\$ 1,055,935</u> | <u>\$ 1,273,522</u> | <u>\$ 411,082</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,680,408</u> | <u>\$ 4,420,947</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable revenue - property taxes | \$ 7,960,806 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,960,806 |
| FUND BALANCES | | | | | | | |
| Nonspendable: | | | | | | | |
| Prepaid items | \$ 4,255 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,255 |
| Notes receivable | 550,000 | - | - | - | - | - | 550,000 |
| Restricted: | | | | | | | |
| Sheriff's fund - DCJS | 6,920 | - | - | - | - | - | 6,920 |
| Commonwealth's Attorney - DCJS | 4,503 | - | - | - | - | - | 4,503 |
| Courthouse security | 39,846 | - | - | - | - | - | 39,846 |
| Glenmore emergency services | - | - | - | - | - | 1,048,322 | 1,048,322 |
| Committed: | | | | | | | |
| Economic Development | 676,385 | - | - | - | - | - | 676,385 |
| 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 | 29,486 | - | - | - | - | - | 29,486 |
| Capital projects | 800,000 | - | - | - | - | - | 800,000 |
| Unassigned | 8,297,961 | - | - | - | - | - | 8,297,961 |
| Total fund balances | <u>\$ 13,054,270</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 42,028</u> | <u>\$ 1,048,322</u> | <u>\$ 14,144,620</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 22,071,011</u> | <u>\$ 1,273,522</u> | <u>\$ 411,082</u> | <u>\$ -</u> | <u>\$ 42,028</u> | <u>\$ 2,728,730</u> | <u>\$ 26,526,373</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, 2021

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds \$ 14,144,620

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 | \$ 728,582 | |
| Buildings and improvements | 29,721,004 | |
| Land improvements | 1,226,124 | |
| Machinery, equipment and vehicles | 3,467,461 | |
| Construction in progress | <u>506,816</u> | 35,649,987 |

Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds. 2,172,835

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

| | | |
|-----------------------|---------------|-----------|
| Pension related items | \$ 1,272,661 | |
| OPEB related items | <u>79,807</u> | 1,352,468 |

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 | \$ (5,004,000) | |
| Refunding bonds | (4,890,000) | |
| Plus: Issuance premium (to be amortized against interest expense) | (619,300) | |
| General obligation bonds | (15,979,914) | |
| Plus: Issuance premium (to be amortized against interest expense) | (442,198) | |
| Net pension liability | (2,216,889) | |
| Net OPEB liability | (343,972) | |
| Compensated absences | <u>(674,183)</u> | (30,170,456) |

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 | | (358,574) |
|--------------------------|--|-----------|

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

| | | |
|-----------------------|-----------------|-----------------|
| Pension related items | \$ (14,452) | |
| OPEB related items | <u>(13,279)</u> | <u>(27,731)</u> |

Net position of governmental activities \$ 22,763,149

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, 2021

| | General | Virginia Public Assistance | CARES Act Fund | Debt Service | County Capital Improvements | Other Governmental Funds | Total |
|--------------------------------------------------------------|----------------|----------------------------------|----------------------|-----------------|-----------------------------------|--------------------------------|---------------|
| REVENUES | | | | | | | |
| General property taxes | \$ 15,989,227 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 15,989,227 |
| Other local taxes | 1,969,209 | - | - | - | - | - | 1,969,209 |
| Permits, privilege fees, and regulatory licenses | 274,780 | - | - | - | - | - | 274,780 |
| Fines and forfeitures | 36,573 | - | - | - | - | - | 36,573 |
| Revenue from the use of money and property | 86,180 | - | - | - | 589 | - | 86,769 |
| Charges for services | 53,064 | - | - | - | - | 445,715 | 498,779 |
| Miscellaneous | 31,809 | 366 | - | - | - | 1,502,033 | 1,534,208 |
| Intergovernmental: | | | | | | | |
| Commonwealth | 4,730,475 | 588,910 | - | - | - | 88,916 | 5,408,301 |
| Federal | 213,875 | 1,092,071 | 2,498,370 | 415,646 | - | - | 4,219,962 |
| Total revenues | \$ 23,385,192 | \$ 1,681,347 | \$ 2,498,370 | \$ 415,646 | \$ 589 | \$ 2,036,664 | \$ 30,017,808 |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General government administration | \$ 1,727,348 | \$ - | \$ 435,329 | \$ - | \$ - | \$ - | \$ 2,162,677 |
| Judicial administration | 929,409 | - | - | - | - | - | 929,409 |
| Public safety | 4,424,661 | - | 425,750 | - | - | 988,342 | 5,838,753 |
| Public works | 1,998,026 | - | 341,149 | - | - | - | 2,339,175 |
| Health and welfare | 2,255,868 | 1,921,344 | 6,700 | - | - | - | 4,183,912 |
| Education | 6,843,300 | - | 157,852 | - | - | - | 7,001,152 |
| Parks, recreation, and cultural | 480,258 | - | 13,240 | - | - | - | 493,498 |
| Community development | 233,686 | - | 279,319 | - | - | - | 513,005 |
| Nondepartmental | 267,694 | - | - | - | - | - | 267,694 |
| Capital projects | 32,620 | - | 458,507 | - | 394,725 | - | 885,852 |
| Debt service: | | | | | | | |
| Principal retirement | 41,000 | - | - | 2,290,971 | - | - | 2,331,971 |
| Interest and other fiscal charges | 144,792 | - | - | 1,218,979 | - | - | 1,363,771 |
| Total expenditures | \$ 19,378,662 | \$ 1,921,344 | \$ 2,117,846 | \$ 3,509,950 | \$ 394,725 | \$ 988,342 | \$ 28,310,869 |
| Excess (deficiency) of revenues over (under) expenditures | \$ 4,006,530 | \$ (239,997) | \$ 380,524 | \$ (3,094,304) | \$ (394,136) | \$ 1,048,322 | \$ 1,706,939 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | \$ 548,430 | \$ 239,997 | \$ - | \$ 3,039,101 | \$ 234,945 | \$ - | \$ 4,062,473 |
| Transfers out | (3,695,219) | - | (380,524) | - | - | - | (4,075,743) |
| Sale of land and building | 600,000 | - | - | - | - | - | 600,000 |
| Advance refunding of bonds - VPSA | - | - | - | 55,203 | - | - | 55,203 |
| Total other financing sources (uses) | \$ (2,546,789) | \$ 239,997 | \$ (380,524) | \$ 3,094,304 | \$ 234,945 | \$ - | \$ 641,933 |
| Net change in fund balances | \$ 1,459,741 | \$ - | \$ - | \$ - | \$ (159,191) | \$ 1,048,322 | \$ 2,348,872 |
| Fund balances - beginning | 11,594,529 | - | - | - | 201,219 | - | 11,795,748 |
| Fund balances - ending | \$ 13,054,270 | \$ - | \$ - | \$ - | \$ 42,028 | \$ 1,048,322 | \$ 14,144,620 |

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, 2021

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

| | |
|--------------------------------------------------------|--------------|
| Net change in fund balances - total governmental funds | \$ 2,348,872 |
|--------------------------------------------------------|--------------|

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 | \$ 2,401,854 | |
| Depreciation expense | (1,923,971) | |
| Adjustment for jointly owned assets | <u>(1,473,961)</u> | (996,078) |

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

| | | |
|-------------------------------------------------|------------------|-----------|
| Donated capital assets | 1,592,400 | |
| Sale of land and building reported as inventory | <u>(159,433)</u> | 1,432,967 |

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.

43,157

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

| | | |
|-------------------------|----------------|-----------|
| Payment of principal | \$ 2,331,971 | |
| Amortization of premium | <u>180,475</u> | 2,512,446 |

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 | \$ (42,250) | |
| Change in pension related items | (244,723) | |
| Change in OPEB related items | 10,519 | |
| Accrued interest payable | <u>31,880</u> | (244,574) |

| | |
|---------------------------------------------------|---------------------|
| Change in net position of governmental activities | <u>\$ 5,096,790</u> |
|---------------------------------------------------|---------------------|

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

Statement of Net Position
Proprietary Funds
June 30, 2021

| | Enterprise Funds | | | |
|----------------------------------------------------|----------------------|----------------------|---------------|----------------------|
| | Water Fund | Sewer Fund | IDA | Total |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 4,066,702 | \$ - | \$ 100 | \$ 4,066,802 |
| Accounts receivable (net of allowance) | 203,899 | 35,341 | - | 239,240 |
| Total current assets | <u>\$ 4,270,601</u> | <u>\$ 35,341</u> | <u>\$ 100</u> | <u>\$ 4,306,042</u> |
| Noncurrent assets: | | | | |
| Restricted assets: | | | | |
| Cash and cash equivalents | \$ 385,738 | \$ 165,589 | \$ - | \$ 551,327 |
| Capital assets: | | | | |
| Land | \$ 135,757 | \$ 73,217 | \$ - | \$ 208,974 |
| Intangibles | 712,100 | - | - | 712,100 |
| Buildings and systems | 19,044,281 | 15,472,406 | - | 34,516,687 |
| Land improvements | 22,634 | - | - | 22,634 |
| Machinery, equipment, and vehicles | 722,932 | 294,388 | - | 1,017,320 |
| Less accumulated depreciation | (7,027,039) | (2,831,273) | - | (9,858,312) |
| Total capital assets | <u>\$ 13,610,665</u> | <u>\$ 13,008,738</u> | <u>\$ -</u> | <u>\$ 26,619,403</u> |
| Total noncurrent assets | <u>\$ 13,996,403</u> | <u>\$ 13,174,327</u> | <u>\$ -</u> | <u>\$ 27,170,730</u> |
| Total assets | <u>\$ 18,267,004</u> | <u>\$ 13,209,668</u> | <u>\$ 100</u> | <u>\$ 31,476,772</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Pension related items | \$ 110,740 | \$ 26,089 | \$ - | \$ 136,829 |
| OPEB related items | 7,016 | 877 | - | 7,893 |
| Total deferred outflows of resources | <u>\$ 117,756</u> | <u>\$ 26,966</u> | <u>\$ -</u> | <u>\$ 144,722</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Reconciled overdraft | \$ - | \$ 1,619,633 | \$ - | \$ 1,619,633 |
| Accounts payable | 9,314 | 2,303 | - | 11,617 |
| Customers' deposits payable from restricted assets | 4,530 | 1,269 | - | 5,799 |
| Accrued interest payable | 4,483 | 7,786 | - | 12,269 |
| Compensated absences - current portion | 4,950 | 1,686 | - | 6,636 |
| Bonds payable - current portion | 33,927 | - | - | 33,927 |
| Loans payable - current portion | 136,107 | 114,441 | - | 250,548 |
| Total current liabilities | <u>\$ 193,311</u> | <u>\$ 1,747,118</u> | <u>\$ -</u> | <u>\$ 1,940,429</u> |
| Noncurrent liabilities: | | | | |
| Bonds payable - net of current portion | \$ 780,361 | \$ - | \$ - | \$ 780,361 |
| Loans payable - net of current portion | 4,657,818 | 5,122,606 | - | 9,780,424 |
| Compensated absences - net of current portion | 44,545 | 15,179 | - | 59,724 |
| Net pension liability | 193,199 | 38,139 | - | 231,338 |
| Net OPEB liability | 30,239 | 3,780 | - | 34,019 |
| Total noncurrent liabilities | <u>\$ 5,706,162</u> | <u>\$ 5,179,704</u> | <u>\$ -</u> | <u>\$ 10,885,866</u> |
| Total liabilities | <u>\$ 5,899,473</u> | <u>\$ 6,926,822</u> | <u>\$ -</u> | <u>\$ 12,826,295</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Pension related items | \$ 1,213 | \$ 156 | \$ - | \$ 1,369 |
| OPEB related items | 1,167 | 146 | - | 1,313 |
| Total deferred inflows of resources | <u>\$ 2,380</u> | <u>\$ 302</u> | <u>\$ -</u> | <u>\$ 2,682</u> |
| NET POSITION | | | | |
| Net investment in capital assets | \$ 8,002,452 | \$ 7,771,691 | \$ - | \$ 15,774,143 |
| Restricted: | | | | |
| Debt service and bond covenants | 381,208 | 164,320 | - | 545,528 |
| Unrestricted (deficit) | 4,099,247 | (1,626,501) | 100 | 2,472,846 |
| Total net position | <u>\$ 12,482,907</u> | <u>\$ 6,309,510</u> | <u>\$ 100</u> | <u>\$ 18,792,517</u> |

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, 2021

| | Enterprise Funds | | | |
|-----------------------------------------|-----------------------------|----------------------------|----------------------|-----------------------------|
| | Water Fund | Sewer Fund | IDA | Total |
| OPERATING REVENUES | | | | |
| Charges for services: | | | | |
| Water revenues | \$ 1,494,816 | \$ - | \$ - | \$ 1,494,816 |
| Sewer revenues | - | 308,310 | - | 308,310 |
| Tap fees | 40,025 | 7,500 | - | 47,525 |
| Other revenues | 9,115 | - | - | 9,115 |
| Total operating revenues | <u>\$ 1,543,956</u> | <u>\$ 315,810</u> | <u>\$ -</u> | <u>\$ 1,859,766</u> |
| OPERATING EXPENSES | | | | |
| Salaries and benefits | \$ 568,911 | \$ 116,311 | \$ - | \$ 685,222 |
| Contracted services | 7,403 | 10,225 | - | 17,628 |
| Utilities | 59,417 | 47,084 | - | 106,501 |
| Supplies and other expenses | 611,957 | 25,397 | - | 637,354 |
| Depreciation | 497,108 | 397,665 | - | 894,773 |
| CARES expenses | 1,020 | 16,079 | - | 17,099 |
| Total operating expenses | <u>\$ 1,745,816</u> | <u>\$ 612,761</u> | <u>\$ -</u> | <u>\$ 2,358,577</u> |
| Operating income (loss) | <u>\$ (201,860)</u> | <u>\$ (296,951)</u> | <u>\$ -</u> | <u>\$ (498,811)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Investment earnings | \$ 37 | \$ 15 | \$ - | \$ 52 |
| Rental income | 12,000 | - | - | 12,000 |
| Interest expense | (145,727) | (130,550) | - | (276,277) |
| Total nonoperating revenues (expenses) | <u>\$ (133,690)</u> | <u>\$ (130,535)</u> | <u>\$ -</u> | <u>\$ (264,225)</u> |
| Income (loss) before transfers | <u>\$ (335,550)</u> | <u>\$ (427,486)</u> | <u>\$ -</u> | <u>\$ (763,036)</u> |
| TRANSFERS | | | | |
| Transfers in | \$ 64,819 | \$ 212,250 | \$ 181,176 | \$ 458,245 |
| Transfers out | <u>(263,799)</u> | <u>-</u> | <u>(181,176)</u> | <u>(444,975)</u> |
| Net transfers | <u>\$ (198,980)</u> | <u>\$ 212,250</u> | <u>\$ -</u> | <u>\$ 13,270</u> |
| Change in net position | <u>\$ (534,530)</u> | <u>\$ (215,236)</u> | <u>\$ -</u> | <u>\$ (749,766)</u> |
| Net position - beginning | 13,017,437 | 6,524,746 | 100 | 19,542,283 |
| Net position - ending | <u><u>\$ 12,482,907</u></u> | <u><u>\$ 6,309,510</u></u> | <u><u>\$ 100</u></u> | <u><u>\$ 18,792,517</u></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, 2021

| | Enterprise Funds | | | |
|-----------------------------------------------------------------------------------------------------------|------------------|--------------|--------------|--------------|
| | Water Fund | Sewer Fund | IDA | Total |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from customers and users | \$ 1,552,560 | \$ 314,950 | \$ - | \$ 1,867,510 |
| Payments to suppliers | (681,325) | 147,514 | - | (533,811) |
| Payments to and for employees | (555,200) | (108,851) | - | (664,051) |
| Net cash provided by (used for) operating activities | \$ 316,035 | \$ 353,613 | \$ - | \$ 669,648 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfers to other funds | \$ (263,799) | \$ - | \$ (181,176) | \$ (444,975) |
| Transfers from other funds | 64,819 | 212,250 | 181,176 | 458,245 |
| Rental income | 12,000 | - | - | 12,000 |
| Net cash provided by (used for) noncapital financing activities | \$ (186,980) | \$ 212,250 | \$ - | \$ 25,270 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Additions to utility plant | \$ - | \$ (284,295) | \$ - | \$ (284,295) |
| Purchase of property and equipment | (31,014) | (14,995) | - | (46,009) |
| Principal payments on bonds | (32,382) | - | - | (32,382) |
| Principal payments on loans | (133,405) | (111,621) | - | (245,026) |
| Interest payments | (145,935) | (130,718) | - | (276,653) |
| Net cash provided by (used for) capital and related financing activities | \$ (342,736) | \$ (541,629) | \$ - | \$ (884,365) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest and dividends received | \$ 37 | \$ 15 | \$ - | \$ 52 |
| Net increase (decrease) in cash and cash equivalents | \$ (213,644) | \$ 24,249 | \$ - | \$ (189,395) |
| Cash and cash equivalents - beginning - including restricted | 4,666,084 | 141,340 | 100 | 4,807,524 |
| Cash and cash equivalents - ending - including restricted | \$ 4,452,440 | \$ 165,589 | \$ 100 | \$ 4,618,129 |
| Reconciliation of operating income (loss) to net cash provided by (used for) operating activities: | | | | |
| Operating income (loss) | \$ (201,860) | \$ (296,951) | \$ - | \$ (498,811) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | | | |
| Depreciation expense | \$ 497,108 | \$ 397,665 | \$ - | \$ 894,773 |
| (Increase) decrease in accounts receivable | 10,888 | (860) | - | 10,028 |
| (Increase) decrease in deferred outflows - pension related | (48,639) | (11,906) | - | (60,545) |
| (Increase) decrease in deferred outflows - OPEB related | (1,261) | (158) | - | (1,419) |
| Increase (decrease) in overdraft | - | 247,046 | - | 247,046 |
| Increase (decrease) in compensated absences | 3,944 | 710 | - | 4,654 |
| Increase (decrease) in accounts payable | (1,500) | (748) | - | (2,248) |
| Increase (decrease) in customer deposits | (2,284) | - | - | (2,284) |
| Increase (decrease) in net pension liability | 95,378 | 20,700 | - | 116,078 |
| Increase (decrease) in net OPEB liability | 1,378 | 172 | - | 1,550 |
| Increase (decrease) in deferred inflows - pension related | (36,075) | (1,926) | - | (38,001) |
| Increase (decrease) in deferred inflows - OPEB related | (1,042) | (131) | - | (1,173) |
| Total adjustments | \$ 517,895 | \$ 650,564 | \$ - | \$ 1,168,459 |
| Net cash provided by (used for) operating activities | \$ 316,035 | \$ 353,613 | \$ - | \$ 669,648 |
| 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, 2021

| | <u>Custodial Funds</u> |
|---------------------------|----------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 243,213 |
| Total assets | <u>\$ 243,213</u> |
| LIABILITIES | |
| Accounts payable | \$ 6,689 |
| Total liabilities | <u>\$ 6,689</u> |
| NET POSITION | |
| Restricted for: | |
| Special welfare | \$ 34,074 |
| Performance bond | 202,450 |
| Total net position | <u>\$ 236,524</u> |

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

Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 For the Year Ended June 30, 2021

| | <u>Custodial Funds</u> |
|---------------------------------------------------|----------------------------|
| ADDITIONS | |
| Special welfare collections | \$ 5,821 |
| Bond funds | 5,450 |
| Total additions | \$ <u>11,271</u> |
| DEDUCTIONS | |
| Welfare costs | \$ 11,511 |
| Total deductions | \$ <u>11,511</u> |
| Net increase (decrease) in fiduciary net position | \$ (240) |
| Net position, beginning, as restated | 236,764 |
| Net position, ending | \$ <u><u>236,524</u></u> |

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements As of June 30, 2021

Note 1—Summary of Significant Accounting Policies:

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

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

A. Description of Government-Wide Financial Statements

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

B. Financial Reporting Entity

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

C. Individual Component Unit Disclosures

Blended Component Unit

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2021

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

C. Individual Component Unit Disclosures (Continued)

Discretely Presented Component Unit

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

D. Other Related Organizations

Included in the County's Financial Report

None

Excluded from the County's Financial Report

Related Organizations

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

Jointly Governed Organizations

The County, in conjunction with other localities, has created the Central Virginia Regional Library, the Piedmont Regional Jail, the Piedmont Regional Juvenile Detention Center, and the Crossroads Community Services Board. The governing bodies of these organizations are appointed by the respective governing bodies of the participating jurisdictions. During the year, the County contributed \$260,923 to the regional library, \$529,744 to Piedmont Regional Jail Authority, \$27,219 to Piedmont Regional Juvenile Detention Center and \$39,600 to the Crossroads Community Services Board.

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

E. Basis of Presentation - Government-Wide Financial Statements

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

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

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

F. Basis of Presentation - Fund Financial Statements

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

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

G. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

The 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, 2021 (Continued)

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

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

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

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

1. Governmental Funds

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

a. General Fund

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

b. Special Revenue Funds

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

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

1. Governmental Funds: (Continued)

c. Debt Service Fund

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

d. Capital Projects Fund

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

2. Proprietary Funds

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

Enterprise Funds

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

3. Fiduciary Funds (Trust and Custodial Funds)

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

4. Component Unit School Board

The Buckingham County School Board has the following funds:

Governmental Funds:

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

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

4. Component Unit School Board (Continued)

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

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

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

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

School Capital Projects Fund - This fund accounts for all financial resources used for the acquisition or construction of major capital facilities. This fund had no activity in fiscal year 2021.

H. Program Revenues

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

I. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues consist of charges to customers for sales and services.

The water and sewer funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

J. Budgetary Comparison Schedules

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

K. Budgets and Budgetary Accounting

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

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

L. Cash and Cash Equivalents

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

M. Investments

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

N. Inventory and Prepaid Items

Inventories are valued at the lower of cost (first-in, first-out) or market. Inventory of \$159,433 represented Gold Hill Elementary School which was transferred from the School Board and held for sale. The County sold the property in fiscal year 2021.

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

O. Receivables and Payables

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$166,000 at June 30, 2021 and is comprised solely of property taxes. In addition, water and sewer receivables are reported net of a \$54,742 reserve.

P. Capital Assets

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

P. Capital Assets (Continued)

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

Land and construction in progress are not depreciated. The other 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 |

Q. 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 liabilities and net OPEB liabilities and contributions to the pension and OPEB plans made during the current year and subsequent to the net pension liability and net OPEB liability measurement date. For more detailed information on these items, reference the related notes.

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, 2nd half installments levied during the fiscal year but due after June 30th and amounts prepaid on the 2nd half installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. Under the accrual basis, 2nd half installments levied during the fiscal year but due after June 30th and amounts prepaid on the 2nd half installments are reported as deferred inflows of resources. In addition, certain items related to the measurement of the net pension liabilities and net OPEB liabilities are reported as deferred inflows of resources. For more detailed information on these items, reference the related notes.

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

R. Compensated Absences

Vacation

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

Sick Leave

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

S. Pensions

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

T. Other Postemployment Benefits (OPEB)

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

U. 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, 2021 (Continued)

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

V. 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.

W. 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.

X. Fund Balance

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

- Nonspendable fund balance - amounts that are 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, 2021 (Continued)

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

X. 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:

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, 2021 (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, 2021 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, 2021 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.

| Rated Debt Investments' Values | |
|----------------------------------|--------------|
| Rated Debt Investments | Ratings |
| | AAAm |
| Local Government Investment Pool | \$ 4,518,053 |

Interest Rate Risk

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

| Investment Maturities (in years) | | |
|----------------------------------|--------------|---------------------|
| Investment Type | Value | Less Than 1 Year |
| Local Government Investment Pool | \$ 4,518,053 | \$ 4,518,053 |

External Investment Pool

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

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2021 (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 5th and December 5th and personal property taxes are due on December 5th.

A ten percent penalty is levied on all taxes not collected on or before their due date. An interest charge of ten percent per annum is also levied on such taxes beginning on their due date.

Property taxes for calendar year 2020 were levied by the County Board of Supervisors on April 20, 2020, on the assessed values listed as of January 1, 2020. The second half of 2020 real estate taxes was due on December 7, 2020. The first half of 2021 real estate and public service corporation taxes was due on June 7, 2021. The 2021 taxes were levied by the County Board of Supervisors on April 19, 2021 on the assessed value listed as of January 1, 2021.

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, 2021:

| | Primary Government | | | | Component Unit |
|------------------------------|---------------------|-------------------|-------------------------|--------------------------|------------------|
| | General | Special Revenue | Governmental Activities | Business-type Activities | School Board |
| Property taxes | \$ 7,753,104 | \$ - | \$ 7,753,104 | \$ - | \$ - |
| Allowance for uncollectibles | (166,000) | - | (166,000) | - | - |
| Net taxes receivable | <u>\$ 7,587,104</u> | <u>\$ -</u> | <u>\$ 7,587,104</u> | <u>\$ -</u> | <u>\$ -</u> |
| Accounts Receivable: | | | | | |
| Utility taxes | \$ 30,189 | \$ - | \$ 30,189 | \$ - | \$ - |
| Grantee tax | 13,964 | - | 13,964 | - | - |
| Solid waste | 9,901 | - | 9,901 | - | - |
| Recycling revenue | 4,800 | - | 4,800 | - | - |
| EMS fees | - | 119,125 | 119,125 | - | - |
| Other | 15,583 | - | 15,583 | - | 400 |
| Water and sewer | - | - | - | 293,982 | - |
| Rebates and refunds | - | - | - | - | 18,789 |
| School activity funds | - | - | - | - | 19,815 |
| Allowance for uncollectibles | - | - | - | (54,742) | - |
| Net accounts receivable | <u>\$ 74,437</u> | <u>\$ 119,125</u> | <u>\$ 193,562</u> | <u>\$ 239,240</u> | <u>\$ 39,004</u> |

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 5—Due From Other Governmental Units:

Amounts due from other governments are detailed as follows:

| | Governmental Activities | | | Component Unit |
|----------------------------------|-------------------------|----------------------------|-------------------|---------------------|
| | General | Virginia Public Assistance | Total | School Board |
| Commonwealth of Virginia: | | | | |
| Local sales taxes | \$ 174,417 | \$ - | \$ 174,417 | \$ - |
| State sales taxes | - | - | - | 363,870 |
| Communication taxes | 48,626 | - | 48,626 | - |
| Public assistance | - | 47,004 | 47,004 | - |
| Comprehensive services | 349,004 | - | 349,004 | - |
| Shared expenses and grants | 126,754 | - | 126,754 | - |
| Forest land management | 25,802 | - | 25,802 | - |
| Motor vehicle carrier tax | 10,165 | - | 10,165 | - |
| Mobile home tax | 18,693 | - | 18,693 | - |
| Other | 23,422 | - | 23,422 | - |
| Federal government: | | | | |
| Clerk - CESF funds | 4,996 | - | 4,996 | - |
| Victim witness | 14,050 | - | 14,050 | - |
| Public assistance | - | 79,166 | 79,166 | - |
| Title I | - | - | - | 116,484 |
| School Improvement | - | - | - | 55,689 |
| CARES Act - ESSERF LEA | - | - | - | 184,897 |
| Title IV Part B -21st Century | - | - | - | 84,253 |
| Special Education - Title IV-B | - | - | - | 92,612 |
| School Food | - | - | - | 37,228 |
| Other | - | - | - | 116,963 |
| Total | \$ 795,929 | \$ 126,170 | \$ 922,099 | \$ 1,051,996 |

Note 6—Interfund Obligations:

Details of interfund receivables and payables as of June 30, 2021 are as follows:

| Fund | Interfund Receivable | Interfund Payable |
|----------------------------|----------------------|---------------------|
| General | \$ 1,254,566 | \$ - |
| Virginia Public Assistance | - | 1,254,566 |
| Total | \$ 1,254,566 | \$ 1,254,566 |

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 6—Interfund Obligations: (Continued)

Details of obligations between the primary government and component unit School Board as of June 30, 2021 are as follows:

| <u>Receivable Entity</u> | <u>Payable Entity</u> | <u>Amount</u> |
|-------------------------------|---------------------------------|-------------------|
| Component Unit - School Board | Primary government general fund | \$ <u>667,043</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> |
|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------|
| Primary Government: | | |
| Unavailable property tax revenue representing uncollected property tax billings that are not available for the funding of current expenditures | \$ - | \$ 2,172,835 |
| 2nd half assessments due in December 2021 | 5,175,821 | 5,175,821 |
| Prepaid property taxes due in December 2021, but paid in advance by the taxpayers | <u>612,150</u> | <u>612,150</u> |
| Total deferred revenue/unavailable revenue | \$ <u>5,787,971</u> | \$ <u>7,960,806</u> |

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 8—Capital Assets:

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

| Primary Government: Governmental Activities: | Balance July 1, 2020 | Adjust- ments | July 1, 2020 As Adjusted | Increases | Decreases | Balance June 30, 2021 |
|-------------------------------------------------|----------------------------|------------------|--------------------------------|--------------|--------------|-----------------------------|
| Capital assets not being depreciated: | | | | | | |
| Land | \$ 616,382 | \$ - | \$ 616,382 | \$ 112,200 | \$ - | \$ 728,582 |
| Construction in progress | 5,414,791 | - | 5,414,791 | 906,404 | 5,814,379 | 506,816 |
| Total capital assets not being depreciated | \$ 6,031,173 | \$ - | \$ 6,031,173 | \$ 1,018,604 | \$ 5,814,379 | \$ 1,235,398 |
| Other capital assets: | | | | | | |
| Buildings and improvements | \$ 18,773,877 | (1,797,856) | \$ 16,976,021 | \$ 6,211,770 | \$ - | \$ 23,187,791 |
| Land improvements | - | 1,797,856 | 1,797,856 | 71,415 | - | 1,869,271 |
| Machinery, equipment and vehicles | 6,318,053 | - | 6,318,053 | 2,506,844 | 118,123 | 8,706,774 |
| Jointly owned assets | 18,359,288 | - | 18,359,288 | - | 2,098,192 | 16,261,096 |
| Total other capital assets | \$ 43,451,218 | \$ - | \$ 43,451,218 | \$ 8,790,029 | \$ 2,216,315 | \$ 50,024,932 |
| Accumulated depreciation: | | | | | | |
| Buildings and improvements | \$ 6,940,187 | (560,376) | \$ 6,379,811 | \$ 563,173 | \$ - | \$ 6,942,984 |
| Land improvements | - | 560,376 | 560,376 | 82,771 | - | 643,147 |
| Machinery, equipment and vehicles | 4,489,665 | - | 4,489,665 | 867,771 | 118,123 | 5,239,313 |
| Jointly owned assets | 2,998,874 | - | 2,998,874 | 410,256 | 624,231 | 2,784,899 |
| Total accumulated depreciation | \$ 14,428,726 | \$ - | \$ 14,428,726 | \$ 1,923,971 | \$ 742,354 | \$ 15,610,343 |
| Other capital assets, net | \$ 29,022,492 | \$ - | \$ 29,022,492 | \$ 6,866,058 | \$ 1,473,961 | \$ 34,414,589 |
| Net capital assets | \$ 35,053,665 | \$ - | \$ 35,053,665 | \$ 7,884,662 | \$ 7,288,340 | \$ 35,649,987 |
| Depreciation is allocated to: | | | | | | |
| General government administration | | | | \$ 217,208 | | |
| Judicial administration | | | | 248,179 | | |
| Public safety | | | | 597,320 | | |
| Public works | | | | 166,631 | | |
| Health and welfare | | | | 44,022 | | |
| Education | | | | 410,256 | | |
| Parks, recreation, and cultural | | | | 188,852 | | |
| Community development | | | | 51,503 | | |
| Total | | | | \$ 1,923,971 | | |

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 8—Capital Assets: (Continued)

Primary Government: (Continued)

Business-type Activities:

| | Balance July 1, 2020 | Increases | Decreases | Balance June 30, 2021 |
|--------------------------------------------|----------------------------|--------------|--------------|-----------------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 208,974 | \$ - | \$ - | \$ 208,974 |
| Intangibles | 712,100 | - | - | 712,100 |
| Construction in progress | 1,320,193 | 232,658 | 1,552,851 | - |
| Total capital assets not being depreciated | \$ 2,241,267 | \$ 232,658 | \$ 1,552,851 | \$ 921,074 |
| Other capital assets: | | | | |
| Buildings and systems | \$ 32,963,836 | \$ 1,552,851 | \$ - | \$ 34,516,687 |
| Land improvements | 22,634 | - | - | 22,634 |
| Machinery, equipment and vehicles | 971,311 | 46,009 | - | 1,017,320 |
| Total other capital assets | \$ 33,957,781 | \$ 1,598,860 | \$ - | \$ 35,556,641 |
| Accumulated depreciation: | | | | |
| Buildings and systems | \$ 8,206,232 | \$ 855,055 | \$ - | \$ 9,061,287 |
| Land improvements | 5,670 | 1,275 | - | 6,945 |
| Machinery, equipment and vehicles | 751,637 | 38,443 | - | 790,080 |
| Total accumulated depreciation | \$ 8,963,539 | \$ 894,773 | \$ - | \$ 9,858,312 |
| Other capital assets, net | \$ 24,994,242 | \$ 704,087 | \$ - | \$ 25,698,329 |
| Net capital assets | \$ 27,235,509 | \$ 936,745 | \$ 1,552,851 | \$ 26,619,403 |
| Depreciation is allocated to: | | | | |
| Water operations | | \$ 497,108 | | |
| Sewer operations | | 397,665 | | |
| | | \$ 894,773 | | |

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 8—Capital Assets: (Continued)

Component Unit-School Board:

| | Balance July 1, 2020 | Adjust- ments | Balance July 1, 2020 As Adjusted | Increases | Decreases | Balance June 30, 2021 |
|--------------------------------------------|----------------------------|------------------|-------------------------------------------|--------------|------------|-----------------------------|
| Capital assets not being depreciated: | | | | | | |
| Land | \$ 257,165 | \$ - | \$ 257,165 | \$ - | \$ - | \$ 257,165 |
| Total capital assets not being depreciated | \$ 257,165 | \$ - | \$ 257,165 | \$ - | \$ - | \$ 257,165 |
| Other capital assets: | | | | | | |
| Buildings and improvements | \$ 16,785,966 | \$ - | \$ 16,785,966 | \$ - | \$ - | \$ 16,785,966 |
| Improvements other than buildings | 528,483 | 24,785 | 553,268 | - | - | 553,268 |
| Machinery, equipment and vehicles | 8,707,579 | (24,785) | 8,682,794 | 939,323 | 105,354 | 9,516,763 |
| Jointly owned assets | 18,371,033 | - | 18,371,033 | 2,098,192 | - | 20,469,225 |
| Total other capital assets | \$ 44,393,061 | \$ - | \$ 44,393,061 | \$ 3,037,515 | \$ 105,354 | \$ 47,325,222 |
| Accumulated depreciation: | | | | | | |
| Buildings and improvements | \$ 11,479,534 | \$ - | \$ 11,479,534 | \$ 211,189 | \$ - | \$ 11,690,723 |
| Improvements other than buildings | 466,218 | - | 466,218 | 26,360 | - | 492,578 |
| Machinery, equipment and vehicles | 6,143,369 | - | 6,143,369 | 699,754 | 105,354 | 6,737,769 |
| Jointly owned assets | 6,999,835 | - | 6,999,835 | 1,135,962 | - | 8,135,797 |
| Total accumulated depreciation | \$ 25,088,956 | \$ - | \$ 25,088,956 | \$ 2,073,265 | \$ 105,354 | \$ 27,056,867 |
| Other capital assets, net | \$ 19,304,105 | \$ - | \$ 19,304,105 | \$ 964,250 | \$ - | \$ 20,268,355 |
| Net capital assets | \$ 19,561,270 | \$ - | \$ 19,561,270 | \$ 964,250 | \$ - | \$ 20,525,520 |
| Depreciation is allocated to education | | | | \$ 2,073,265 | | |

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, 2021, is that school financed assets in the amount of \$13,476,197 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, 2021 (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, 2021:

| | Balance July 1, 2020 | Issuances/ Increases | Retirements/ Decreases | Balance June 30, 2021 |
|-------------------------------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Primary Government: | | | | |
| Governmental activities: | | | | |
| Direct borrowings and direct placements: | | | | |
| Lease revenue bonds | \$ 5,330,000 | \$ - | \$ 326,000 | \$ 5,004,000 |
| Refunding bonds | 4,890,000 | - | - | 4,890,000 |
| Premium on issuance | 707,554 | - | 88,254 | 619,300 |
| General obligation school bonds | 17,985,885 | - | 2,005,971 | 15,979,914 |
| Premium on issuance | 534,419 | - | 92,221 | 442,198 |
| Net pension liability | 1,127,749 | 1,954,089 | 864,949 | 2,216,889 |
| Net OPEB liability | 328,296 | 94,473 | 78,797 | 343,972 |
| Compensated absences | 631,933 | 42,250 | - | 674,183 |
| Total obligations from governmental activities | \$ 31,535,836 | \$ 2,090,812 | \$ 3,456,192 | \$ 30,170,456 |
| Business-type activities: | | | | |
| Direct borrowings and direct placements: | | | | |
| Revenue bonds | \$ 846,670 | \$ - | \$ 32,382 | \$ 814,288 |
| Revolving loans | 10,275,998 | - | 245,026 | 10,030,972 |
| Net pension liability | 115,260 | 206,109 | 90,031 | 231,338 |
| Net OPEB liability | 32,469 | 9,343 | 7,793 | 34,019 |
| Compensated absences | 61,706 | 4,654 | - | 66,360 |
| Total obligations from business-type activities | \$ 11,332,103 | \$ 220,106 | \$ 375,232 | \$ 11,176,977 |
| Long-term obligations from component unit activities: | | | | |
| School Board: | | | | |
| Energy improvement lease | \$ 1,062,304 | \$ - | \$ 102,922 | \$ 959,382 |
| Net pension liability | 16,958,708 | 7,631,342 | 5,491,711 | 19,098,339 |
| Net OPEB liabilities | 2,641,954 | 724,075 | 560,719 | 2,805,310 |
| Compensated absences | 615,175 | 12,975 | - | 628,150 |
| Total obligations from component unit activities | \$ 21,278,141 | \$ 8,368,392 | \$ 6,155,352 | \$ 23,491,181 |
| Total long-term obligations | \$ 64,146,080 | \$ 10,679,310 | \$ 9,986,776 | \$ 64,838,614 |
| Reconciliation to Exhibit 1: | | | | |
| | Governmental Activities | Business-Type Activities | Component Unit School Board | Total |
| Long-term liabilities: | | | | |
| Due within one year | \$ 2,647,085 | 291,111 | \$ 173,445 | \$ 3,111,641 |
| Due in more than one year | 27,523,371 | 10,885,866 | 23,317,736 | 61,726,973 |
| Total long-term obligations | \$ 30,170,456 | \$ 11,176,977 | \$ 23,491,181 | \$ 64,838,614 |

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements As of June 30, 2021 (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 |
|--------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------|-------------------|----------------------------------------|---------------------------|---------------|----------------------------------|
| Primary Government: | | | | | | | |
| Governmental activities: | | | | | | | |
| Lease revenue bonds: | | | | | | | |
| Library | 8/15/2019 | 5,150,000 | 2.870% | SA \$105,000-\$372,000 | A 4/1/2039 | \$ 5,004,000 | \$ 51,000 |
| Total lease revenue bonds | | | | | | \$ 5,004,000 | \$ 51,000 |
| 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 | \$ 275,000 |
| Unamortized premium on Issuance | n/a | n/a | n/a | n/a | n/a | 619,300 | 85,616 |
| Total refunding bonds | | | | | | \$ 5,509,300 | \$ 360,616 |
| 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 | \$ 590,000 | \$ 295,000 |
| Unamortized premium on Issuance | n/a | n/a | n/a | n/a | n/a | 35,613 | 11,871 |
| School bonds | 11/10/2005 | \$ 5,856,256 | 4.60%-5.10% | SA \$222,289-\$370,235 | A 7/15/2025 | 1,755,914 | 332,177 |
| Unamortized premium on Issuance | n/a | n/a | n/a | n/a | n/a | 21,440 | 7,714 |
| School bonds | 12/1/2011 | \$ 10,000,000 | 4.5% * | SA \$186,000-\$784,600 | A 6/1/2027 | 4,739,000 | 816,000 |
| School bonds | 11/9/2011 | \$ 13,325,000 | 2.05%-5.05% | SA \$320,000-\$985,000 | A 7/15/2031 | 8,895,000 | 640,000 |
| Unamortized premium on Issuance | n/a | n/a | n/a | n/a | n/a | 385,145 | 65,289 |
| Net general obligation school bonds | | | | | | \$ 16,422,112 | \$ 2,168,051 |
| * Interest to be refunded by Federal Tax Credit | | | | | | | |
| Other obligations: | | | | | | | |
| Net pension liability (payable from general fund) | | | | | | \$ 2,216,889 | \$ - |
| Net OPEB liability (payable from general fund) | | | | | | 343,972 | - |
| Compensated absences (payable from general fund) | | | | | | 674,183 | 67,418 |
| Total other obligations | | | | | | \$ 3,235,044 | \$ 67,418 |
| Total long-term obligations from governmental activities | | | | | | \$ 30,170,456 | \$ 2,647,085 |
| 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 | \$ 814,288 | \$ 33,927 |
| Total revenue bonds | | | | | | \$ 814,288 | \$ 33,927 |
| Revolving loans: | | | | | | | |
| VRA revolving fund loan | 10/30/2004 | \$ 1,056,863 | 1.000% | SA \$20,729 (P&I) | SA 3/1/2034 | \$ 504,218 | \$ 36,507 |
| Rural Development loan | 10/15/2007 | \$ 1,171,700 | 4.125% | M \$5,097 (P&I) | M 10/13/2044 | 893,718 | 24,697 |
| Rural Development loan | 7/25/2011 | \$ 5,000,000 | 2.375% | M \$16,700 (P&I) | M 8/25/2051 | 4,289,707 | 99,600 |
| Rural Development loan ** | 1/6/2015 | \$ 4,718,000 | 2.125% | M \$15,098 (P&I) | M 10/1/2033 | 4,343,329 | 89,744 |
| Total revolving loans | | | | | | \$ 10,030,972 | \$ 250,548 |
| ** 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) | | | | | | \$ 231,338 | \$ - |
| Net OPEB liability (payable from water and sewer funds) | | | | | | 34,019 | - |
| Compensated absences (payable from water and sewer funds) | | | | | | 66,360 | 6,636 |
| Total other obligations | | | | | | \$ 331,717 | \$ 6,636 |
| Total long-term obligations from business-type activities | | | | | | \$ 11,176,977 | \$ 291,111 |
| Total long-term obligations, Primary Government | | | | | | \$ 41,347,433 | \$ 2,938,196 |
| Component Unit School Board: | | | | | | | |
| Other Obligations: | | | | | | | |
| Energy Improvement Lease | 9/5/2012 | \$ 1,596,421 | 2.75% | \$102,491-\$170,261 | A 9/5/2027 | \$ 959,382 | \$ 110,630 |
| Net pension liabilities (payable from school operating fund) | | | | | | 19,098,339 | - |
| Net OPEB liabilities (payable from school operating fund) | | | | | | 2,805,310 | - |
| Compensated absences (payable from school operating fund) | | | | | | 628,150 | 62,815 |
| Total Other Obligations | | | | | | \$ 23,491,181 | \$ 173,445 |
| Total long-term obligations, Component Unit School Board | | | | | | \$ 23,491,181 | \$ 173,445 |
| Total long-term obligations | | | | | | \$ 64,838,614 | \$ 3,111,641 |
| A = annual installments M = monthly installments SA = semi-annual installments | | | | | | | |

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2021 (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 |
| 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 | 2,941,370 | 1,218,205 | 145,541 | 12,832 |
| 2027-2031 | 10,499,337 | 3,241,890 | 321,084 | 13,387 |
| 2032-2036 | 5,944,780 | 1,239,370 | - | - |
| 2037-2041 | 2,828,355 | 640,990 | - | - |
| 2042-2046 | 1,698,457 | 359,835 | - | - |
| 2047-2051 | 1,727,281 | 165,908 | - | - |
| 2052-2055 | 618,258 | 24,461 | - | - |
| Total | <u>\$ 37,780,672</u> | <u>\$ 12,593,458</u> | <u>\$ 959,382</u> | <u>\$ 112,596</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 was due when the 1st installment was made on the loan or the new sewer plant became operational, whichever occurred first. In fiscal year 2021, the County made payments of \$181,176 for debt service (principal payments of \$87,863 and interest of \$93,313) 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 2021, the County made payments of \$185,791 for debt service (principal payments of \$41,000 and interest of \$144,791) 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, 2021 (Continued)

Note 10—Long-Term Obligations: (Continued)

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, 2021 was \$2,980,300.

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:

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, 2021 (Continued)

Note 11—Pension Plans: (Continued)

Benefit Structures

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

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

Average Final Compensation and Service Retirement Multiplier

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 11—Pension Plans: (Continued)

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

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

Employees Covered by Benefit Terms

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

| | Primary Government | Component Unit School Board Nonprofessional |
|----------------------------------------------------------------------|-----------------------|---------------------------------------------------|
| Inactive members or their beneficiaries currently receiving benefits | 58 | 46 |
| Inactive members: | | |
| Vested inactive members | 17 | 13 |
| Non-vested inactive members | 18 | 15 |
| Inactive members active elsewhere in VRS | 46 | 19 |
| Total inactive members | 81 | 47 |
| Active members | 96 | 52 |
| Total covered employees | 235 | 145 |

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, 2021 was 8.00% 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 County were \$366,148 and \$354,698 for the years ended June 30, 2021 and June 30, 2020, respectively.

The Component Unit School Board's contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2021 was 4.98% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 11—Pension Plans: (Continued)

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 \$39,369 and \$34,685 for the years ended June 30, 2021 and June 30, 2020, 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, 2020. The total pension liabilities used to calculate the net pension liability (asset) were determined by an actuarial valuation performed as of June 30, 2019 and rolled forward to the measurement date of June 30, 2020.

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, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

| | |
|---------------------------------------|----------------------------------------------------------------------|
| Inflation | 2.50% |
| 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 fair 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, 2021 (Continued)

Note 11—Pension Plans: (Continued)

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

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, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

| | |
|---------------------------------------|----------------------------------------------------------------------|
| Inflation | 2.50% |
| 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 fair 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, 2021 (Continued)

Note 11—Pension Plans: (Continued)

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

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, 2021 (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:

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

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

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, 2020, 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, 2020, 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, 2021 (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, 2020 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, 2019 | \$ 20,831,605 | \$ 19,588,595 | \$ 1,243,010 |
| Changes for the year: | | | |
| Service cost | \$ 439,293 | \$ - | \$ 439,293 |
| Interest | 1,378,194 | - | 1,378,194 |
| Differences between expected and actual experience | 327,356 | - | 327,356 |
| Contributions - employer | - | 354,700 | (354,700) |
| Contributions - employee | - | 222,370 | (222,370) |
| Net investment income | - | 375,715 | (375,715) |
| Benefit payments, including refunds of employee contributions | (827,823) | (827,823) | - |
| Administrative expenses | - | (12,715) | 12,715 |
| Other changes | - | (444) | 444 |
| Net changes | \$ 1,317,020 | \$ 111,803 | \$ 1,205,217 |
| Balances at June 30, 2020 | \$ 22,148,625 | \$ 19,700,398 | \$ 2,448,227 |

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2021 (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, 2019 | \$ 3,609,229 | \$ 3,837,548 | \$ (228,319) |
| Changes for the year: | | | |
| Service cost | \$ 94,922 | \$ - | \$ 94,922 |
| Interest | 238,053 | - | 238,053 |
| Differences between expected and actual experience | 89,418 | - | 89,418 |
| Contributions - employer | - | 34,682 | (34,682) |
| Contributions - employee | - | 42,118 | (42,118) |
| Net investment income | - | 72,384 | (72,384) |
| Benefit payments, including refunds of employee contributions | (165,045) | (165,045) | - |
| Administrative expenses | - | (2,520) | 2,520 |
| Other changes | - | (86) | 86 |
| Net changes | \$ 257,348 | \$ (18,467) | \$ 275,815 |
| Balances at June 30, 2020 | \$ 3,866,577 | \$ 3,819,081 | \$ 47,496 |

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 Rate | | |
| | 1% Decrease (5.75%) | 1% Increase (7.75%) | |
| County's Net Pension Liability (Asset) | \$ 5,160,324 | \$ 2,448,227 | \$ 188,677 |
| Component Unit School Board (nonprofessional) Net Pension Liability (Asset) | \$ 491,953 | \$ 47,496 | \$ (326,255) |

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2021 (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, 2021, the County and Component Unit School Board (nonprofessional) recognized pension expense of \$628,405 and \$101,016, respectively. At June 30, 2021, 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 | \$ 238,380 | \$ 12,718 | \$ 50,027 | \$ 12,108 |
| Changes of assumptions | 213,411 | - | 11,977 | |
| Net difference between projected and actual earnings on pension plan investments | 588,448 | - | 114,202 | - |
| Change in proportionate share | 3,103 | 3,103 | - | - |
| Employer contributions subsequent to the measurement date | 366,148 | - | 39,369 | - |
| Total | <u>\$ 1,409,490</u> | <u>\$ 15,821</u> | <u>\$ 215,575</u> | <u>\$ 12,108</u> |

\$366,148 and \$39,369 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, 2022. 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) |
|--------------------|--------------------|-----------------------------------------------|
| 2022 | \$ 317,518 | \$ 42,119 |
| 2023 | 318,332 | 46,409 |
| 2024 | 204,151 | 38,854 |
| 2025 | 187,520 | 36,716 |
| 2026 | - | - |
| Thereafter | - | - |

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 11—Pension Plans: (Continued)

Pension Plan Data

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

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, 2021 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. 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 \$1,866,299 and \$1,739,502 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

At June 30, 2021, the school division reported a liability of \$19,050,843 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2020 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2019, and rolled forward to the measurement date of June 30, 2020. 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, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the school division's proportion was .13090% as compared to .12886% at June 30, 2019.

For the year ended June 30, 2021, the school division recognized pension expense of \$1,936,530. 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, 2021 (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, 2021, 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 | \$ - | \$ 1,116,674 |
| Change in assumptions | 1,300,459 | - |
| Net difference between projected and actual earnings on pension plan investments | 1,449,028 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 242,165 | 684,678 |
| Employer contributions subsequent to the measurement date | <u>1,866,299</u> | <u>-</u> |
| Total | <u>\$ 4,857,951</u> | <u>\$ 1,801,352</u> |

\$1,866,299 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, 2022. 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> | |
|---------------------------|--------------|
| 2022 | \$ (181,398) |
| 2023 | 321,521 |
| 2024 | 558,179 |
| 2025 | 503,122 |
| 2026 | (11,124) |

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 11—Pension Plans: (Continued)

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, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

| | |
|---------------------------------------|----------------------------------------------------------------------|
| Inflation | 2.50% |
| 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 fair 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, 2021 (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, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

| | |
|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 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, 2020, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

| | Teacher Employee Retirement Plan |
|-------------------------------------------------------------------------------|---------------------------------------------|
| Total Pension Liability | \$ 51,001,855 |
| Plan Fiduciary Net Position | <u>36,449,229</u> |
| Employers' Net Pension Liability | <u><u>\$ 14,552,626</u></u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 71.47% |

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, 2021 (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 | \$ 27,951,865 | \$ 19,050,843 | \$ 11,688,573 |

Pension Plan Fiduciary Net Position

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

Primary Government and Component Unit School Board

Aggregate Pension Information

| | VRS Pension Plans: | | | |
|------------------------------------|---------------------|---------------------|-------------------------------|---------------------|
| | Deferred Outflows | Deferred Inflows | Net Pension Liability (Asset) | Pension Expense |
| Primary Government | | | | |
| Primary Government | \$ 1,409,490 | \$ 15,821 | \$ 2,448,227 | \$ 628,405 |
| Totals | <u>\$ 1,409,490</u> | <u>\$ 15,821</u> | <u>\$ 2,448,227</u> | <u>\$ 628,405</u> |
| Component Unit School Board | | | | |
| School Board Nonprofessional | \$ 215,575 | \$ 12,108 | \$ 47,496 | \$ 101,016 |
| School Board Professional | 4,857,951 | 1,801,352 | 19,050,843 | 1,936,530 |
| Totals | <u>\$ 5,073,526</u> | <u>\$ 1,813,460</u> | <u>\$ 19,098,339</u> | <u>\$ 2,037,546</u> |

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2021 (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, 2021, the County had two 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 |
|-----------------------------------------|---------------------|----------------------|---------------------|
| Glenmore rescue squad building | \$ 604,500 | \$ 401,444 | \$ 203,056 |
| Dillwyn solid waste site (engineering) | 56,500 | 32,620 | 23,880 |
| Dillwyn solid waste site (construction) | 347,597 | - | 347,597 |
| | <u>\$ 1,008,597</u> | <u>\$ 434,064</u> | <u>\$ 574,533</u> |

Note 13—Surety Bonds:

| | Amount |
|---------------------------------------------------------------------------------------------------|------------|
| 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, 2021 (Continued)

Note 14—Landfill Closure and Postclosure Care Cost:

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:

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:

At June 30, 2021, 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:

Expenditures exceeded appropriations in the following functions of the General Fund: General Government Administration (\$66,796), Public Safety (\$296,473), Public Works (\$513,494); Health and Welfare (\$419,307); and Nondepartmental (\$5,694). However, all disbursements were approved in accordance with operating policies.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 18—Interfund Transfers:

Interfund transfers for the year ended June 30, 2021 consisted of the following:

| | <u>Transfers In</u> | <u>Transfers Out</u> | <u>Net</u> |
|----------------------------------|---------------------|----------------------|--------------------|
| Primary Government: | | | |
| Governmental Activities: | | | |
| General Fund | \$ 548,430 | \$ 3,695,219 | \$ (3,146,789) |
| VPA Fund | 239,997 | - | 239,997 |
| CARES Act Fund | - | 380,524 | (380,524) |
| Debt Service Fund | 3,039,101 | - | 3,039,101 |
| County Capital Improvements Fund | 234,945 | - | 234,945 |
| Total interfund transfers | <u>\$ 4,062,473</u> | <u>\$ 4,075,743</u> | <u>\$ (13,270)</u> |
| Business-type Activities: | | | |
| Water Fund | \$ 64,819 | \$ 263,799 | \$ (198,980) |
| Sewer Fund | 212,250 | - | 212,250 |
| IDA | 181,176 | 181,176 | - |
| Total interfund transfers | <u>\$ 458,245</u> | <u>\$ 444,975</u> | <u>\$ 13,270</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, 2021, 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, 2021 is not believed to be material to the financial statements. The School Board had no participants on its plan during the year and the benefit is no longer offered so there is minimal impact to the financial statements.

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

Line of Duty Act (LODA)

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

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

The current-year OPEB expense/expenditure for the insured benefits is defined as the amount of premiums or other payments required for the insured benefits for the reporting period in accordance with the agreement with the insurance company for LODA and a change in liability to the insurer equal to the difference between amounts recognized as OPEB expense and amounts paid by the employer to the insurer. The County's LODA coverage is fully covered or "insured" through VACORP. This is built into the LODA coverage cost presented in the annual renewals. The County's LODA premium for the year ended June 30, 2021 was \$19,037.

Health Insurance Credit (HIC) Plan

Plan Description

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

Health Insurance Credit (HIC) Plan (Continued)

Eligible Employees

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

Benefit Amounts

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

HIC Plan Notes

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

Employees Covered by Benefit Terms

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

| | <u>Number</u> |
|-------------------------|---------------|
| Active members | 52 |
| Total covered employees | <u>52</u> |

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

Health Insurance Credit (HIC) Plan (Continued)

Contributions

The contribution requirements for active employees is governed by §51.1-1402(E) of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. The Component Unit School Board’s (nonprofessional) contractually required employer contribution rate for the year ended June 30, 2021 was 1.15% 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 was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the Component Unit School Board (nonprofessional) to the HIC Plan were \$10,055 and \$0 for the years ended June 30, 2021 and June 30, 2020, respectively.

Net HIC OPEB Liability

The Component Unit School Board’s (nonprofessional) net HIC OPEB liability was measured as of June 30, 2020. The total HIC OPEB liability was determined by an actuarial valuation performed as of June 30, 2019, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

Actuarial Assumptions

The total HIC OPEB liability was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

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

*Administrative expenses as a percent of the fair 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 the OPEB liabilities.

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

Health Insurance Credit (HIC) Plan (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 Life Mortality Table 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, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

| | |
|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| 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, 2021 (Continued)

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

Health Insurance Credit (HIC) Plan (Continued)

Long-Term Expected Rate of Return

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

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

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

The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ended June 30, 2020, the rate contributed by the entity for the HIC OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2020 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the HIC OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total HIC OPEB liability.

Changes in Net HIC OPEB Liability

| | Increase (Decrease) | | |
|---------------------------|---------------------------------------|------------------------------------------|---------------------------------------------------|
| | Total HIC OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net HIC OPEB Liability (Asset) (a) - (b) |
| Balances at June 30, 2019 | \$ - | \$ - | \$ - |
| Changes for the year: | | | |
| Benefit changes | \$ 115,319 | \$ - | \$ 115,319 |
| Net changes | \$ 115,319 | \$ - | \$ 115,319 |
| Balances at June 30, 2020 | \$ 115,319 | \$ - | \$ 115,319 |

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

Health Insurance Credit (HIC) Plan (Continued)

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

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

| | Rate | | |
|--------------------------------|-------------|------------------|-------------|
| | 1% Decrease | Current Discount | 1% Increase |
| | (5.75%) | (6.75%) | (7.75%) |
| School Board (nonprofessional) | | | |
| Net HIC OPEB Liability | \$ 127,927 | \$ 115,319 | \$ 104,489 |

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

For the year ended June 30, 2021, the Component Unit School Board (nonprofessional) recognized HIC Plan OPEB expense of \$115,319. At June 30, 2021, the Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to the Component Unit School Board's (nonprofessional) HIC Plan from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--------------------------------------------------------------|-----------------------------------|----------------------------------|
| Employer contributions subsequent to the measurement date | \$ 10,055 | \$ - |
| Total | \$ 10,055 | \$ - |

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

Health Insurance Credit (HIC) Plan (Continued)

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

\$10,055 reported as deferred outflows of resources related to the HIC OPEB resulting from the Component Unit School Board's (nonprofessional) contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

| <u>Year Ended June 30</u> | | |
|----------------------------------|----|-----|
| 2022 | \$ | N/A |
| 2023 | | N/A |
| 2024 | | N/A |
| 2025 | | N/A |
| 2026 | | N/A |
| Thereafter | | N/A |

HIC Plan Data

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

Group Life Insurance (GLI) Plan:

Plan Description

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

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

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

Eligible Employees

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

Benefit Amounts

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, 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 \$8,616 as of June 30, 2021.

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

Group Life Insurance (GLI) Plan: (Continued)

Contributions

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% x 60%) and the employer component was 0.54% (1.34% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 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 GLI Plan from the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) were \$26,312 and \$24,240, \$4,729 and \$4,599, and \$62,400 and \$59,222 for the years ended June 30, 2021 and June 30, 2020, 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, 2021, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) reported a liability of \$377,991, \$71,760, and \$923,534, respectively, for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2020 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, 2019 and rolled forward to the measurement date of June 30, 2020. 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, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the County's, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) proportion was .02265%, .00430%, and .05534%, respectively as compared to .02217%, .00446%, and .05485% at June 30, 2019.

For the year ended June 30, 2021, the County, Component Unit School Board (nonprofessional), and Component Unit School Board (professional) recognized GLI OPEB expense of \$14,807, \$2,371, and \$25,169, 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, 2021 (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, 2021, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

| | | Deferred Outflows of Resources | Deferred Inflows of Resources |
|-----------------------------------------------------------------------------------|----|-----------------------------------|----------------------------------|
| Primary Government | | | |
| Differences between expected and actual experience | \$ | 24,245 | \$ 3,395 |
| Net difference between projected and actual earnings on GLI OPEB plan investments | | 11,355 | - |
| Change in assumptions | | 18,904 | 7,893 |
| Changes in proportionate share | | 6,884 | 3,304 |
| Employer contributions subsequent to the measurement date | | 26,312 | - |
| Total | \$ | <u>87,700</u> | <u>\$ 14,592</u> |
| School Board - Nonprofessional | | | |
| Differences between expected and actual experience | \$ | 4,603 | \$ 646 |
| Net difference between projected and actual earnings on GLI OPEB plan investments | | 2,156 | - |
| Change in assumptions | | 3,589 | 1,498 |
| Changes in proportionate share | | | 2,259 |
| Employer contributions subsequent to the measurement date | | 4,729 | - |
| Total | \$ | <u>15,077</u> | <u>\$ 4,403</u> |
| School Board - Professional | | | |
| Differences between expected and actual experience | \$ | 59,236 | \$ 8,294 |
| Net difference between projected and actual earnings on GLI OPEB plan investments | | 27,742 | - |
| Change in assumptions | | 46,187 | 19,284 |
| Changes in proportionate share | | 6,252 | 40,180 |
| Employer contributions subsequent to the measurement date | | 62,400 | - |
| Total | \$ | <u>201,817</u> | <u>\$ 67,758</u> |

COUNTY OF BUCKINGHAM, VIRGINIA

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

\$26,312, \$4,729, and \$62,400 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

| Year Ended June 30 | Primary Government | School Board (nonprofessional) | School Board (professional) |
|--------------------|-----------------------|-----------------------------------|--------------------------------|
| 2022 | \$ 6,086 | \$ 716 | \$ 3,862 |
| 2023 | 9,293 | 1,325 | 11,696 |
| 2024 | 12,959 | 1,880 | 21,317 |
| 2025 | 13,697 | 1,905 | 26,425 |
| 2026 | 4,275 | 171 | 7,563 |
| Thereafter | 486 | (52) | 796 |

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020. The assumptions include several employer groups. Salary increases and mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS Annual Report.

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

*Administrative expenses as a percent of the fair 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, 2021 (Continued)

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

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

| | |
|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 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, 2021 (Continued)

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

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

| | |
|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| 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, 2021 (Continued)

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

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

| | |
|-------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| 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, 2021 (Continued)

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

Group Life Insurance (GLI) Plan: (Continued)

NET GLI OPEB Liability

The net OPEB liability (NOL) for the GLI Plan represents the plan's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2020, NOL amounts for the GLI Plan is as follows (amounts expressed in thousands):

| | | GLI OPEB Plan |
|--------------------------------------------------------------------------------|----|--------------------------|
| Total GLI OPEB Liability | \$ | 3,523,937 |
| Plan Fiduciary Net Position | | 1,855,102 |
| GLI Net OPEB Liability (Asset) | \$ | <u>1,668,835</u> |
| Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability | | 52.64% |

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

Teacher Employee Health Insurance Credit (HIC) Plan:

Plan Description

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

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

Eligible Employees

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

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

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

Benefit Amounts

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

HIC Plan Notes

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

Contributions

The contribution requirements for active employees is governed by §51.1-1401(E) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Each school division's contractually required employer contribution rate for the year ended June 30, 2021 was 1.21% 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, 2019. 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 \$139,823 and \$136,666 for the years ended June 30, 2021 and June 30, 2020, 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, 2021, the school division reported a liability of \$1,694,697 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, 2020 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, 2019 and rolled forward to the measurement date of June 30, 2020. 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, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the school division's proportion of the VRS Teacher Employee HIC Plan was .12991% as compared to .12809% at June 30, 2019.

For the year ended June 30, 2021, the school division recognized VRS Teacher Employee HIC Plan OPEB expense of \$122,568. 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.

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

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

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

At June 30, 2021, 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 | \$ - | \$ 22,633 |
| Net difference between projected and actual earnings on Teacher HIC OPEB plan investments | 7,510 | - |
| Change in assumptions | 33,502 | 9,259 |
| Changes in proportionate share | 20,376 | 91,773 |
| Employer contributions subsequent to the measurement date | <u>139,823</u> | <u>-</u> |
| Total | <u>\$ 201,211</u> | <u>\$ 123,665</u> |

\$139,823 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, 2022. 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> | |
|---------------------------|-------------|
| 2022 | \$ (16,217) |
| 2023 | (15,473) |
| 2024 | (15,722) |
| 2025 | (11,784) |
| 2026 | (3,829) |
| Thereafter | 748 |

COUNTY OF BUCKINGHAM, VIRGINIA

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

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

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, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

| | |
|---------------------------------------|------------------------------------------------------------|
| Inflation | 2.50% |
| 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 fair 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, 2021 (Continued)

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

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

Mortality Rates - Teachers (Continued)

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

| | |
|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 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, 2020, NOL amounts for the VRS Teacher Employee HIC Plan is as follows (amounts expressed in thousands):

| | | Teacher Employee HIC OPEB Plan |
|-------------------------------------------------------------------------------------------------|----|-----------------------------------------------|
| Total Teacher Employee HIC OPEB Liability | \$ | 1,448,676 |
| Plan Fiduciary Net Position | | 144,160 |
| Teacher Employee HIC Net OPEB Liability (Asset) | \$ | <u>1,304,516</u> |
| Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability | | 9.95% |

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, 2021 (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) | Long-term Target Asset Allocation | Arithmetic Long-term Expected Rate of Return | Weighted Average Long-term Expected Rate of Return* |
|--------------------------------------|--------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------|
| Public Equity | 34.00% | 4.65% | 1.58% |
| Fixed Income | 15.00% | 0.46% | 0.07% |
| Credit Strategies | 14.00% | 5.38% | 0.75% |
| Real Assets | 14.00% | 5.01% | 0.70% |
| Private Equity | 14.00% | 8.34% | 1.17% |
| MAPS - Multi-Asset Public Strategies | 6.00% | 3.04% | 0.18% |
| PIP - Private Investment Partnership | 3.00% | 6.49% | 0.19% |
| Total | 100.00% | | 4.64% |
| | | Inflation | 2.50% |
| | | *Expected arithmetic nominal return | 7.14% |

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

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, 2020, 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, 2021 (Continued)

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

Discount Rate (Continued)

the actuarially determined contribution rate. From July 1, 2020 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 | \$ 496,898 | \$ 377,991 | \$ 281,427 |
| School Board (nonprofessional) | 94,334 | 71,760 | 53,428 |
| School Board (professional) | 1,214,057 | 923,534 | 687,603 |

| | Rate | | |
|-----------------------------------------------------------------------------------------------------------------|------------------------|-----------------------------|------------------------|
| | 1% Decrease (5.75%) | Current Discount (6.75%) | 1% Increase (7.75%) |
| School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability | \$ 1,897,037 | \$ 1,694,697 | \$ 1,522,723 |

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 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/pdf/publications/2020-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF BUCKINGHAM, VIRGINIA

Notes to Financial Statements
As of June 30, 2021 (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 |
| Primary Government | | | | |
| Primary Government - GLI | \$ 87,700 | \$ 14,592 | \$ 377,991 | \$ 14,807 |
| Totals | <u>\$ 87,700</u> | <u>\$ 14,592</u> | <u>\$ 377,991</u> | <u>\$ 14,807</u> |
| Component Unit School Board | | | | |
| School Board Nonprofessional - GLI | \$ 15,077 | \$ 4,403 | \$ 71,760 | \$ 2,371 |
| School Board Nonprofessional - HIC | 10,055 | - | 115,319 | 115,319 |
| School Board Professional - GLI | 201,817 | 67,758 | 923,534 | 25,169 |
| School Board Professional - HIC | 201,211 | 123,665 | 1,694,697 | 122,568 |
| Totals | <u>\$ 428,160</u> | <u>\$ 195,826</u> | <u>\$ 2,805,310</u> | <u>\$ 265,427</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 |
|----------------------|-------------------|-------------------|
| 2022 | \$ 50,000 | \$ 29,052 |
| 2023 | 50,000 | 29,052 |
| 2024 | 50,000 | 29,052 |
| 2025 | 50,000 | 29,052 |
| 2026 | 50,000 | 29,052 |
| 2027-2029 | 91,666 | 72,630 |
| Total | <u>\$ 341,666</u> | <u>\$ 217,890</u> |

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 21—Operating Leases: (Continued)

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

| <u>Year Ending June 30,</u> | <u>Land</u> |
|-----------------------------|------------------|
| 2022 | \$ 7,200 |
| 2023 | 7,380 |
| 2024 | 7,416 |
| 2025 | 7,416 |
| 2026 | 7,416 |
| 2027-2031 | 37,080 |
| 2032-2033 | 8,652 |
| Total | <u>\$ 82,560</u> |

Note 22—Adoption of Accounting Principle:

The County implemented provisions of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities* during the fiscal year ended June 30, 2021. This statement 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 implementation of this Statement resulted in the following restatement of net position.

| | <u>Beginning balance, as originally reported</u> | <u>Implementation of GASB 84</u> | <u>Beginning balance, as restated</u> |
|----------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------|-----------------------------------------------|
| <u>Primary Government</u> | | | |
| Fiduciary Activities: | | | |
| Custodial Funds | \$ <u>-</u> | \$ <u>236,764</u> | \$ <u>236,764</u> |
| <u>Discretely Presented Component Unit - School Board</u> | | | |
| Net position | \$ <u>(48,737)</u> | \$ <u>259,130</u> | \$ <u>210,393</u> |
| Fund balance | \$ <u>320,384</u> | \$ <u>259,130</u> | \$ <u>579,514</u> |

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 23—Tax Incentives:

Central Virginia Electric Cooperative

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

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

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

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

In-House Pharmacy Partners

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

The transaction includes an agreement for a two-year tax abatement. The IDA has agreed to rebate the real estate taxes for the 2020, 2021, and 2022 tax years, provided that the buyers are current in their obligations to the county and the taxes have been paid timely. June 2021 real estate taxes of \$12,751.44 were abated in August 2021 in accordance with the agreement.

Note 24—Upcoming Pronouncements:

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.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 24—Upcoming Pronouncements: (Continued)

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, 2021 (Continued)

Note 25—Subsequent Events:

COVID-19 Pandemic and CARES Funding

The COVID-19 pandemic and its impact on operations continues to evolve. Specific to the County, COVID-19 impacted various parts of its 2021 operations and financial results including, but not limited to, taking over rescue operations, costs for emergency preparedness and shortages of personnel. Federal relief has been received through various programs. Management believes the County is taking appropriate actions to mitigate the negative impact. The extent to which COVID-19 may impact operations in subsequent years remains uncertain, and management is unable to estimate the effects on future results of operations, financial condition, or liquidity for fiscal year 2022.

CARES Act Funding

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, which included direct aid for state and local governments from the federal Coronavirus Relief Fund (CRF).

Each locality received its CRF allocations based on population in two equal payments, with the second and final round of funding being received during fiscal year 2021. The County received total CRF funding of \$2,992,194. In addition, the School Board received CRF funding from the Virginia Department of Education in the amount of \$336,336. As a condition of receiving CRF funds, any funds unexpended as of December 31, 2021 were to be returned to the federal government. Unspent CRF funds in the amount of \$389,678 are reported as unearned revenue as of June 30. The remaining funds were spent prior to the December 31, 2021 spending deadline.

ARPA Funding

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

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

ESF Funding

The CARES Act also established the Education Stabilization Fund (ESF) and allocated \$30.75 billion to the U.S. Department of Education. The ESF is composed of three primary emergency relief funds: (1) a Governor's Emergency Education Relief (GEER) Fund, (2) an Elementary and Secondary School Emergency Relief (ESSER) Fund, and (3) a Higher Education Emergency Relief (HEER) Fund. The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act) was signed into law on December 27, 2020 and added \$81.9 billion to the ESF. In March 2021, the American Rescue Plan Act (ARP Act), in support of ongoing state and institutional COVID-19 recovery efforts, added more than \$170 billion to the ESF. The School Board is receiving this funding from the Virginia Department of Education on a reimbursement basis.

COUNTY OF BUCKINGHAM, VIRGINIA

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

Note 25—Subsequent Events: (Continued)

Other Subsequent Events

- On May 10, 2021, the Board of Supervisors accepted the following gifted assets:
 - Sentara Medical Building in Dillwyn, which was gifted to Centra by the Board on March 14, 2022.
 - Hatton Ferry, which was gifted to the Albemarle Charlottesville Historical Society by the Board on February 14, 2022.
- In July 2021, the County refinanced library debt in the amount of \$4,485,000 at a premium of \$750,285. The loan carries an interest rate of 1.87%, which will result in a savings of \$576,000.
- In October 2021, the County paid \$5,000 for transfer of the Glenmore Rescue Squad building and land.
- In February 2022, the County sold 3.5 acres of land for a Sleep Inn Hotel. Tax incentives are being offered as part of this transaction.

REQUIRED SUPPLEMENTARY INFORMATION

Note to Required Supplementary Information:

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

General Fund

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

For the Year Ended June 30, 2021

| | Budgeted Amounts | | | Variance with Final Budget - Positive (Negative) |
|-----------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------------------------------------------|
| | Original | Final | Actual Amounts | |
| REVENUES | | | | |
| General property taxes | \$ 15,574,039 | \$ 15,574,039 | \$ 15,989,227 | \$ 415,188 |
| Other local taxes | 1,697,000 | 1,697,000 | 1,969,209 | 272,209 |
| Permits, privilege fees, and regulatory licenses | 76,500 | 76,500 | 274,780 | 198,280 |
| Fines and forfeitures | 32,700 | 32,700 | 36,573 | 3,873 |
| Revenue from the use of money and property | 129,849 | 129,849 | 86,180 | (43,669) |
| Charges for services | 56,216 | 56,216 | 53,064 | (3,152) |
| Miscellaneous | 21,000 | 21,000 | 31,809 | 10,809 |
| Intergovernmental: | | | | |
| Commonwealth | 4,685,667 | 4,702,761 | 4,730,475 | 27,714 |
| Federal | 53,002 | 57,998 | 213,875 | 155,877 |
| Total revenues | <u>\$ 22,325,973</u> | <u>\$ 22,348,063</u> | <u>\$ 23,385,192</u> | <u>\$ 1,037,129</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government administration | \$ 1,632,671 | \$ 1,660,552 | \$ 1,727,348 | \$ (66,796) |
| Judicial administration | 1,023,605 | 1,045,695 | 929,409 | 116,286 |
| Public safety | 4,105,958 | 4,128,188 | 4,424,661 | (296,473) |
| Public works | 1,401,253 | 1,484,532 | 1,998,026 | (513,494) |
| Health and welfare | 1,836,561 | 1,836,561 | 2,255,868 | (419,307) |
| Education | 7,246,896 | 7,525,896 | 6,843,300 | 682,596 |
| Parks, recreation, and cultural | 496,075 | 492,983 | 480,258 | 12,725 |
| Community development | 254,552 | 256,072 | 233,686 | 22,386 |
| Nondepartmental | 342,000 | 262,000 | 267,694 | (5,694) |
| Capital projects | - | 669,977 | 32,620 | 637,357 |
| Debt service: | | | | |
| Principal retirement | 41,000 | 41,000 | 41,000 | - |
| Interest and other fiscal charges | 144,792 | 144,792 | 144,792 | - |
| Total expenditures | <u>\$ 18,525,363</u> | <u>\$ 19,548,248</u> | <u>\$ 19,378,662</u> | <u>\$ 169,586</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ 3,800,610</u> | <u>\$ 2,799,815</u> | <u>\$ 4,006,530</u> | <u>\$ 1,206,715</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 200,000 | \$ 200,000 | \$ 548,430 | \$ 348,430 |
| Transfers out | (3,739,978) | (3,739,978) | (3,695,219) | 44,759 |
| Sale of land and building | - | - | 600,000 | 600,000 |
| Total other financing sources (uses) | <u>\$ (3,539,978)</u> | <u>\$ (3,539,978)</u> | <u>\$ (2,546,789)</u> | <u>\$ 993,189</u> |
| Net change in fund balance | \$ 260,632 | \$ (740,163) | \$ 1,459,741 | \$ 2,199,904 |
| Fund balance - beginning | (260,632) | 740,163 | 11,594,529 | 10,854,366 |
| Fund balance - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 13,054,270</u> | <u>\$ 13,054,270</u> |

Virginia Public Assistance Fund

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

For the Year Ended June 30, 2021

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|-----------------------------------------------------------|---------------------|---------------------|---------------------|-----------------------------------------------------------|
| | Original | Final | | |
| REVENUES | | | | |
| Miscellaneous | \$ 5,000 | \$ 5,000 | \$ 366 | \$ (4,634) |
| Intergovernmental: | | | | |
| Commonwealth | 620,474 | 620,474 | 588,910 | (31,564) |
| Federal | 1,132,278 | 1,132,278 | 1,092,071 | (40,207) |
| Total revenues | <u>\$ 1,757,752</u> | <u>\$ 1,757,752</u> | <u>\$ 1,681,347</u> | <u>\$ (76,405)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Health and welfare | \$ 2,283,310 | \$ 2,283,310 | \$ 1,921,344 | \$ 361,966 |
| Total expenditures | <u>\$ 2,283,310</u> | <u>\$ 2,283,310</u> | <u>\$ 1,921,344</u> | <u>\$ 361,966</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (525,558)</u> | <u>\$ (525,558)</u> | <u>\$ (239,997)</u> | <u>\$ 285,561</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 525,558 | \$ 525,558 | \$ 239,997 | \$ (285,561) |
| Total other financing sources (uses) | <u>\$ 525,558</u> | <u>\$ 525,558</u> | <u>\$ 239,997</u> | <u>\$ (285,561)</u> |
| Net change in fund balance | \$ - | \$ - | \$ - | \$ - |
| Fund balance - beginning | - | - | - | - |
| Fund balance - ending | <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, 2021

| | Budgeted Amounts | | | Variance with Final Budget - Positive (Negative) |
|-----------------------------------------------------------|------------------|--------------|-------------------|-----------------------------------------------------------|
| | Original | Final | Actual Amounts | |
| REVENUES | | | | |
| Intergovernmental: | | | | |
| Federal | \$ - | \$ 1,496,097 | \$ 2,498,370 | \$ 1,002,273 |
| Total revenues | \$ - | \$ 1,496,097 | \$ 2,498,370 | \$ 1,002,273 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government administration | \$ - | \$ 1,496,097 | \$ 435,329 | \$ 1,060,768 |
| Public safety | - | - | 425,750 | (425,750) |
| Public works | - | - | 341,149 | (341,149) |
| Health and welfare | - | - | 6,700 | (6,700) |
| Education | - | - | 157,852 | (157,852) |
| Parks, recreation, and cultural | - | - | 13,240 | (13,240) |
| Community development | - | - | 279,319 | (279,319) |
| Capital projects | - | - | 458,507 | (458,507) |
| Total expenditures | \$ - | \$ 1,496,097 | \$ 2,117,846 | \$ (621,749) |
| Excess (deficiency) of revenues over (under) expenditures | \$ - | \$ - | \$ 380,524 | \$ 380,524 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | \$ - | \$ - | \$ (380,524) | \$ (380,524) |
| Total other financing sources (uses) | \$ - | \$ - | \$ (380,524) | \$ (380,524) |
| 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, 2020

| | 2020 | 2019 | 2018 | 2017 |
|-----------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Total pension liability | | | | |
| Service cost | \$ 439,293 | \$ 454,381 | \$ 460,741 | \$ 443,105 |
| Interest | 1,378,194 | 1,316,068 | 1,251,987 | 1,231,009 |
| Changes in assumptions | - | 587,817 | - | (490,053) |
| Differences between expected and actual experience | 327,356 | 49,587 | (110,542) | (272,201) |
| Benefit payments | (827,823) | (754,453) | (619,030) | (605,297) |
| Net change in total pension liability | \$ 1,317,020 | \$ 1,653,400 | \$ 983,156 | \$ 306,563 |
| Total pension liability - beginning | 20,831,605 | 19,178,205 | 18,195,049 | 17,888,486 |
| Total pension liability - ending (a) | \$ 22,148,625 | \$ 20,831,605 | \$ 19,178,205 | \$ 18,195,049 |
| Plan fiduciary net position | | | | |
| Contributions - employer | \$ 354,700 | \$ 338,487 | \$ 372,656 | \$ 366,099 |
| Contributions - employee | 222,370 | 209,610 | 206,589 | 202,249 |
| Net investment income | 375,715 | 1,240,953 | 1,285,517 | 1,895,714 |
| Benefit payments | (827,823) | (754,453) | (619,030) | (605,297) |
| Administrator charges | (12,715) | (12,184) | (10,925) | (10,770) |
| Other | (444) | (782) | (1,152) | (1,694) |
| Net change in plan fiduciary net position | \$ 111,803 | \$ 1,021,631 | \$ 1,233,655 | \$ 1,846,301 |
| Plan fiduciary net position - beginning | 19,588,595 | 18,566,964 | 17,333,309 | 15,487,008 |
| Plan fiduciary net position - ending (b) | \$ 19,700,398 | \$ 19,588,595 | \$ 18,566,964 | \$ 17,333,309 |
| County's net pension liability - ending (a) - (b) | \$ 2,448,227 | \$ 1,243,010 | \$ 611,241 | \$ 861,740 |
| Plan fiduciary net position as a percentage of the total pension liability | 88.95% | 94.03% | 96.81% | 95.26% |
| Covered payroll | \$ 4,661,779 | \$ 4,346,613 | \$ 4,202,658 | \$ 4,093,208 |
| County's net pension liability as a percentage of covered payroll | 52.52% | 28.60% | 14.54% | 21.05% |

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 and Related Ratios (Continued)

Primary Government

For the Measurement Dates of June 30, 2014 through June 30, 2020

| | 2016 | 2015 | 2014 |
|-----------------------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Total pension liability | | | |
| Service cost | \$ 458,107 | \$ 464,384 | \$ 460,562 |
| Interest | 1,179,405 | 1,102,964 | 1,033,309 |
| Changes in assumptions | - | - | - |
| Differences between expected and actual experience | (335,084) | 43,830 | - |
| Benefit payments | (525,169) | (513,164) | (484,431) |
| Net change in total pension liability | <u>\$ 777,259</u> | <u>\$ 1,098,014</u> | <u>\$ 1,009,440</u> |
| Total pension liability - beginning | <u>17,111,227</u> | <u>16,013,213</u> | <u>15,003,773</u> |
| Total pension liability - ending (a) | <u><u>\$ 17,888,486</u></u> | <u><u>\$ 17,111,227</u></u> | <u><u>\$ 16,013,213</u></u> |
| Plan fiduciary net position | | | |
| Contributions - employer | \$ 468,270 | \$ 455,429 | \$ 502,256 |
| Contributions - employee | 202,312 | 197,041 | 210,098 |
| Net investment income | 272,613 | 661,502 | 1,940,568 |
| Benefit payments | (525,169) | (513,164) | (484,431) |
| Administrator charges | (9,247) | (8,779) | (10,150) |
| Other | (113) | (141) | 102 |
| Net change in plan fiduciary net position | <u>\$ 408,666</u> | <u>\$ 791,888</u> | <u>\$ 2,158,443</u> |
| Plan fiduciary net position - beginning | <u>15,078,342</u> | <u>14,286,454</u> | <u>12,128,011</u> |
| Plan fiduciary net position - ending (b) | <u><u>\$ 15,487,008</u></u> | <u><u>\$ 15,078,342</u></u> | <u><u>\$ 14,286,454</u></u> |
| County's net pension liability - ending (a) - (b) | <u>\$ 2,401,478</u> | <u>\$ 2,032,885</u> | <u>\$ 1,726,759</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 86.58% | 88.12% | 89.22% |
| Covered payroll | <u>\$ 4,066,784</u> | <u>\$ 3,950,804</u> | <u>\$ 3,874,861</u> |
| County's net pension liability as a percentage of covered payroll | 59.05% | 51.45% | 44.56% |

Schedule Changes in Net Pension Liability (Asset) and Related Ratios
 Component Unit School Board (nonprofessional)
 For the Measurement Dates of June 30, 2014 through June 30, 2020

| | 2020 | 2019 | 2018 | 2017 |
|-------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Total pension liability | | | | |
| Service cost | \$ 94,922 | \$ 85,661 | \$ 83,525 | \$ 82,904 |
| Interest | 238,053 | 235,535 | 230,217 | 220,434 |
| Changes in assumptions | - | 97,533 | - | (21,292) |
| Differences between expected and actual experience | 89,418 | (98,586) | (89,756) | 4,293 |
| Benefit payments | (165,045) | (151,386) | (144,665) | (148,483) |
| Net change in total pension liability | \$ 257,348 | \$ 168,757 | \$ 79,321 | \$ 137,856 |
| Total pension liability - beginning | 3,609,229 | 3,440,472 | 3,361,151 | 3,223,295 |
| Total pension liability - ending (a) | \$ 3,866,577 | \$ 3,609,229 | \$ 3,440,472 | \$ 3,361,151 |
| Plan fiduciary net position | | | | |
| Contributions - employer | \$ 34,682 | \$ 35,439 | \$ 38,697 | \$ 39,046 |
| Contributions - employee | 42,118 | 41,963 | 41,184 | 41,222 |
| Net investment income | 72,384 | 243,580 | 256,712 | 383,857 |
| Benefit payments | (165,045) | (151,386) | (144,665) | (148,483) |
| Administrator charges | (2,520) | (2,430) | (2,229) | (2,240) |
| Other | (86) | (153) | (228) | (340) |
| Net change in plan fiduciary net position | \$ (18,467) | \$ 167,013 | \$ 189,471 | \$ 313,062 |
| Plan fiduciary net position - beginning | 3,837,548 | 3,670,535 | 3,481,064 | 3,168,002 |
| Plan fiduciary net position - ending (b) | \$ 3,819,081 | \$ 3,837,548 | \$ 3,670,535 | \$ 3,481,064 |
| School Division's net pension liability (asset) - ending (a) - (b) | \$ 47,496 | \$ (228,319) | \$ (230,063) | \$ (119,913) |
| Plan fiduciary net position as a percentage of the total liability | 98.77% | 106.33% | 106.69% | 103.57% |
| Covered payroll | \$ 884,357 | \$ 874,540 | \$ 852,394 | \$ 843,268 |
| School Division's net pension liability (asset) as a percentage of covered payroll | 5.37% | -26.11% | -26.99% | -14.22% |

Schedule is intended to show information for 10 years. Information prior to the 2014 valuation is not 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, 2020

| | 2016 | 2015 | 2014 |
|-------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Total pension liability | | | |
| Service cost | \$ 82,952 | \$ 88,072 | \$ 89,530 |
| Interest | 213,652 | 207,919 | 198,288 |
| Changes in assumptions | - | - | - |
| Differences between expected and actual experience | (52,634) | (70,545) | - |
| Benefit payments | (145,680) | (141,428) | (159,042) |
| Net change in total pension liability | \$ 98,290 | \$ 84,018 | \$ 128,776 |
| Total pension liability - beginning | 3,125,005 | 3,040,987 | 2,912,211 |
| Total pension liability - ending (a) | \$ 3,223,295 | \$ 3,125,005 | \$ 3,040,987 |
| Plan fiduciary net position | | | |
| Contributions - employer | \$ 68,989 | \$ 66,646 | \$ 68,290 |
| Contributions - employee | 41,524 | 40,260 | 39,920 |
| Net investment income | 55,416 | 139,344 | 418,583 |
| Benefit payments | (145,680) | (141,428) | (159,042) |
| Administrator charges | (1,962) | (1,915) | (2,281) |
| Other | (23) | (29) | 22 |
| Net change in plan fiduciary net position | \$ 18,264 | \$ 102,878 | \$ 365,492 |
| Plan fiduciary net position - beginning | 3,149,738 | 3,046,860 | 2,681,368 |
| Plan fiduciary net position - ending (b) | \$ 3,168,002 | \$ 3,149,738 | \$ 3,046,860 |
| School Division's net pension liability (asset) - ending (a) - (b) | \$ 55,293 | \$ (24,733) | \$ (5,873) |
| Plan fiduciary net position as a percentage of the total liability | 98.28% | 100.79% | 100.19% |
| Covered payroll | \$ 844,944 | \$ 814,326 | \$ 799,196 |
| School Division's net pension liability (asset) as a percentage of covered payroll | 6.54% | -3.04% | -0.73% |

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
For the Measurement Dates of June 30, 2014 through June 30, 2020

| | 2020 | 2019 | 2018 | 2017 |
|---------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|
| Employer's Proportion of the Net Pension Liability (Asset) | 0.13090% | 0.12886% | 0.13290% | 0.13584% |
| Employer's Proportionate Share of the Net Pension Liability (Asset) | \$ 19,050,843 | \$ 16,958,708 | \$ 15,629,000 | \$ 16,705,000 |
| Employer's Covered Payroll | \$ 11,388,840 | \$ 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 | 167.28% | 157.85% | 143.55% | 156.60% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 71.47% | 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.

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
For the Measurement Dates of June 30, 2014 through June 30, 2020

| | 2016 | 2015 | 2014 |
|------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
| Employer's Proportion of the Net Pension Liability (Asset) | 0.14033% | 0.13779% | 0.14235% |
| Employer's Proportionate Share of the Net Pension Liability (Asset) | \$ 19,666,000 | \$ 17,343,000 | \$ 17,202,000 |
| Employer's Covered Payroll | \$ 9,980,456 | \$ 10,294,522 | \$ 10,268,842 |
| Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | 197.05% | 168.47% | 167.52% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 68.28% | 70.68% | 70.88% |

Schedule of Employer Contributions

Pension Plans

For the Years Ended June 30, 2012 through June 30, 2021

| 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) |
|------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------|---------------------------------------------------------|
| Primary Government | | | | | |
| 2021 | \$ 366,148 | \$ 366,148 | \$ - | \$ 4,869,337 | 7.52% |
| 2020 | 354,698 | 354,698 | - | 4,661,779 | 7.61% |
| 2019 | 338,486 | 338,486 | - | 4,346,613 | 7.79% |
| 2018 | 373,457 | 373,457 | - | 4,202,658 | 8.89% |
| 2017 | 366,096 | 366,096 | - | 4,093,208 | 8.94% |
| 2016 | 469,307 | 469,307 | - | 4,066,784 | 11.54% |
| 2015 | 455,923 | 455,923 | - | 3,950,804 | 11.54% |
| 2014 | 502,569 | 502,569 | - | 3,874,861 | 12.97% |
| 2013 | 486,908 | 486,908 | - | 3,754,106 | 12.97% |
| 2012 | 361,872 | 361,872 | - | 3,423,572 | 10.57% |
| Component Unit School Board (nonprofessional) | | | | | |
| 2021 | \$ 39,369 | \$ 39,369 | \$ - | \$ 874,365 | 4.50% |
| 2020 | 34,685 | 34,685 | - | 884,357 | 3.92% |
| 2019 | 35,439 | 35,439 | - | 874,540 | 4.05% |
| 2018 | 38,992 | 38,992 | - | 852,394 | 4.57% |
| 2017 | 36,777 | 36,777 | - | 843,268 | 4.36% |
| 2016 | 69,623 | 69,623 | - | 844,944 | 8.24% |
| 2015 | 67,100 | 67,100 | - | 814,326 | 8.24% |
| 2014 | 68,331 | 68,331 | - | 799,196 | 8.55% |
| 2013 | 64,905 | 64,905 | - | 759,122 | 8.55% |
| 2012 | 48,989 | 48,989 | - | 796,563 | 6.15% |
| Component Unit School Board (professional) | | | | | |
| 2021 | \$ 1,866,299 | \$ 1,866,299 | \$ - | \$ 11,555,596 | 16.15% |
| 2020 | 1,739,502 | 1,739,502 | - | 11,388,840 | 15.27% |
| 2019 | 1,651,385 | 1,651,385 | - | 10,743,884 | 15.37% |
| 2018 | 1,708,817 | 1,708,817 | - | 10,887,129 | 15.70% |
| 2017 | 1,465,897 | 1,465,897 | - | 10,667,516 | 13.74% |
| 2016 | 1,485,652 | 1,485,652 | - | 9,980,456 | 14.89% |
| 2015 | 1,448,771 | 1,448,771 | - | 10,294,522 | 14.07% |
| 2014 | 1,197,347 | 1,197,347 | - | 10,268,842 | 11.66% |
| 2013 | 1,101,172 | 1,101,172 | - | 9,444,014 | 11.66% |
| 2012 | 645,888 | 645,888 | - | 10,203,602 | 6.33% |

Notes to Required Supplementary Information
Pension Plans
For the Year Ended June 30, 2021

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

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

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, 2020

| 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) |
|------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Group Life Insurance (GLI) Plan | | | | | |
| Primary Government | | | | | |
| 2020 | 0.02265% \$ | 377,991 \$ | 4,661,779 | 8.11% | 52.64% |
| 2019 | 0.02217% | 360,765 | 4,346,613 | 8.30% | 52.00% |
| 2018 | 0.02210% | 336,000 | 4,202,658 | 7.99% | 51.22% |
| 2017 | 0.02219% | 334,000 | 4,093,208 | 8.16% | 48.86% |
| Component Unit School Board (nonprofessional) | | | | | |
| 2020 | 0.00430% \$ | 71,760 \$ | 884,357 | 8.11% | 52.64% |
| 2019 | 0.00446% | 72,576 | 874,540 | 8.30% | 52.00% |
| 2018 | 0.00448% | 68,000 | 852,394 | 7.98% | 51.22% |
| 2017 | 0.00462% | 70,000 | 852,080 | 8.22% | 48.86% |
| Component Unit School Board (professional) | | | | | |
| 2020 | 0.05534% \$ | 923,534 \$ | 11,388,840 | 8.11% | 52.64% |
| 2019 | 0.05485% | 892,556 | 10,751,719 | 8.30% | 52.00% |
| 2018 | 0.05615% | 853,000 | 10,675,973 | 7.99% | 51.22% |
| 2017 | 0.05785% | 870,000 | 10,669,622 | 8.15% | 48.86% |
| Teacher Employee Health Insurance Credit (HIC) Plan | | | | | |
| Component Unit School Board (professional) | | | | | |
| 2020 | 0.12991% \$ | 1,694,697 \$ | 11,388,840 | 14.88% | 9.95% |
| 2019 | 0.12809% | 1,676,822 | 10,743,884 | 15.61% | 8.97% |
| 2018 | 0.13195% | 1,676,000 | 10,671,599 | 15.71% | 8.08% |
| 2017 | 0.13517% | 1,715,000 | 10,667,720 | 16.08% | 7.04% |

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

Schedule of Employer Contributions

VRS OPEB Plan - Group Life Insurance (GLI) Plans

For the Years Ended June 30, 2012 through June 30, 2021

| 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) |
|------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------|---------------------------------------------------------|
| Primary Government | | | | | |
| 2021 | \$ 26,312 | \$ 26,312 | \$ - | \$ 4,872,549 | 0.54% |
| 2020 | 24,240 | 24,240 | - | 4,661,779 | 0.52% |
| 2019 | 22,602 | 22,602 | - | 4,346,613 | 0.52% |
| 2018 | 21,854 | 21,854 | - | 4,202,658 | 0.52% |
| 2017 | 21,285 | 21,285 | - | 4,093,208 | 0.52% |
| 2016 | 19,521 | 19,521 | - | 4,066,784 | 0.48% |
| 2015 | 18,964 | 18,964 | - | 3,950,804 | 0.48% |
| 2014 | 18,599 | 18,599 | - | 3,874,861 | 0.48% |
| 2013 | 18,020 | 18,020 | - | 3,754,106 | 0.48% |
| 2012 | 9,586 | 9,586 | - | 3,423,572 | 0.28% |
| Component Unit School Board (nonprofessional) | | | | | |
| 2021 | \$ 4,729 | \$ 4,729 | \$ - | \$ 875,764 | 0.54% |
| 2020 | 4,599 | 4,599 | - | 884,357 | 0.52% |
| 2019 | 4,548 | 4,548 | - | 874,540 | 0.52% |
| 2018 | 4,432 | 4,432 | - | 852,394 | 0.52% |
| 2017 | 4,431 | 4,431 | - | 852,080 | 0.52% |
| 2016 | 4,056 | 4,056 | - | 844,944 | 0.48% |
| 2015 | 3,909 | 3,909 | - | 814,326 | 0.48% |
| 2014 | 3,844 | 3,844 | - | 800,764 | 0.48% |
| 2013 | 3,644 | 3,644 | - | 759,122 | 0.48% |
| 2012 | 2,250 | 2,250 | - | 803,445 | 0.28% |
| Component Unit School Board (professional) | | | | | |
| 2021 | \$ 62,400 | \$ 62,400 | \$ - | \$ 11,555,596 | 0.54% |
| 2020 | 59,222 | 59,222 | - | 11,388,840 | 0.52% |
| 2019 | 55,909 | 55,909 | - | 10,751,719 | 0.52% |
| 2018 | 55,515 | 55,515 | - | 10,675,973 | 0.52% |
| 2017 | 55,482 | 55,482 | - | 10,669,622 | 0.52% |
| 2016 | 51,359 | 51,359 | - | 10,699,857 | 0.48% |
| 2015 | 49,173 | 49,173 | - | 10,244,402 | 0.48% |
| 2014 | 49,969 | 49,969 | - | 10,410,173 | 0.48% |
| 2013 | 46,324 | 46,324 | - | 9,650,930 | 0.48% |
| 2012 | 28,887 | 28,887 | - | 10,316,733 | 0.28% |

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

| | <u>2020</u> |
|--------------------------------------------------------------------------------------------|--------------------------|
| Total HIC OPEB Liability | |
| Changes in benefit terms | \$ 115,319 |
| Net change in total HIC OPEB liability | <u>\$ 115,319</u> |
| Total HIC OPEB Liability - beginning | - |
| Total HIC OPEB Liability - ending (a) | <u><u>\$ 115,319</u></u> |
| Plan fiduciary net position | |
| Net change in plan fiduciary net position | \$ - |
| Plan fiduciary net position - beginning | - |
| Plan fiduciary net position - ending (b) | <u><u>\$ -</u></u> |
| School Board's net HIC OPEB liability - ending (a) - (b) | \$ 115,319 |
| Plan fiduciary net position as a percentage of the total HIC OPEB liability | 0.00% |
| Covered payroll | \$ - |
| School Board's net HIC OPEB liability as a percentage of covered payroll | N/A |

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

Schedule of Employer Contributions

VRS OPEB Plan - Health Insurance Credit (HIC) Plans

For the Years Ended June 30, 2012 through June 30, 2021

| Date | Contributions in Relation to | | Contribution Deficiency (Excess) | Employer's Covered Payroll | Contributions as a % of Covered Payroll |
|------------------------------------------------------|-------------------------------------------|-------------------------------------------|----------------------------------------|----------------------------------|--------------------------------------------------|
| | Contractually Required Contribution | Contractually Required Contribution | | | |
| | (1) | (2) | (3) | (4) | (5) |
| Component Unit School Board (nonprofessional) | | | | | |
| 2021 | \$ 10,055 | \$ 10,055 | \$ - | \$ 874,365 | 1.15% |
| Component Unit School Board (professional) | | | | | |
| 2021 | \$ 139,823 | \$ 139,823 | \$ - | \$ 11,555,596 | 1.21% |
| 2020 | 136,666 | 136,666 | - | 11,388,840 | 1.20% |
| 2019 | 128,927 | 128,927 | - | 10,743,884 | 1.20% |
| 2018 | 131,261 | 131,261 | - | 10,671,599 | 1.23% |
| 2017 | 118,412 | 118,412 | - | 10,667,720 | 1.11% |
| 2016 | 113,418 | 113,418 | - | 10,699,857 | 1.06% |
| 2015 | 108,591 | 108,591 | - | 10,244,402 | 1.06% |
| 2014 | 115,553 | 115,553 | - | 10,410,173 | 1.11% |
| 2013 | 105,914 | 105,914 | - | 9,541,789 | 1.11% |
| 2012 | 61,222 | 61,222 | - | 10,203,598 | 0.60% |

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

Notes to Required Supplementary Information
VRS OPEB Plan - Group Life Insurance (GLI) Plans
For the Year Ended June 30, 2021

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

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

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 - Health Insurance Credit (HIC) Plans
For the Year Ended June 30, 2021

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

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

Component Unit School Board - 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% to 15% |
| Discount Rate | Decreased rate from 7.00% to 6.75% |

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

Combining and Individual Fund Financial Statements and Schedules

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021

| | EMS Fund | ARPA Fund | Total |
|-------------------------------------------------------|---------------------|---------------------|---------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 944,206 | \$ 1,665,399 | \$ 2,609,605 |
| Receivables (net of allowance for uncollectibles): | | | |
| Accounts receivable | 119,125 | - | 119,125 |
| Total assets | <u>\$ 1,063,331</u> | <u>\$ 1,665,399</u> | <u>\$ 2,728,730</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 15,009 | \$ - | \$ 15,009 |
| Unearned revenue | - | 1,665,399 | 1,665,399 |
| Total liabilities | <u>\$ 15,009</u> | <u>\$ 1,665,399</u> | <u>\$ 1,680,408</u> |
| FUND BALANCES | | | |
| Restricted: | | | |
| Glenmore emergency services | \$ 1,048,322 | \$ - | \$ 1,048,322 |
| Total fund balances | <u>\$ 1,048,322</u> | <u>\$ -</u> | <u>\$ 1,048,322</u> |
| Total liabilities and fund balances | <u>\$ 1,063,331</u> | <u>\$ 1,665,399</u> | <u>\$ 2,728,730</u> |

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2021

| | EMS Fund | ARPA Fund | Total |
|-----------------------------------------------------------|----------------------------|--------------------|----------------------------|
| REVENUES | | | |
| Charges for services | \$ 445,715 | \$ - | \$ 445,715 |
| Miscellaneous | 1,502,033 | - | 1,502,033 |
| Intergovernmental revenues: | | | |
| Commonwealth | 88,916 | - | 88,916 |
| Total revenues | <u>\$ 2,036,664</u> | <u>\$ -</u> | <u>\$ 2,036,664</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Public safety | \$ 988,342 | \$ - | \$ 988,342 |
| Total expenditures | <u>\$ 988,342</u> | <u>\$ -</u> | <u>\$ 988,342</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ 1,048,322</u> | <u>\$ -</u> | <u>\$ 1,048,322</u> |
| Net change in fund balances | \$ 1,048,322 | \$ - | \$ 1,048,322 |
| Fund balances - beginning | - | - | - |
| Fund balances - ending | <u><u>\$ 1,048,322</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 1,048,322</u></u> |

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2021

| | Emergency Management Services (EMS) Fund | | | |
|-----------------------------------------------------------|------------------------------------------|----------------|--------------|---------------------------------------------------------|
| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
| | Original | Final | Actual | |
| REVENUES | | | | |
| Charges for services | \$ - | \$ 425,000 | \$ 445,715 | \$ 20,715 |
| Miscellaneous | - | - | 1,502,033 | 1,502,033 |
| Intergovernmental revenues: | | | | |
| Commonwealth | - | 243,300 | 88,916 | (154,384) |
| Total revenues | \$ - | \$ 668,300 | \$ 2,036,664 | \$ 1,368,364 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | \$ - | \$ 1,992,941 | \$ 988,342 | \$ 1,004,599 |
| Total expenditures | \$ - | \$ 1,992,941 | \$ 988,342 | \$ 1,004,599 |
| Excess (deficiency) of revenues over (under) expenditures | \$ - | \$ (1,324,641) | \$ 1,048,322 | \$ 2,372,963 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ - | \$ 1,324,641 | \$ - | \$ (1,324,641) |
| Total other financing sources (uses) | \$ - | \$ 1,324,641 | \$ - | \$ (1,324,641) |
| Net change in fund balances | \$ - | \$ - | \$ 1,048,322 | \$ 1,048,322 |
| Fund balances - beginning | - | - | - | - |
| Fund balances - ending | \$ - | \$ - | \$ 1,048,322 | \$ 1,048,322 |

Debt Service Fund

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

For the Year Ended June 30, 2021

| | Budgeted Amounts | | | Variance with Final Budget - Positive (Negative) |
|--------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------------------------------------------|
| | Original | Final | Actual Amounts | |
| REVENUES | | | | |
| Intergovernmental: | | | | |
| Federal | \$ 422,000 | \$ 422,000 | \$ 415,646 | \$ (6,354) |
| Total revenues | <u>\$ 422,000</u> | <u>\$ 422,000</u> | <u>\$ 415,646</u> | <u>\$ (6,354)</u> |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Principal retirement | \$ 2,290,971 | \$ 2,290,971 | \$ 2,290,971 | \$ - |
| Interest and other fiscal charges | 1,218,979 | 1,218,979 | 1,218,979 | - |
| Total expenditures | <u>\$ 3,509,950</u> | <u>\$ 3,509,950</u> | <u>\$ 3,509,950</u> | <u>\$ -</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (3,087,950)</u> | <u>\$ (3,087,950)</u> | <u>\$ (3,094,304)</u> | <u>\$ (6,354)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 3,033,244 | \$ 3,033,244 | \$ 3,039,101 | \$ 5,857 |
| Advance refunding of bonds - VPSA | 54,706 | 54,706 | 55,203 | 497 |
| Total other financing sources (uses) | <u>\$ 3,087,950</u> | <u>\$ 3,087,950</u> | <u>\$ 3,094,304</u> | <u>\$ 6,354</u> |
| Net change in fund balance | \$ - | \$ - | \$ - | \$ - |
| Fund balance - beginning | - | - | - | - |
| Fund balance - ending | <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, 2021

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--------------------------------------------------------------|------------------|-------------|-------------------|-----------------------------------------------------------|
| | Original | Final | | |
| REVENUES | | | | |
| Revenue from the use of money and property | \$ - | \$ - | \$ 589 | \$ 589 |
| Total revenues | \$ - | \$ - | \$ 589 | \$ 589 |
| EXPENDITURES | | | | |
| Capital projects | \$ - | \$ - | \$ 394,725 | \$ (394,725) |
| Total expenditures | \$ - | \$ - | \$ 394,725 | \$ (394,725) |
| Excess (deficiency) of revenues over (under) expenditures | \$ - | \$ - | \$ (394,136) | \$ (394,136) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ - | \$ - | \$ 234,945 | \$ 234,945 |
| Total other financing sources (uses) | \$ - | \$ - | \$ 234,945 | \$ 234,945 |
| Net change in fund balance | \$ - | \$ - | \$ (159,191) | \$ (159,191) |
| Fund balance - beginning | - | - | 201,219 | 201,219 |
| Fund balance - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 42,028</u> | <u>\$ 42,028</u> |

Combining Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2021

| | Custodial Funds | | |
|---------------------------|----------------------------|------------------------|-------------------|
| | Special Welfare Fund | Surety Bond Fund | Total |
| ASSETS | | | |
| Cash and cash equivalents | \$ 40,763 | \$ 202,450 | \$ 243,213 |
| Total assets | <u>\$ 40,763</u> | <u>\$ 202,450</u> | <u>\$ 243,213</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 6,689 | \$ - | \$ 6,689 |
| Total liabilities | <u>\$ 6,689</u> | <u>\$ -</u> | <u>\$ 6,689</u> |
| NET POSITION | | | |
| Restricted for: | | | |
| Special welfare | \$ 34,074 | \$ - | \$ 34,074 |
| Performance bond | - | 202,450 | 202,450 |
| Total net position | <u>\$ 34,074</u> | <u>\$ 202,450</u> | <u>\$ 236,524</u> |

Combining Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended June 30, 2021

| | Custodial Funds | | |
|---------------------------------------------------|----------------------------|------------------------|------------|
| | Special Welfare Fund | Surety Bond Fund | Total |
| ADDITIONS | | | |
| Special welfare collections | \$ 5,821 | \$ - | \$ 5,821 |
| Bond funds | - | 5,450 | 5,450 |
| Total additions | \$ 5,821 | \$ 5,450 | \$ 11,271 |
| DEDUCTIONS | | | |
| Welfare costs | \$ 11,511 | \$ - | \$ 11,511 |
| Total deductions | \$ 11,511 | \$ - | \$ 11,511 |
| Net increase (decrease) in fiduciary net position | \$ (5,690) | \$ 5,450 | \$ (240) |
| Net position - beginning, as restated | 39,764 | 197,000 | 236,764 |
| Net position - ending | \$ 34,074 | \$ 202,450 | \$ 236,524 |

Discretely Presented Component Unit-School Board

Combining Balance Sheet
Discretely Presented Component Unit - School Board
June 30, 2021

| | School Operating Fund | School Cafeteria Fund | Nonmajor Governmental Fund | Total Governmental Funds |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|----------------------------------|--------------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 965,192 | \$ 273,708 | \$ 248,247 | \$ 1,487,147 |
| Receivables (net of allowance for uncollectibles): | | | | |
| Accounts receivable | 19,189 | - | 19,815 | 39,004 |
| Due from primary government | 667,043 | - | - | 667,043 |
| Due from other governmental units | 1,014,768 | 37,228 | - | 1,051,996 |
| Total assets | <u>\$ 2,666,192</u> | <u>\$ 310,936</u> | <u>\$ 268,062</u> | <u>\$ 3,245,190</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 1,701,000 | \$ 10,319 | \$ 29,066 | \$ 1,740,385 |
| Accrued liabilities | 965,192 | 28,537 | - | 993,729 |
| Total liabilities | <u>\$ 2,666,192</u> | <u>\$ 38,856</u> | <u>\$ 29,066</u> | <u>\$ 2,734,114</u> |
| FUND BALANCES | | | | |
| Restricted: | | | | |
| School activity funds | \$ - | \$ - | \$ 238,996 | \$ 238,996 |
| Committed: | | | | |
| Cafeteria operations | - | 272,080 | - | 272,080 |
| Total fund balances | <u>\$ -</u> | <u>\$ 272,080</u> | <u>\$ 238,996</u> | <u>\$ 511,076</u> |
| Total liabilities and fund balances | <u>\$ 2,666,192</u> | <u>\$ 310,936</u> | <u>\$ 268,062</u> | <u>\$ 3,245,190</u> |
| Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because: | | | | |
| Total fund balances per above | | | | \$ 511,076 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | | | | |
| Land | | \$ 257,165 | | |
| Buildings and improvements | | 5,095,243 | | |
| Improvements other than buildings | | 60,690 | | |
| Machinery, equipment, and vehicles | | 2,778,994 | | |
| Jointly owned assets | | 12,333,428 | | 20,525,520 |
| Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds. | | | | |
| Pension related items | | \$ 5,073,526 | | |
| OPEB related items | | 428,160 | | 5,501,686 |
| 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 | | \$ (959,382) | | |
| Compensated absences | | (628,150) | | |
| Net pension liabilities | | (19,098,339) | | |
| Net OPEB liabilities | | (2,805,310) | | |
| Accrued interest payable | | (20,887) | | (23,512,068) |
| Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. | | | | |
| Pension related items | | \$ (1,813,460) | | |
| OPEB related items | | (195,826) | | (2,009,286) |
| Net position of governmental activities | | | | <u>\$ 1,016,928</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, 2021

| | School Operating Fund | School Cafeteria Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|----------------------------------------|-----------------------------|-----------------------------|-----------------------------------|--------------------------------|
| REVENUES | | | | |
| Charges for services | \$ 9,900 | \$ 4,112 | \$ 98,555 | \$ 112,567 |
| Miscellaneous | 190,705 | - | - | 190,705 |
| Intergovernmental: | | | | |
| Local government | 6,777,472 | 17,224 | - | 6,794,696 |
| Commonwealth | 15,678,204 | 18,459 | - | 15,696,663 |
| Federal | 3,056,170 | 1,217,102 | - | 4,273,272 |
| Total revenues | <u>\$ 25,712,451</u> | <u>\$ 1,256,897</u> | <u>\$ 98,555</u> | <u>\$ 27,067,903</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Education | \$ 25,580,316 | \$ 1,305,201 | \$ 118,689 | \$ 27,004,206 |
| Debt service: | | | | |
| Principal retirement | 102,922 | - | - | 102,922 |
| Interest and other fiscal charges | 29,213 | - | - | 29,213 |
| Total expenditures | <u>\$ 25,712,451</u> | <u>\$ 1,305,201</u> | <u>\$ 118,689</u> | <u>\$ 27,136,341</u> |
| Net change in fund balances | \$ - | \$ (48,304) | \$ (20,134) | \$ (68,438) |
| Fund balances - beginning, as restated | - | 320,384 | 259,130 | 579,514 |
| Fund balances - ending | <u>\$ -</u> | <u>\$ 272,080</u> | <u>\$ 238,996</u> | <u>\$ 511,076</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 | \$ (68,438) |
|--------------------------------------------------------------------|-------------|

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 | \$ 939,323 | |
| Depreciation in current year | (937,303) | |
| Adjustment for jointly owned assets | <u>962,230</u> | 964,250 |

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.

102,922

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 | \$ (12,975) | |
| Change in pension related items | (133,197) | |
| Change in OPEB related items | (48,267) | |
| Accrued interest payable | <u>2,240</u> | (192,199) |
| Change in net position of governmental activities | | <u>\$ 806,535</u> |

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, 2021

| | School Operating Fund | | | Variance with Final Budget Positive (Negative) |
|--------------------------------------------|-----------------------|---------------|---------------|---------------------------------------------------------|
| | Budgeted Amounts | | Actual | |
| | Original | Final | | |
| REVENUES | | | | |
| Revenue from the use of money and property | \$ 6,000 | \$ 6,000 | \$ - | \$ (6,000) |
| Charges for services | 19,000 | 19,000 | 9,900 | (9,100) |
| Miscellaneous | 292,500 | 292,500 | 190,705 | (101,795) |
| Intergovernmental: | | | | |
| Local government | 7,198,292 | 7,460,068 | 6,777,472 | (682,596) |
| Commonwealth | 15,172,007 | 15,267,238 | 15,678,204 | 410,966 |
| Federal | 2,291,346 | 3,934,192 | 3,056,170 | (878,022) |
| Total revenues | \$ 24,979,145 | \$ 26,978,998 | \$ 25,712,451 | \$ (1,266,547) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Education | \$ 24,847,008 | \$ 26,846,861 | \$ 25,580,316 | \$ 1,266,545 |
| Debt service: | | | | |
| Principal retirement | 102,922 | 102,922 | 102,922 | - |
| Interest and other fiscal charges | 29,215 | 29,215 | 29,213 | 2 |
| Total expenditures | \$ 24,979,145 | \$ 26,978,998 | \$ 25,712,451 | \$ 1,266,547 |
| Net change in fund balances | \$ - | \$ - | \$ - | \$ - |
| Fund balances - beginning | - | - | - | - |
| Fund balances - ending | \$ - | \$ - | \$ - | \$ - |

Exhibit 35

| School Cafeteria Fund | | | |
|-----------------------|---------------------|---------------------|---------------------------------------------------------|
| Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
| Original | Final | | |
| \$ - | \$ - | \$ - | \$ - |
| 200,000 | 200,000 | 4,112 | (195,888) |
| - | - | - | - |
| - | 17,224 | 17,224 | - |
| 29,206 | 29,206 | 18,459 | (10,747) |
| 908,000 | 917,300 | 1,217,102 | 299,802 |
| <u>\$ 1,137,206</u> | <u>\$ 1,163,730</u> | <u>\$ 1,256,897</u> | <u>\$ 93,167</u> |
| | | | |
| \$ 1,337,206 | \$ 1,363,730 | \$ 1,305,201 | \$ 58,529 |
| - | - | - | - |
| - | - | - | - |
| <u>\$ 1,337,206</u> | <u>\$ 1,363,730</u> | <u>\$ 1,305,201</u> | <u>\$ 58,529</u> |
| | | | |
| \$ (200,000) | \$ (200,000) | \$ (48,304) | \$ 151,696 |
| 200,000 | 200,000 | 320,384 | 120,384 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ 272,080</u> | <u>\$ 272,080</u> |

This page intentionally left blank

Supporting Schedules

Schedule of Revenues - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021

| Fund, Major and Minor Revenue Source | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|--------------------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| General Fund: | | | | |
| Revenue from local sources: | | | | |
| General property taxes: | | | | |
| Real property taxes | \$ 8,612,000 | \$ 8,612,000 | \$ 8,235,128 | \$ (376,872) |
| Real and personal public service corporation taxes | 3,150,039 | 3,150,039 | 3,472,840 | 322,801 |
| Personal property taxes | 3,000,000 | 3,000,000 | 3,336,009 | 336,009 |
| Mobile home taxes | 50,000 | 50,000 | 48,681 | (1,319) |
| Machinery and tools taxes | 220,000 | 220,000 | 295,718 | 75,718 |
| Merchants' capital taxes | 190,000 | 190,000 | 235,334 | 45,334 |
| Aircraft taxes | 2,000 | 2,000 | 913 | (1,087) |
| Penalties | 170,000 | 170,000 | 196,654 | 26,654 |
| Interest | 180,000 | 180,000 | 167,950 | (12,050) |
| Total general property taxes | \$ 15,574,039 | \$ 15,574,039 | \$ 15,989,227 | \$ 415,188 |
| Other local taxes: | | | | |
| Local sales and use taxes | \$ 820,000 | \$ 820,000 | \$ 999,745 | \$ 179,745 |
| ATV sales taxes | - | - | 423 | 423 |
| Consumers' utility taxes | 356,000 | 356,000 | 367,039 | 11,039 |
| Franchise license taxes | 50,000 | 50,000 | 48,446 | (1,554) |
| Transient occupancy taxes | 6,000 | 6,000 | 5,579 | (421) |
| Motor vehicle licenses | 340,000 | 340,000 | 360,201 | 20,201 |
| Bank stock taxes | 50,000 | 50,000 | 58,271 | 8,271 |
| Taxes on recordation and wills | 75,000 | 75,000 | 129,505 | 54,505 |
| Total other local taxes | \$ 1,697,000 | \$ 1,697,000 | \$ 1,969,209 | \$ 272,209 |
| Permits, privilege fees, and regulatory licenses: | | | | |
| Animal licenses | \$ 4,000 | \$ 4,000 | \$ 3,723 | \$ (277) |
| Permits and other licenses | 72,500 | 72,500 | 271,057 | 198,557 |
| Total permits, privilege fees, and regulatory licenses | \$ 76,500 | \$ 76,500 | \$ 274,780 | \$ 198,280 |
| Fines and forfeitures: | | | | |
| Court fines and forfeitures | \$ 24,000 | \$ 24,000 | \$ 16,435 | \$ (7,565) |
| Parking fines | - | - | 320 | 320 |
| Other fines and forfeitures | 8,700 | 8,700 | 19,818 | 11,118 |
| Total fines and forfeitures | \$ 32,700 | \$ 32,700 | \$ 36,573 | \$ 3,873 |
| Revenue from use of money and property: | | | | |
| Revenue from use of money | \$ 50,000 | \$ 50,000 | \$ 6,921 | \$ (43,079) |
| Revenue from use of property | 79,849 | 79,849 | 79,259 | (590) |
| Total revenue from use of money and property | \$ 129,849 | \$ 129,849 | \$ 86,180 | \$ (43,669) |
| Charges for services: | | | | |
| Sheriff's fees | \$ 1,216 | \$ 1,216 | \$ 1,064 | \$ (152) |
| Charges for law library | 2,500 | 2,500 | 2,277 | (223) |
| Excess fees of clerk | 5,000 | 5,000 | 6,108 | 1,108 |
| Charges for courthouse maintenance | 5,500 | 5,500 | 2,812 | (2,688) |
| Charges for parks and recreation | - | - | 6,228 | 6,228 |
| Miscellaneous jail and inmate fees | 1,000 | 1,000 | 1,303 | 303 |
| Courthouse security fees | 24,000 | 24,000 | 15,551 | (8,449) |
| Charges for Commonwealth's Attorney | 2,000 | 2,000 | 1,710 | (290) |
| Charges for local court appointed attorney | - | - | 599 | 599 |
| Charges for sanitation and waste removal | 15,000 | 15,000 | 15,412 | 412 |
| Total charges for services | \$ 56,216 | \$ 56,216 | \$ 53,064 | \$ (3,152) |

Schedule of Revenues - Budget and Actual

Governmental Funds

For the Year Ended June 30, 2021 (Continued)

| Fund, Major and Minor Revenue Source | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|-----------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| General Fund: (Continued) | | | | |
| Revenue from local sources: (Continued) | | | | |
| Miscellaneous: | | | | |
| Miscellaneous | \$ 12,000 | \$ 12,000 | \$ 20,653 | \$ 8,653 |
| Service charge on tax exempt properties | 9,000 | 9,000 | 5,034 | (3,966) |
| Sale of salvage and surplus | - | - | 1 | 1 |
| Donations, etc (Sheriff) | - | - | 6,121 | 6,121 |
| Total miscellaneous | \$ 21,000 | \$ 21,000 | \$ 31,809 | \$ 10,809 |
| Total revenue from local sources | \$ 17,587,304 | \$ 17,587,304 | \$ 18,440,842 | \$ 853,538 |
| Intergovernmental: | | | | |
| Revenue from the Commonwealth: | | | | |
| Noncategorical aid: | | | | |
| Communications taxes | \$ 400,000 | \$ 400,000 | \$ 311,760 | \$ (88,240) |
| Motor vehicle carriers' tax | 10,000 | 10,000 | 10,175 | 175 |
| Animal friendly plates - DMV | - | - | 11 | 11 |
| Mobile home titling tax | 30,000 | 30,000 | 57,640 | 27,640 |
| Games of skill | - | - | 46,944 | 46,944 |
| Grantor's tax on deeds | 22,000 | 22,000 | - | (22,000) |
| Auto rental tax | 2,000 | 2,000 | 3,151 | 1,151 |
| Forest product sales | 17,000 | 17,000 | 25,802 | 8,802 |
| Personal property tax relief funds | 1,136,914 | 1,136,914 | 1,136,914 | - |
| Total noncategorical aid | \$ 1,617,914 | \$ 1,617,914 | \$ 1,592,397 | \$ (25,517) |
| Categorical aid: | | | | |
| Shared expenses: | | | | |
| Commonwealth's attorney | \$ 307,195 | \$ 307,195 | \$ 223,603 | \$ (83,592) |
| Sheriff | 888,830 | 888,830 | 824,102 | (64,728) |
| Commissioner of revenue | 81,944 | 81,944 | 75,761 | (6,183) |
| Treasurer | 97,041 | 97,041 | 86,526 | (10,515) |
| Registrar/electoral board | 55,894 | 55,894 | 39,383 | (16,511) |
| Clerk of the Circuit Court | 203,538 | 203,538 | 194,582 | (8,956) |
| Total shared expenses | \$ 1,634,442 | \$ 1,634,442 | \$ 1,443,957 | \$ (190,485) |
| Other categorical aid: | | | | |
| Recordation tax | \$ 28,000 | \$ 28,000 | \$ 38,171 | \$ 10,171 |
| Fire program funds | 55,000 | 55,000 | 63,640 | 8,640 |
| Arts grant | 4,500 | 21,594 | 21,594 | - |
| E-911 grants | 46,000 | 46,000 | 81,369 | 35,369 |
| Litter control grant | 2,600 | 2,600 | 6,029 | 3,429 |
| Miscellaneous grants | 5,000 | 5,000 | 29,400 | 24,400 |
| Comprehensive Services Act program | 1,274,544 | 1,274,544 | 1,436,512 | 161,968 |
| Victim and witness assistance | 17,667 | 17,667 | 15,904 | (1,763) |
| Asset forfeiture DCJS | - | - | 1,502 | 1,502 |
| Total other categorical aid | \$ 1,433,311 | \$ 1,450,405 | \$ 1,694,121 | \$ 243,716 |
| Total categorical aid | \$ 3,067,753 | \$ 3,084,847 | \$ 3,138,078 | \$ 53,231 |
| Total revenue from the Commonwealth | \$ 4,685,667 | \$ 4,702,761 | \$ 4,730,475 | \$ 27,714 |

Schedule of Revenues - Budget and Actual

Governmental Funds

For the Year Ended June 30, 2021 (Continued)

| Fund, Major and Minor Revenue Source | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|----------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| General Fund: (Continued) | | | | |
| Intergovernmental: (Continued) | | | | |
| Revenue from the federal government: | | | | |
| Categorical aid: | | | | |
| State and community highway safety | \$ - | \$ - | \$ 24,380 | \$ 24,380 |
| Emergency management grants | - | - | 7,500 | 7,500 |
| Victim Witness | 53,002 | 53,002 | 47,712 | (5,290) |
| Comprehensive Services Act program - SSBG | - | - | 79,556 | 79,556 |
| Sheriff - CESF Grant | - | - | 49,731 | 49,731 |
| Clerk - CESF Grant | - | 4,996 | 4,996 | - |
| Total categorical aid | \$ 53,002 | \$ 57,998 | \$ 213,875 | \$ 155,877 |
| Total revenue from the federal government | \$ 53,002 | \$ 57,998 | \$ 213,875 | \$ 155,877 |
| Total General Fund | \$ 22,325,973 | \$ 22,348,063 | \$ 23,385,192 | \$ 1,037,129 |
| Special Revenue Funds: | | | | |
| Virginia Public Assistance Fund: | | | | |
| Revenue from local sources: | | | | |
| Miscellaneous: | | | | |
| Other miscellaneous | \$ 5,000 | \$ 5,000 | \$ 366 | \$ (4,634) |
| Total miscellaneous | \$ 5,000 | \$ 5,000 | \$ 366 | \$ (4,634) |
| Total revenue from local sources | \$ 5,000 | \$ 5,000 | \$ 366 | \$ (4,634) |
| Intergovernmental: | | | | |
| Revenue from the Commonwealth: | | | | |
| Categorical aid: | | | | |
| Public assistance and welfare administration | \$ 620,474 | \$ 620,474 | \$ 588,910 | \$ (31,564) |
| Total revenue from the Commonwealth | \$ 620,474 | \$ 620,474 | \$ 588,910 | \$ (31,564) |
| Revenue from the federal government: | | | | |
| Categorical aid: | | | | |
| Public assistance and welfare administration | \$ 1,132,278 | \$ 1,132,278 | \$ 1,092,071 | \$ (40,207) |
| Total revenue from the federal government | \$ 1,132,278 | \$ 1,132,278 | \$ 1,092,071 | \$ (40,207) |
| Total Virginia Public Assistance Fund | \$ 1,757,752 | \$ 1,757,752 | \$ 1,681,347 | \$ (76,405) |
| CARES Act Fund: | | | | |
| Revenue from the federal government: | | | | |
| Categorical aid: | | | | |
| Coronavirus Relief Funds | \$ - | \$ 1,496,097 | \$ 2,391,863 | \$ 895,766 |
| Coronavirus Relief Funds - Broadband | - | - | 76,500 | 76,500 |
| Coronavirus Relief Funds - Elections | - | - | 30,007 | 30,007 |
| Total categorical aid | \$ - | \$ 1,496,097 | \$ 2,498,370 | \$ 1,002,273 |
| Total revenue from the federal government | \$ - | \$ 1,496,097 | \$ 2,498,370 | \$ 1,002,273 |
| Total CARES Act Fund | \$ - | \$ 1,496,097 | \$ 2,498,370 | \$ 1,002,273 |

Schedule of Revenues - Budget and Actual

Governmental Funds

For the Year Ended June 30, 2021 (Continued)

| Fund, Major and Minor Revenue Source | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|--------------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| Special Revenue Funds: (Continued) | | | | |
| Emergency Management Services (EMS) Fund: | | | | |
| Revenue from local sources: | | | | |
| Charges for services: | | | | |
| Charges for emergency services | \$ - | \$ 425,000 | \$ 445,715 | \$ 20,715 |
| Total charges for services | \$ - | \$ 425,000 | \$ 445,715 | \$ 20,715 |
| Miscellaneous: | | | | |
| Rebates and refunds | \$ - | \$ - | \$ 1,563 | \$ 1,563 |
| Donations | - | - | 470 | 470 |
| Dominion Grant | - | - | 1,500,000 | 1,500,000 |
| Total miscellaneous | \$ - | \$ - | \$ 1,502,033 | \$ 1,502,033 |
| Total revenue from local sources | \$ - | \$ 425,000 | \$ 1,947,748 | \$ 1,522,748 |
| Revenue from the Commonwealth: | | | | |
| Categorical aid: | | | | |
| Emergency services grants | \$ - | \$ 243,300 | \$ 88,916 | \$ (154,384) |
| Total revenue from the Commonwealth | \$ - | \$ 243,300 | \$ 88,916 | \$ (154,384) |
| Total Emergency Management Services (EMS) Fund | \$ - | \$ 668,300 | \$ 2,036,664 | \$ 1,368,364 |
| Debt Service Fund: | | | | |
| School Debt Service Fund: | | | | |
| Intergovernmental: | | | | |
| Revenue from the federal government: | | | | |
| Categorical aid: | | | | |
| Federal tax credit | \$ 422,000 | \$ 422,000 | \$ 415,646 | \$ (6,354) |
| Total revenue from the federal government | \$ 422,000 | \$ 422,000 | \$ 415,646 | \$ (6,354) |
| Total Debt Service Fund | \$ 422,000 | \$ 422,000 | \$ 415,646 | \$ (6,354) |
| Capital Projects Funds: | | | | |
| County Capital Improvements Fund: | | | | |
| Revenue from local sources: | | | | |
| Revenue from use of money and property: | | | | |
| Revenue from the use of money | \$ - | \$ - | \$ 589 | \$ 589 |
| Total County Capital Improvements Fund | \$ - | \$ - | \$ 589 | \$ 589 |
| Total Primary Government | \$ 24,505,725 | \$ 26,692,212 | \$ 30,017,808 | \$ 3,325,596 |

Schedule of Revenues - Budget and Actual

Governmental Funds

For the Year Ended June 30, 2021 (Continued)

| Fund, Major and Minor Revenue Source | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|------------------------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| Discretely Presented Component Unit - School Board: | | | | |
| School Operating Fund: | | | | |
| Revenue from local sources: | | | | |
| Revenue from use of money and property: | | | | |
| Revenue from the use of property | \$ 6,000 | \$ 6,000 | \$ - | \$ (6,000) |
| Charges for services: | | | | |
| Tuition and other payments | \$ 19,000 | \$ 19,000 | \$ 9,900 | \$ (9,100) |
| Miscellaneous: | | | | |
| Other miscellaneous | \$ 292,500 | \$ 292,500 | \$ 190,705 | \$ (101,795) |
| Total revenue from local sources | \$ 317,500 | \$ 317,500 | \$ 200,605 | \$ (116,895) |
| Intergovernmental: | | | | |
| Revenues from local governments: | | | | |
| Contribution from County of Buckingham, Virginia | \$ 7,198,292 | \$ 7,460,068 | \$ 6,777,472 | \$ (682,596) |
| Total revenues from local governments | \$ 7,198,292 | \$ 7,460,068 | \$ 6,777,472 | \$ (682,596) |
| Revenue from the Commonwealth: | | | | |
| Categorical aid: | | | | |
| Share of state sales tax | \$ 2,622,205 | \$ 2,622,205 | \$ 2,812,116 | \$ 189,911 |
| Basic school aid | 7,026,337 | 7,026,337 | 6,790,382 | (235,955) |
| ISAEF | 8,386 | 8,386 | 8,387 | 1 |
| Remedial summer education | 53,058 | 53,058 | 40,511 | (12,547) |
| Regular foster care | 11,906 | 11,906 | 208 | (11,698) |
| Gifted and talented | 68,158 | 68,158 | 66,066 | (2,092) |
| Remedial education | 371,654 | 371,654 | 360,246 | (11,408) |
| Special education- SOQ | 879,623 | 879,623 | 852,623 | (27,000) |
| Textbooks | 138,206 | 138,206 | 133,964 | (4,242) |
| Vocational standards of quality payments | 213,476 | 213,476 | 206,923 | (6,553) |
| No loss funding | - | - | 556,463 | 556,463 |
| Learning loss PPA | - | - | 109,665 | 109,665 |
| Social security fringe benefits | 414,092 | 414,092 | 401,381 | (12,711) |
| Retirement fringe benefits | 964,499 | 964,499 | 934,893 | (29,606) |
| Group life fringe benefits | 29,578 | 29,578 | 28,670 | (908) |
| Early reading intervention | 60,800 | 60,800 | 56,123 | (4,677) |
| Project graduation | 3,963 | 3,963 | 3,963 | - |
| Homebound education | 10,774 | 10,774 | 10,280 | (494) |
| Vocational education - equipment | 4,470 | 4,370 | 4,370 | - |
| Vocational occupational preparedness | 45,288 | 45,288 | 30,175 | (15,113) |
| Safe and stable families | 2,100 | 2,100 | 2,100 | - |
| Special ed foster care | - | - | 6,292 | 6,292 |
| At risk payments | 691,019 | 691,019 | 669,484 | (21,535) |
| Primary class size/K-3 initiative | 442,884 | 442,884 | 396,849 | (46,035) |
| Virginia Preschool Initiative | 328,738 | 328,738 | 177,345 | (151,393) |
| Standards of Learning algebra readiness | 40,102 | 40,102 | 47,244 | 7,142 |
| Infrastructure and operations per pupil funds | 484,708 | 484,708 | 519,823 | 35,115 |
| VPSA technology funds | 154,000 | 228,129 | 326,651 | 98,522 |
| Other state funds | 101,983 | 123,185 | 125,007 | 1,822 |
| Total categorical aid | \$ 15,172,007 | \$ 15,267,238 | \$ 15,678,204 | \$ 410,966 |

Schedule of Revenues - Budget and Actual

Governmental Funds

For the Year Ended June 30, 2021 (Continued)

| Fund, Major and Minor Revenue Source | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|------------------------------------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| Discretely Presented Component Unit - School Board: (Continued) | | | | |
| School Operating Fund: (Continued) | | | | |
| Intergovernmental: (Continued) | | | | |
| Revenue from the federal government: | | | | |
| Categorical aid: | | | | |
| Title I | \$ 951,045 | \$ 905,627 | \$ 737,406 | \$ (168,221) |
| School Improvement Grant | 169,539 | 570,454 | 317,555 | (252,899) |
| Title VI-B, special education flow-through | 577,225 | 565,592 | 554,299 | (11,293) |
| Title VI-B, special education pre-school | 24,011 | 23,718 | 16,815 | (6,903) |
| Vocational education | - | - | 73,505 | 73,505 |
| Drug free schools | 255,379 | 457,358 | 230,364 | (226,994) |
| Title II, Part A | 87,560 | 116,879 | 104,814 | (12,065) |
| ROTC | 52,384 | 52,384 | 64,377 | 11,993 |
| Title IV, Part A | 81,206 | 63,752 | 56,016 | (7,736) |
| Rural and low-income schools | 41,961 | 53,488 | 44,080 | (9,408) |
| CARES Act - ESSERF Funds | - | 711,924 | 464,632 | (247,292) |
| CARES Act - CRF Funds | - | 338,758 | 336,336 | (2,422) |
| Other federal funds | 51,036 | 74,258 | 55,971 | (18,287) |
| Total categorical aid | \$ 2,291,346 | \$ 3,934,192 | \$ 3,056,170 | \$ (878,022) |
| Total School Operating Fund | \$ 24,979,145 | \$ 26,978,998 | \$ 25,712,451 | \$ (1,266,547) |
| Special Revenue Fund: | | | | |
| School Cafeteria Fund: | | | | |
| Revenue from local sources: | | | | |
| Charges for services: | | | | |
| Cafeteria sales | \$ 200,000 | \$ 200,000 | \$ 4,112 | \$ (195,888) |
| Intergovernmental: | | | | |
| Revenues from local governments: | | | | |
| Contribution from County of Buckingham, Virginia | \$ - | \$ 17,224 | \$ 17,224 | \$ - |
| Revenue from the Commonwealth: | | | | |
| Categorical aid: | | | | |
| School food program grant | \$ 11,534 | \$ 11,534 | \$ 13,015 | \$ 1,481 |
| School breakfast program | 17,672 | 17,672 | 5,444 | (12,228) |
| Total revenue from the Commonwealth | \$ 29,206 | \$ 29,206 | \$ 18,459 | \$ (10,747) |
| Revenue from the federal government: | | | | |
| Categorical aid: | | | | |
| School food program grant | \$ 895,000 | \$ 895,000 | \$ 579,075 | \$ (315,925) |
| Summer feeding program - USDA | 13,000 | 13,000 | 570,624 | 557,624 |
| Commodities | - | - | 55,681 | 55,681 |
| CARES Act - CRF Funds | - | 9,300 | 11,722 | 2,422 |
| Total revenue from the federal government | \$ 908,000 | \$ 917,300 | \$ 1,217,102 | \$ 299,802 |
| Total School Cafeteria Fund | \$ 1,137,206 | \$ 1,163,730 | \$ 1,256,897 | \$ 93,167 |
| Total Discretely Presented Component Unit - School Board | \$ 26,116,351 | \$ 28,142,728 | \$ 26,969,348 | \$ (1,173,380) |

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2021

| Fund, Function, Activity and Elements | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|--------------------------------------------|--------------------|-----------------|--------------|-----------------------------------------------------------|
| General Fund: | | | | |
| General government administration: | | | | |
| Legislative: | | | | |
| Board of supervisors | \$ 107,179 | \$ 107,179 | \$ 100,916 | \$ 6,263 |
| General and financial administration: | | | | |
| County administrator | \$ 263,082 | \$ 269,414 | \$ 330,304 | \$ (60,890) |
| Accounting and Auditing Services | 45,000 | 45,000 | 52,500 | (7,500) |
| Cost allocation plan | 4,000 | 4,000 | 4,000 | - |
| Commissioner of revenue | 270,472 | 270,472 | 282,889 | (12,417) |
| Assessor | - | - | 3,258 | (3,258) |
| Treasurer | 320,434 | 320,434 | 325,204 | (4,770) |
| Finance/Human Resource | 246,657 | 265,984 | 295,745 | (29,761) |
| Information Technology | 143,318 | 145,540 | 157,922 | (12,382) |
| Total general and financial administration | \$ 1,292,963 | \$ 1,320,844 | \$ 1,451,822 | \$ (130,978) |
| Board of elections: | | | | |
| Electoral board and officials | \$ 104,194 | \$ 104,194 | \$ 74,159 | \$ 30,035 |
| Registrar | 128,335 | 128,335 | 100,451 | 27,884 |
| Total board of elections | \$ 232,529 | \$ 232,529 | \$ 174,610 | \$ 57,919 |
| Total general government administration | \$ 1,632,671 | \$ 1,660,552 | \$ 1,727,348 | \$ (66,796) |
| Judicial administration: | | | | |
| Courts: | | | | |
| Circuit court | \$ 19,084 | \$ 19,084 | \$ 18,447 | \$ 637 |
| General district court | 9,150 | 9,150 | 7,640 | 1,510 |
| Special magistrates | 2,475 | 2,475 | 1,234 | 1,241 |
| Court appointed attorney | - | - | 480 | (480) |
| Clerk of the circuit court | 394,087 | 416,177 | 394,761 | 21,416 |
| Victim and witness assistance | 70,669 | 70,669 | 63,616 | 7,053 |
| Total courts | \$ 495,465 | \$ 517,555 | \$ 486,178 | \$ 31,377 |
| Commonwealth's attorney: | | | | |
| Commonwealth's attorney | \$ 528,140 | \$ 528,140 | \$ 443,231 | \$ 84,909 |
| Total commonwealth's attorney | \$ 528,140 | \$ 528,140 | \$ 443,231 | \$ 84,909 |
| Total judicial administration | \$ 1,023,605 | \$ 1,045,695 | \$ 929,409 | \$ 116,286 |
| Public safety: | | | | |
| Law enforcement and traffic control: | | | | |
| Sheriff | \$ 2,305,708 | \$ 2,305,708 | \$ 2,399,320 | \$ (93,612) |
| Selective enforcement | - | - | 29,277 | (29,277) |
| Sheriff's fund | - | - | 3,000 | (3,000) |
| Triad | 2,475 | 2,475 | 2,475 | - |
| Total law enforcement and traffic control | \$ 2,308,183 | \$ 2,308,183 | \$ 2,434,072 | \$ (125,889) |

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2021 (Continued)

| Fund, Function, Activity and Elements | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|---------------------------------------------------------------|--------------------|-----------------|--------------|-----------------------------------------------------------|
| General Fund: (Continued) | | | | |
| Public safety: (Continued) | | | | |
| Fire and rescue services: | | | | |
| Volunteer fire department | \$ 513,187 | \$ 513,187 | \$ 515,801 | \$ (2,614) |
| Ambulance and rescue services | 199,200 | 199,200 | - | 199,200 |
| Glenmore rescue services | - | - | 270,922 | (270,922) |
| Forest fire prevention | 27,000 | 27,000 | 27,601 | (601) |
| Emergency services | 226,435 | 226,435 | 208,610 | 17,825 |
| Total fire and rescue services | \$ 965,822 | \$ 965,822 | \$ 1,022,934 | \$ (57,112) |
| Correction and detention: | | | | |
| Piedmont Regional Jail Authority | \$ 492,968 | \$ 492,968 | \$ 529,744 | \$ (36,776) |
| Piedmont Regional Juvenile Detention Center | 37,145 | 37,145 | 27,219 | 9,926 |
| Total correction and detention | \$ 530,113 | \$ 530,113 | \$ 556,963 | \$ (26,850) |
| Inspections: | | | | |
| Building | \$ 131,378 | \$ 146,941 | \$ 162,912 | \$ (15,971) |
| Total inspections | \$ 131,378 | \$ 146,941 | \$ 162,912 | \$ (15,971) |
| Other protection: | | | | |
| Animal control | \$ 165,314 | \$ 171,981 | \$ 242,650 | \$ (70,669) |
| Medical Examiner | 198 | 198 | 180 | 18 |
| Southside Center for Violence Prevention | 4,950 | 4,950 | 4,950 | - |
| Total other protection | \$ 170,462 | \$ 177,129 | \$ 247,780 | \$ (70,651) |
| Total public safety | \$ 4,105,958 | \$ 4,128,188 | \$ 4,424,661 | \$ (296,473) |
| Public works: | | | | |
| Maintenance of highways, streets, bridges and sidewalks: | | | | |
| Streetlights | \$ 4,300 | \$ 4,300 | \$ 4,833 | \$ (533) |
| Total maintenance of highways, streets, bridges and sidewalks | \$ 4,300 | \$ 4,300 | \$ 4,833 | \$ (533) |
| Sanitation and waste removal: | | | | |
| Refuse collection and disposal | \$ 728,138 | \$ 732,283 | \$ 1,021,974 | \$ (289,691) |
| Anti-Litter | 2,600 | 2,600 | 165 | 2,435 |
| Total sanitation and waste removal | \$ 730,738 | \$ 734,883 | \$ 1,022,139 | \$ (287,256) |
| Maintenance of general buildings and grounds: | | | | |
| General properties | \$ 666,215 | \$ 745,349 | \$ 971,054 | \$ (225,705) |
| Total maintenance of general buildings and grounds | \$ 666,215 | \$ 745,349 | \$ 971,054 | \$ (225,705) |
| Total public works | \$ 1,401,253 | \$ 1,484,532 | \$ 1,998,026 | \$ (513,494) |
| Health and welfare: | | | | |
| Health: | | | | |
| Health Department | \$ 126,351 | \$ 126,351 | \$ 126,115 | \$ 236 |
| COVID health clinic | - | - | 51,011 | (51,011) |
| Total health | \$ 126,351 | \$ 126,351 | \$ 177,126 | \$ (50,775) |
| Mental health and mental retardation: | | | | |
| Crossroads Board | \$ 39,600 | \$ 39,600 | \$ 39,600 | - |
| Total mental health and mental retardation | \$ 39,600 | \$ 39,600 | \$ 39,600 | - |

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2021 (Continued)

| Fund, Function, Activity and Elements | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|------------------------------------------------|--------------------|-----------------|--------------|-----------------------------------------------------------|
| General Fund: (Continued) | | | | |
| Health and welfare: (Continued) | | | | |
| Welfare: | | | | |
| Piedmont Sr Resources Area on Aging | \$ 15,760 | \$ 15,760 | \$ 15,760 | \$ - |
| Buckingham County active seniors | 4,950 | 4,950 | - | 4,950 |
| Tax relief for the elderly | - | - | 32,742 | (32,742) |
| Jaunt Inc transportation service | 40,438 | 40,438 | 40,438 | - |
| Piedmont area transit | 9,900 | 9,900 | 4,950 | 4,950 |
| VA legal aid | 7,310 | 7,310 | 7,310 | - |
| Pregnancy Support Center | 2,970 | 2,970 | 2,970 | - |
| Comprehensive services | 1,589,282 | 1,589,282 | 1,934,972 | (345,690) |
| Total welfare | \$ 1,670,610 | \$ 1,670,610 | \$ 2,039,142 | \$ (368,532) |
| Total health and welfare | \$ 1,836,561 | \$ 1,836,561 | \$ 2,255,868 | \$ (419,307) |
| Education: | | | | |
| Other instructional costs: | | | | |
| Contributions to colleges and agencies | \$ 48,604 | \$ 48,604 | \$ 48,604 | \$ - |
| Contribution to Buckingham County School Board | 7,198,292 | 7,477,292 | 6,794,696 | 682,596 |
| Total education | \$ 7,246,896 | \$ 7,525,896 | \$ 6,843,300 | \$ 682,596 |
| Parks, recreation, and cultural: | | | | |
| Parks and recreation: | | | | |
| Supervision of parks and recreation | \$ 213,715 | \$ 210,623 | \$ 193,131 | \$ 17,492 |
| Programs | - | - | 4,767 | (4,767) |
| Ellis Acres Memorial Park | 4,950 | 4,950 | 4,950 | - |
| Total parks and recreation | \$ 218,665 | \$ 215,573 | \$ 202,848 | \$ 12,725 |
| Cultural enrichment: | | | | |
| Arts Council | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ - |
| Longwood Center For the Visual Arts | 1,052 | 1,052 | 1,052 | - |
| VA Retreat | 4,455 | 4,455 | 4,455 | - |
| Piedmont Area Veterans Council | 1,980 | 1,980 | 1,980 | - |
| Total cultural enrichment | \$ 16,487 | \$ 16,487 | \$ 16,487 | \$ - |
| Library: | | | | |
| Regional library | \$ 260,923 | \$ 260,923 | \$ 260,923 | \$ - |
| Total library | \$ 260,923 | \$ 260,923 | \$ 260,923 | \$ - |
| Total parks, recreation, and cultural | \$ 496,075 | \$ 492,983 | \$ 480,258 | \$ 12,725 |
| Community development: | | | | |
| Planning and community development: | | | | |
| Planning | \$ 123,715 | \$ 125,235 | \$ 105,402 | \$ 19,833 |
| Planning District Commission | 18,810 | 18,810 | 19,000 | (190) |
| Longwood Small Business Development Center | 5,791 | 5,791 | 5,791 | - |
| Total planning and community development | \$ 148,316 | \$ 149,836 | \$ 130,193 | \$ 19,643 |
| Environmental management: | | | | |
| Peter Francisco Soil and Water Conservation | \$ 11,880 | \$ 11,880 | \$ 11,880 | \$ - |
| Total environmental management | \$ 11,880 | \$ 11,880 | \$ 11,880 | \$ - |

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2021 (Continued)

| Fund, Function, Activity and Elements | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|--------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| General Fund: (Continued) | | | | |
| Community development: (Continued) | | | | |
| Cooperative extension program: | | | | |
| Cooperative extension office | \$ 94,356 | \$ 94,356 | \$ 91,613 | \$ 2,743 |
| Total cooperative extension program | \$ 94,356 | \$ 94,356 | \$ 91,613 | \$ 2,743 |
| Total community development | \$ 254,552 | \$ 256,072 | \$ 233,686 | \$ 22,386 |
| Nondepartmental: | | | | |
| Proposed salary increase | \$ 80,000 | \$ - | \$ - | \$ - |
| Bank Charges - Bank of America | - | - | 2,729 | (2,729) |
| Unemployment insurance | 2,000 | 2,000 | 3,470 | (1,470) |
| Worker's compensation | 50,000 | 50,000 | 62,080 | (12,080) |
| General liability insurance | 100,000 | 100,000 | 90,365 | 9,635 |
| LODA insurance | 20,000 | 20,000 | 19,037 | 963 |
| School sewer contract | 90,000 | 90,000 | 90,000 | - |
| Unclaimed Property | - | - | 13 | (13) |
| Total nondepartmental | \$ 342,000 | \$ 262,000 | \$ 267,694 | \$ (5,694) |
| Capital projects: | | | | |
| Library renovation | \$ - | \$ 637,357 | \$ - | \$ 637,357 |
| Solid Waste site | - | 32,620 | 32,620 | - |
| Total capital projects | \$ - | \$ 669,977 | \$ 32,620 | \$ 637,357 |
| Debt service: | | | | |
| Principal retirement | \$ 41,000 | \$ 41,000 | \$ 41,000 | \$ - |
| Interest and other fiscal charges | 144,792 | 144,792 | 144,792 | - |
| Total debt service | \$ 185,792 | \$ 185,792 | \$ 185,792 | \$ - |
| Total General Fund | \$ 18,525,363 | \$ 19,548,248 | \$ 19,378,662 | \$ 169,586 |
| Special Revenue Funds: | | | | |
| Virginia Public Assistance Fund: | | | | |
| Welfare and social services: | | | | |
| Welfare administration | \$ 1,666,636 | \$ 1,666,636 | \$ 1,384,782 | \$ 281,854 |
| Public assistance | 616,674 | 616,674 | 536,562 | 80,112 |
| Total welfare and social services | \$ 2,283,310 | \$ 2,283,310 | \$ 1,921,344 | \$ 361,966 |
| Total Virginia Public Assistance Fund | \$ 2,283,310 | \$ 2,283,310 | \$ 1,921,344 | \$ 361,966 |
| CARES Act Fund: | | | | |
| General government administration: | | | | |
| Legislative: | | | | |
| Board of supervisors | \$ - | \$ 1,496,097 | \$ 359,988 | \$ 1,136,109 |
| General and financial administration: | | | | |
| County Administrator | \$ - | \$ - | \$ 1,244 | \$ (1,244) |
| Commissioner of Revenue | - | - | 415 | (415) |
| Finance/Human Resource | - | - | 1,261 | (1,261) |
| Information Technology | - | - | 42,414 | (42,414) |
| Total general and financial administration | \$ - | \$ - | \$ 45,334 | \$ (45,334) |
| Board of elections: | | | | |
| Registrar | \$ - | \$ - | \$ 30,007 | \$ (30,007) |
| Total general government administration | \$ - | \$ 1,496,097 | \$ 435,329 | \$ 1,060,768 |

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2021 (Continued)

| Fund, Function, Activity and Elements | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|-----------------------------------------------|--------------------|-----------------|--------------|-----------------------------------------------------------|
| Special Revenue Funds: (Continued) | | | | |
| CARES Act Fund: (Continued) | | | | |
| Public safety: | | | | |
| Law enforcement and traffic control: | | | | |
| Sheriff | \$ - | \$ - | \$ 13,028 | \$ (13,028) |
| Fire and rescue services: | | | | |
| Emergency services | \$ - | \$ - | \$ 2,001 | \$ (2,001) |
| Glenmore emergency services | - | - | 386,406 | (386,406) |
| Total fire and rescue services | \$ - | \$ - | \$ 388,407 | \$ (388,407) |
| Correction and detention: | | | | |
| Piedmont Regional Jail Authority | \$ - | \$ - | \$ 21,067 | \$ (21,067) |
| Inspections: | | | | |
| Building | \$ - | \$ - | \$ 2,048 | \$ (2,048) |
| Other protection: | | | | |
| Animal control | \$ - | \$ - | \$ 1,200 | \$ (1,200) |
| Total public safety | \$ - | \$ - | \$ 425,750 | \$ (425,750) |
| Public works: | | | | |
| Maintenance of general buildings and grounds: | | | | |
| General properties | \$ - | \$ - | \$ 341,149 | \$ (341,149) |
| Total public works | \$ - | \$ - | \$ 341,149 | \$ (341,149) |
| Health and welfare: | | | | |
| Health: | | | | |
| Health Department | \$ - | \$ - | \$ 6,700 | \$ (6,700) |
| Total health and welfare | \$ - | \$ - | \$ 6,700 | \$ (6,700) |
| Education: | | | | |
| Other instructional costs: | | | | |
| School Board (hot spots) | \$ - | \$ - | \$ 157,852 | \$ (157,852) |
| Total education | \$ - | \$ - | \$ 157,852 | \$ (157,852) |
| Parks, recreation, and cultural: | | | | |
| Parks and recreation: | | | | |
| Supervision of parks and recreation | \$ - | \$ - | \$ 13,240 | \$ (13,240) |
| Total parks, recreation, and cultural | \$ - | \$ - | \$ 13,240 | \$ (13,240) |
| Community development: | | | | |
| Planning and community development: | | | | |
| Planning | \$ - | \$ - | \$ 1,800 | \$ (1,800) |
| Small business grants | - | - | 277,519 | (277,519) |
| Total community development | \$ - | \$ - | \$ 279,319 | \$ (279,319) |
| Capital projects: | | | | |
| Glenmore squad building | \$ - | \$ - | \$ 458,507 | \$ (458,507) |
| Total capital projects | \$ - | \$ - | \$ 458,507 | \$ (458,507) |
| Total CARES Act Fund | \$ - | \$ 1,496,097 | \$ 2,117,846 | \$ (621,749) |

Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2021 (Continued)

| Fund, Function, Activity and Elements | Original Budget | Final Budget | Actual | Variance with Final Budget - Positive (Negative) |
|------------------------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| Special Revenue Funds: (Continued) | | | | |
| Emergency Management Services (EMS) Fund: | | | | |
| Public Safety: | | | | |
| Fire and rescue services: | | | | |
| Emergency services | \$ - | \$ 1,992,941 | \$ 988,342 | \$ 1,004,599 |
| Total Emergency Management Services (EMS) Fund | \$ - | \$ 1,992,941 | \$ 988,342 | \$ 1,004,599 |
| Debt Service Fund: | | | | |
| Debt service: | | | | |
| Principal retirement | \$ 2,290,971 | \$ 2,290,971 | \$ 2,290,971 | \$ - |
| Interest and other fiscal charges | 1,218,979 | 1,218,979 | 1,218,979 | - |
| Total Debt Service Fund | \$ 3,509,950 | \$ 3,509,950 | \$ 3,509,950 | \$ - |
| Capital Projects Fund: | | | | |
| County Capital Improvements Fund: | | | | |
| Capital projects expenditures: | | | | |
| Library renovation | \$ - | \$ - | \$ 394,725 | \$ (394,725) |
| Total capital projects | \$ - | \$ - | \$ 394,725 | \$ (394,725) |
| Total County Capital Improvements Fund | \$ - | \$ - | \$ 394,725 | \$ (394,725) |
| Total Primary Government | \$ 24,318,623 | \$ 28,830,546 | \$ 28,310,869 | \$ 519,677 |
| Discretely Presented Component Unit - School Board: | | | | |
| School Operating Fund: | | | | |
| Education: | | | | |
| Administration of schools: | | | | |
| Administration, attendance and health | \$ 1,278,896 | \$ 1,740,585 | \$ 1,617,126 | \$ 123,459 |
| Instruction | 18,012,256 | 18,798,211 | 17,707,617 | 1,090,594 |
| Operation and maintenance services | 2,197,474 | 2,380,781 | 2,410,867 | (30,086) |
| Pupil transportation | 2,340,879 | 2,426,545 | 2,386,403 | 40,142 |
| Total administration of schools | \$ 23,829,505 | \$ 25,346,122 | \$ 24,122,013 | \$ 1,224,109 |
| Capital Projects: | | | | |
| Technology | \$ 1,017,503 | \$ 1,500,739 | \$ 1,458,303 | \$ 42,436 |
| Total Capital Projects | \$ 1,017,503 | \$ 1,500,739 | \$ 1,458,303 | \$ 42,436 |
| Total education | \$ 24,847,008 | \$ 26,846,861 | \$ 25,580,316 | \$ 1,266,545 |
| Debt service: | | | | |
| Principal retirement | \$ 102,922 | \$ 102,922 | \$ 102,922 | \$ - |
| Interest and other fiscal charges | 29,215 | 29,215 | 29,213 | 2 |
| Total debt service | \$ 132,137 | \$ 132,137 | \$ 132,135 | \$ 2 |
| Total School Operating Fund | \$ 24,979,145 | \$ 26,978,998 | \$ 25,712,451 | \$ 1,266,547 |
| Special Revenue Fund: | | | | |
| School Cafeteria Fund: | | | | |
| Education: | | | | |
| School food services: | | | | |
| Administration of school food program | \$ 1,337,206 | \$ 1,363,730 | \$ 1,249,520 | \$ 114,210 |
| Commodities | - | - | 55,681 | (55,681) |
| Total school food services | \$ 1,337,206 | \$ 1,363,730 | \$ 1,305,201 | \$ 58,529 |
| Total education | \$ 1,337,206 | \$ 1,363,730 | \$ 1,305,201 | \$ 58,529 |
| Total School Cafeteria Fund | \$ 1,337,206 | \$ 1,363,730 | \$ 1,305,201 | \$ 58,529 |
| Total Discretely Presented Component Unit - School Board | \$ 26,316,351 | \$ 28,342,728 | \$ 27,017,652 | \$ 1,325,076 |

STATISTICAL INFORMATION

COUNTY OF BUCKINGHAM, VIRGINIA

Table 1

Government-Wide Expenses by Function
Last Ten Fiscal Years

| Fiscal Year | General | | | | | | | | | | Water and Sewer Funds | Total |
|-------------|---------------------------|-------------------------|-------------------|--------------|--------------------|--------------|---------------------------------|-----------------------|----------------------------|--------------|-----------------------|-------|
| | Government Administration | Judicial Administration | Public Safety (1) | Public Works | Health and Welfare | Education | Parks, Recreation, and Cultural | Community Development | Interest on Long-Term Debt | | | |
| 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 | |
| 2020-21 | 2,333,628 | 1,053,033 | 5,746,753 | 2,354,266 | 4,256,211 | 8,885,369 | 690,333 | 568,066 | 1,151,416 | 2,634,854 | 29,673,929 | |

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

COUNTY OF BUCKINGHAM, VIRGINIA

Table 2

Government-Wide Revenues
Last Ten Fiscal Years

| Fiscal Year | PROGRAM REVENUES | | | | GENERAL REVENUES | | | | | | Gain on Disposal of Assets | Total |
|-------------|--------------------------|----------------------------------------|--------------------------------------|------------------------|-------------------|----------------------------------|-------------------|-------------------------------------|---------|---------------|----------------------------|-------|
| | Charges for Services (2) | Operating Grants and Contributions (3) | Capital Grants and Contributions (4) | General Property Taxes | Other Local Taxes | Unrestricted Investment Earnings | Miscellaneous (1) | Grants and Contributions | | | | |
| | | | | | | | | Not Restricted to Specific Programs | | | | |
| 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 | | |
| 2020-21 | 2,669,898 | 8,661,713 | 2,521,756 | 16,032,384 | 1,969,209 | 98,821 | 34,208 | 1,592,397 | 440,567 | 34,020,953 | | |

- (1) Increase in miscellaneous revenues represents private donations received for a new animal control facility in fiscal year 2020.
(2) Increase in charges for services reflects the County collecting payments for rescue operations beginning in fiscal year 2021.
(3) Increase in operating grants reflects coronavirus relief funds received in fiscal year 2021.
(4) Increase in capital grants reflects the transfer of land, building, and vehicles for rescue operations and COVID funding for squad improvements in fiscal year 2021.

COUNTY OF BUCKINGHAM, VIRGINIA

Table 3

General Governmental Expenditures by Function (1)

Last Ten Fiscal Years

| Fiscal Year | General Government | | Judicial Administration | Public Safety | Public Works | Health and Welfare | Education (2) | Parks, Recreation, and Cultural | | Community Development | Non-departmental | Debt Service (3) | | Total |
|-------------|--------------------|----------------|-------------------------|---------------|--------------|--------------------|---------------|---------------------------------|------------|-----------------------|------------------|------------------|-----|-------|
| | Administration | Administration | | | | | | Recreation | Cultural | | | Service | (3) | |
| 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 | | | |
| 2020-21 | 2,162,677 | 929,409 | 5,838,753 | 2,339,175 | 4,183,912 | 27,210,662 | 493,498 | 513,005 | 267,694 | 3,827,877 | 47,766,662 | | | |

(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 | | | 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 |
|-------------|----------------|-------------------|-----------|----------------------------------------------|-----------|-----------------------|------------|--------------------------------------------|---------------|----------------------|--|---------------|--|-----------------|--|------------------------|--|-------|
| | Property Taxes | Other Local Taxes | | | | | | | | | | | | | | | | |
| 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 | | | | | | | | |
| 2020-21 | 15,989,227 | 1,969,209 | 274,780 | 36,573 | 86,769 | 611,346 | 1,724,913 | - | 29,598,198 | 50,291,015 | | | | | | | | |

(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 | | | | | |
| 2011-12 | \$ 12,433,137 | \$ 11,649,756 | 93.70% | \$ 678,790 | \$ 12,328,546 | 99.16% | \$ 104,591 | 0.84% |
| 2012-13 | 13,446,472 | 12,776,284 | 95.02% | 560,619 | 13,336,903 | 99.19% | 109,569 | 0.81% |
| 2013-14 | 13,805,588 | 13,240,204 | 95.90% | 455,665 | 13,695,869 | 99.21% | 109,719 | 0.79% |
| 2014-15 | 14,467,711 | 13,743,751 | 95.00% | 606,678 | 14,350,429 | 99.19% | 117,282 | 0.81% |
| 2015-16 | 16,658,592 | 15,801,943 | 94.86% | 719,238 | 16,521,181 | 99.18% | 137,411 | 0.82% |
| 2016-17 | 16,015,659 | 15,123,883 | 94.43% | 727,817 | 15,851,700 | 98.98% | 163,959 | 1.02% |
| 2017-18 | 15,983,840 | 15,084,303 | 94.37% | 692,617 | 15,776,920 | 98.71% | 206,920 | 1.29% |
| 2018-19 | 16,012,888 | 15,169,420 | 94.73% | 589,193 | 15,758,613 | 98.41% | 254,275 | 1.59% |
| 2019-20 | 16,333,715 | 15,388,780 | 94.21% | 542,527 | 15,931,307 | 97.54% | 402,408 | 2.46% |
| 2020-21 | 16,727,366 | 15,845,050 | 94.73% | - | 15,845,050 | 94.73% | 882,316 | 5.27% |

(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) | Aircraft | Total |
|-------------|------------------|----------------------------------------|---------------------|--------------------|----------------------|------------|------------------|
| 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 |
| 2020-21 | 1,589,844,750 | 122,779,567 | 10,824,530 | 23,701,060 | 629,167,226 | 166,000 | 2,376,483,133 |

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

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

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

COUNTY OF BUCKINGHAM, VIRGINIA

Table 7

Property Tax Rates (1)
Last Ten Fiscal Years

| Fiscal Year | Real Estate | | Mobile Homes | Personal Property (2) | Machinery and Tools (2) | Merchants' Capital | Aircraft |
|----------------|-------------|----------|-----------------|--------------------------|-------------------------------|-----------------------|----------|
| | 1st Half | 2nd Half | | | | | |
| 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 | 0.55 | 0.52 | 0.55 | 4.05 | 2.90 | 1.00 | 0.55 |
| 2020-21 | 0.52 | 0.52 | 0.52 | 4.05 | 2.90 | 1.00 | 0.55 |

(1) Per \$100 of assessed value.

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

COUNTY OF BUCKINGHAM, VIRGINIA

Table 8

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

| Fiscal Year | Population (1) | Assessed Value (in thousands) (2) | Less: | | | Ratio of Net Bonded Debt to Assessed Value | Net Bonded Debt per Capita |
|----------------|-------------------|--------------------------------------------|-----------------------------|----------------------------------------|-----------------------|--------------------------------------------------------|-------------------------------------|
| | | | Gross Bonded Debt (3) | Debt Service Monies Available | Net Bonded Debt | | |
| 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 |
| 2020-21 | 17,162 | 2,282,693 | 21,931,412 | - | 21,931,412 | 0.96% | 1,278 |

(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 |
|----------------|--------------|--------------|--------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| 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% |
| 2020-21 | 2,434,893 | 1,392,984 | 3,827,877 | 47,766,662 | 8.01% |

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

COMPLIANCE



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

**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, 2021, 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 April 11, 2022.

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 Farrow Cox Associates

Charlottesville, Virginia

April 11, 2022



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

**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, 2021. 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, 2021.

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
April 11, 2022

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

| Federal Grantor/Pass - Through Grantor/ Program or Cluster Title | Federal Assistance Listing Number | Pass-Through Entity Identifying Number | | Federal Expenditures | Sub- recipients |
|-------------------------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------|------------|-------------------------|--------------------|
| Department of Health and Human Services: | | | | | |
| Pass Through Payments: | | | | | |
| Virginia Department of Social Services: | | | | | |
| Promoting Safe and Stable Families | 93.556 | 0950119/0950120 | | \$ 8,057 | \$ - |
| Refugee and Entrant Assistance - State/Administered Programs | 93.566 | 0500120/0500121 | | 329 | - |
| Low-Income Home Energy Assistance | 93.568 | 0600420/0600421 | | 23,510 | - |
| CCDF Cluster: | | | | | |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund | 93.596 | 0760120/0760121 | | 30,382 | - |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | 900120/900121 | | 80 | - |
| Foster Care - Title IV-E | 93.658 | 1100120/1100121 | | 175,058 | - |
| Adoption Assistance | 93.659 | 1120120/1120121 | | 133,786 | - |
| John H. Chafee Foster Care Program for Successful Transition to Adulthood | 93.674 | 9150119/9150120 | | 2,908 | - |
| Children's Health Insurance Program (CHIP) | 93.767 | 0540120/0540121 | | 2,225 | - |
| Medicaid Cluster: | | | | | |
| Medical Assistance Program | 93.778 | 1200120/1200121 | | 196,370 | - |
| Temporary Assistance for Needy Families (TANF) | 93.558 | 0400120/0400121 | \$ 145,048 | | |
| Virginia Department of Education: | | | | | |
| Temporary Assistance for Needy Families (TANF) | 93.558 | APE40274 | 54,644 | 199,692 | - |
| Virginia Department of Social Services: | | | | | |
| Social Services Block Grant | 93.667 | 1000120/1000121 | \$ 111,954 | | |
| Virginia Office of Children's Services: | | | | | |
| Social Services Block Grant | 93.667 | Unknown | 79,556 | 191,510 | - |
| Total Department of Health and Human Services | | | | \$ 963,907 | \$ - |
| Department of Agriculture: | | | | | |
| Pass Through Payments: | | | | | |
| Child Nutrition Cluster: | | | | | |
| Virginia Department of Agriculture and Consumer Services: | | | | | |
| Food Distribution - School Nutrition Program | 10.555 | APE40264 | \$ 54,962 | | |
| Virginia Department of Education: | | | | | |
| National School Lunch Program (NSLP) | 10.555 | AP40264 | 34,104 | \$ 89,066 | \$ - |
| Virginia Department of Agriculture and Consumer Services: | | | | | |
| Food Distribution - Summer Food Service Program for Children | 10.559 | APE60302/60303 | \$ 719 | | |
| Virginia Department of Education: | | | | | |
| Summer Food Service Program for Children (SFSPC) | 10.559 | APE60302/60303 | 940,531 | | |
| COVID-19 - Summer Food Service Program for Children (SFSPC) | 10.559 | APE60175/60176 | 153,586 | 1,094,836 | - |
| School Breakfast Program (SBP) | 10.553 | APE40263 | \$ 21,478 | \$ 1,205,380 | - |
| Virginia Department of Social Services: | | | | | |
| SNAP Cluster: | | | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | 0010120/ 0010121/0040120/0040121 | | 262,364 | - |
| Total Department of Agriculture | | | | \$ 1,467,744 | \$ - |
| Department of Defense: | | | | | |
| Direct Payments: | | | | | |
| ROTC | 12.U00 | N/A | | \$ 64,377 | \$ - |
| Total Department of Defense | | | | \$ 64,377 | \$ - |
| Department of Homeland Security: | | | | | |
| Pass Through Payments: | | | | | |
| Virginia Department of Emergency Management: | | | | | |
| Emergency Management Performance Grants | 97.042 | EMP-2019-EP-00006 | | \$ 7,500 | \$ - |
| Total Department of Homeland Security | | | | \$ 7,500 | \$ - |

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2021

| Federal Grantor/Pass - Through Grantor/ Program or Cluster Title | Federal Assistance Listing Number | Pass-Through Entity Identifying Number | | Federal Expenditures | Sub- recipients |
|---------------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------------------------|--------------|-------------------------|--------------------|
| Department of Justice: | | | | | |
| Pass Through Payments: | | | | | |
| Virginia Department of Criminal Justice Services: | | | | | |
| COVID-19 - Coronavirus Emergency Supplemental Funding Program | 16.034 | 20-A5051CE20 | \$ 49,731 | | |
| COVID-19 - Coronavirus Emergency Supplemental Funding Program | 16.034 | 20-A5162CE20 | 4,996 | \$ 54,727 | \$ - |
| Crime Victim Assistance | 16.575 | 18VAGX0011 | | 47,712 | - |
| Total Department of Justice | | | | \$ 102,439 | \$ - |
| Department of Transportation: | | | | | |
| Pass Through Payments: | | | | | |
| Virginia Department of Motor Vehicles: | | | | | |
| Highway Safety Cluster: | | | | | |
| State and Community Highway Safety | 20.600 | FOP-2020-50329-20329/ FOP-2021-51320-21320/ FSC-2020-50326-20326/ FSC-2021-51316-21316 | | \$ 13,765 | \$ - |
| Alcohol Open Container Requirements | 20.607 | 154AL-2020-50330-20330/ 154AL-2021-51319-21319 | | 10,615 | - |
| Total Department of Transportation | | | | \$ 24,380 | \$ - |
| Department of Treasury: | | | | | |
| Pass Through Payments: | | | | | |
| Virginia Department of Accounts: | | | | | |
| COVID-19 - Coronavirus Relief Fund | 21.019 | SLT0022 | \$ 2,468,363 | | \$ 76,794 |
| Virginia Department of Education: | | | | | |
| COVID-19 - Coronavirus Relief Fund | 21.019 | APE70056 | 348,058 | \$ 2,816,421 | - |
| Total Department of Treasury | | | | \$ 2,816,421 | \$ 76,794 |
| U.S. Election Assistance Commission: | | | | | |
| Pass Through Payments: | | | | | |
| Virginia Department of Elections: | | | | | |
| COVID-19 - HAVA Election Security Grants | 90.404 | Unknown | | \$ 30,007 | \$ - |
| Department of Education: | | | | | |
| Pass Through Payments: | | | | | |
| Virginia Department of Education: | | | | | |
| Title I - Grants to Local Educational Agencies | 84.010 | APE42901/42892 | | \$ 737,406 | \$ - |
| Special Education Cluster (IDEA): | | | | | |
| Special Education - Grants to States (IDEA, Part B) | 84.027 | APE43071 | \$ 554,299 | | |
| Special Education - Preschool Grants (IDEA Preschool) | 84.173 | APE62521 | 16,815 | 571,114 | - |
| Career and Technical Education - Basic Grants to States | 84.048 | APE60031 | | 73,505 | - |
| Twenty-First Century Community Learning Centers | 84.287 | APE60565 | | 230,364 | - |
| Rural Education | 84.358 | APE43481 | | 44,080 | - |
| Supporting Effective Instruction State Grants | 84.367 | APE61480 | | 104,814 | - |
| School Improvement Grants | 84.377 | APE43040 | | 317,555 | - |
| Student Support and Academic Enrichment Program | 84.424 | APE60281 | | 56,016 | - |
| COVID-19 - Education Stabilization Fund (ESF) - Governor's | | | | | |
| Emergency Education Relief Fund | 84.425C | APE70037 | \$ 74,183 | | |
| COVID-19 - Education Stabilization Fund (ESF) - Elementary and | | | | | |
| Secondary School Emergency Relief Fund | 84.425D | APE60177 | 390,449 | 464,632 | - |
| Virginia Polytechnic Institute: | | | | | |
| English Language Acquisition State Grants | 84.365 | APE60512/60509 | | 1,327 | - |
| Total Department of Education | | | | \$ 2,600,813 | \$ - |
| Total Expenditures of Federal Awards | | | | \$ 8,077,588 | \$ 76,794 |

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, 2021

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, 2021. 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

COVID-19 coronavirus relief funds 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 | \$ 213,875 |
| Special Revenue Funds: | |
| Virginia Public Assistance Fund | 1,092,071 |
| CARES Act Fund | 2,498,370 |
| Debt Service Fund | 415,646 |
| Total primary government | <u>\$ 4,219,962</u> |
| Component Unit School Board: | |
| School Operating Fund | \$ 3,056,170 |
| School Cafeteria Fund | 1,217,102 |
| Total component unit school board | <u>\$ 4,273,272</u> |
| Total federal expenditures per basic financial statements | <u>\$ 8,493,234</u> |
| BABs interest subsidy | <u>\$ (415,646)</u> |
| Total federal expenditures per the Schedule of Expenditures of Federal Awards | <u><u>\$ 8,077,588</u></u> |

COUNTY OF BUCKINGHAM, VIRGINIA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

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

Federal Awards

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

Assistance

| <u>Listing #</u> | <u>Name of Federal Program or Cluster</u> |
|-------------------------|------------------------------------------------------------------------------------------|
| 21.019 | COVID-19 - Coronavirus Relief Fund |
| 84.425C | COVID-19 - Education Stabilization Fund (Governor's Emergency Education Relief Fund) |
| 84.425D | COVID-19 - Education Stabilization Fund (Elementary and Secondary Emergency Relief Fund) |

| | |
|-----------------------------------------------------------------------------|-----------|
| 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, 2021

There were no findings reported for the year ended June 30, 2020.

This page intentionally left blank