

# County of Amherst, Virginia

## Financial Report

Year Ended June 30, 2024







# County of Amherst, Virginia

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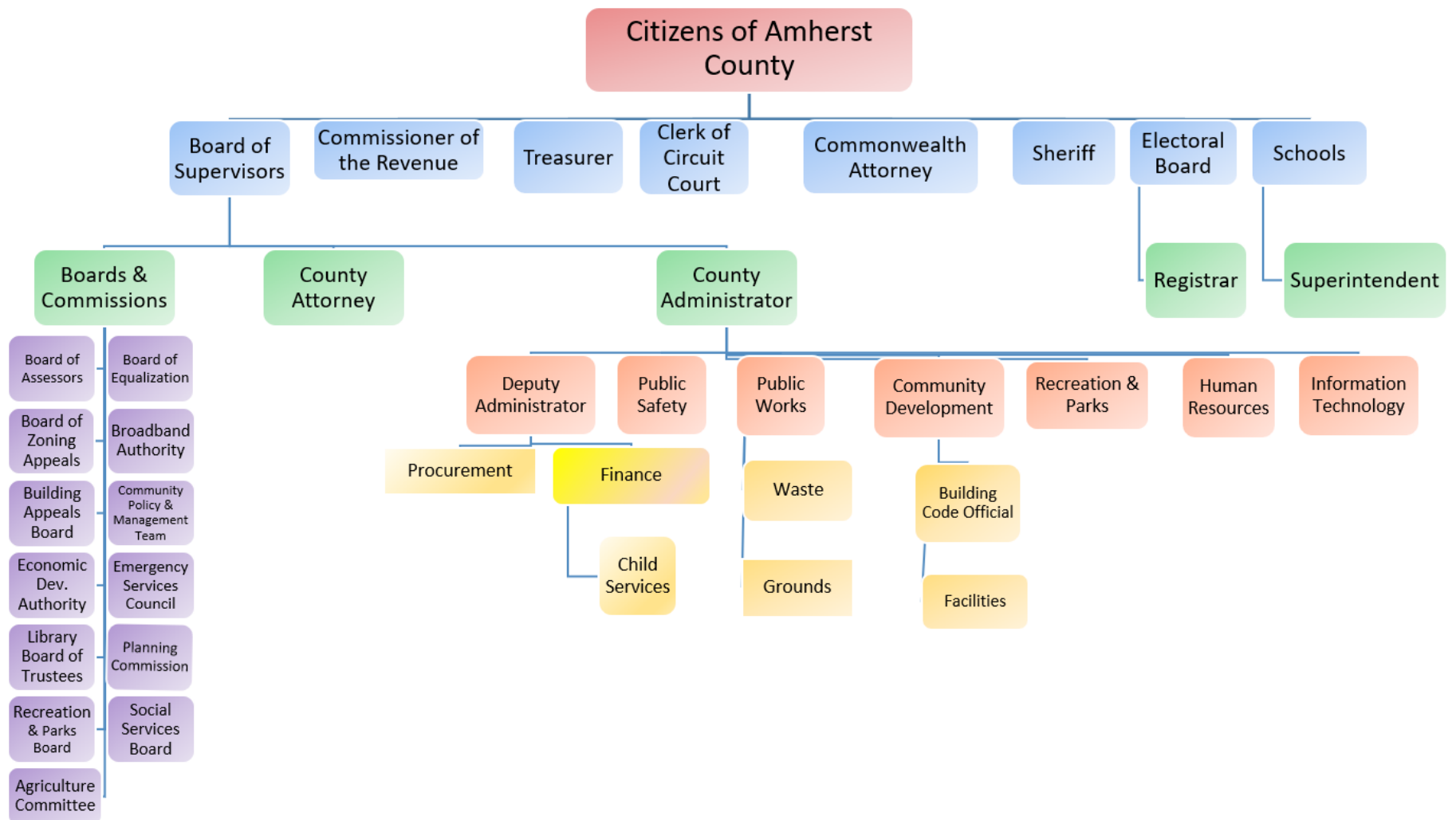




# Introductory Section









# County of Amherst, Virginia

## Directory of Principal Officials

June 30, 2024

### **Board of Supervisors**

Drew Wade, Chair

Claudia Tucker, Vice-Chair

Chris Adams

Tom Martin

David Pugh, Jr.

### **School Board**

Chris Terry, Chair

Abby Thompson, Vice-Chair

Lori Saunders  
Priscilla Liggon

Dawn Justice  
Eric Orasi

David Childress

### **Social Services Board**

Lean Parrish, Chair

John Marks, Jr., Vice-Chair

Benjamin Bond

David Pugh, Jr.

Todd Rodes

### **County Library Board**

Naomi Giles  
Larry Langhans

Sandy Jennings-Neblett  
Richard Timothy Jordan

Christina Woodburn



## **Economic Development Authority Board**

Andrew Proctor, Chair  
Shelly Hunt, Vice-Chair  
Dan Sweeney, Treasurer

Chad Eby  
Christina Vrooman

Calvin Kennon, Jr.

Paul Kilgore

## **Other Officials**

Judge of the Circuit Court ..... Jeffrey P. Bennett  
Clerk of the Circuit Court ..... Deborah C. Mozingo  
Judge of the General District Court ..... Sam Daniel Eggleston  
Judge of the Juvenile & Domestic Relations Court ..... Eugene Butler  
Commonwealth's Attorney ..... W. Lyle Carver  
Commissioner of the Revenue ..... Jane Irby  
Treasurer ..... Joanne Carden  
Sheriff ..... Lemuel J. Ayers III  
Superintendent of Schools ..... Dr. William Wells  
Clerk of the School Board ..... Brittany McNerney  
Chief Finance Officer of Schools ..... Kimberly Lukanich  
Director of Social Services ..... Jason Meador  
County Administrator ..... Jeremy Bryant  
Library Director ..... Jacob Etter  
Finance Director ..... Stacey McBride

## **Independent Auditor**

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





# Financial Section

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## **Independent Auditor's Report**

To the Board of Supervisors  
County of Amherst, Virginia

### **Report on the Audit of the Financial Statements**

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Amherst, Virginia (the "County") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County of Amherst,



Virginia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an



appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Amherst, Virginia's basic financial statements. The accompanying supporting schedules, financial statements of the discretely presented component units, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supporting schedules, financial statements of the discretely presented component units, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### *Other Information*

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

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If,



based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

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

CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia  
December 16, 2024



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# **Basic Financial Statements**

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# **Government-Wide Financial Statements**

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# County of Amherst, Virginia

Exhibit 1

## Statement of Net Position June 30, 2024

	Primary Government			Discretely Presented Component Units	
	Governmental Activities	Business-Type Activities	Total	Economic Development Authority	School Board
<b>ASSETS</b>					
Cash and investments (Note 3)	\$ 43,532,634	\$ 6,632,152	\$ 50,164,786	\$ 1,371,087	\$ 6,439,074
Receivables, net (Note 4)	10,489,074	755,988	11,245,062	-	7,928
Due from primary government	-	-	-	-	99,637
Due from other governments (Note 6)	2,804,834	-	2,804,834	-	3,887,167
Inventories	-	244,290	244,290	-	-
Prepaid items	190,049	-	190,049	1,587	35,690
Loans receivable (Note 5)	285,292	-	285,292	-	-
Lease receivable (Note 10)					
Receivable within one year	18,360	15,456	33,816	-	-
Receivable in more than one year	267,240	553,262	820,502	-	-
Restricted assets (Note 3)					
Cash and investments	25,589,015	11,156,759	36,745,774	-	-
Net pension asset (Notes 12, 14 and 20)	291,747	-	291,747	-	1,929,911
Capital assets: (Note 8)					
Nondepreciable	14,277,659	913,141	15,190,800	6,217,230	308,306
Depreciable, net	44,345,385	30,542,612	74,887,997	346,696	15,476,868
Total assets	142,091,289	50,813,660	192,904,949	7,936,600	28,184,581
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred loss on refunding	192,638	-	192,638	-	-
Deferred outflows related to pensions (Notes 12, 13, 14, 15, and 20)	1,502,005	314,353	1,816,358	-	8,641,654
Deferred outflows related to other postemployment benefits (Notes 16, 17, 18, 19, and 21)	399,651	29,295	428,946	-	893,163
Total deferred outflows of resources	2,094,294	343,648	2,437,942	-	9,534,817
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	3,732,126	369,601	4,101,727	250,501	1,442,392
Retainage payable	333,599	-	333,599	262,967	-
Accrued liabilities	11,563	-	11,563	-	2,847,124
Self insurance	-	-	-	-	348,595
Unearned revenue	4,150,868	-	4,150,868	-	1,730,275
Customer deposits	-	394,285	394,285	-	-
Accrued interest	1,040,608	162,058	1,202,666	21,875	-
Other postemployment benefits - local plan	976,302	-	976,302	-	-
Due to component unit	99,638	-	99,638	-	-
Long-term liabilities:					
Net pension liability (Notes 13, 15, and 20)	-	513,482	513,482	-	28,914,691
Net other postemployment benefits liability (Notes 16, 17, 18, 19, and 21)	667,280	81,083	748,363	-	5,135,910
Due within one year (Note 9)	3,190,322	825,420	4,015,742	-	265,411
Due in more than one year (Note 9)	61,729,305	19,894,938	81,624,243	1,250,000	1,138,590
Total liabilities	75,931,611	22,240,867	98,172,478	1,785,343	41,822,988
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred gain on refunding	-	130,022	130,022	-	-
Unavailable revenue	15,205,325	-	15,205,325	-	-
Deferred inflows related to pensions (Notes 12, 13, 14, 15, and 20)	2,031,956	128,355	2,160,311	-	3,550,797



# County of Amherst, Virginia

Exhibit 1

## Statement of Net Position June 30, 2024

	Primary Government			Discretely Presented Component Units	
	Governmental Activities	Business-Type Activities	Total	Economic Development Authority	School Board
Deferred inflows related to other postemployment benefits (Notes 16, 17, 18, 19, and 21)	214,375	20,862	235,237	-	596,219
Deferred inflows related to leases (Note 10)	265,358	426,241	691,599	-	-
Total deferred inflows of resources	17,717,014	705,480	18,422,494	-	4,147,016
<b>NET POSITION</b>					
Net investment in capital assets	26,289,140	21,413,286	47,702,426	4,869,235	15,523,498
Restricted for:					
Pension	291,747	-	291,747	-	1,929,911
Debt service	-	1,281,660	1,281,660	-	-
Community development loans	285,292	-	285,292	-	-
Unrestricted net position (deficit)	23,670,779	5,516,015	29,186,794	1,282,022	(25,704,015)
Total net position	<u>\$ 50,536,958</u>	<u>\$ 28,210,961</u>	<u>\$ 78,747,919</u>	<u>\$ 6,151,257</u>	<u>\$ (8,250,606)</u>



## County of Amherst, Virginia

## Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Discretely Presented Component Units	
					Governmental Activities	Business-Type Activities	Total	Economic Development Authority	School Board
Primary Government:									
Governmental activities:									
General government	\$ 3,310,959	\$ 526,413	\$ 466,884	\$ -	\$ (2,317,662)	\$ -	\$ (2,317,662)	\$ -	\$ -
Judicial administration	2,144,544	284,402	1,050,054	-	(810,088)	-	(810,088)	-	-
Public safety	17,174,165	1,847,039	2,836,237	-	(12,490,889)	-	(12,490,889)	-	-
Public works	5,181,032	1,009,943	18,900	-	(4,152,189)	-	(4,152,189)	-	-
Health and welfare	7,900,600	22,450	5,557,570	-	(2,320,580)	-	(2,320,580)	-	-
Education	13,174,421	-	-	-	(13,174,421)	-	(13,174,421)	-	-
Parks, recreation, and cultural	1,502,601	85,362	231,334	-	(1,185,905)	-	(1,185,905)	-	-
Community development	1,676,931	-	-	-	(1,676,931)	-	(1,676,931)	-	-
Interest and bond issuance costs on debt	2,178,876	-	-	-	(2,178,876)	-	(2,178,876)	-	-
Total governmental activities	54,244,129	3,775,609	10,160,979	-	(40,307,541)	-	(40,307,541)	-	-
Business-type activities:									
Water and sewer	6,039,423	4,558,749	-	-	-	(1,480,674)	(1,480,674)	-	-
Total primary government	\$ 60,283,552	\$ 8,334,358	\$ 10,160,979	\$ -	(40,307,541)	(1,480,674)	(41,788,215)	-	-
Component Units:									
Economic Development Authority	\$ 660,054	\$ -	\$ -	\$ 3,519,745	-	-	-	2,859,691	-
School Board	62,071,898	1,665,191	48,325,581	-	-	-	-	-	(12,081,126)
Total component units	\$ 62,731,952	\$ 1,665,191	\$ 48,325,581	\$ 3,519,745	-	-	-	2,859,691	(12,081,126)
General revenues:									
General property taxes					27,544,641	-	27,544,641	-	-
Other local taxes:									
Local sales and use					4,601,550	-	4,601,550	-	-
Consumer's utility tax					1,723,267	-	1,723,267	-	-
Business license					1,282,306	-	1,282,306	-	-
Motor vehicle license taxes					853,421	-	853,421	-	-
Restaurant food taxes					1,755,945	-	1,755,945	-	-
Other taxes					966,779	-	966,779	-	-
Unrestricted revenues from use of money and property					2,620,876	616,916	3,237,792	66,977	197,526
Miscellaneous					414,542	1,414,417	1,828,959	112,774	1,904,315
County contribution					-	-	-	442,736	11,754,763
Grants and contributions not restricted to specific programs					3,954,852	-	3,954,852	-	-
Total general revenues					45,718,179	2,031,333	47,749,512	622,487	13,856,604
Change in net position					5,410,638	550,659	5,961,297	3,482,178	1,775,478
NET POSITION AT JULY 1, as restated (Note 33)					45,126,320	27,660,302	72,786,622	2,669,079	(10,026,084)
NET POSITION AT JUNE 30					\$ 50,536,958	\$ 28,210,961	\$ 78,747,919	\$ 6,151,257	\$ (8,250,606)

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





# **Fund Financial Statements**

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**County of Amherst, Virginia**  
**Balance Sheet – Governmental Funds**  
June 30, 2024

Exhibit 3

	General	Special Revenue	Capital Projects	Total
<b>ASSETS</b>				
Cash and investments	\$ 34,314,741	\$ 9,217,893	\$ -	\$ 43,532,634
Receivables, net	10,468,333	20,741	-	10,489,074
Prepaid items	175,128	14,921	-	190,049
Due from other governments	2,438,753	366,081	-	2,804,834
Due from other fund	-	2,871	-	2,871
Loans receivable	-	285,292	-	285,292
Cash and investments, restricted	7,120	-	25,581,895	25,589,015
Lease receivable				
Receivable within one year	18,360	-	-	18,360
Receivable in more than one year	267,240	-	-	267,240
Total assets	<u><u>\$ 47,689,675</u></u>	<u><u>\$ 9,907,799</u></u>	<u><u>\$ 25,581,895</u></u>	<u><u>\$ 83,179,369</u></u>
<b>LIABILITIES</b>				
Accounts payable	\$ 1,679,659	\$ 233,383	\$ 1,819,084	\$ 3,732,126
Retainage payable	-	-	333,599	333,599
Accrued liabilities	3,553	8,010	-	11,563
Due to other funds	2,871	-	-	2,871
Unearned revenues	-	4,150,868	-	4,150,868
Due to component unit	99,638	-	-	99,638
Total liabilities	<u>1,785,721</u>	<u>4,392,261</u>	<u>2,152,683</u>	<u>8,330,665</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	16,991,321	-	-	16,991,321
Leases-related deferred inflows	265,358	-	-	265,358
Total deferred inflows of resources	<u>17,256,679</u>	<u>-</u>	<u>-</u>	<u>17,256,679</u>
<b>FUND BALANCES (Note 26)</b>				
Nonspendable	175,128	14,921	-	190,049
Restricted	-	285,292	23,429,212	23,714,504
Committed	4,940,845	-	-	4,940,845
Assigned	6,548,510	1,980,497	-	8,529,007
Unassigned	16,982,792	3,234,828	-	20,217,620
Total fund balances	<u>28,647,275</u>	<u>5,515,538</u>	<u>23,429,212</u>	<u>57,592,025</u>
Total liabilities, deferred inflows, and fund balances	<u><u>\$ 47,689,675</u></u>	<u><u>\$ 9,907,799</u></u>	<u><u>\$ 25,581,895</u></u>	<u><u>\$ 83,179,369</u></u>



**Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
June 30, 2024**

<b>Total fund balances per Exhibit 3 – Balance Sheet – Governmental Funds</b>	\$ 57,592,025
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	58,623,044
Certain receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,785,996
Financial statement elements related to pension and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows related to:	
Pensions	1,502,005
Other postemployment benefits	399,651
Deferred inflows related to:	
Pensions	(2,031,956)
Other postemployment benefits	(214,375)
Net pension asset	291,747
Net other postemployment benefits liability	(1,643,582)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable and lease revenue bonds, net of premiums and discounts	(47,688,523)
Leases	(9,000,830)
Deferred loss on refunding	192,638
Accrued interest	(1,040,608)
Compensated absences	(1,283,120)
Landfill closure and post-closure costs	(6,947,154)
<b>Net position of governmental activities</b>	<b><u>\$ 50,536,958</u></b>



# County of Amherst, Virginia

Exhibit 5

## Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds Year Ended June 30, 2024

	General	Special Revenue	Capital Projects	Total
<b>REVENUES</b>				
General property taxes	\$ 27,652,369	\$ -	\$ -	\$ 27,652,369
Other local taxes	11,183,268	-	-	11,183,268
Permits, privilege fees, and regulatory licenses	285,249	-	-	285,249
Fines and forfeitures	193,596	-	-	193,596
Revenue from the use of money and property	1,204,414	-	1,416,462	2,620,876
Charges for services	2,072,473	1,024,674	-	3,097,147
Miscellaneous	183,987	230,555	-	414,542
Recovered costs	196,915	2,702	-	199,617
Intergovernmental revenues:				
Commonwealth	9,247,782	558,820	-	9,806,602
Federal	2,428,416	1,383,487	-	3,811,903
Total revenues	<u>54,648,469</u>	<u>3,200,238</u>	<u>1,416,462</u>	<u>59,265,169</u>
<b>EXPENDITURES</b>				
Current:				
General government	4,058,541	-	-	4,058,541
Judicial administration	2,204,543	-	-	2,204,543
Public safety	15,987,478	2,185,358	-	18,172,836
Public works	2,102,843	3,436,874	-	5,539,717
Health and welfare	8,106,358	-	-	8,106,358
Education	11,761,522	-	-	11,761,522
Parks, recreation, and cultural	1,931,445	112,094	-	2,043,539
Community development	1,634,059	39,592	-	1,673,651
Nondepartmental	287,846	-	-	287,846
Capital projects	74,983	-	7,402,943	7,477,926
Debt service				
Principal	2,639,927	-	-	2,639,927
Interest	1,414,757	-	-	1,414,757
Bond issuance costs	633,116	-	-	633,116
Total expenditures	<u>52,837,418</u>	<u>5,773,918</u>	<u>7,402,943</u>	<u>66,014,279</u>
Excess (deficiency) of revenues over expenditures	<u>1,811,051</u>	<u>(2,573,680)</u>	<u>(5,986,481)</u>	<u>(6,749,110)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt proceeds	-	-	15,855,000	15,855,000
Premium on debt issuance	-	-	609,324	609,324
Issuance of financing leases	74,983	-	-	74,983
Transfers in (Note 7)	864,105	2,343,838	18,309	3,226,252
Transfers out (Note 7)	(3,114,097)	(112,155)	-	(3,226,252)
Total other financing sources (uses)	<u>(2,175,009)</u>	<u>2,231,683</u>	<u>16,482,633</u>	<u>16,539,307</u>
Net change in fund balances	(363,958)	(341,997)	10,496,152	9,790,197
FUND BALANCES AT JULY 1	<u>29,011,233</u>	<u>5,857,535</u>	<u>12,933,060</u>	<u>47,801,828</u>
FUND BALANCES AT JUNE 30	<u><u>\$ 28,647,275</u></u>	<u><u>\$ 5,515,538</u></u>	<u><u>\$ 23,429,212</u></u>	<u><u>\$ 57,592,025</u></u>



# County of Amherst, Virginia

Exhibit 6

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2024

<b>Net change in fund balances per Exhibit 5 – total governmental funds</b>		<b>\$ 9,790,197</b>
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	\$ 12,778,169	
Depreciation and amortization expense	(3,944,547)	
Loss on disposition of asset	(51,342)	
Allocation of debt-financed school assets based on current year repayments and drawdowns of bond proceeds	(265,250)	
		8,517,030
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
		389,598
Governmental funds report employer pension contributions as expenditures. However, in the Statement of Activities the cost of pension benefits earned, net of employee, contributions is reported as pension expense.		
Employer pension contributions	1,502,005	
Pension expense	(144,309)	
		1,357,696
Governmental funds report employer other postemployment benefit contributions as expenditures. However, in the Statement of Activities the cost these benefits earned, net of employee contributions, is reported as other postemployment benefit expense.		
Employer other postemployment benefit contributions	100,696	
Other postemployment benefits	(196,380)	
		(95,684)
The issuance of long-term debt (e.g. bonds, leases) 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 issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Principal repayments:		
General obligation debt	590,000	
Lease revenue bonds	720,000	
Leases	1,329,926	
Bond proceeds	(15,855,000)	
Financing leases issued	(74,982)	
Deferred loss on bonds refunded	(23,211)	
Premium on new bonds issued	(609,324)	
Amortization of bond premium	335,147	
		(13,587,444)
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	(34,028)	
Landfill liability	(508,715)	
Accrued interest	(418,012)	
		(960,755)
<b>Change in net position of governmental activities</b>		<b>\$ 5,410,638</b>



# County of Amherst, Virginia

Exhibit 7

## Statement of Net Position – Proprietary Fund June 30, 2024

	<u>Enterprise Fund Amherst County Service Authority</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and investments	\$ 6,632,152
Receivables, net	755,988
Current portion of lease receivable	15,456
Inventories	244,290
Total current assets	<u>7,647,886</u>
<b>NONCURRENT ASSETS</b>	
Restricted cash and investments	11,156,759
Lease receivable	553,262
Capital assets:	
Nondepreciable	913,141
Depreciable, net	30,542,612
Total noncurrent assets	<u>43,165,774</u>
Total assets	<u>50,813,660</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to pensions	314,353
Deferred outflows related to OPEB	29,295
Total deferred outflows of resources	<u>343,648</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable and accrued expenses	369,601
Accrued interest	162,058
Customer deposits	394,285
Compensated absences due within one year	17,437
Long-term liabilities due within one year	807,983
Total current liabilities	<u>1,751,364</u>
<b>NONCURRENT LIABILITIES</b>	
Compensated absences due in more than one year	156,931
Long-term liabilities due in more than one year	19,738,007
Net pension liability	513,482
Net OPEB liability	81,083
Total noncurrent liabilities	<u>20,489,503</u>
Total liabilities	<u>22,240,867</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred gain on refunding	130,022
Lease-related deferred inflows	426,241
Deferred inflows related to pensions	128,355
Deferred inflows related to OPEB	20,862
Total deferred inflows of resources	<u>705,480</u>
<b>NET POSITION</b>	
Net investment in capital assets	21,413,286
Restricted for debt service	1,281,660
Unrestricted net position	5,516,015
Total net position	<u><u>\$ 28,210,961</u></u>



# County of Amherst, Virginia

Exhibit 8

## Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund Year Ended June 30, 2024

	<u>Enterprise Fund Amherst County Service Authority</u>
OPERATING REVENUES	
Charges for services	\$ 4,558,749
Miscellaneous	724,582
Total operating revenues	<u>5,283,331</u>
OPERATING EXPENSES	
Water transmission and distribution	75,241
Water distribution maintenance	400,020
Sewer maintenance	7,565
General plant operations and maintenance	1,355,490
Wastewater treatment	803,456
General and administrative	1,481,643
Depreciation	1,134,743
Total operating expenses	<u>5,258,158</u>
Operating income	<u>25,173</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest income	600,501
Connection and availability charges	689,835
Interest expense	(781,265)
Rental income	16,415
Total non-operating revenues	<u>525,486</u>
Change in net position	550,659
NET POSITION AT JULY 1	<u>27,660,302</u>
NET POSITION AT JUNE 30	<u><u>\$ 28,210,961</u></u>



# County of Amherst, Virginia

Exhibit 9

## Statement of Cash Flows – Proprietary Fund Year Ended June 30, 2024

	<b>Enterprise Fund Amherst County Service Authority</b>
<b>OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 4,558,523
Payments to suppliers	(2,283,145)
Payments to employees	(1,824,474)
Other operating receipts	638,519
	<hr/>
Net cash provided by operating activities	1,089,423
	<hr/>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition and construction of capital assets and water rights	(517,347)
Connection and availability fees	689,835
Principal paid on debt	(780,624)
Interest payments on long-term liabilities	(567,146)
	<hr/>
Net cash used in capital and related financing activities	(1,175,282)
	<hr/>
<b>INVESTING ACTIVITIES</b>	
Rent received	16,415
Interest received	600,501
	<hr/>
Net cash provided by investing activities	616,916
	<hr/>
Net increase in cash and cash equivalents	531,057
	<hr/>
<b>CASH AND CASH EQUIVALENTS</b>	
Beginning at July 1	17,257,854
	<hr/>
Ending at June 30	<b>\$ 17,788,911</b>
	<hr/>
<b>RECONCILIATION TO EXHIBIT 7</b>	
Cash and investments	\$ 6,632,152
Restricted cash and investments	11,156,759
	<hr/>
	<b>\$ 17,788,911</b>
	<hr/>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 25,173
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,134,743
Pension expense net of employer contributions	(17,345)
Other postemployment expense net of employer contributions	(14,078)
Lease	(16,716)
Change in assets and liabilities:	
(Increase) decrease in:	
Receivables, net	(95,426)
Inventories	7,563



# County of Amherst, Virginia

Exhibit 9

## Statement of Cash Flows – Proprietary Fund Year Ended June 30, 2024

	<u>Enterprise Fund</u> <u>Amherst County</u> <u>Service Authority</u>
(Decrease) increase in:	
Accounts payable and accrued expenses	32,698
Customer deposits	25,853
Compensated absences	6,958
	<u>          </u>
Net cash provided by operating activities	<u><u>\$          1,089,423</u></u>
<b>NONCASH CAPITAL AND RELATED FINANCING</b>	
Capital assets acquired through accounts payable	<u><u>\$          18,528</u></u>
Debt issued through regional sewer agreement	<u><u>\$          182,318</u></u>
Capital assets acquired through regional sewer agreement	<u><u>\$          182,318</u></u>



**County of Amherst, Virginia**  
**Statement of Fiduciary Net Position**  
June 30, 2024

Exhibit 10

	Custodial Funds		
	Special Welfare	Forfeited Assets	Total
ASSETS			
Cash and cash equivalents	\$ 12,854	\$ 37,791	\$ 50,645
Due from other governments	-	2,548	2,548
Total assets	<u><u>\$ 12,854</u></u>	<u><u>\$ 40,339</u></u>	<u><u>\$ 53,193</u></u>
NET POSITION			
Restricted for individuals and organizations	\$ 12,854	\$ 40,339	\$ 53,193
Total net position	<u><u>\$ 12,854</u></u>	<u><u>\$ 40,339</u></u>	<u><u>\$ 53,193</u></u>



# County of Amherst, Virginia

Exhibit 11

## Statement of Changes in Fiduciary Net Position June 30, 2024

	Custodial Funds		
	Special Welfare	Forfeited Assets	Total
ADDITIONS			
Contributions for the benefit of individuals	\$ 18,102	\$ -	\$ 18,102
Confiscated sale proceeds	-	11,653	11,653
Total additions	18,102	11,653	29,755
DEDUCTIONS			
Payments to benefit individuals	15,716	-	15,716
Total deductions	15,716	-	15,716
Net increase in fiduciary net position	2,386	11,653	14,039
NET POSITION – AT JULY 1	10,468	28,686	39,154
NET POSITION – AT JUNE 30	<u>\$ 12,854</u>	<u>\$ 40,339</u>	<u>\$ 53,193</u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

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### Note 1 – Summary of Significant Accounting Policies

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#### *A – Reporting Entity*

The County of Amherst, Virginia (the “County”) is a political subdivision of the Commonwealth of Virginia governed by an elected five-member Board of Supervisors. The accompanying financial statements present the County and its component units, entities for which the County is considered to be financially accountable. The County has taxing powers subject to statewide restrictions and tax limits, and provides a full range of services to its citizens including law enforcement, fire, social services, public improvements, planning and zoning, education, and sanitation. The County is the primary government of the reporting entity.

**Discretely Presented Component Units** – The component unit columns in the financial statements include the financial data of the County’s discretely presented component units. They are reported in separate columns to emphasize that they are legally separate from the County.

The Amherst County School Board operates the elementary and secondary public schools in the County. The School Board is presented as a component unit because it is fiscally dependent upon the County. The County approves all debt issuances and provides significant funding for operations since the School Board does not have separate taxing powers. The Amherst County School Board does not prepare separate financial statements.

The Amherst County Economic Development Authority (the “EDA”) was created to promote industry and develop trade by encouraging enterprises to locate and remain in the County. The EDA is authorized to acquire, own, lease, and dispose of properties to the extent that such activities foster and stimulate economic development. The EDA is governed by a Board of Directors who are appointed by the County’s Board of Supervisors and the County is financially accountable for the EDA. The EDA does not prepare separate financial statements.

**Blended Component Unit** – A blended component unit is an entity, that while legally separate, is in substance part of the County’s operations, and so its financial information is combined with the financial statements of the County. The County can impose its will over the Amherst County Service Authority (the “Authority”) and is financially accountable for it.

The Authority serves the citizens of the County and provides water and sewer services. Several members of the County Board of Supervisors also serve as the Board of Directors for the Authority. The Authority’s financial report is presented as an enterprise fund in the County’s financial statements. Financial statements of the Authority may be obtained by contacting the County of Amherst, VA, County Administrator, P.O. Box 390, Amherst, VA 24521.

**Related Organization** – The Board of Supervisors is also responsible for nominating members of the board for the Amherst Industrial Development Authority, but the County’s accountability for this organization does not extend beyond making this nomination. Final appointment of members and accountability for fiscal affairs rests with the Town of Amherst.

#### *B – Financial Statements*

##### 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 non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of net position presents both governmental and business-type activities on the accrual basis of accounting, which incorporates long-term assets and receivables, as well as long-term debt and obligations.

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

### Fund Financial Statements

These statements are organized based on funds, each of which is considered a separate accounting unit. The emphasis is on major governmental and enterprise funds. The County reports the following major governmental funds:

The *General fund* is the primary operating fund of the County and accounts for all revenues and expenditures applicable to the general operations not accounted for in other funds. Revenues are derived primarily from property and other local taxes, licenses, permits, charges for services, use of money and property, and intergovernmental grants.

*Special Revenue fund* accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Special Revenue fund reports revenues and expenditures related to the Dare Program, Recreation Activities, E-911 operations, Community Development Block Grant, and Solid Waste.

*Capital Projects fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds. The Capital Projects fund accounts for the renovations, construction, and improvements related to County capital assets. Financing is provided by debt issuances and General fund transfers.

The County reports the following major proprietary fund:

The Amherst County Service Authority is presented in an *enterprise fund* that accounts for the Authority's water distribution system and sewage collection, pumping stations, and treatment plant. Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund are charges to customers for sales and services. Operating expenses 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 non-operating revenues and expenses.

Additionally, the County reports the following fund type:

*Custodial funds* account for assets held by the government in a trustee capacity or as agent or custodian for individuals, private organizations, other governmental units, or other funds. Custodial funds include the Special Welfare and Forfeited Assets funds.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### *C – Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the current period. General Fund tax revenues are considered measurable when they have been levied and available if collected within 60 days of year end. Grant revenues are considered measurable and available when related grant expenditures are incurred. All other revenue items are considered measurable and available when cash is received. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service, compensated absences, other post-employment benefits, as well as expenditures related to claims and judgments are recorded only when payment is due.

As a result of the different measurement focus and basis of accounting used in preparing the government-wide statements versus the governmental fund financial statements, a reconciliation between the government-wide and fund financial statements are necessary. The reconciliations are presented as exhibits in the governmental fund financial statements. As part of the reconciliation process, non-departmental indirect expenditures are allocated to functional expenses based on a percent of functional expenditures.

### *D – Assets, Liabilities, Deferred Inflows/Outflows, and Net Position or Equity*

#### Deposits and Investments

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.

#### Interfund Receivables and Payables

Outstanding balances between funds are reported as due to/from other funds, if applicable. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statements as internal balances. Outstanding balances between the County and the component units are reported as due to/from component unit or due to/from primary government.

#### Inventories

Inventories are valued using the first-in, first-out method. Inventories in the enterprise fund consist of materials and supplies for water and sewer repairs and maintenance.

#### Taxes Receivable

Property is assessed at its estimated fair value and property taxes attach as an enforceable lien as of January 1. Real estate taxes are payable in two installments on July 1st and December 5th. Personal property taxes are payable on December 5th. The County bills and collects its own property taxes. The property taxes due and collected on the August 5, 2024 billing



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

billing installment, as well as those due on December 5, 2024, are reflected in deferred inflows on the statement of net position as they are intended to fund operations in a future period.

### Capital Assets

Capital assets, which include property, buildings, equipment, infrastructure, and intangibles are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Most capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Building improvements	20-40 years
Furniture, equipment, and vehicles	5-15 years
Utility plant in service	15-50 years

Landfill development costs are depreciated based on the percentage of capacity used compared to the total estimated capacity.

### Deferred Outflows/Inflows of Resources

In addition to assets, the statements that present net position report a separate section for deferred outflows of resources. These items represent a consumption of net assets that applies to future periods and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category:

- Deferred loss on refunding. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Due to the relationship with outstanding debt, these deferred outflows are included in the calculation of net position, net investment in capital assets.
- Contributions subsequent to the measurement date for pensions and other post-employment benefits (OPEB) are always a deferred outflow; this will be applied to the net pension or OPEB liability in the next fiscal year.
- Differences between expected and actual experience for economic/demographic factors as well as changes in actuarial assumptions in the measurement of the total pension or OPEB liability. This difference will be recognized in pension or OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan and may be reported as a deferred outflow or inflow as appropriate.
- Differences between projected and actual earnings on pension and OPEB plan investments. This difference will be recognized in pension or OPEB expense over a closed five year period and may be reported as a deferred outflow or inflow as appropriate.
- Changes in proportion and differences between employer contributions and proportionate share of employer contributions in the Virginia Retirement System's teacher cost sharing pool or OPEB cost sharing pool plans. This



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

difference is deferred and recognized in expense over the average remaining service life of the employees who are subject to the plan, and may be reported as a deferred outflow or inflow as appropriate.

In addition to liabilities, the statements that presents financial position report a separate section for deferred inflows of resources. These items represent an acquisition of net assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has the following items that qualify for reporting in this category:

- The governmental funds report unavailable revenue from property taxes, grants, and other receivables not collected within 60 days of year end and those property taxes levied to fund future years. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- On the statement of net position, property taxes levied, but not yet due are intended to fund future years.
- Differences between expected and actual experience for economic/demographic factors as well as changes in actuarial assumptions in the measurement of the total pension or OPEB liability. This difference will be recognized in pension or OPEB expense over the expected average remaining service life of all employees provided with benefits in the plan and may be reported as a deferred outflow or inflow as appropriate.
- Differences between projected and actual earnings on pension and OPEB plan investments. This difference will be recognized in pension or OPEB expense over a closed five year period and may be reported as a deferred outflow or inflow as appropriate.
- Lease-related amounts are recognized at the inception of leases in which the County is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.
- Changes in proportionate share that will be recognized in the pension or OPEB expense over the average expected remaining service lives of all employees provided with benefits.

### Unearned/Unavailable Revenue

In the statement of net position, unearned revenue arises when assets are received or recognized before revenue recognition criteria is satisfied and primarily consists of property taxes collected or recorded as a receivable, that are intended to finance the subsequent year's operations. In the balance sheet of the governmental funds, unearned/unavailable revenue arises when assets are recognized but are not available to finance expenditures of the current fiscal period or when assets are recognized before revenue recognition criteria is satisfied as described.

Unearned/unavailable revenue primarily consists of property taxes, EMS billings, grants, unused amounts received in coronavirus relief funds, and other items not collected within the availability period.

### Compensated Absences

The County and School Board have policies to allow the accumulation and vesting of limited amounts of paid leave and sick leave until termination or retirement. Amounts of such absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds when the amounts are due for payment.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs associated with long-term obligations are expensed when incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the period incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt 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.

### Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring all financial statement elements related to pension and OPEB plans, information about the fiduciary net position of the County's and Schools' Plans' and the additions to/deductions from the County's and Schools' Plans' net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds.

The classifications are as follows:

- **Nonspendable** – Amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans, if applicable.
- **Restricted** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- **Committed** – Amounts constrained to specific purposes by the County, under the formal action of Board of Supervisors' resolution. Amounts cannot be used for any other purposes unless the Board of Supervisors takes action to remove or change the constraint.
- **Assigned** – Amounts are constrained by intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by County management based on governing body direction through adoption or amendment of the budget or through ordinance or resolution.
- **Unassigned** – Amounts that are available for any purpose; positive amounts are reported only in the General Fund.

### Restricted Amounts

The County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Minimum Fund Balance Policy

Within its General Fund, the County's policy is to maintain an adequate fund balance amount for cash liquidity purposes. That balance is expected by management to be sufficient to meet the County's cyclical cash flow requirements and avoid the need for short-term tax anticipation borrowing. Unassigned fund balances shall be at least 15% of the total annual General Fund expenditures inclusive of the transfer to the Amherst County School Board. The Board of Supervisors may, in times of declared fiscal emergency or other such global purpose as to protect the long-term fiscal security of the County, appropriate amounts that will reduce available unassigned fund balance below the 15% target. Should the reserve fall or be reduced below the 15% targeted level, the Board must approve and adopt a plan to restore this balance to the target level within 36 months, unless that timeframe would cause severe hardship to the County.

Other governmental funds of the County do not have specified fund balance targets. Recommended levels of committed and/or assigned fund balance will be determined on a case-by-case basis, based on the needs of each fund, and as recommended by officials and approved by the Board of Supervisors.

### Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the appropriation, is employed as an extension of formal budgetary integration in the governmental funds. There were no encumbrances outstanding at year end as all County purchase orders expire at year end and must be re-authorized in the subsequent year.

### Net Position

Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation and any outstanding debt related to the acquisition, construction, or improvement of those assets. At June 30, 2024, restricted net position consists of amounts for community development loans, funds held for debt service as required by bond agreements, and amounts associated with the County and School Board's net pension asset.

### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

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## **Note 2 – Stewardship, Compliance, and Accountability**

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### *Budgetary Information*

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 July 1. The operating and capital budget includes proposed expenditures and the means of financing them. The following funds have legally adopted budgets: General Fund, Capital Projects Fund, School Operating Fund, School Cafeteria Fund, and School Capital Projects Fund.
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.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

4. The Appropriations Resolution places legal restrictions on expenditures at the department level. The appropriation for each department can be revised by the Board of Supervisors only. However, the School Board is authorized to transfer budget amounts within the School System's categories. Amounts that do not fall under a department's control are categorized as non-departmental even though they may relate to a particular function.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund. The School Funds are integrated only at the level of legal adoption.
6. All budgets are adopted on a basis consistent with GAAP.
7. Appropriations lapse on June 30.
8. Budget data presented in the accompanying financial statements includes the original adopted budget and the revised budget as of June 30.

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### Note 3 – Deposits and Investments

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#### *Deposits*

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

#### *Investments*

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

#### *External Investment Pools*

The Virginia SNAP fund is an open-end management investment company and is overseen by the Treasurer of Virginia and State Treasury Board.

Deposit and investment balances consist of the following:

Deposits	
Demand deposits	\$ 17,930,100
Money market funds	28,221,337
Cash on hand	6,925
	<hr/> 48,158,362
Investments	
SNAP	42,977,045
Virginia Investment Pool	5,585,314
	<hr/>
Total deposits and investments	<u><u>\$ 94,720,721</u></u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

Deposits and investments are presented on the Statement of Net Position as follows:

Cash and investments – Primary Government	\$ 50,164,786
Cash and investments – School Board	6,439,074
Cash and investments – EDA	1,371,087
Restricted cash and investments – Primary Government	36,745,774
Total deposits and investments	<u><u>\$ 94,720,721</u></u>

### Restricted Cash and Investments

Restricted cash and investments in the governmental activities consist of \$25,589,015 of unspent debt proceeds maintained in SNAP accounts to be used for capital projects. Restricted cash and investments in the business-type activities consists of \$504,686 required to be maintained for debt service in the event of rate fluctuations or revenue decreases for water and sewer services, as well as \$10,652,073 of unspent debt proceeds maintained in SNAP accounts to be used for capital projects.

### Credit Risk

Although the County does not have a formal policy addressing credit risk, the County adheres to the State guidelines. As required by the *Code of Virginia*, obligations of the Commonwealth of Virginia and its political subdivisions must have a debt rating of at least AA by Standard & Poor's (S&P) or Fitch or Aa by Moody's Investors Service (Moody's). Commercial paper must be issued by an entity incorporated in the U.S. and rated at least A-1 by S&P or Fitch or P-1 by Moody's. Corporate notes and bonds must have a rating of at least AA by S&P or Fitch or As by Moody's. Money market mutual funds must trade on a constant net asset value and invest solely in securities otherwise eligible for investment under these guidelines. The County's money market funds were unrated at June 30, 2024. SNAP funds are rated by Moody's as AAAM.

## Note 4 – Receivables

Receivables consist of the following:

	Governmental Activities	Business-Type Activities	Total Primary Government	Component Unit School Board
Receivables				
Taxes	\$ 10,826,329	\$ -	\$ 10,826,329	\$ -
Less: allowance for uncollectible accounts	(971,483)	-	(971,483)	-
Net taxes receivable	9,854,846	-	9,854,846	-
Accounts receivable	809,265	843,988	1,653,253	7,928
Less: allowance for uncollectible accounts	(175,037)	(88,000)	(263,037)	-
Net accounts receivable	634,228	755,988	1,390,216	7,928
Net total receivables	<u><u>\$ 10,489,074</u></u>	<u><u>\$ 755,988</u></u>	<u><u>\$ 11,245,062</u></u>	<u><u>\$ 7,928</u></u>

Taxes receivable represent the current and past four years of uncollected tax levies for personal property taxes and the current and past nineteen years of uncollected tax levies on real property. Governmental activities accounts receivable are comprised of amounts due for EMS billings and other local revenues. The allowances for uncollectible accounts are based on historical collection rates, aging of receivable balances, and specific account analysis. Accounts receivable for business-type activities primarily represent amounts due for water and sewer services.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Note 5 – Loans Receivable

The County provided housing loans through the Community Development Block Grant Housing Loan Program to low income citizens within the County as part of a project in Old Town Madison Heights. Several of those loans are still in repayment and in good standing at year end. All of the loans are secured by a deed of trust on the related real estate. These loans are forgivable loans under which no interest is charged and a portion of the principal balance is forgiven at the time of each monthly payment. At June 30, 2024, the five loans outstanding totaled \$285,292.

### Note 6 – Due From Other Governments

Amounts due from other governments consist of the following:

	<b>Primary Government</b>	<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>School Board</b>
Commonwealth of Virginia		
State sales taxes	\$ -	\$ 965,195
Local sales taxes	799,434	-
Communication taxes	129,820	-
Public assistance and welfare administration	115,380	-
Comprehensive youth service	725,257	-
Sheriff	158,667	-
Commonwealth's Attorney	106,437	-
Other	203,415	-
Federal Government		-
Education grants	-	2,921,972
Public safety grants	366,081	-
Public assistance	200,343	-
	<b>\$ 2,804,834</b>	<b>\$ 3,887,167</b>

### Note 7 – Transfers

Interfund transfers consist of the following:

	<b>Transfers In</b>	<b>Transfers Out</b>
Governmental Funds		
General fund	\$ 864,105	\$ 3,114,097
Special Revenue fund	2,343,838	112,155
Capital Projects fund	18,309	-
	<b>\$ 3,226,252</b>	<b>\$ 3,226,252</b>

Transfers are used to (1) move revenues from the fund where statute or budget requires collection to the fund that statute or budget requires expenditure and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Note 8 – Capital Assets

Capital asset activity for the year consisted of the following:

<b>Governmental Activities</b>	<b>Beginning Balance*</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets not depreciated				
Land	\$ 2,775,932	\$ 410,707	\$ -	\$ 3,186,639
Construction in progress	4,106,923	7,737,227	753,130	11,091,020
Total capital assets not depreciated	6,882,855	8,147,934	753,130	14,277,659
Capital assets depreciated				
Buildings and improvements	57,630,033	955,434	-	58,585,467
Jointly owned school buildings and improvements	1,480,000	-	425,000	1,055,000
Furniture, equipment, and vehicles	19,537,754	4,352,949	1,100,018	22,790,685
Total capital assets depreciated	78,647,787	5,308,383	1,525,018	82,431,152
Less accumulated depreciation				
Buildings and improvements	21,861,855	2,303,873	-	24,165,728
Jointly owned school buildings and improvements	624,750	-	159,750	465,000
Furniture, equipment, and vehicles	12,981,357	1,615,349	1,048,676	13,548,030
Total accumulated depreciation	35,467,962	3,919,222	1,208,426	38,178,758
Capital assets depreciated, net	43,179,825	1,389,161	316,592	44,252,394
Lease assets				
Land	16,294	-	-	16,294
Equipment	57,755	74,982	-	132,737
Less accumulated amortization	30,715	25,325	-	56,040
Total lease assets being amortized, net	43,334	49,657	-	92,991
Governmental activities capital assets, net	<b>\$ 50,106,014</b>	<b>\$ 9,586,752</b>	<b>\$ 1,069,722</b>	<b>\$ 58,623,044</b>

\* As restated. See Note 33.

<b>Business-Type Activities</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets not depreciated				
Land	\$ 883,523	\$ -	\$ -	\$ 883,523
Construction in progress	40,277	488,284	498,943	29,618
Total capital assets not depreciated	923,800	488,284	498,943	913,141
Capital assets depreciated				
Buildings and improvements	3,460,039	681,261	-	4,141,300
Utility plant in service	53,472,067	-	-	53,472,067
Furniture, equipment, and vehicles	1,470,412	38,925	-	1,509,337
Total capital assets depreciated	58,402,518	720,186	-	59,122,704
Less accumulated depreciation	27,445,349	1,134,743	-	28,580,092
Capital assets depreciated, net	30,957,169	(414,557)	-	30,542,612
Net capital assets	<b>\$ 31,880,969</b>	<b>\$ 73,727</b>	<b>\$ 498,943</b>	<b>\$ 31,455,753</b>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

	Governmental Activities	Business-Type Activities	Total Primary Government
General government administration	\$ 315,113	\$ -	\$ 315,113
Judicial administration	160,428	-	160,428
Public safety	964,397	-	964,397
Public works	1,010,915	-	1,010,915
Health and welfare	18,035	-	18,035
Education	1,147,649	-	1,147,649
Parks, recreation, and cultural	300,303	-	300,303
Community development	27,707	-	27,707
Water and sewer	-	1,134,743	1,134,743
Total depreciation expense – primary government	<u>\$ 3,944,547</u>	<u>\$ 1,134,743</u>	<u>\$ 5,079,290</u>

### *Discretely Presented Component Unit – Economic Development Authority*

Capital asset activity for the EDA for the year consisted of the following:

	Beginning Balance*	Increases	Decreases	Ending Balance
Capital assets not depreciated				
Land	\$ 507,923	\$ -	\$ -	\$ 507,923
Construction in progress	651,094	5,058,213	-	5,709,307
Total capital projects, not depreciated	1,159,017	5,058,213	-	6,217,230
Capital assets depreciated				
Buildings and improvements	577,828	-	-	577,828
Less accumulated depreciation				
Buildings and improvements	216,686	14,446	-	231,132
Capital assets depreciated, net	361,142	(14,446)	-	346,696
Net capital assets	<u>\$ 1,520,159</u>	<u>\$ 5,043,767</u>	<u>\$ -</u>	<u>\$ 6,563,926</u>

\* As restated. See Note 33.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### *Discretely Presented Component Unit – School Board*

Capital asset activity for the School Board for the year consisted of the following:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets not depreciated				
Land	\$ 308,306	\$ -	\$ -	\$ 308,306
Total capital assets not depreciated	308,306	-	-	308,306
Capital assets depreciated				
Buildings and improvements	43,657,983	1,802,751	-	45,460,734
Jointly owned school buildings and improvements	7,638,734	425,000	1,402,147	6,661,587
Furniture, equipment, and vehicles	13,081,106	1,346,092	59,705	14,367,493
Total capital assets depreciated	64,377,823	3,573,843	1,461,852	66,489,814
Less accumulated depreciation				
Buildings and improvements	37,319,420	1,776,164	-	39,095,584
Jointly owned school buildings and improvements	3,371,150	387,719	736,128	3,022,741
Furniture, equipment, and vehicles	8,506,644	762,846	59,705	9,209,785
Total accumulated depreciation	49,197,214	2,926,729	795,833	51,328,110
Capital assets depreciated, net	15,180,609	647,114	666,019	15,161,704
Lease assets				
Equipment	281,535	47,779	-	329,314
Less accumulated amortization	198,602	54,064	-	252,666
Total lease assets being amortized, net	82,933	(6,285)	-	76,648
Subscription assets				
Software	304,363	262,766	-	567,129
Less accumulated amortization	154,168	174,445	-	328,613
Total subscription assets being amortized, net	150,195	88,321	-	238,516
Governmental activities capital assets, net	<b>\$ 15,722,043</b>	<b>\$ 729,150</b>	<b>\$ 666,019</b>	<b>\$ 15,785,174</b>

### Jointly Owned Assets

Local governments in Virginia and their school boards hold a tenancy in common with respect to capital assets constructed with long-term debt. Accordingly, school capital assets for which debt is still outstanding are included in the capital assets of the County in an amount equal to the outstanding balance of the debt. As the debt is retired, a proportional amount of the assets are transferred to the Component Unit – School Board. As these assets are transferred to the School Board, they are reported in the School Board's building and improvement line and they are no longer considered jointly owned. For the debt issued in fiscal year 2017 and future issuances, the assets will remain in the capital assets of the County until the related debt is paid in full.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Note 9 – Long-Term Liabilities

Changes in long-term liabilities consisted of the following:

Primary Government					
Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
General obligation bonds	\$ 20,375,000	\$ 15,855,000	\$ 590,000	\$ 35,640,000	\$ 620,000
Premium on bonds	3,319,346	609,324	335,147	3,593,523	330,662
	<u>23,694,346</u>	<u>16,464,324</u>	<u>925,147</u>	<u>39,233,523</u>	<u>950,662</u>
Lease revenue bonds	9,175,000	-	720,000	8,455,000	755,000
Leases	10,255,774	74,982	1,329,926	9,000,830	1,356,348
	<u>19,430,774</u>	<u>74,982</u>	<u>2,049,926</u>	<u>17,455,830</u>	<u>2,111,348</u>
Landfill closure/post-closure	6,438,439	508,715	-	6,947,154	-
Compensated absences	1,249,092	34,028	-	1,283,120	128,312
	<u>7,687,531</u>	<u>542,743</u>	<u>-</u>	<u>8,230,274</u>	<u>128,312</u>
	<u><b>\$ 50,812,651</b></u>	<u><b>\$ 17,082,049</b></u>	<u><b>\$ 2,975,073</b></u>	<u><b>\$ 64,919,627</b></u>	<u><b>\$ 3,190,322</b></u>

Primary Government					
Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Revenue bonds	\$ 18,938,000	\$ -	\$ 608,000	\$ 18,330,000	\$ 624,000
Premium on bond	155,944	-	8,911	147,033	8,911
Notes payable	2,059,263	182,318	172,624	2,068,957	175,072
Compensated absences	167,410	6,958	-	174,368	17,437
	<u><b>\$ 21,320,617</b></u>	<u><b>\$ 189,276</b></u>	<u><b>\$ 789,535</b></u>	<u><b>\$ 20,720,358</b></u>	<u><b>\$ 825,420</b></u>

Compensated absences and landfill closure/post-closure costs, pension, and other post-employment benefits liabilities for governmental activities are expected to be paid out of the General Fund.

Discretely Presented Component Unit – Economic Development Authority					
	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Revenue bond	<u><b>\$ 1,250,000</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 1,250,000</b></u>	<u><b>\$ -</b></u>

Discretely Presented Component Unit – School Board					
	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Compensated absences	\$ 674,651	\$ 467,674	\$ -	\$ 1,142,325	\$ 114,233
Leases	87,453	47,779	55,901	79,331	36,802
Subscriptions	128,560	220,414	166,629	182,345	114,376
	<u><b>\$ 890,664</b></u>	<u><b>\$ 735,867</b></u>	<u><b>\$ 222,530</b></u>	<u><b>\$ 1,404,001</b></u>	<u><b>\$ 265,411</b></u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

Details of long-term indebtedness are as follows:

Primary Government					
Purpose	Interest Rates	Date Issued	Final Maturity Date	Amount Issued	Amount Outstanding
<b>Governmental Activities</b>					
General Obligation Bonds					
Schools					
VPSA Bonds	4.100-5.600%	2004	2024	\$ 1,120,000	\$ 55,000
VPSA Bonds	4.600-5.100	2005	2025	1,615,000	160,000
VPSA Bonds	4.225-5.100	2006	2026	1,265,000	180,000
VPSA Bonds	4.100-5.100	2007	2027	3,325,000	660,000
VPSA Bonds	5.050	2020	2030	6,170,000	5,730,000
VPSA Bonds	4.050-5.050	2022	2042	13,000,000	13,000,000
VPSA Bonds	4.750-5.000	2023	2049	15,855,000	15,855,000
Total general obligation bonds					<b>\$ 35,640,000</b>
Lease Revenue Bonds					
Virginia Resource Authority	5.125	2020	2027	\$3,120,000	\$ 1,920,000
Virginia Resource Authority – Landfill	1.948-5.125	2020	2040	5,545,000	4,975,000
Virginia Resource Authority – Animal Shelter	0.404-2.525	2020	2037	1,860,000	1,560,000
Total lease revenue bonds					<b>\$ 8,455,000</b>
<b>Business-Type Activities</b>					
Virginia Resource Authority	0.412%	2020	2029	\$ 1,640,000	\$ 1,345,000
Virginia Resource Authority	5.125	2020	2040	1,660,000	1,540,000
Truist Bank 2021 Bond	2.010	2021	2037	6,081,000	5,445,000
Webster Bank 2023A Bond	3.760	2023	2026	7,500,000	7,500,000
Webster Bank 2023B Bond	3.980	2023	2026	2,500,000	2,500,000
Total revenue bonds					<b>\$ 18,330,000</b>
<b>Notes Payable</b>					
Sewage facilities note	- %	1998	2027	\$ 747,643	\$ 65,419
Sewage facilities note	4.140	2010	2029	329,751	108,932
Sewage facilities note	3.250	2011	2041	129,890	71,904
Sewage facilities note	2.800	2011	2041	41,049	23,261
Sewage facilities note	-	2013	2033	1,062,266	478,019
Sewage facilities note	3.220	2013	2043	30,001	22,381
Sewage facilities note	3.080	2014	2034	64,890	37,920
Sewage facilities note	3.140	2016	2036	50,297	33,803
Sewage facilities note	1.180	2020	2040	484,835	395,319
Sewage facilities note	-	2021	2041	752,889	639,955
Sewage facilities note	-	2022	2041	17,841	15,963
Sewage facilities note	3.820	2023	2043	182,318	176,081
Total notes payable					<b>\$ 2,068,957</b>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Component Unit – Economic Development Authority

Purpose	Interest Rates	Date Issued	Final Maturity Date	Amount Issued	Amount Outstanding
<b>Revenue Bond</b>					
Truist Bank	3.500%	2022	2032	\$ 1,250,000	<u><u>\$ 1,250,000</u></u>

### Annual Debt Payments

Year Ending June 30,	Primary Government			
	Governmental Activities			
	General Obligation and Lease			
	Revenue Bonds		Leases	
	Principal	Interest	Principal	Interest
2025	\$ 1,375,000	\$ 2,112,634	\$ 1,356,348	\$ 188,289
2026	1,430,000	1,869,654	1,388,091	157,179
2027	1,510,000	1,799,373	1,416,398	125,337
2028	1,910,000	1,716,513	1,441,972	92,900
2029	1,945,000	1,622,543	1,108,186	63,980
2030-2034	9,880,000	6,686,409	2,289,835	51,970
2035-2039	11,095,000	4,503,127	-	-
2040-2044	9,065,000	2,233,908	-	-
2045-2049	5,885,000	733,203	-	-
	<u><u>\$ 44,095,000</u></u>	<u><u>\$ 23,277,364</u></u>	<u><u>\$ 9,000,830</u></u>	<u><u>\$ 679,655</u></u>

Year Ending June 30,	Primary Government			
	Business-Type Activities			
	Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2025	\$ 624,000	\$ 551,581	\$ 175,072	\$ 21,134
2026	10,635,000	539,344	176,581	19,449
2027	650,000	144,890	178,143	17,712
2028	662,000	131,170	157,952	15,920
2029	677,000	116,595	159,625	14,072
2030-2034	2,643,000	385,377	638,818	51,089
2035-2039	2,219,000	123,578	413,707	26,763
2040-2044	220,000	5,240	169,059	6,010
	<u><u>\$ 18,330,000</u></u>	<u><u>\$ 1,997,775</u></u>	<u><u>\$ 2,068,957</u></u>	<u><u>\$ 172,149</u></u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

Year Ending June 30,	Component Unit	
	Economic Development Authority	
	Revenue Bond	
	Principal	Interest
2025	\$ -	\$ 43,750
2026	21,840	43,750
2027	44,834	42,597
2028	46,412	41,014
2029	48,055	39,375
2030-2034	1,088,859	124,053
	<u>\$ 1,250,000</u>	<u>\$ 334,539</u>

Year Ending June 30,	Component Unit			
	School Board			
	Leases		Subscriptions	
	Principal	Interest	Principal	Interest
2025	\$ 36,802	\$ 1,950	\$ 114,376	\$ 7,093
2026	14,355	1,380	67,969	2,896
2027	9,572	979	-	-
2028	9,973	578	-	-
2029	8,629	163	-	-
	<u>\$ 79,331</u>	<u>\$ 5,050</u>	<u>\$ 182,345</u>	<u>\$ 9,989</u>

Bank notes payable are collateralized by real property.

### Capital Leases – Energy Conservation

During fiscal year 2017, the County entered into two capital leases totaling \$23,850,000 for energy conservation projects at various schools that include roofing, lighting, and HVAC. Funds are held in the County's SNAP investment account and will be used as the projects progress.

The assets acquired through capital leases are as follows:

Furniture, equipment, and vehicles	\$ 292,937
Buildings and improvements	22,251,464
Less: accumulated depreciation	(7,191,894)
	<u>\$ 15,352,507</u>

## Note 10 – Leases

### County and Schools as lessee

In 2022, the County and Schools implemented the guidance of GASB No. 87, *Leases*, which for lessees requires reported an intangible right to use asset and a lease liability for leases that had previously been reported as operating and capital leases.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

The County has leases for various equipment such as copiers and postage machines for periods expiring March 2025 through August 2034. The County uses its incremental borrowing rate as the discount rate unless an interest rate is explicitly stated in each lease. The value of the right to use lease asset balances and related accumulated amortization at year end are disclosed in Note 8. The related debt as well as principal and interest requirements to maturity are disclosed in Note 9.

The Schools have leases for various equipment such as copiers and postage machines for periods expiring August 2024 through June 2029. The Schools use its incremental borrowing rate as the discount rate unless an interest rate is explicitly stated in each lease. The value of the right to use lease asset balances and related accumulated amortization at year end are disclosed in Note 8. The related debt as well as principal and interest requirements to maturity are disclosed in Note 9.

### *County as Lessor*

In November 2017, the County entered into a lease as a lessor with US Cellular for the use of land for a communications tower. This contract matures in October 2037, and this includes option years. As of June 30, 2024, the value of this lease receivable is \$285,600 and the value of the deferred inflows of resources is \$265,358. Total lease and interest revenue in the General Fund was \$19,902 and \$7,183, respectively, for June 2024.

### *Amherst County Service Authority as Lessor*

In July 1999, the Authority entered into a lease as a lessor with New Cingular Wireless PCS, LLC for the use of ground space and certain water tank space. This contract matures in December 2049 and this includes option years. As of June 30, 2024, the value of this lease receivable is \$568,718 and the value of the deferred inflows of resources is \$426,241. Total lease and interest revenue was \$16,415 and \$16,280, respectively, for 2024.

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## Note 11 – Subscriptions

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In 2023, the Schools implemented the guidance of GASB No. 96, *Subscription-Based Information Technology Arrangements*, which requires reporting an intangible right to use asset and a subscription liability for subscription-based information technology arrangements (SBITAs). Prior to the issuance of this statement, there was no accounting or financial reporting guidance specifically for SBITAs.

The Schools have several subscriptions for periods expiring through September 2026. These subscriptions are for a variety of software solutions to assist with text-to-speech solutions, curriculum, and digital textbooks and related content. The Schools use their incremental borrowing rate as the discount rate unless an interest rate is explicitly stated in each subscription. The value of the right to use subscription asset balances and related accumulated amortization at year end are disclosed in Note 8. The related debt, as well as principal and interest requirements to maturity, are disclosed in Note 9.

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## Note 12 – Defined Benefit Pension Plan

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### *Plan Description*

All full-time, salaried permanent employees of the County of Amherst, Virginia, (the “Political Subdivision”) are automatically covered by the VRS Retirement Plan upon employment. This multi-employer agent plan is 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



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

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

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

### *Employees Covered by Benefit Terms*

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<b>Members</b>
Inactive members or their beneficiaries currently receiving benefits	186
Inactive members	
Vested inactive members	51
Non-vested inactive members	94
Inactive members active elsewhere in VRS	111
Total inactive members	256
Active members	216
Total covered employees	658

### *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 Political Subdivision's contractually required contribution rate for the year ended June 30, 2024 was 10.39% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Political Subdivision were \$1,502,005 and \$1,236,607 for the years ended June 30, 2024 and 2023, respectively.

### *Net Pension Liability*

The net pension liability is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For Political Subdivisions, the net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

net pension liability was determined by an actuarial valuation performed as of June 30, 2022 rolled forward to the measurement date of June 30, 2023.

### *Actuarial Assumptions*

The total pension liability for General Employees and Public Safety employees with Hazardous Duty Benefits in the Political Subdivision's Retirement Plan was based on an actuarial valuation as of June 30, 2022, 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, 2023.

Inflation	2.50%
General Employees – Salary increases, including inflation	3.50 – 5.35%
Public Safety Employees with hazardous duty benefits – Salary increases, including inflation	3.50 – 4.75%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates: General Employees – 15 to 20% of deaths are assumed to be service related. Public Safety Employees – 45% to 70% of deaths are assumed to be service related. Mortality is projected using the applicable Pub-2010 Mortality Table with various set backs or set forwards for both males and females.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study are as follows:

General Employees – Largest 10 – Non-Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rates to better fit experience; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; no change to disability rates; no change to salary scale; no change to line of duty disability; and no change to discount rate.

Public Safety Employees – Largest 10 – Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rate to better fit experience and increased final retirement age to 70; decreased rates of withdrawal; no change to disability rates; no changes to salary scale; no change to line of duty disability; and no change to discount rate.

### *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



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00	2.56	0.38
Credit Strategies	14.00	5.60	0.78
Real Assets	14.00	5.02	0.70
Private Equity	16.00	9.17	1.47
MAPS – Multi-Asset Public Strategies	4.00	4.50	0.18
PIP – Private Investment Partnership	2.00	7.18	0.14
Cash	1.00	1.20	0.01
Total	100.00%		5.75
	Inflation		2.50
	*Expected arithmetic nominal return		<b>8.25%</b>

\* The above allocation provides for a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

### Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions, Political Subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in the fiscal year 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2022 actuarial valuations, whichever was greater. From July 1, 2023 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Balances at June 30, 2022	\$ 52,654,085	\$ 51,579,078	\$ 1,075,007
Changes for the year			
Service cost	1,514,476	-	1,514,476
Interest	3,550,703	-	3,550,703
Differences between expected and actual experience	(1,384,517)	-	(1,384,517)
Contributions – employer	-	1,234,345	(1,234,345)
Contributions – employee	-	548,155	(548,155)
Net investment income	-	3,296,742	(3,296,742)
Benefit payments, including refunds of employee contributions	(3,131,093)	(3,131,093)	-
Administrative expenses	-	(33,151)	33,151
Other changes	-	1,325	(1,325)
Net changes	549,569	1,916,323	(1,366,754)
Balances at June 30, 2023	<u>\$ 53,203,654</u>	<u>\$ 53,495,401</u>	<u>\$ (291,747)</u>

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

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

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
Political Subdivision's net pension liability (asset)	<u>\$ 6,490,442</u>	<u>\$ (291,747)</u>	<u>\$ (5,766,121)</u>

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

For the year ended June 30, 2024, the Political Subdivision recognized pension expense of \$142,047. At June 30, 2024, the Political Subdivision reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,224,454
Net difference between projected and actual earnings on pension plan investments	-	807,502
Employer contributions subsequent to the measurement date	1,502,005	-
	<u>\$ 1,502,005</u>	<u>\$ 2,031,956</u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

The \$1,502,005 reported as deferred outflows of resources related to pensions resulting from the Political Subdivision's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the Fiscal Year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	<b>Effect on Pension Expense</b>
2025	\$ (1,421,294)
2026	(1,380,073)
2027	741,758
2028	27,653
2029	-
Thereafter	-

### *Pension Plan Data*

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2023 Annual Comprehensive Financial Report (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

## **Note 13 – Defined Benefit Pension Plan – Amherst County Service Authority**

### *Plan Description*

All full-time, salaried permanent employees of the Amherst County Service Authority (the "Political Subdivision") are automatically covered by the VRS Retirement Plan upon employment. This multi-employer agent plan is 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. Plan participants are covered under three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. The plan provisions and features of the plans, as well as all actuarial assumptions, are substantially the same as those described in Note 12.

### *Employees Covered by Benefit Terms*

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<b>Members</b>
Inactive members or their beneficiaries currently receiving benefits	14
Inactive members:	
Vested inactive members	2
Non-vested inactive members	11
Inactive members active elsewhere in VRS	7
Total inactive members	20
Active members	24
Total covered employees	<b>58</b>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Contributions

The Political Subdivision's contractually required contribution rate for the year ended June 30, 2024 was 6.08% of covered employee compensation. This rate were based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

Contributions to the pension plan from the Political Subdivision was \$84,162 and \$85,860 for the years ended June 30, 2024 and 2023.

### Net Pension Liability

The net pension liability is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For Political Subdivisions, the net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022 rolled forward to the measurement date of June 30, 2023.

### Changes in Net Pension Liability (Asset)

	Increase (Decrease)		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability (Asset)</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) – (b)</b>
Balances at June 30, 2021	\$ 6,879,748	\$ 6,734,283	\$ 145,465
Changes for the year			
Service cost	103,419	-	103,419
Interest	457,031	-	457,031
Differences between expected and actual experience	381,632	-	381,632
Contributions – employer	-	85,851	(85,851)
Contributions – employee	-	64,628	(64,628)
Net investment income	-	427,837	(427,837)
Benefit payments, including refunds of employee contributions	(424,664)	(424,664)	-
Administrative expenses	-	(4,422)	4,422
Other changes	-	171	(171)
Net changes	517,418	149,401	368,017
Balances at June 30, 2022	<u>\$ 7,397,166</u>	<u>\$ 6,883,684</u>	<u>\$ 513,482</u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

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

The following presents the net pension liability (asset) of the Political Subdivision using the discount rate of 6.75%, as well as what the 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:

	<b>1.00% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1.00% Increase (7.75%)</b>
Political subdivision's net pension liability (asset)	<u>\$ 1,444,951</u>	<u>\$ 513,482</u>	<u>\$ (263,293)</u>

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

For the year ended June 30, 2024, the Authority recognized pension expense (benefit) of \$(109,298). At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 230,191	\$ 23,589
Net difference between projected and actual earnings on pension plan investments	-	104,766
Employer contributions subsequent to the measurement date	84,162	-
	<u>\$ 314,353</u>	<u>\$ 128,355</u>

The \$84,162 reported as deferred outflows of resources related to pensions resulting from the Political Subdivision'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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	<b>Effect on Pension Expense</b>
2025	\$ 51,665
2026	(49,812)
2027	96,517
2028	3,466
2029	-
Thereafter	-

## Note 14 – Defined Benefit Pension Plan – School Nonprofessionals

### *Plan Description*

All full-time, salaried permanent non-professional employees (non-teachers) of the County of Amherst, Virginia, (the "School Division") are automatically covered by the VRS Retirement Plan upon employment. This multi-employer agent plan is administered by the Virginia Retirement System (the "System") along with plans for other employer groups in the



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service. The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. The plan provisions and features of the plans, as well as all actuarial assumptions, are substantially the same as those referenced in Note 12.

### *Employees Covered by Benefit Terms*

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<b>Members</b>
Inactive members or their beneficiaries currently receiving benefits	<u>78</u>
Inactive members:	
Vested inactive members	21
Non-vested inactive members	73
Inactive members active elsewhere in VRS	<u>18</u>
Total inactive members	<u>112</u>
Active members	<u>112</u>
Total covered employees	<u><b>302</b></u>

### *Contributions*

The School Division's contractually required contribution rate for the year ended June 30, 2024 was 1.33% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

Contributions to the pension plan from the School Division were \$43,546 and \$43,051 for the years ended June 30, 2024 and 2023, respectively.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Changes in Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) – (b)
Balances at June 30, 2022	\$ 10,412,436	\$ 12,254,962	\$ (1,842,526)
Changes for the year			
Service cost	249,961	-	249,961
Interest	702,740	-	702,740
Differences between expected and actual experience	(84,190)	-	(84,190)
Contributions – employer	-	41,423	(41,423)
Contributions – employee	-	137,943	(137,943)
Net investment income	-	784,096	(784,096)
Benefit payments, including refunds of employee contributions	(502,871)	(502,871)	-
Administrative expenses	-	(7,880)	7,880
Other changes	-	314	(314)
Net changes	365,640	453,025	(87,385)
Balances at June 30, 2023	<u>\$ 10,778,076</u>	<u>\$ 12,707,987</u>	<u>\$ (1,929,911)</u>

### Sensitivity of the Net Pension Asset to Changes in the Discount Rate

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

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School Division's net pension asset	<u>\$ (657,431)</u>	<u>\$ (1,929,911)</u>	<u>\$ (3,014,844)</u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

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

For the year ended June 30, 2024, the School Division recognized pension expense (benefit) of \$(116,153). At June 30, 2024, the School Division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 67,019
Change in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	192,917
Employer contributions subsequent to the measurement date	43,546	-
	<u>\$ 43,546</u>	<u>\$ 259,936</u>

The \$43,546 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 asset in the Fiscal Year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Effect on Pension Expense
2025	\$ (194,427)
2026	(247,973)
2027	176,076
2028	6,388
2029	-
Thereafter	-

### **Note 15 – Defined Benefit Pension Plan – Teacher Cost Sharing Plan**

#### *General Information About the Teacher Cost Sharing Plan*

##### Plan Description

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

The System administers three different benefit structures for covered employees in the VRS Teacher Retirement Plan – Plan 1, Plan 2, and Hybrid. The provisions and features of the plans, as well as all actuarial assumptions, are substantially the same as those referenced in Note 12.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### 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 contribution rate for the year ended June 30, 2024 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School Division were \$4,630,672 and \$4,434,306 for the years ended June 30, 2024 and 2023, respectively.

In June 2023, the Commonwealth made a special contribution of approximately \$147.5 million to the VRS Teacher Employee Plan. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session, and is classified as a non-employer contribution.

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

At June 30, 2024, the School Division reported a liability of \$28,914,691 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022 and rolled forward to the measurement date of June 30, 2023. 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, 2023 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2023 the School Division's proportion was 0.28608% as compared to 0.28929% at June 30, 2022.

For the year ended June 30, 2024, the School Division recognized pension expense of \$2,862,618. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022 measurement date, the difference between the expected and actual contributions is included with the pension expense calculation.

At June 30, 2024, the School Division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,483,797	\$ 1,128,375
Change in assumptions	1,310,804	-
Net difference between projected and actual earnings on pension plan investments	-	1,880,038
Changes in proportion and differences between employer contributions and proportionate share of contributions	172,835	282,448
Employer contributions subsequent to the measurement date	4,630,672	-
	<b>\$ 8,598,108</b>	<b>\$ 3,290,861</b>



# County of Amherst, Virginia

## Notes to Financial Statements

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The \$4,630,672 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	<b>Effect on Pension Expense</b>
2025	\$ (451,542)
2026	(1,650,849)
2027	2,268,609
2028	510,357
2029	-
Thereafter	-

### 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, 2023, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	<b>Teacher Employee Retirement Plan</b>
Total pension liability	\$ 57,574,609
Plan fiduciary net position	47,467,405
Employers' net pension liability (asset)	<b>\$ 10,107,204</b>
Plan fiduciary net position as a percentage of the total pension liability	82.45%

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.

### 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 of the School Division 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:

	<b>1.00% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1.00% Increase (7.75%)</b>
School Division's proportionate share of the VRS Teacher Employee Retirement plan net pension liability	<b>\$ 51,255,435</b>	<b>\$ 28,914,691</b>	<b>\$ 10,548,763</b>



# County of Amherst, Virginia

## Notes to Financial Statements

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### Note 16 – Other Postemployment Benefits Liability – Virginia Retirement System Plans

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

#### *Plan Descriptions*

##### Group Life Insurance Program

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

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

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

##### General Employee Health Insurance Credit Program

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

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	<b>Members</b>
Inactive members or their beneficiaries currently receiving benefits	61
Vested inactive members	3
Inactive members active elsewhere in VRS	67
Active members	105
Total covered employees	<b>236</b>

#### *Contributions*

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2021. The actuarially determined rates were expected to finance the cost of benefits earned by employees during



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

### Group Life Insurance Program

Governed by:	<i>Code of Virginia 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.</i>
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2024 Contribution	\$77,579
June 30, 2023 Contribution	\$63,438

In June 2023, the Commonwealth made a special contribution of approximately \$10.1 million to the Group Life Insurance plan. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session.

### General Employee Health Insurance Credit Program

Governed by:	<i>Code of Virginia 51.1-1400 and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly.</i>
Total rate:	0.16% of covered employee compensation.
June 30, 2024 Contribution	\$23,117
June 30, 2023 Contribution	\$18,858

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

The net OPEB liabilities were measured as of June 30, 2023 and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation performed as of June 30, 2022 and rolled forward to the measurement date of June 30, 2023. The covered employer's proportion of the net OPEB liabilities were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2023 relative to the total of the actuarially determined employer contributions for all participating employers.

### Group Life Insurance Program

June 30, 2024 proportionate share of liability	\$	602,535
June 30, 2023 proportion		0.05024%
June 30, 2022 proportion		0.05108%
June 30, 2024 expense	\$	46,057

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



# County of Amherst, Virginia

## Notes to Financial Statements

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### General Employee Health Insurance Credit Program

Changes in net OPEB liability of the General Employee Health Insurance Credit Program were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at June 30, 2022	\$ 226,120	\$ 150,745	\$ 75,375
Changes for the year			
Service cost	5,173	-	5,173
Interest	15,131	-	15,131
Differences between expected and actual experience	(13,195)	-	(13,195)
Contributions – employer	-	9,002	(9,002)
Net investment income	-	8,412	(8,412)
Benefit payments	(14,269)	(14,269)	-
Administrative expenses	-	(189)	189
Other changes	-	514	(514)
Net changes	(7,160)	3,470	(10,630)
Balances at June 30, 2023	<u>\$ 218,960</u>	<u>\$ 154,215</u>	<u>\$ 64,745</u>

In addition, for the year ended June 30, 2023, the County recognized OPEB expense of \$11,824 related to the General Employee Health Insurance Credit Program.

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

### Group Life Insurance Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 60,179	\$ 18,290
Change in assumptions	12,879	41,746
Net difference between projected and actual earnings on OPEB plan investments	-	24,213
Changes in proportion	42,092	9,275
Employer contributions subsequent to the measurement date	77,579	-
	<u>\$ 192,729</u>	<u>\$ 93,524</u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### General Employee Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 152	\$ 19,161
Change in assumptions	36,123	-
Net difference between projected and actual earnings on OPEB plan investments	-	961
Employer contributions subsequent to the measurement date	23,117	-
	<u>\$ 59,392</u>	<u>\$ 20,122</u>

The deferred outflows of resources related to OPEB resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future reporting periods as follows:

### Group Life Insurance Program

Year Ending June 30,	Effect on OPEB Expense
2025	\$ 9,348
2026	(13,380)
2027	20,194
2028	1,262
2029	4,202
Thereafter	-

### General Employee Health Insurance Credit Program

Year Ending June 30,	Effect on OPEB Expense
2025	\$ 972
2026	(1,074)
2027	5,930
2028	7,381
2029	2,944
Thereafter	-



# County of Amherst, Virginia

## Notes to Financial Statements

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### *Actuarial Assumptions and Other Inputs*

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2022, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023:

Inflation	2.50%
Salary increases, including inflation:	
• Locality – general employees	3.50 – 5.35%
• Locality – hazardous duty employees	3.50 – 4.75%
• Teachers	3.50 – 5.95%
Healthcare cost trend rates:	
• Under age 65	7.00 – 4.75%
• Ages 65 and older	5.25 – 4.75%
Investment rate of return, net of expenses, including inflation*	GLI & HIC: 6.75%

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail at Note 12.

### *Net OPEB Liabilities*

The net OPEB liabilities represent each program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2023, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	<b>Group Life Insurance Program</b>
Total OPEB Liability	\$ 3,907,052
Plan fiduciary net position	2,707,739
Employers' net OPEB liability (asset)	1,199,313
Plan fiduciary net position as a percentage of total OPEB liability	69.30%

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

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

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

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



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in Note 12.

### *Discount Rate*

The discount rate used to measure the GLI and HIC OPEB liabilities was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2023, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 113% of the actuarially determined contribution rate for GLI and 100% of the actuarially determined contribution rate for all other OPEB plans. From July 1, 2023 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

### *Sensitivity of the Net OPEB Liability to Changes in the Discount Rate*

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

	<b>1.00% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1.00% Increase (7.75%)</b>
GLI Net OPEB liability	<u>\$ 893,145</u>	<u>\$ 602,535</u>	<u>\$ 367,575</u>
General Employee HIC Net OPEB liability	<u>\$ 87,315</u>	<u>\$ 64,745</u>	<u>\$ 45,671</u>

### *OPEB Plan Fiduciary Net Position*

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2023 Annual Comprehensive Financial Report (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

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## **Note 17 – Other Postemployment Benefits Liability – Virginia Retirement System Plans – School Division**

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



# County of Amherst, Virginia

## Notes to Financial Statements

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### *Plan Descriptions*

#### Group Life Insurance Program

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

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

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

#### Teacher Employee Health Insurance Credit Program

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

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

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

#### General Employee Health Insurance Credit Program

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

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	Number
Inactive members or their beneficiaries currently receiving benefits	10
Vested inactive members	4
Inactive members active elsewhere in VRS	19
Active members	111
Total covered employees	<b>144</b>



# County of Amherst, Virginia

## Notes to Financial Statements

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### *Contributions*

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2021. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

#### Group Life Insurance Program

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2024 Contribution – general employees	\$17,466
June 30, 2024 Contribution – teachers	\$158,112
June 30, 2023 Contribution – general employees	\$15,990
June 30, 2023 Contribution – teachers	\$149,375

#### General Employee Health Insurance Credit Program

Governed by:	<i>Code of Virginia</i> 51.1-1400 and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly.
Total rate:	0.82% of covered employee compensation.
June 30, 2024 Contribution	\$27,044
June 30, 2023 Contribution	\$24,447

#### Teacher Health Insurance Credit Program

Governed by:	<i>Code of Virginia</i> 51.1-1401 and may be impacted as a result of funding provided to school divisions by the Virginia General Assembly.
Total rate:	1.21% of covered employee compensation.
June 30, 2024 Contribution	\$356,957
June 30, 2023 Contribution	\$343,051

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

The net OPEB liabilities were measured as of June 30, 2023 and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation performed as of June 30, 2022 and rolled forward to the measurement date of June 30, 2023. The covered employer's proportion of the net OPEB liabilities were based on the covered employer's



# County of Amherst, Virginia

## Notes to Financial Statements

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actuarially determined employer contributions for the year ended June 30, 2023 relative to the total of the actuarially determined employer contributions for all participating employers.

### Group Life Insurance Program

#### General Employees

June 30, 2024 proportionate share of liability	\$	153,272
June 30, 2023 proportion		0.01278%
June 30, 2022 proportion		0.01268%
June 30, 2024 expense	\$	5,310

#### Teachers

June 30, 2024 proportionate share of liability	\$	1,432,100
June 30, 2023 proportion		0.11941%
June 30, 2022 proportion		0.12257%
June 30, 2024 expense	\$	43,021

#### Teacher Health Insurance Credit Program

June 30, 2024 proportionate share of liability	\$	3,417,287
June 30, 2023 proportion		0.28209%
June 30, 2022 proportion		0.28534%
June 30, 2024 expense	\$	218,667

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

### General Employee Health Insurance Credit Program

Changes in net OPEB liability of the General Employee Health Insurance Credit Program were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at June 30, 2022	\$ 271,373	\$ 36,762	\$ 234,611
Changes for the year			
Service cost	3,331	-	3,331
Interest	18,367	-	18,367
Differences between expected and actual experience	(95,113)	-	(95,113)
Contributions – employer	-	24,952	(24,952)
Net investment income	-	3,076	(3,076)
Benefit payments	(5,208)	(5,208)	-
Administrative expenses	-	(85)	85
Other changes	-	2	(2)
Net changes	(78,623)	22,737	(101,360)
Balances at June 30, 2023	\$ 192,750	\$ 59,499	\$ 133,251



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

In addition, for the year ended June 30, 2023, the School Division recognized OPEB expense of \$961 related to the General Employee Health Insurance Credit Program.

At June 30, 2024, the School Division reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

### Group Life Insurance Program – General Employees

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,308	\$ 4,653
Change in assumptions	3,276	10,619
Net difference between projected and actual earnings on OPEB plan investments	-	6,159
Changes in proportion	3,132	10,106
Employer contributions subsequent to the measurement date	17,466	-
	<b>\$ 39,182</b>	<b>\$ 31,537</b>

### Group Life Insurance Program – Teachers

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 143,032	\$ 43,472
Change in assumptions	30,612	99,222
Net difference between projected and actual earnings on OPEB plan investments	-	57,550
Changes in proportion	15,974	40,839
Employer contributions subsequent to the measurement date	158,112	-
	<b>\$ 347,730</b>	<b>\$ 241,083</b>

### General Employee Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 80,370
Change in assumptions	11,580	-
Net difference between projected and actual earnings on OPEB plan investments	763	-
Employer contributions subsequent to the measurement date	27,044	-
	<b>\$ 39,387</b>	<b>\$ 80,370</b>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Teacher Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 150,412
Change in assumptions	79,549	3,444
Net difference between projected and actual earnings on OPEB plan investments	1,715	-
Changes in proportion	28,643	89,373
Employer contributions subsequent to the measurement date	356,957	-
	<b>\$ 466,864</b>	<b>\$ 243,229</b>

The deferred outflows of resources related to OPEB resulting from the School Division's contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability in the Fiscal Year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future reporting periods as follows:

Effect on OPEB Expense				
Year Ending June 30,	Group Life Insurance Program – General Employees	Group Life Insurance Program – Teachers	General Employee Health Insurance Credit Program	Teacher Health Insurance Credit Program
2025	\$ (3,349)	\$ (16,550)	\$ (17,675)	\$ (51,413)
2026	(8,078)	(60,027)	(17,677)	(26,621)
2027	1,057	21,259	(18,523)	(4,197)
2028	(1,173)	(3,701)	(14,152)	(17,307)
2029	1,722	7,554	-	(22,067)
Thereafter	-	-	-	(11,717)

### *Actuarial Assumptions and Other Inputs*

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2022, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023:

Inflation	2.50%
Salary increases, including inflation:	
• Locality – general employees	3.50 – 5.35%
• Locality – hazardous duty employees	3.50 – 4.75%
• Teachers	3.50 – 5.95%
Healthcare cost trend rates:	
• Under age 65	7.00 – 4.75%
• Ages 65 and older	5.25 – 4.75%
Investment rate of return, net of expenses, including inflation	GLI & HIC: 6.75%

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail at Note 12.



# County of Amherst, Virginia

## Notes to Financial Statements

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### *Net OPEB Liabilities*

The net OPEB liabilities represent each program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2023, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	<b>Group Life Insurance Program</b>	<b>Teacher Employee HIC OPEB Plan</b>
Total OPEB liability	\$ 3,907,052	\$ 1,475,471
Plan fiduciary net position	2,707,739	264,054
Employers' net OPEB liability (asset)	1,199,313	1,211,417
Plan fiduciary net position as a percentage of total OPEB liability	69.30%	17.90%

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

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

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

The long-term expected rate of return on VRS investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in Note 12.

### *Discount Rate*

The discount rate used to measure the GLI and HIC OPEB liabilities was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2023, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 113% of the actuarially determined contribution rate for GLI and 100% of the actuarially determined contribution rate for all other OPEB plans. From July 1, 2023 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### *Sensitivity of the Net OPEB Liability to Changes in the Discount Rate*

The following presents the net OPEB liabilities of the School Division, as well as what the School Division's net OPEB liabilities would be if it were calculated using a discount rate that is one percentage point lower (5.75% HIC and GLI) or one percentage point higher (7.75% HIC and GLI) than the current discount rate:

	<b>1.00% Decrease (5.75%)</b>	<b>Current Discount (6.75%)</b>	<b>1.00% Increase (7.75%)</b>
GLI Net OPEB liability – general employees	<u>\$ 227,197</u>	<u>\$ 153,272</u>	<u>\$ 93,503</u>
GLI Net OPEB liability – teachers	<u>\$ 2,122,820</u>	<u>\$ 1,432,100</u>	<u>\$ 873,649</u>
General Employee HIC Net OPEB liability	<u>\$ 155,053</u>	<u>\$ 133,251</u>	<u>\$ 114,706</u>
Teacher HIC Net OPEB liability	<u>\$ 3,865,334</u>	<u>\$ 3,417,287</u>	<u>\$ 3,037,607</u>

### *OPEB Plan Fiduciary Net Position*

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2023 Annual *Comprehensive Financial Report* (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

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## **Note 18 – Other Postemployment Benefits Liability – Local Plan**

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### *Plan Description and Benefits Provided*

The County provides post-employment medical, dental, and vision coverage for retired employees through a single-employer defined benefit plan. The County may change, add, or delete coverage as deemed appropriate and with the approval of the Board of Supervisors. The plan does not grant retirees vested health benefits.

Participants in the County's plan must retire directly from active employment and be eligible for an immediate pension benefit from the Virginia Retirement System (VRS) to be eligible for retiree health benefits, in accordance with the eligibility requirements of the VRS plan the retiree participates in.

Retirees are eligible for medical, dental, and vision coverage. Retirees may also elect to cover their spouse and other dependents. Benefits are offered to retirees until the earlier of Medicare eligibility or death. Benefits are offered to dependent spouses until the earlier of Medicare eligibility, death, or the retiree's death. If the retiree predeceases their spouse, the surviving spouse may continue coverage through COBRA only.

Retirees may elect from three different plan options for medical coverage. Retirees also have the choice of one dental plan and one vision plan. The retiree is responsible for 100% of their premium costs for any plan options selected.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### *Employees Covered by Benefit Terms*

As of the July 1, 2023 actuarial valuation, the following employees were covered by the benefit terms of the plan:

	<b>Members</b>
Inactive members or their beneficiaries currently receiving benefits	4
Active members	225
Total covered employees	<b>229</b>

### *Total OPEB Liability*

The County's total OPEB liability of \$976,302 was measured as of June 30, 2023 and was determined based on an actuarial valuation performed as of July 1, 2023.

### *Actuarial Assumptions and Other Inputs*

The total OPEB liability was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Healthcare cost trend rates	6.50%

Mortality rates: Pre-Retirement Mortality – RP-2014 employee rates to age 80, healthy annuitant rates at ages 81 and older projected with scale BB to 2020; Post-Retirement Mortality Rates – RP-2014 employee rates to age 49, healthy annuitant rates at ages 50 and older projected with scale BB to 2020; Post-Disablement Mortality Rates – RP-2014 disabled mortality rates projected with scale BB to 2020.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period through July 1, 2023.

### *Changes in the Total OPEB Liability*

Balance at June 30, 2023	\$ 794,237
Changes for the year	
Service cost	117,082
Interest	32,653
Economic/demographic (gains) or losses	123,771
Assumption or other input changes	(57,724)
Benefit payments	(33,717)
Net changes	182,065
Balance at June 30, 2024	<b>\$ 976,302</b>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### *Sensitivity of the Total OPEB Liability to Changes in the Discount Rate*

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.93%) or one percentage point higher (4.93%) than the current discount rate:

	<b>1.00% Decrease (2.93%)</b>	<b>Current Discount (3.93%)</b>	<b>1.00% Increase (4.93%)</b>
Total OPEB liability	<u>\$ 1,061,543</u>	<u>\$ 976,302</u>	<u>\$ 899,671</u>

### *Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates*

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current healthcare cost trend rates:

	<b>1.00% Decrease (5.50%)</b>	<b>Current Healthcare Cost Trend (6.50%)</b>	<b>1.00% Increase (7.50%)</b>
Total OPEB liability	<u>\$ 861,805</u>	<u>\$ 976,302</u>	<u>\$ 1,111,874</u>

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

For the year ended June 30, 2024, the County recognized OPEB expense of \$167,929. At June 30, 2024, the Political Subdivision reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 119,034	\$ -
Change in assumptions	28,496	100,729
	<u>\$ 147,530</u>	<u>\$ 100,729</u>

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ending June 30,</b>	<b>Effect on OPEB Expense</b>
2025	\$ 17,002
2026	6,290
2027	6,290
2028	10,142
2029	7,077
Thereafter	-



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Note 19 – Other Post-Employment Benefits – Virginia Retirement Systems Plans – Amherst County Service Authority

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

#### *Plan Descriptions*

##### Group Life Insurance Program

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

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

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

##### General Employee Health Insurance Credit Program

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

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms of the General Employee Health Insurance Credit Program:

	<b>Members</b>
Inactive members or their beneficiaries currently receiving benefits	15
Vested inactive members	1
Active members	24
Total covered employees	<b>40</b>

#### *Contributions*

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2021. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Group Life Insurance Program

Governed by:	<i>Code of Virginia</i> 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2024 Contribution	\$7,420
June 30, 2023 Contribution	\$7,715

### General Employee Health Insurance Credit Program

Governed by:	<i>Code of Virginia</i> 51.1-1400 and may be impacted as a result of funding provided to governmental agencies by the Virginia General Assembly.
Total rate:	0.24% of covered employee compensation.
June 30, 2024 Contribution	\$3,322
June 30, 2023 Contribution	\$3,455

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

The net OPEB liabilities were measured as of June 30, 2023 and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by actuarial valuations as of June 30, 2022 and rolled forward to the measurement date of June 30, 2023. The covered employer's proportion of the net OPEB liabilities were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2023 relative to the total of the actuarially determined employer contributions for all participating employers.

### Group Life Insurance Program

June 30, 2024 proportionate share of liability	\$	73,278
June 30, 2023 proportion		0.00611%
June 30, 2022 proportion		0.00590%
June 30, 2024 expense	\$	5,075



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### General Employee Health Insurance Credit Program

Changes in net OPEB liability of the General Employee Health Insurance Credit Program were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at June 30, 2022	\$ 67,088	\$ 50,064	\$ 17,024
Changes for the year			
Service cost	571	-	571
Interest	4,468	-	4,468
Differences between expected and actual experience	(7,782)	-	(7,782)
Contributions – employer	-	3,455	(3,455)
Net investment income	-	3,015	(3,015)
Benefit payments	(2,941)	(2,941)	-
Administrative expenses	-	(72)	72
Other changes	-	78	(78)
Net changes	(5,684)	3,535	(9,219)
Balances at June 30, 2023	<u>\$ 61,404</u>	<u>\$ 53,599</u>	<u>\$ 7,805</u>

In addition, for the year ended June 30, 2023, the Authority reported \$(2,215) of OPEB expense (benefit) related to the general employee health insurance credit program.

At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

### Group Life Insurance Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,319	\$ 2,224
Change in assumptions	1,566	5,077
Net difference between projected and actual earnings on OPEB plan investments	-	2,945
Changes in proportion	9,167	1,673
Employer contributions subsequent to the measurement date	7,420	-
	<u>\$ 25,472</u>	<u>\$ 11,919</u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### General Employee Health Insurance Credit Program

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 8,514
Change in assumptions	501	-
Net difference between projected and actual earnings on OPEB plan investments	-	429
Employer contributions subsequent to the measurement date	3,322	-
	<u>\$ 3,823</u>	<u>\$ 8,943</u>

The deferred outflows of resources related to OPEB resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future reporting periods as follows:

### Group Life Insurance Program

Year Ending June 30,	Effect on OPEB Expense
2025	\$ 1,426
2026	(1,100)
2027	3,403
2028	1,246
2029	1,158
Thereafter	-

### General Employee Health Insurance Credit Program

Year Ending June 30,	Effect on OPEB Expense
2025	\$ (3,948)
2026	(3,816)
2027	(756)
2028	78
2029	-
Thereafter	-



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### *Actuarial Assumptions and Other Inputs*

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2022, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023:

Inflation	2.50%
Salary increases, including inflation:	
• Locality – general employees	3.50 – 5.35%
Healthcare cost trend rates:	
• Under age 65	7.00 – 4.75%
• Ages 65 and older	5.375 – 4.75%
Investment rate of return, net of expenses, including inflation	GLI & HIC: 6.75%

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

### *Net OPEB Liabilities*

The net OPEB liabilities represent each program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2023, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	<b>Group Life Insurance Program</b>
Total OPEB liability	\$ 3,907,052
Plan fiduciary net position	2,707,739
Employers' net OPEB liability (asset)	1,199,313
Plan fiduciary net position as a percentage of total OPEB liability	69.30%

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

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

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

The long-term expected rate of return on VRS investments was determined using the method described in Note 16.

### *Discount Rate*

The discount rate used to measure the GLI and HIC OPEB liabilities was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2023, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 113% of the actuarially determined contribution rate for GLI and 100% of the actuarially determined contribution rate for all other OPEB plans.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

From July 1, 2023 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

### *Sensitivity of the Net OPEB Liability to Changes in the Discount Rate*

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

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
GLI Net OPEB liability	\$ 108,621	\$ 73,278	\$ 44,703
General Employee HIC Net OPEB liability	\$ 14,404	\$ 7,805	\$ 2,485

### *OPEB Plan Fiduciary Net Position*

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2023 Annual Report. A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

## Note 20 – Summary of Pension Elements

	Governmental Activities	Business-Type Activities	Total Primary Government	School Board
Net pension asset				
VRS basic pension plan	\$ 291,747	\$ -	\$ 291,747	\$ 1,929,911
Deferred outflows of resources				
Differences between expected and actual experience	\$ -	\$ 230,191	\$ 230,191	\$ 2,483,797
Change in assumptions	-	-	-	1,310,804
Change in proportion	-	-	-	172,835
Employer contributions subsequent to measurement date	1,502,005	84,162	1,586,167	4,674,218
Total deferred outflows of resources	\$ 1,502,005	\$ 314,353	\$ 1,816,358	\$ 8,641,654
Net pension liability				
VRS basic pension plan	\$ -	\$ 513,482	\$ 513,482	\$ 28,914,691
Deferred inflows of resources				
Differences between expected and actual experience	\$ 1,224,454	\$ 23,589	\$ 1,248,043	\$ 1,195,394
Net difference between projected and actual earnings on plan investments	807,502	104,766	912,268	2,072,955
Change in proportion	-	-	-	282,448
Total deferred inflows of resources	\$ 2,031,956	\$ 128,355	\$ 2,160,311	\$ 3,550,797
Net pension expense	\$ 142,047	\$ (109,298)	\$ 32,749	\$ 2,746,465



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Note 21 – Summary of Other Postemployment Benefit Elements

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

	Governmental Activities	Business- Type Activities	Total Primary Government	School Board
Deferred outflows of resources				
Difference between expected and actual experience				
GLI – general employees	\$ 60,179	\$ 7,319	\$ 67,498	\$ 15,308
GLI – teachers	-	-	-	143,032
HIC – general employees	152	-	152	-
Local plan	119,034	-	119,034	-
Change in actuarial assumptions				
GLI – general employees	12,879	1,566	14,445	3,276
GLI – teachers	-	-	-	30,612
HIC – general employees	36,123	501	36,624	11,580
HIC – teachers	-	-	-	79,549
Local plan	28,496	-	28,496	-
Net difference between projected and actual investment earnings				
HIC – general employees	-	-	-	763
HIC – teachers	-	-	-	1,715
Change in proportion				
GLI – general employees	42,092	9,167	51,259	3,132
GLI – teachers	-	-	-	15,974
HIC – teachers	-	-	-	28,643
Contributions subsequent to measurement date				
GLI – general employees	77,579	7,420	84,999	17,466
GLI – teachers	-	-	-	158,112
HIC – general employees	23,117	3,322	26,439	27,044
HIC – teachers	-	-	-	356,957
Total deferred outflows of resources	<u>\$ 399,651</u>	<u>\$ 29,295</u>	<u>\$ 428,946</u>	<u>\$ 893,163</u>
Net other postemployment benefits liability				
GLI – general employees	\$ 602,535	\$ 73,278	\$ 675,813	\$ 153,272
GLI – teachers	-	-	-	1,432,100
HIC – general employees	64,745	7,805	72,550	133,251
HIC – teachers	-	-	-	3,417,287
Local plan	976,302	-	976,302	-
Total net other postemployment benefits liability	<u>\$ 1,643,582</u>	<u>\$ 81,083</u>	<u>\$ 1,724,665</u>	<u>\$ 5,135,910</u>
Deferred inflows of resources				
Difference between expected and actual experience				
GLI – general employees	\$ 18,290	\$ 2,224	\$ 20,514	\$ 4,653
GLI – teachers	-	-	-	43,472
HIC – general employees	19,161	8,514	27,675	80,370
HIC – teachers	-	-	-	150,412



# County of Amherst, Virginia

## Notes to Financial Statements

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	Governmental Activities	Business- Type Activities	Total Primary Government	School Board
Change in actuarial assumptions				
GLI – general employees	41,746	5,077	46,823	10,619
GLI – teachers	-	-	-	99,222
HIC – teachers	-	-	-	3,444
Local plan	100,729	-	100,729	-
Net difference between projected and actual investment earnings				
GLI – general employees	24,213	2,945	27,158	6,159
GLI – teachers	-	-	-	57,550
HIC – general employees	961	429	1,390	-
Change in proportion				
GLI – general employees	9,275	1,673	10,948	10,106
GLI – teachers	-	-	-	40,839
HIC – teachers	-	-	-	89,373
Total deferred inflows of resources	<u>\$ 214,375</u>	<u>\$ 20,862</u>	<u>\$ 235,237</u>	<u>\$ 596,219</u>
Net OPEB expense	<u>\$ 225,810</u>	<u>\$ 2,860</u>	<u>\$ 228,670</u>	<u>\$ 267,959</u>

### Note 22 – Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with *Internal Revenue Code* Section 457. The plan, available to all County employees, permits them to defer the payment of a portion of their salary until termination, retirement, death, or unforeseeable emergency. All amounts of deferred compensation, including the investments and earnings thereon, remain the property of the County until paid to the employee, subject to the claims of general creditors. Participating employees' rights under the plan are equal to those of general creditors. It is the opinion of legal counsel that the County has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The plan assets are held by a trustee and, therefore, are not reported in the financial statements.

### Note 23 – Landfill Closure and Post-Closure Care Cost

#### *Permit 181 – Closed Landfill*

The County closed its former landfill site in 1997. State and federal laws and regulations require the County to place a final cover and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The cumulative amount of estimated closure, post-closure care, and corrective action costs for this site, less costs paid to date, totals \$412,020. Actual costs may be higher due to inflation, changes in technology, changes in regulations or other unforeseen circumstances. The County intends to fund these costs from funds accumulated for this purpose in the Special Revenue fund as well as transfers from the General Fund.

#### *Permit 563 – Open Landfill*

The County owns and operates a landfill site from which it collects tipping fees based upon the source of the waste. The landfill began accepting waste in 1997.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

State and federal laws will require the County to place a final cover on this site when it stops accepting waste and to perform maintenance and monitoring functions for thirty years after closure. Although closure and post-closure care costs are paid only near or after the date the landfill stops accepting waste, the County will report a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used. An accrual of \$6,468,060 for landfill closure and post-closure liability as of June 30 represents the cumulative amount reported to date based on estimated use of approximately 92% of the estimated capacity of the entire landfill site. The remaining estimated cost of closure and post-closure care of \$585,441 will be recognized as remaining capacity is filled. Actual future costs may be higher due to inflation, changes in technology, changes in regulations, or other unforeseen circumstances.

In July 2022, the County received approval for the construction and operation of a transfer station under permit-by-rule 640 at the site of the existing landfill under permit 563. The cumulative amount of estimated closure, post-closure care, and corrective action costs for this site, less costs paid to date, totals \$67,074. Actual costs may be higher due to inflation, changes in regulations, or other unforeseen circumstances.

The County has demonstrated financial assurance requirements for closure, post-closure care, and corrective action costs through the submission of a Local Government Financial Test to the Virginia Department of Environmental Quality in accordance with Section 9VAC20-70 of the Virginia Administrative Code.

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### Note 24 – Commitments and Contingencies

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#### *Federal Grants*

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

#### *Commitments*

The County has also entered into various construction contracts at year end. Future amounts due under these agreements are approximately \$36,038,504 at year end.

#### *Litigation*

The County and School Board are potential defendants in litigation involving claims for damages of various types. Officials estimate that any ultimate liability not covered by insurance will have an immaterial effect on financial position.

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### Note 25 – Risk Management

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The County and School Board are 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 and School Board are members of the Virginia Municipal Group Self Insurance Association (the "Association") for workers' compensation. Each Association member jointly and severally agrees to assume, pay, and discharge any liability. Virginia Municipal Group contributions and assessments are based upon classifications and rates into a designated cash reserve fund out of which expenses of the Association and claims awards are to be paid. In the event of a loss deficit



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

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 and School Board carry commercial insurance for all other risks of losses. Settled claims from these risks have not exceeded commercial coverage in any of the last three fiscal years.

The School Board's professionally administered self-insurance health program provides healthcare coverage for employees, retirees, and their dependents. Risk management activities are accounted for in the School Operating Fund. Monthly premiums are based upon estimates from the School Board's benefit consultant that should cover administrative expenses, stop loss insurance premiums, and claims. A stop loss insurance contract executed with an insurance carrier covers claims in excess of \$150,000 per covered individual per contract year. Estimated incurred but not reported (IBNR) claims at June 30 based on prior experience totaled \$348,595. Changes in the balance of claims payable liability during the past year are as follows:

Unpaid claim at July 1	\$ 350,000
Incurred claims	6,499,864
Claim payments	(6,501,269)
Unpaid claim at June 30	<u><u>\$ 348,595</u></u>



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Note 26 – Fund Balances

Fund balances is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County and School Board are bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints are presented below:

	General	Special Revenue	Capital Projects	Total Governmental Funds	Component Unit – School Board
Nonspendable					
Prepaid expenditures	\$ 175,128	\$ 14,921	\$ -	\$ 190,049	\$ 35,690
Restricted					
Community development	-	285,292	-	285,292	-
Other capital projects	-	-	23,429,212	24,429,212	-
Total restricted	-	285,292	23,429,212	23,714,504	-
Committed to					
General government administration	3,837,637	-	-	3,837,637	-
Public safety	394,732	-	-	394,732	-
Health and welfare	21,687	-	-	21,687	-
Community development	72,952	-	-	72,952	-
Parks, recreation, and cultural	267,564	-	-	267,564	-
Other capital projects	346,273	-	-	346,273	-
Total committed	4,940,845	-	-	4,940,845	-
Assigned to					
General governmental administration	1,704,913	-	-	1,704,913	-
Public safety	-	1,140,355	-	1,140,355	-
Public works	-	814,518	-	814,518	-
Parks, recreation, and cultural	-	25,624	-	25,624	-
Education	-	-	-	-	4,101,110
Other capital projects	4,843,597	-	-	4,843,597	-
Total assigned	6,548,510	1,980,497	-	8,529,007	4,101,110
Unassigned	17,157,828	3,234,828	-	20,392,656	(35,690)
Total fund balances	<u>\$ 28,822,311</u>	<u>\$ 5,515,538</u>	<u>\$ 23,429,212</u>	<u>\$ 57,767,061</u>	<u>\$ 4,101,110</u>

### Note 27 – Jointly Governed Organizations and Joint Venture

The following organizations are excluded from the accompanying financial statements:

#### *Jointly Governed Organizations*

#### Horizon Behavioral Health (HBH)

The County, in conjunction with the Counties of Appomattox, Bedford, and Campbell, and the City of Lynchburg, participates in HBH, whose board is composed of two members from each of the participating localities. The County contributed \$164,410 for operations to HBH for 2024.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Blue Ridge Regional Jail Authority (BRRJA)

The County, in conjunction with the Counties of Appomattox, Bedford, Campbell, and Halifax, and the City of Lynchburg, participates in the BRRJA. Each member jurisdiction pays a per diem charge for each day that one of its prisoners is at any regional jail facility. In accordance with the service agreement, the Authority has divided the per diem charge into operating and debt service components. The per diem charge is based upon an assumed number of prisoner days, and is subject to adjustment at the end of each fiscal year. The County contributed \$1,742,282 for operations to BRRJA for 2024.

### *Joint Venture*

### Central Virginia Radio Communications Board

The County, along with the County of Bedford, City of Lynchburg, and County of Campbell, is a participant in the operation of a regional radio communication system, the Central Virginia Radio Communications Board (the "Board"). As part of the agreement, each member locality is required to contribute its pro rata share for annual capital and operational costs, as well as any annual deficit. The Board issued debt of \$13,100,000 in May 2012 for the upgrade and replacement of the prior system. In February 2022, the remaining balance was refunded with a Series 2022 Public Facilities Revenue Bond in the amount of \$6,035,000. At June 30, 2024, \$3,837,040 of this debt was still outstanding. Each participant agreed to contribute its pro rata share towards debt service payments of the Board. The County's share is 28%, and annual contributions for debt service will approximate \$340,000 through May 2027. Should the Communications Board fail to make debt service payments, the member jurisdictions have a moral non-binding obligation to pay the debt service. During fiscal year 2024, the County paid \$360,460 to the Board for debt service and other operating costs.

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## **Note 28 – Performance Incentives**

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The County and EDA are parties to incentive agreements with existing companies for expansion in the County and with new companies for locating within the County. Incentives under these agreements range from tax rebates based on the real and tangible business property added to the County's tax rolls to small payroll incentives. Amounts under these incentives are not due until taxes are paid by the company and refunds are requested. Accordingly, there are no amounts accrued in the financial statements at year end for outstanding incentive agreements.

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## **Note 29 – Significant Transactions of the County and Component Unit – School Board**

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Certain transactions between the County and School Board component unit are explained here in detail to provide a more informed understanding of the operational relationship of the two entities and how such transactions are presented in the financial statements.

1. The School Board can neither levy taxes nor incur debt under Virginia law. Therefore, the County issues debt "on behalf" of the School Board. The debt obligation is recorded as a liability of the County's governmental activities. The proceeds from the debt issued "on behalf" of the School Board are recorded in the County's General Fund. Funds are then transferred to the School's Capital Projects Fund for approved projects. This fund then accounts for capital expenditures relating to major school construction projects.
2. Debt service payments for school bonded debt are reported as part of the primary government in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.
3. Local governments in Virginia have a "tenancy in common" with the School Board whenever the locality incurs a financial obligation for school property which is payable over more than one year. In order to match the capital assets with the related debt, the legislation permits the primary government to report the portion of the school



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

property related to the financial obligation as “jointly owned” assets. As the debt related to a particular capital asset is retired, the related capital asset, net of accumulated depreciation, is removed from the primary government’s financial statements and reported in the School Board’s financial statements. The School Board retains authority and responsibility over the operation and control of this property.

4. If all economic resources associated with school activities were reported with the School Board, its total expenditures would be as follows:

Expenditures of School Board – Component Unit (Exhibit 32)	\$ 64,636,334
School-related principal and other debt service expenditures included in primary government (Exhibit 5)	1,895,000
Total expenditures for school activities	<u><u>\$ 66,531,334</u></u>

### Note 30 – Significant Transactions of the County and Component Unit – EDA

The EDA was created to encourage economic development in the County. To that end, the County appropriates periodic contributions to the EDA. In addition, the County provides certain economic incentive grants to encourage development in the County. These grants pass through the EDA but ultimately are long-term obligations reported in the County’s government-wide statement of net assets. When the underlying requirements have been substantially met, these amounts are recorded by the EDA as payable to the grant recipient and as receivable from the County. At year end, there were no amounts to report for economic incentives payable.

The County also provides personnel assistance for some functions to the EDA at no charge.

### Note 31 – Conduit Debt Outstanding – EDA

The EDA has issued revenue bonds to provide financial assistance to private-sector entities for the acquisition and/or construction of industrial, commercial, or educational facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received from the entities involved in the underlying loans. Ownership of the acquired facilities rests with the entities served by the bond issuance. Neither the EDA, the County, nor any other political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At June 30, 2024, outstanding conduit debt was as follows:

University of Lynchburg, Series 2003	<u><u>\$ 6,575,000</u></u>
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### Note 32 – Tax Abatements

According to the County’s Code of Ordinances, Section 7-308, the County provides tax incentives to qualifying entities that make new taxable investments in taxable real property and improvements, taxable machinery and equipment, or taxable business personal property totaling \$250,000 for existing businesses and \$500,000 for new businesses.

The County has agreements with eight local businesses regarding the abatement of property taxes. Six companies had met all requirements to receive their abatement for the year ended June 30, 2024. The companies received a tax abatement during fiscal year 2024 totaling \$33,323.



# County of Amherst, Virginia

## Notes to Financial Statements

June 30, 2024

### Note 33 – Prior Period Restatement

In fiscal year 2022, there was \$29,523 placed in construction in progress (CIP) relating to the Amleon Commerce Center Building project. These expenditures were incorrectly recorded in the government activities government-wide financial statements when it should have been recorded through the Economic Development Authority (EDA). The County and the EDA have recorded a prior period adjustment to correct this.

The following is a summary of the restatement to beginning fund balance/net position.

	<b>Governmental Activities Government- Wide</b>	<b>Economic Development Authority</b>
Fund balance / Net position July 1, 2023, as previously reported	\$ 45,155,843	\$ 2,639,556
Construction in progress expenditures	(29,523)	29,523
Fund balance / Net position July 1, 2023, as restated	<u><u>\$ 45,126,320</u></u>	<u><u>\$ 2,669,079</u></u>

### Note 34 – New Accounting Standards

In June 2022, the GASB issued **Statement No. 101**, *Compensated Absences*. This statement updates the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

In December 2023, the GASB issued **Statement No. 102**, *Certain Risk Disclosures*. This statement defines and requires governments to disclose the risks related to concentrations of inflows or outflows of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

In April 2024, the GASB issued **Statement No. 103**, *Financial Reporting Model Improvements*. This statement improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability as well as addresses certain application issues. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

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





# **Required Supplementary Information**

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# County of Amherst, Virginia

Exhibit 12

## Required Supplementary Information Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
General property taxes	\$ 30,743,800	\$ 30,756,141	\$ 27,652,369	\$ (3,103,772)
Other local taxes	10,472,400	10,472,400	11,183,268	710,868
Permits, fees, license	191,300	191,300	285,249	93,949
Fines and forfeitures	-	38,320	193,596	155,276
Use of money and property	357,750	357,750	1,204,414	846,664
Charges for services	1,756,750	2,044,805	2,072,473	27,668
Miscellaneous	211,600	300,976	183,987	(116,989)
Recovered costs	320,760	342,479	196,915	(145,564)
Intergovernmental revenues:				
Commonwealth	9,438,050	9,997,871	9,247,782	(750,089)
Federal	2,239,000	2,239,000	2,428,416	189,416
Total revenues	55,731,410	56,741,042	54,648,469	(2,092,573)
EXPENDITURES				
Current:				
General government administration	3,545,242	5,073,936	4,058,541	1,015,395
Judicial administration	1,973,299	2,248,764	2,204,543	44,221
Public safety	14,028,602	16,832,319	15,987,478	844,841
Public works	1,149,845	2,187,482	2,102,843	84,639
Health and welfare	8,359,110	8,700,728	8,106,358	594,370
Education	16,464,094	16,464,094	11,761,522	4,702,572
Parks, recreation, and cultural	1,531,348	2,051,299	1,931,445	119,854
Community development	1,137,917	1,736,360	1,634,059	102,301
Nondepartmental	4,618,411	696,408	287,846	408,562
Capital outlay	-	-	74,983	(74,983)
Debt service:				
Principal	2,615,000	2,615,000	2,639,927	(24,927)
Interest	1,439,687	1,439,687	1,414,757	24,930
Bond issuance costs	4,000	629,250	633,116	(3,866)
Total expenditures	56,866,555	60,675,327	52,837,418	7,837,909
Excess of revenues (under) expenditures	(1,135,145)	(3,934,285)	1,811,051	5,745,336
OTHER FINANCING SOURCES (USES)				
Debt proceeds	564,875	564,875	-	(564,875)
Issuance of financing leases	-	-	74,983	74,983
Transfers in	2,722,553	6,071,461	864,105	(5,207,356)
Transfers out	(2,152,283)	(2,700,954)	(3,114,097)	(413,143)
Total other financing sources (uses)	1,135,145	3,935,382	(2,175,009)	(6,110,391)
Net change in fund balance	\$ -	\$ 1,097	\$ (363,958)	\$ (365,055)



# County of Amherst, Virginia

Exhibit 13

## Required Supplementary Information Schedule of Changes in Net Pension Liability and Related Ratios – Primary Government June 30, 2024

	Plan Year		
	2023	2022	2021
<b>Total Pension Liability</b>			
Service cost	\$ 1,514,476	\$ 1,307,694	\$ 1,203,790
Interest on total pension liability	3,550,703	3,478,629	3,176,098
Difference between expected and actual experience	(1,384,517)	(1,049,473)	(408,174)
Changes in assumptions	-	-	1,813,504
Benefit payments, including refunds of employee contributions	(3,131,093)	(2,620,637)	(2,601,305)
Net change in total pension liability	549,569	1,116,213	3,183,913
<b>Total pension liability – beginning</b>	<b>52,654,085</b>	<b>51,537,872</b>	<b>48,353,959</b>
<b>Total pension liability – ending</b>	<b>53,203,654</b>	<b>52,654,085</b>	<b>51,537,872</b>
<b>Plan Fiduciary Net Position</b>			
Contributions – employer	1,234,345	1,114,912	1,054,036
Contributions – employee	548,155	512,668	485,388
Net investment income	3,296,742	(50,921)	11,482,722
Benefit payments, including refunds of employee contributions	(3,131,093)	(2,620,637)	(2,601,305)
Administrative expenses	(33,151)	(32,771)	(28,833)
Other	1,325	1,212	1,080
Net change in plan fiduciary net position	1,916,323	(1,075,537)	10,393,088
<b>Plan fiduciary net position – beginning</b>	<b>51,579,078</b>	<b>52,654,615</b>	<b>42,261,527</b>
<b>Plan fiduciary net position – ending</b>	<b>53,495,401</b>	<b>51,579,078</b>	<b>52,654,615</b>
<b>Net pension liability (asset) – ending</b>	<b>\$ (291,747)</b>	<b>\$ 1,075,007</b>	<b>\$ (1,116,743)</b>
Plan fiduciary net position as a percentage of total pension liability	<b>101%</b>	<b>98%</b>	<b>102%</b>
Covered payroll	<b>\$ 11,803,665</b>	<b>\$ 10,938,058</b>	<b>\$ 10,357,658</b>
Net pension liability as a percentage of covered payroll	<b>-2%</b>	<b>10%</b>	<b>-11%</b>

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



Plan Year						
2020	2019	2018	2017	2016	2015	2014
\$ 1,126,761	\$ 1,035,596	\$ 987,060	\$ 906,378	\$ 914,633	\$ 874,938	\$ 950,553
3,043,058	2,944,486	2,836,683	2,727,579	2,649,097	2,567,290	2,439,990
238,967	(24,423)	(192,175)	59,368	(411,642)	(442,541)	-
-	1,266,837	-	(77,099)	-	-	-
(2,274,326)	(2,134,158)	(2,048,909)	(2,066,268)	(1,995,574)	(1,666,446)	(1,477,503)
2,134,460	3,088,338	1,582,659	1,549,958	1,156,514	1,333,241	1,913,040
46,219,499	43,131,161	41,548,502	39,998,544	38,842,030	37,508,789	35,595,749
48,353,959	46,219,499	43,131,161	41,548,502	39,998,544	38,842,030	37,508,789
882,857	839,756	831,426	778,770	953,295	942,715	884,349
449,563	439,624	422,882	449,906	369,207	369,385	368,536
799,857	2,690,349	2,844,587	4,256,473	597,465	1,554,214	4,678,377
(2,274,326)	(2,134,158)	(2,048,909)	(2,066,268)	(1,995,574)	(1,666,446)	(1,477,503)
(27,731)	(26,875)	(24,748)	(24,889)	(22,083)	(21,323)	(25,170)
(953)	(1,694)	(2,522)	(3,773)	(258)	(331)	247
(170,733)	1,807,002	2,022,716	3,390,219	(97,948)	1,178,214	4,428,836
42,432,260	40,625,258	38,602,542	35,212,323	35,310,271	34,132,057	29,703,221
42,261,527	42,432,260	40,625,258	38,602,542	35,212,323	35,310,271	34,132,057
<b>\$ 6,092,432</b>	<b>\$ 3,787,239</b>	<b>\$ 2,505,903</b>	<b>\$ 2,945,960</b>	<b>\$ 4,786,221</b>	<b>\$ 3,531,759</b>	<b>\$ 3,376,732</b>
<b>87%</b>	<b>92%</b>	<b>94%</b>	<b>93%</b>	<b>88%</b>	<b>91%</b>	<b>91%</b>
<b>\$ 9,524,622</b>	<b>\$ 8,956,710</b>	<b>\$ 8,631,987</b>	<b>\$ 8,026,035</b>	<b>\$ 6,665,766</b>	<b>\$ 7,085,697</b>	<b>\$ 7,232,732</b>
<b>64%</b>	<b>42%</b>	<b>29%</b>	<b>37%</b>	<b>72%</b>	<b>50%</b>	<b>47%</b>



# County of Amherst, Virginia

Exhibit 14

## Required Supplementary Information

### Schedule of Changes in Net Pension Liability and Related Ratios – Schools – Nonprofessional Employees

June 30, 2024

	Plan Year		
	2023	2022	2021
<b>Total Pension Liability</b>			
Service cost	\$ 249,961	\$ 238,695	\$ 250,329
Interest on total pension liability	702,740	677,141	615,433
Difference between expected and actual experience	(84,190)	(71,054)	18,896
Changes in assumptions	-	-	224,511
Benefit payments, including refunds of employee contributions	(502,871)	(450,729)	(416,637)
Net change in total pension liability	365,640	394,053	692,532
<b>Total pension liability – beginning</b>	<b>10,412,436</b>	<b>10,018,383</b>	<b>9,325,851</b>
<b>Total pension liability – ending</b>	<b>10,778,076</b>	<b>10,412,436</b>	<b>10,018,383</b>
<b>Plan Fiduciary Net Position</b>			
Contributions – employer	41,423	64,490	64,785
Contributions – employee	137,943	127,970	129,348
Net investment income	784,096	(11,480)	2,728,555
Benefit payments, including refunds of employee contributions	(502,871)	(450,729)	(416,637)
Administrative expenses	(7,880)	(7,811)	(6,816)
Other	314	288	257
Net change in plan fiduciary net position	453,025	(277,272)	2,499,492
<b>Plan fiduciary net position – beginning</b>	<b>12,254,962</b>	<b>12,532,234</b>	<b>10,032,742</b>
<b>Plan fiduciary net position – ending</b>	<b>12,707,987</b>	<b>12,254,962</b>	<b>12,532,234</b>
<b>Net pension asset – ending</b>	<b>\$ (1,929,911)</b>	<b>\$ (1,842,526)</b>	<b>\$ (2,513,851)</b>
Plan fiduciary net position as a percentage of total pension liability	<b>118%</b>	<b>118%</b>	<b>125%</b>
Covered payroll	<b>\$ 3,008,162</b>	<b>\$ 2,756,201</b>	<b>\$ 2,766,891</b>
Net pension asset as a percentage of covered payroll	<b>-64%</b>	<b>-67%</b>	<b>-91%</b>

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



Plan Year						
2020	2019	2018	2017	2016	2015	2014
\$ 253,852	\$ 253,332	\$ 255,979	\$ 253,898	\$ 247,311	\$ 241,309	\$ 248,646
584,511	549,881	541,082	519,493	504,728	469,365	443,148
27,045	140,073	(341,762)	(50,064)	(232,007)	115,149	-
-	236,290	-	(113,391)	-	-	-
(397,967)	(353,214)	(305,975)	(297,090)	(321,116)	(320,157)	(314,377)
467,441	826,362	149,324	312,846	198,916	505,666	377,417
8,858,410	8,032,048	7,882,724	7,569,878	7,370,962	6,865,296	6,487,879
9,325,851	8,858,410	8,032,048	7,882,724	7,569,878	7,370,962	6,865,296
58,456	57,942	85,287	78,384	143,860	138,428	159,871
130,426	123,729	128,696	119,548	122,555	118,082	113,591
191,101	638,019	666,675	991,087	141,606	355,124	1,062,244
(397,967)	(353,214)	(305,975)	(297,090)	(321,116)	(320,157)	(314,377)
(6,554)	(6,324)	(5,723)	(5,704)	(4,981)	(4,860)	(5,711)
(226)	(401)	(596)	(882)	(60)	(75)	56
(24,764)	459,751	568,364	885,343	81,864	286,542	1,015,674
10,057,506	9,597,755	9,029,391	8,144,048	8,062,184	7,775,642	6,759,968
10,032,742	10,057,506	9,597,755	9,029,391	8,144,048	8,062,184	7,775,642
<u>\$ (706,891)</u>	<u>\$ (1,199,096)</u>	<u>\$ (1,565,707)</u>	<u>\$ (1,146,667)</u>	<u>\$ (574,170)</u>	<u>\$ (691,222)</u>	<u>\$ (910,346)</u>
<u>108%</u>	<u>114%</u>	<u>119%</u>	<u>115%</u>	<u>108%</u>	<u>109%</u>	<u>113%</u>
<u>\$ 2,771,515</u>	<u>\$ 2,595,173</u>	<u>\$ 2,904,472</u>	<u>\$ 2,652,660</u>	<u>\$ 2,431,341</u>	<u>\$ 2,353,184</u>	<u>\$ 2,232,203</u>
<u>-26%</u>	<u>-46%</u>	<u>-54%</u>	<u>-43%</u>	<u>-24%</u>	<u>-29%</u>	<u>-41%</u>



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# County of Amherst, Virginia

Exhibit 15

## Required Supplementary Information Schedule of Pension Contributions June 30, 2024

Entity Fiscal Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>Primary Government</b>					
2024	\$ 1,502,005	\$ 1,502,005	\$ -	\$ 14,458,272	10.39 %
2023	1,236,607	1,236,607	-	11,803,665	10.48
2022	1,113,722	1,113,722	-	10,938,058	10.18
2021	1,054,036	1,054,036	-	10,357,658	10.18
2020	882,857	882,857	-	9,524,622	9.27
2019	839,756	839,756	-	8,956,710	9.38
2018	807,947	807,947	-	8,631,987	9.36
2017	778,770	778,770	-	8,026,035	9.70
2016	946,476	946,476	-	6,665,766	14.20
2015	936,908	936,908	-	7,085,697	13.22
<b>Schools – Nonprofessional Employees</b>					
2024	43,546	43,546	-	3,285,387	1.33
2023	43,051	43,051	-	3,008,162	1.43
2022	63,903	63,903	-	2,756,201	2.32
2021	64,785	64,785	-	2,766,891	2.34
2020	58,456	58,456	-	2,771,515	2.11
2019	57,942	57,942	-	2,595,173	2.23
2018	83,743	83,743	-	2,904,472	2.88
2017	78,384	78,384	-	2,652,660	2.95
2016	132,090	132,090	-	2,431,341	5.43
2015	139,666	139,666	-	2,353,184	5.94



## Required Supplementary Information

## Schedule of Changes in Net Position Liability and Related Ratios – Service Authority

June 30, 2024

	Plan Year		
	2023	2022	2021
<b>Total Pension Liability</b>			
Service cost	\$ 103,419	\$ 84,383	\$ 78,735
Interest on total pension liability	457,031	450,545	419,996
Difference between expected and actual experience	381,632	(126,149)	(121,422)
Changes in assumptions	-	-	224,476
Benefit payments, including refunds of employee contributions	(424,664)	(238,776)	(228,410)
Net change in total pension liability	517,418	170,003	373,375
<b>Total pension liability – beginning</b>	<b>6,879,748</b>	<b>6,709,745</b>	<b>6,336,370</b>
<b>Total pension liability – ending</b>	<b>7,397,166</b>	<b>6,879,748</b>	<b>6,709,745</b>
<b>Plan Fiduciary Net Position</b>			
Contributions – employer	85,851	79,814	72,472
Contributions – employee	64,628	56,913	52,669
Net investment income	427,837	(6,656)	1,490,554
Benefit payments, including refunds of employee contributions	(424,664)	(238,776)	(228,410)
Administrative expenses	(4,422)	(4,258)	(3,708)
Other	171	158	140
Net change in plan fiduciary net position	149,401	(112,805)	1,383,717
<b>Plan fiduciary net position – beginning</b>	<b>6,734,283</b>	<b>6,847,088</b>	<b>5,463,371</b>
<b>Plan fiduciary net position – ending</b>	<b>6,883,684</b>	<b>6,734,283</b>	<b>6,847,088</b>
<b>Net pension liability – ending</b>	<b>\$ 513,482</b>	<b>\$ 145,465</b>	<b>\$ (137,343)</b>
Plan fiduciary net position as a percentage of total pension liability	<b>93%</b>	<b>98%</b>	<b>102%</b>
Covered payroll	<b>\$ 1,321,910</b>	<b>\$ 1,254,181</b>	<b>\$ 1,163,092</b>
Net pension liability as a percentage of covered payroll	<b>39%</b>	<b>12%</b>	<b>-12%</b>

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



Plan Year						
2020	2019	2018	2017	2016	2015	2014
\$ 77,248	\$ 69,885	\$ 75,780	\$ 86,869	\$ 86,773	\$ 92,629	\$ 90,808
396,061	384,494	371,336	360,637	346,205	326,042	304,802
109,027	(19,227)	(31,625)	11,383	(47,040)	(1,265)	-
-	166,628	-	(89,816)	-	-	-
(227,058)	(226,908)	(228,128)	(204,339)	(155,194)	(103,535)	(80,845)
355,278	374,872	187,363	164,734	230,744	313,871	314,765
5,981,092	5,606,220	5,418,857	5,254,123	5,023,379	4,709,508	4,394,743
6,336,370	5,981,092	5,606,220	5,418,857	5,254,123	5,023,379	4,709,508
50,507	53,162	62,343	67,280	85,259	89,044	87,241
47,058	48,087	45,091	47,702	45,108	47,414	48,578
104,360	348,793	369,737	554,892	78,869	198,567	582,084
(227,058)	(226,908)	(228,128)	(204,339)	(155,194)	(103,535)	(80,845)
(3,602)	(3,502)	(3,231)	(3,231)	(2,794)	(2,647)	(3,060)
(123)	(219)	(327)	(491)	(33)	(41)	31
(28,858)	219,413	245,485	461,813	51,215	228,802	634,029
5,492,229	5,272,816	5,027,331	4,565,518	4,514,303	4,285,501	3,651,472
5,463,371	5,492,229	5,272,816	5,027,331	4,565,518	4,514,303	4,285,501
<b>\$ 872,999</b>	<b>\$ 488,863</b>	<b>\$ 333,404</b>	<b>\$ 391,526</b>	<b>\$ 688,605</b>	<b>\$ 509,076</b>	<b>\$ 424,007</b>
<b>86%</b>	<b>92%</b>	<b>94%</b>	<b>93%</b>	<b>87%</b>	<b>90%</b>	<b>91%</b>
<b>\$ 1,032,745</b>	<b>\$ 1,049,803</b>	<b>\$ 981,260</b>	<b>\$ 1,027,392</b>	<b>\$ 925,125</b>	<b>\$ 921,127</b>	<b>\$ 1,403,408</b>
<b>85%</b>	<b>47%</b>	<b>34%</b>	<b>38%</b>	<b>74%</b>	<b>55%</b>	<b>30%</b>



**Required Supplementary Information**  
**Schedule of Pension Contributions – Service Authority**  
 June 30, 2024

<b>Fiscal Year Ended June 30,</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2024	\$ 84,162	\$ 84,162	\$ -	\$ 1,384,265	6.08 %
2023	85,860	85,860	-	1,321,910	6.50
2022	79,070	79,070	-	1,254,181	6.30
2021	72,473	72,473	-	1,163,092	6.23
2020	50,507	50,507	-	1,032,745	4.89
2019	53,161	53,161	-	1,049,803	5.06
2018	62,343	62,343	-	981,260	6.35
2017	68,203	68,203	-	1,027,392	6.64
2016	85,322	85,322	-	925,125	9.22
2015	87,231	87,231	-	921,127	9.47

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



**Required Supplementary Information**  
**Schedule of Employer's Share of Net Pension Liability –**  
**VRS Teacher Retirement Plan**  
**June 30, 2024**

<b>School Division Plan Year Ended June 30,</b>	<b>Employer's Proportion of the Net Pension Liability</b>	<b>Employer's Proportionate Share of the Net Pension Liability</b>	<b>Employer's Covered Payroll</b>	<b>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2023	0.29 %	\$ 28,914,691	\$ 28,151,956	102.71 %	82.45 %
2022	0.29	27,542,140	27,007,080	101.98	82.61
2021	0.29	22,448,253	25,207,720	89.05	85.46
2020	0.29	42,013,432	24,525,948	171.30	71.47
2019	0.28	37,409,000	23,542,395	158.90	73.51
2018	0.29	33,606,000	26,583,619	126.42	74.81
2017	0.30	36,284,000	26,278,262	138.08	72.92
2016	0.31	43,362,000	23,505,345	184.48	68.28
2015	0.31	39,132,000	23,106,966	169.35	70.68
2014	0.32	38,334,000	24,876,103	154.10	70.88

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



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**Required Supplementary Information**  
**Schedule of Pension Contributions – VRS Teacher Retirement Plan**  
 June 30, 2024

<b>Year Ended June 30,</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Employee Payroll</b>	<b>Contributions as a Percentage of Covered Employee Payroll</b>
2024	\$ 4,630,672	\$ 4,630,672	\$ -	\$ 29,569,469	15.66 %
2023	4,434,306	4,434,306	-	28,151,956	15.75
2022	4,198,381	4,198,381	-	27,007,080	15.55
2021	4,090,894	4,090,894	-	25,207,720	16.23
2020	3,836,338	3,836,338	-	24,525,948	15.64
2019	3,607,789	3,607,789	-	23,542,395	15.32
2018	3,604,742	3,604,742	-	26,583,619	13.56
2017	3,304,277	3,304,277	-	26,278,262	12.57
2016	3,311,310	3,311,310	-	23,505,345	14.09
2015	3,233,120	3,233,120	-	23,106,966	13.99

The covered payroll amounts above are for the school division's fiscal year – i.e., the covered payroll on which required contributions were based for the same year.



**Required Supplementary Information**  
**Schedule of Changes in Net OPEB Liability and Related Ratios – Agent Plan**  
June 30, 2024

	Primary Government		
	VRS Health Insurance	Credit	General Employees
	Plan Year		
	2023	2022	2021
<b>Total OPEB Liability</b>			
Service cost	\$ 5,173	\$ 5,547	\$ 6,359
Interest on total OPEB liability	15,131	11,894	12,049
Difference between expected and actual experience	(13,195)	(3,348)	(9,279)
Changes in assumptions	-	50,488	1,354
Benefit payments	(14,269)	(18,236)	(18,416)
Net change in total OPEB liability	(7,160)	46,345	(7,933)
<b>Total OPEB liability – beginning</b>	<b>226,120</b>	<b>179,775</b>	<b>187,708</b>
<b>Total OPEB liability – ending</b>	<b>218,960</b>	<b>226,120</b>	<b>179,775</b>
<b>Plan Fiduciary Net Position</b>			
Contributions – employer	9,002	12,295	11,464
Net investment income	8,412	290	31,246
Benefit payments	(14,269)	(18,236)	(18,416)
Administrative expenses	(189)	(254)	(353)
Other	514	9,614	-
Net change in plan fiduciary net position	3,470	3,709	23,941
<b>Plan fiduciary net position – beginning</b>	<b>150,745</b>	<b>147,036</b>	<b>123,095</b>
<b>Plan fiduciary net position – ending</b>	<b>154,215</b>	<b>150,745</b>	<b>147,036</b>
<b>Net OPEB liability – ending</b>	<b>\$ 64,745</b>	<b>\$ 75,375</b>	<b>\$ 32,739</b>
Plan fiduciary net position as a percentage of total OPEB liability	<b>70%</b>	<b>67%</b>	<b>82%</b>
Covered payroll	<b>\$ 11,803,665</b>	<b>\$ 10,938,058</b>	<b>\$ 10,357,658</b>
Net OPEB liability as a percentage of covered payroll	<b>1%</b>	<b>1%</b>	<b>0%</b>

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

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



Primary Government			
VRS Health Insurance Credit General Employees			
Plan Year			
2020	2019	2018	2017
\$ 6,129	\$ 4,699	\$ 4,565	\$ 4,050
12,475	12,506	11,939	12,056
(7,213)	6	6,253	-
-	4,365	-	(4,960)
(17,003)	(13,832)	(15,483)	(10,148)
(5,612)	7,744	7,274	998
193,320	185,576	178,302	177,304
187,708	193,320	185,576	178,302
10,216	9,311	9,237	8,839
2,459	7,802	8,582	12,748
(17,003)	(13,832)	(15,483)	(10,148)
(233)	(168)	(197)	(204)
(1)	(9)	(650)	650
(4,562)	3,104	1,489	11,885
127,657	124,553	123,064	111,179
123,095	127,657	124,553	123,064
<b>\$ 64,613</b>	<b>\$ 65,663</b>	<b>\$ 61,023</b>	<b>\$ 55,238</b>
<b>66%</b>	<b>66%</b>	<b>67%</b>	<b>69%</b>
<b>\$ 9,524,622</b>	<b>\$ 8,956,710</b>	<b>\$ 8,631,987</b>	<b>\$ 8,026,035</b>
<b>1%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>



**Required Supplementary Information**  
**Schedule of Changes in Net OPEB Liability and Related Ratios – Agent Plan –**  
**General School Employees**  
June 30, 2024

	Primary Government			
	VRS Health Insurance Credit General School Employees			
	Plan Year			
	2023	2022	2021	2020
<b>Total OPEB Liability</b>				
Service cost	\$ 3,331	\$ 3,462	\$ 4,386	\$ 223,652
Interest on total OPEB liability	18,367	16,948	15,097	-
Difference between expected and actual experience	(95,113)	(9,182)	-	-
Changes in assumptions	-	14,742	6,697	-
Benefit payments	(5,208)	(4,429)	-	-
Net change in total OPEB liability	(78,623)	21,541	26,180	223,652
<b>Total OPEB liability – beginning</b>	<b>271,373</b>	<b>249,832</b>	<b>223,652</b>	<b>-</b>
<b>Total OPEB liability – ending</b>	<b>192,750</b>	<b>271,373</b>	<b>249,832</b>	<b>223,652</b>
<b>Plan Fiduciary Net Position</b>				
Contributions – employer	24,952	19,580	19,670	-
Net investment income	3,076	(364)	2,428	-
Benefit payments	(5,208)	(4,429)	-	-
Administrative expenses	(85)	(66)	(86)	-
Other	2	29	-	-
Net change in plan fiduciary net position	22,737	14,750	22,012	-
<b>Plan fiduciary net position – beginning</b>	<b>36,762</b>	<b>22,012</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position – ending</b>	<b>59,499</b>	<b>36,762</b>	<b>22,012</b>	<b>-</b>
<b>Net OPEB liability – ending</b>	<b>\$ 133,251</b>	<b>\$ 234,611</b>	<b>\$ 227,820</b>	<b>\$ 223,652</b>
Plan fiduciary net position as a percentage of total OPEB liability	<b>31%</b>	<b>14%</b>	<b>9%</b>	<b>0%</b>
Covered payroll	<b>\$ 3,008,162</b>	<b>\$ 2,756,201</b>	<b>\$ 2,766,891</b>	<b>\$ 2,771,515</b>
Net OPEB liability as a percentage of covered payroll	<b>4%</b>	<b>9%</b>	<b>8%</b>	<b>8%</b>

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year – i.e., plan year 2020 information was presented in the entity's fiscal year 2021 financial report.

This schedule is intended to show information for 10 years. Since fiscal year 2021 (plan year 2020) was the first year for this presentation, no earlier data is available. Additional years will be included as they become available.



Required Supplementary Information  
Schedule of OPEB Contributions – Agent Plan  
June 30, 2024

Entity Fiscal Year Ended June 30,	Actuarially Determined Employer Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>VRS Health Insurance Credit – General Employees</b>					
2024	\$ 23,117	\$ 23,117	\$ -	\$ 14,458,272	0.16 %
2023	18,858	18,858	-	11,803,665	0.16
2022	26,300	26,300	-	10,938,058	0.24
2021	24,800	24,800	-	10,357,658	0.24
2020	21,928	21,928	-	9,524,622	0.23
2019	21,502	21,502	-	8,956,710	0.24
2018	20,686	20,686	-	8,631,987	0.24
<b>VRS Health Insurance Credit – General School Employees</b>					
2024	27,044	27,044	-	3,285,387	0.82
2023	24,447	24,447	-	3,008,162	0.81
2022	19,470	19,470	-	2,756,201	0.71
2021	11,464	11,464	-	2,766,891	0.41

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. Additional years will be included as they become available.

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



**Required Supplementary Information**  
**Schedule of Employer's Share of Net OPEB Liability – Cost Sharing Plans**  
June 30, 2024

Entity Plan Year Ended June 30,	Employer's Proportion of the Net OPEB Liability	Employer's Proportionate Share of the Net OPEB Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
<b>Virginia Retirement System – Health Insurance Credit – Teachers</b>					
2023	0.2821 %	\$ 3,417,287	\$ 28,151,956	12.14 %	17.90 %
2022	0.2853	3,564,029	27,007,080	13.20	15.08
2021	0.2853	3,661,638	25,207,720	14.53	13.15
2020	0.2842	3,707,566	24,525,948	15.12	9.95
2019	0.2809	3,677,000	23,542,395	15.62	8.97
2018	0.2834	3,598,000	26,583,619	13.53	8.08
2017	0.2934	3,722,000	26,278,262	14.16	7.04
<b>Virginia Retirement System – Group Life Insurance – General Employees</b>					
2023	0.0502	602,535	11,803,665	5.10	69.30
2022	0.0511	615,052	10,938,058	5.62	67.21
2021	0.0503	585,512	10,357,658	5.65	67.45
2020	0.0463	773,172	9,524,622	8.12	52.64
2019	0.0458	745,000	8,956,710	8.32	52.00
2018	0.0456	692,000	8,631,987	8.02	51.22
2017	0.0438	659,000	8,026,035	8.21	48.86
<b>Virginia Retirement System – Group Life Insurance – General School Employees</b>					
2023	0.0128	153,272	3,008,162	5.10	69.30
2022	0.0127	152,679	2,756,201	5.54	67.21
2021	0.0134	156,245	2,766,891	5.65	67.45
2020	0.0135	224,792	2,771,515	8.11	52.64
2019	0.0133	216,000	2,595,173	8.32	52.00
2018	0.0141	214,000	2,904,472	7.37	51.22
2017	0.0132	198,000	2,652,660	7.46	48.86
<b>Virginia Retirement System – Group Life Insurance – Teachers</b>					
2023	0.1194	1,432,100	28,151,956	5.09	69.30
2022	0.1226	1,475,861	27,007,080	5.46	67.21
2021	0.1225	1,425,999	25,207,720	5.66	67.45
2020	0.1212	2,021,962	24,525,948	8.24	52.64
2019	0.1202	1,955,000	23,542,395	8.30	52.00
2018	0.1205	1,830,000	26,583,619	6.88	51.22
2017	0.1256	1,889,000	26,278,262	7.19	48.86

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.



**Required Supplementary Information**  
**Schedule of OPEB Contributions – Cost Sharing Plans**  
June 30, 2024

Entity Fiscal Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>Virginia Retirement System – Health Insurance Credit – Teachers</b>					
2024	\$ 356,957	\$ 356,957	\$ -	\$ 29,569,469	1.21 %
2023	343,051	343,051	-	28,151,956	1.22
2022	316,050	316,050	-	27,007,080	1.17
2021	305,272	305,272	-	25,207,720	1.21
2020	296,303	296,303	-	24,525,948	1.21
2019	282,685	282,685	-	23,542,395	1.20
2018	278,378	278,378	-	26,583,619	1.05
<b>Virginia Retirement System – Group Life Insurance – General Employees</b>					
2024	77,579	77,579	-	14,458,272	0.54
2023	63,438	63,438	-	11,803,665	0.54
2022	59,524	59,524	-	10,938,058	0.54
2021	56,063	56,063	-	10,357,658	0.54
2020	49,970	49,970	-	9,524,622	0.52
2019	46,654	46,654	-	8,956,710	0.52
2018	45,416	45,416	-	8,631,987	0.53
<b>Virginia Retirement System – Group Life Insurance – General School Employees</b>					
2024	17,466	17,466	-	3,285,387	0.53
2023	15,990	15,990	-	3,008,162	0.53
2022	14,698	14,698	-	2,756,201	0.53
2021	14,961	14,961	-	2,766,891	0.54
2020	14,418	14,418	-	2,771,515	0.52
2019	13,502	13,502	-	2,595,173	0.52
2018	13,960	13,960	-	2,904,472	0.48
<b>Virginia Retirement System – Group Life Insurance – Teachers</b>					
2024	158,112	158,112	-	29,569,469	0.53
2023	149,375	149,375	-	28,151,956	0.53
2022	140,354	140,354	-	27,007,080	0.52
2021	136,549	136,549	-	25,207,720	0.54
2020	129,479	129,479	-	24,525,948	0.53
2019	122,497	122,497	-	23,542,395	0.52
2018	120,045	120,045	-	26,583,619	0.45

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.

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



**Required Supplementary Information**  
**Schedule of Changes in Net OPEB Liability and Related Ratios –**  
**Service Authority**  
June 30, 2024

	<b>VRS Health Insurance Credit General Employees</b>		
	<b>Plan Year</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Total OPEB Liability</b>			
Service cost	\$ 571	\$ 1,757	\$ 983
Interest on total OPEB liability	4,468	4,435	4,492
Difference between expected and actual experience	(7,782)	(1,509)	(5,416)
Changes in assumptions	-	213	1,036
Benefit payments	(2,941)	(3,512)	(3,880)
Net change in total OPEB liability	(5,684)	1,384	(2,785)
<b>Total OPEB liability – beginning</b>	<b>67,088</b>	<b>65,704</b>	<b>68,489</b>
<b>Total OPEB liability – ending</b>	<b>61,404</b>	<b>67,088</b>	<b>65,704</b>
<b>Plan Fiduciary Net Position</b>			
Contributions – employer	3,455	3,010	2,791
Net investment income	3,015	74	10,347
Benefit payments	(2,941)	(3,512)	(3,880)
Administrative expenses	(72)	(87)	(120)
Other	78	1,477	-
Net change in plan fiduciary net position	3,535	962	9,138
<b>Plan fiduciary net position – beginning</b>	<b>50,064</b>	<b>49,102</b>	<b>39,964</b>
<b>Plan fiduciary net position – ending</b>	<b>53,599</b>	<b>50,064</b>	<b>49,102</b>
<b>Net OPEB liability – ending</b>	<b>\$ 7,805</b>	<b>\$ 17,024</b>	<b>\$ 16,602</b>
Plan fiduciary net position as a percentage of total OPEB liability	<b>87%</b>	<b>75%</b>	<b>75%</b>
Covered payroll	<b>\$ 705,090</b>	<b>\$ 675,170</b>	<b>\$ 614,562</b>
Net OPEB liability as a percentage of covered payroll	<b>1%</b>	<b>3%</b>	<b>3%</b>

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

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



VRS Health Insurance Credit General Employees			
Plan Year			
2020	2019	2018	2017
\$ 823	\$ 725	\$ 824	\$ 1,024
4,453	4,532	4,782	4,867
(730)	(1,161)	(4,265)	-
-	1,440	-	(2,881)
(4,064)	(4,530)	(5,307)	(3,145)
482	1,006	(3,966)	(135)
68,007	67,001	70,967	71,102
68,489	68,007	67,001	70,967
2,479	2,525	3,238	3,355
804	2,503	2,786	4,126
(4,064)	(4,530)	(5,307)	(3,145)
(76)	(54)	(63)	(67)
-	(3)	(208)	208
(857)	441	446	4,477
40,821	40,380	39,934	35,457
39,964	40,821	40,380	39,934
<b>\$ 28,525</b>	<b>\$ 27,186</b>	<b>\$ 26,621</b>	<b>\$ 31,033</b>
<b>58%</b>	<b>60%</b>	<b>60%</b>	<b>56%</b>
<b>\$ 574,557</b>	<b>\$ 599,118</b>	<b>\$ 584,077</b>	<b>\$ 697,708</b>
<b>5%</b>	<b>5%</b>	<b>5%</b>	<b>4%</b>



**Required Supplementary Information**  
**Schedule of Employer's Share of Net OPEB Liability – Service Authority**  
 June 30, 2024

Plan Year Ended June 30,	Employer's Proportion of the Net OPEB Liability (Asset)	Employer's Proportionate Share of the Net OPEB Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
<b>Virginia Retirement System – Group Life Insurance – General Employees</b>					
2023	0.00611 %	\$ 73,278	\$ 705,090	10.39 %	69.30 %
2022	0.00590	71,042	675,170	10.52	67.21
2021	0.00563	65,549	614,562	10.67	67.45
2020	0.00514	85,778	574,557	14.93	52.64
2019	0.00538	88,000	599,118	14.69	52.00
2018	0.00516	79,000	584,077	13.53	51.22
2017	0.00551	83,000	697,708	11.90	48.86

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.



**Required Supplementary Information**  
**Schedule of OPEB Contributions – Agent Plan – Service Authority**  
 June 30, 2024

<b>Fiscal Year Ended June 30,</b>	<b>Actuarially/ Contractually Determined Employer Contribution</b>	<b>Actual Employer Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Employer's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
<b>VRS Health Insurance Credit – General Employees</b>					
2024	\$ 3,322	\$ 3,322	\$ -	\$ 667,059	0.50 %
2023	3,455	3,455	-	705,090	0.49
2022	3,010	3,010	-	675,170	0.45
2021	2,791	2,791	-	614,562	0.45
2020	2,479	2,479	-	574,557	0.43
2019	2,525	2,525	-	599,118	0.42
2018	3,238	3,238	-	584,077	0.55

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. Additional years will be included as they become available.

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



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**Required Supplementary Information**  
**Schedule of OPEB Contributions – Cost Sharing Plan – Service Authority**  
 June 30, 2024

Entity Year Ended December 31,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>Virginia Retirement System – Group Life Insurance – General Employees</b>					
2024	\$ 7,420	\$ 7,420	\$ -	\$ 667,059	1.11 %
2023	7,715	7,715	-	705,090	1.09
2022	6,886	6,886	-	675,170	1.02
2021	6,234	6,234	-	614,562	1.01
2020	5,541	5,541	-	574,557	0.96
2019	5,526	5,526	-	599,118	0.92
2018	5,142	5,142	-	584,077	0.88

Schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.



**Required Supplementary Information**  
**Schedule of Changes in Net OPEB Liability and Related Ratios – Local Plan**  
June 30, 2024

	Primary Government		
	Plan Year		
	2024	2023	2022
<b>Total OPEB Liability</b>			
Service cost	\$ 117,082	\$ 66,428	\$ 81,746
Interest on total OPEB liability	32,653	26,741	16,693
Economic/demographic gains or losses	123,771	-	33,154
Changes in assumptions	(57,724)	28,562	(101,781)
Benefit payments	(33,717)	(32,655)	(31,286)
Net change in total OPEB liability	182,065	89,076	(1,474)
<b>Total OPEB liability – beginning</b>	<b>794,237</b>	<b>705,161</b>	<b>706,635</b>
<b>Total OPEB liability – ending</b>	<b>976,302</b>	<b>794,237</b>	<b>705,161</b>
<b>Plan Fiduciary Net Position</b>			
Contributions – employer	-	-	-
Contributions – employee	-	-	-
Net investment income	-	-	-
Benefit payments	-	-	-
Administrator charges	-	-	-
Other	-	-	-
Net change in plan fiduciary net position	-	-	-
<b>Plan fiduciary net position – beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position – ending</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net OPEB liability – ending</b>	<b>\$ 976,302</b>	<b>\$ 794,237</b>	<b>\$ 705,161</b>
Plan fiduciary net position as a percentage of total OPEB liability	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
Covered payroll	<b>\$ 13,798,030</b>	<b>\$ 10,763,825</b>	<b>\$ 10,763,825</b>
Net OPEB liability as a percentage of covered payroll	<b>7.08%</b>	<b>7.38%</b>	<b>6.55%</b>

This schedule is intended to show information for 10 years. Since fiscal year 2020 was the first year for this presentation, no earlier data is available. Additional years will be included as they become available.



Primary Government	
Plan Year	
2021	2020
\$ 78,963	\$ 63,512
15,629	20,119
-	-
3,039	66,573
(38,210)	(28,355)
59,421	121,849
647,214	525,365
706,635	647,214
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
<b>\$ 706,635</b>	<b>\$ 647,214</b>
<b>0.00%</b>	<b>0.00%</b>
<b>\$ 11,304,954</b>	<b>\$ 9,349,610</b>
<b>6.25%</b>	<b>6.92%</b>



# County of Amherst, Virginia

Exhibit 30

## Required Supplementary Information Schedule of OPEB Contributions – Local Plan June 30, 2024

Entity Fiscal Year Ended June 30,	Actuarially/ Contractually Determined Employer Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b>Local Plan</b>					
2024	\$ -	\$ -	\$ -	\$ 13,798,030	0.00 %
2023	-	-	-	10,763,825	0.00
2022	-	-	-	10,763,825	0.00
2021	-	-	-	11,304,954	0.00
2020	-	-	-	9,349,610	0.00

Schedule is intended to show information for 10 years. Since 2020 was the first year for this presentation, no earlier data is available. Additional years will be included as they become available.

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



**County of Amherst, Virginia**  
**Notes to Required Supplementary Information**  
**June 30, 2024**

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**Note 1 – Changes of Benefit Terms**

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*Pension*

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

*Other Postemployment Benefits (OPEB)*

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

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**Note 2 – Changes of Assumptions**

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

**Largest 10 – Non-Hazardous Duty:**

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

**Largest 10 – Hazardous Duty/Public Safety Employees:**

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better fit experience and changed final retirement age from 65 to 70.
- Decreased withdrawal rates.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

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

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age.



# **County of Amherst, Virginia**

## **Notes to Required Supplementary Information**

**June 30, 2024**

- Adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service.
- No change to disability rates.
- No changes to salary scale.
- No change to line of duty rates.
- No change to discount rate.

### **All Others (Non 10 Largest) – Hazardous Duty/Public Safety Employees:**

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better fit experience and changed final retirement age from 65 to 70.
- Decreased withdrawal rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

### **Teacher cost-sharing pool**

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service.
- No change to disability rates.
- No changes to salary scale.
- No change to discount rate.





# **Other Supplementary Information**

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# **Discretely Presented Component Unit – School Board**

## **School Operating Fund**

The School Operating Fund is a Special Revenue fund that accounts for the operations of the County's school system. Financing is provided by the State and Federal Governments as well as contributions from the General Fund.

## **School Cafeteria Fund**

The Cafeteria Fund is a Special Revenue fund that accounts for the County's school lunch program. Financing is provided from lunch sales and state and federal reimbursements.

## **School Textbook Fund**

The School Textbook Fund is a Special Revenue fund that accounts for transactions related to the adoption of textbooks to be utilized in the County's school system.

## **School Construction Fund**

The School Construction Fund accounts for the construction and renovation activities for the County's school system.

## **School Activities Fund**

The School Activities Fund accounts for all funds received from extracurricular school activities, such as entertainment, athletic contests, club dues, etc., and from any and all school sponsored activities of the Schools that involve school personnel, students, or property.

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# County of Amherst, Virginia

Exhibit 31

## Discretely Presented Component Unit – School Board Combining Balance Sheet

June 30, 2024

	School Operating	School Cafeteria	School Textbook	School Construction	School Activities	Total
<b>ASSETS</b>						
Cash and investments	\$ 1,700,357	\$ 2,440,569	\$ 1,098,412	\$ 580,387	\$ 619,349	\$ 6,439,074
Accounts receivable, net	7,928	-	-	-	-	7,928
Due from primary government	99,637	-	-	-	-	99,637
Due from other governmental units	3,834,118	53,049	-	-	-	3,887,167
Prepaid items	35,690	-	-	-	-	35,690
Total assets	<u>\$ 5,677,730</u>	<u>\$ 2,493,618</u>	<u>\$ 1,098,412</u>	<u>\$ 580,387</u>	<u>\$ 619,349</u>	<u>\$ 10,469,496</u>
<b>LIABILITIES</b>						
Accounts payable and accrued expenses	\$ 1,063,552	\$ 221,502	\$ -	\$ 157,338	\$ -	\$ 1,442,392
Accrued liabilities	2,760,211	86,913	-	-	-	2,847,124
Self insurance	123,692	224,903	-	-	-	348,595
Unearned revenue	1,730,275	-	-	-	-	1,730,275
Total liabilities	<u>5,677,730</u>	<u>533,318</u>	<u>-</u>	<u>157,338</u>	<u>-</u>	<u>6,368,386</u>
<b>FUND BALANCES</b>						
Nonspendable	35,690	-	-	-	-	35,690
Assigned	-	1,960,300	1,098,412	423,049	619,349	4,101,110
Unassigned	(35,690)	-	-	-	-	(35,690)
Total fund balances	<u>-</u>	<u>1,960,300</u>	<u>1,098,412</u>	<u>423,049</u>	<u>619,349</u>	<u>4,101,110</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 5,677,730</u>	<u>\$ 2,493,618</u>	<u>\$ 1,098,412</u>	<u>\$ 580,387</u>	<u>\$ 619,349</u>	<u>\$ 10,469,496</u>

Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:

Total fund balances – governmental funds	\$ 4,101,110
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	15,785,174
Financial statement elements related to pension and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows related to:	
Pensions	\$ 8,641,654
Other postemployment benefits	893,163
Deferred inflows related to:	
Pensions	(3,550,797)
Other postemployment benefits	(596,219)
Net pension asset	1,929,911
Net pension liability	(28,914,691)
Net other postemployment benefit liability	(5,135,910)
	(26,732,889)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Compensated absences	(1,142,325)
Leases	(79,331)
Subscriptions	(182,345)
<b>Net position of governmental activities</b>	<u><u>\$ (8,250,606)</u></u>



**Discretely Presented Component Unit – School Board**  
**Combining Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances – Governmental Funds**  
**Year Ended June 30, 2024**

	School Operating	School Cafeteria	School Textbook	School Construction	School Activities	Total
<b>REVENUES</b>						
Revenue from the use of money and property	\$ 61,201	\$ -	\$ 127,715	\$ 8,610	\$ -	\$ 197,526
Charges for services	113,784	254,928	-	-	1,207,813	1,576,525
Miscellaneous	1,904,315	-	-	-	-	1,904,315
Recovered costs	88,666	-	-	-	-	88,666
Intergovernmental revenues:						
County contribution	11,699,517	-	-	55,246	-	11,754,763
Commonwealth	36,198,540	-	-	-	-	36,198,540
Federal	9,508,689	2,618,352	-	-	-	12,127,041
Total revenues	59,574,712	2,873,280	127,715	63,856	1,207,813	63,847,376
<b>EXPENDITURES</b>						
Education	59,305,582	3,153,454	-	433,583	1,206,392	64,099,011
Capital expenditures	310,545	-	-	-	-	310,545
Debt service:						
Principal	222,530	-	-	-	-	222,530
Interest	4,248	-	-	-	-	4,248
Total expenditures	59,842,905	3,153,454	-	433,583	1,206,392	64,636,334
Excess (deficiency) of revenues over expenditures	(268,193)	(280,174)	127,715	(369,727)	1,421	(788,958)
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of financing leases	47,779	-	-	-	-	47,779
Issuance of financing subscription arrangements	220,414	-	-	-	-	220,414
Total other financing sources and uses	268,193	-	-	-	-	268,193
Net change in fund balances	-	(280,174)	127,715	(369,727)	1,421	(520,765)
FUND BALANCES AT JULY 1	-	2,240,474	970,697	792,776	617,928	4,621,875
FUND BALANCES AT JUNE 30	\$ -	\$ 1,960,300	\$ 1,098,412	\$ 423,049	\$ 619,349	\$ 4,101,110

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

Net change in fund balances – total governmental funds		\$ (520,765)
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.		
Capital outlay	\$ 2,057,241	
Depreciation and amortization expense	(2,031,391)	
Allocation of debt financed school assets based on current year repayments	37,281	63,131
Governmental funds report pension contributions as expenditures. However, in the Statement of Activities the cost of pension benefits earned, net of employee contributions, is reported as pension expense.		
Employer pension contributions	4,674,218	
Pension expense	(2,244,667)	2,429,551
Governmental funds report employer other postemployment benefit contributions as expenditures. However, in the Statement of Activities the cost of these benefits earned, net of employee contributions, is reported as other postemployment benefit expense.		
Employer other postemployment benefit contributions	559,579	
Other postemployment benefit expense	(242,681)	316,898
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		(467,674)
Financing leases issued		(47,779)
Financing subscription arrangements issued		(220,414)
Lease payments		55,901
Subscription payments		166,629
<b>Change in net position of governmental activities</b>		<b>\$ 1,775,478</b>



# County of Amherst, Virginia

Exhibit 33

## Discretely Presented Component Unit – School Board Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Governmental Funds Year Ended June 30, 2024

	School Operating				School Cafeteria			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
REVENUES								
Revenue from the use of money and property	\$ -	\$ -	\$ 61,201	\$ 61,201	\$ -	\$ -	\$ -	\$ -
Charges for services	13,500	13,500	113,784	100,284	175,000	575,000	254,928	(320,072)
Miscellaneous	1,026,001	1,064,701	1,904,315	839,614	-	-	-	-
Recovered costs	112,000	112,000	88,666	(23,334)	-	-	-	-
Intergovernmental revenues:								
County contribution	16,402,089	17,152,089	11,699,517	(5,452,572)	-	-	-	-
Commonwealth	36,299,435	36,299,435	36,198,540	(100,895)	26,446	26,446	-	(26,446)
Federal	7,291,102	12,050,069	9,508,689	(2,541,380)	2,626,128	3,185,208	2,618,352	(566,856)
Total revenues	61,144,127	66,691,794	59,574,712	(7,117,082)	2,827,574	3,786,654	2,873,280	(913,374)
EXPENDITURES								
Education	61,144,127	66,691,794	59,574,712	7,117,082	2,827,574	3,786,654	3,153,454	633,200
Total expenditures	61,144,127	66,691,794	59,574,712	7,117,082	2,827,574	3,786,654	3,153,454	633,200
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (280,174)	\$ (280,174)



School Textbook				School Construction			
Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ 127,715	\$ 127,715	\$ -	\$ -	\$ 8,610	\$ 8,610
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	433,583	55,246	(378,337)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	127,715	127,715	-	433,583	63,856	(369,727)
-	-	-	-	-	433,583	433,583	-
-	-	-	-	-	433,583	433,583	-
\$ -	\$ -	\$ 127,715	\$ 127,715	\$ -	\$ -	\$ (369,727)	\$ (369,727)



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# **Discretely Presented Component Unit – Economic Development Authority**

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# County of Amherst, Virginia

Exhibit 34

## Discretely Presented Component Unit – Economic Development Authority Statement of Net Position – Proprietary Fund June 30, 2024

	<u>Enterprise Fund</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and investments	\$ 1,371,087
Prepaid items	<u>1,587</u>
Total current assets	<u>1,372,674</u>
<b>NONCURRENT ASSETS</b>	
Capital assets:	
Nondepreciable	6,217,230
Depreciable, net	<u>346,696</u>
Total noncurrent assets	<u>6,563,926</u>
Total assets	<u>7,936,600</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable	250,501
Retainage payable	262,967
Accrued interest	<u>21,875</u>
Total current liabilities	535,343
<b>NONCURRENT LIABILITIES</b>	
Notes payable	<u>1,250,000</u>
Total liabilities	<u>1,785,343</u>
<b>NET POSITION</b>	
Net investment in capital assets	4,869,235
Unrestricted	<u>1,282,022</u>
Total net position	<u><u>\$ 6,151,257</u></u>



**Discretely Presented Component Unit – Economic Development Authority**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position –**  
**Proprietary Fund**  
**Year Ended June 30, 2024**

	<u>Enterprise Fund</u>
OPERATING EXPENSES	
Incentive awards	\$ 33,323
Salaries and benefits	199,195
Contractual services	65,658
Depreciation expense	14,446
Facilities costs	3,845
Other operating costs	<u>277,354</u>
Total operating expenses	<u>593,821</u>
Operating loss	<u>(593,821)</u>
NON-OPERATING REVENUES (EXPENSES)	
Contributions from Amherst County	442,736
Federal revenues	3,519,745
Other income	112,774
Interest income	66,977
Interest expense	<u>(66,233)</u>
Total non-operating revenues, net	<u>4,075,999</u>
Change in net position	3,482,178
NET POSITION JULY 1, as restated (Note 33)	<u>2,669,079</u>
NET POSITION JUNE 30	<u><u>\$ 6,151,257</u></u>



**Discretely Presented Component Unit – Economic Development Authority**  
**Statement of Cash Flows – Proprietary Fund**  
Year Ended June 30, 2024

	<u>Enterprise Fund</u>
<b>OPERATING ACTIVITIES</b>	
Payments to employees	\$ (201,506)
Payments to grantees and suppliers	26,019
	<hr/>
Net cash used in operating activities	(175,487)
	<hr/>
<b>NONCAPITAL FINANCING ACTIVITIES</b>	
Contributions from Amherst County	442,736
Federal revenues	3,519,745
Other receipts	112,774
	<hr/>
Net cash provided by noncapital financing activities	4,075,255
	<hr/>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	(5,058,213)
Interest income	66,977
Interest paid on long-term debt	(44,357)
	<hr/>
Net cash used in capital and related financing activities	(5,035,593)
	<hr/>
Net decrease in cash and cash equivalents	(1,135,825)
	<hr/>
<b>CASH AND CASH EQUIVALENTS</b>	
Beginning at July 1	2,506,912
	<hr/>
Ending at June 30	<u><u>\$ 1,371,087</u></u>
	<hr/>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES</b>	
Operating loss	\$ (593,821)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	14,446
Change in assets and liabilities:	
Increase in accounts payable	165,232
Increase in retainage payable	240,967
Decrease in accrued wages	(2,311)
	<hr/>
Net cash used in operating activities	<u><u>\$ (175,487)</u></u>
	<hr/>
<b>NONCASH CAPITAL AND RELATED FINANCING</b>	
Capital assets acquired through accounts payable	<u><u>\$ 444,691</u></u>





# Supporting Schedules

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# County of Amherst, Virginia

Schedule 1

## Governmental Funds and Discretely Presented Component Unit – School Board Schedule of Revenues – Budget and Actual Year Ended June 30, 2024

	Budget Amounts		Actual	Variance From Final Budget Positive (Negative)
	Original	Final		
Primary Government:				
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 15,450,000	\$ 15,462,341	\$ 15,447,577	\$ (14,764)
Real and personal public service corporation property taxes	805,000	805,000	774,755	(30,245)
Personal property taxes	11,583,000	11,583,000	8,514,984	(3,068,016)
Mobile home taxes	75,000	75,000	97,028	22,028
Machinery and tools taxes	2,420,800	2,420,800	2,294,925	(125,875)
Penalties	250,000	250,000	316,546	66,546
Interest	160,000	160,000	206,554	46,554
Total general property taxes	30,743,800	30,756,141	27,652,369	(3,103,772)
Other local taxes:				
Local sales and use taxes	4,368,000	4,368,000	4,601,550	233,550
Consumers' utility taxes	1,745,000	1,745,000	1,723,267	(21,733)
Business license taxes	1,150,000	1,150,000	1,282,306	132,306
Bank stock taxes	125,000	125,000	152,964	27,964
Motor vehicle licenses	830,000	830,000	853,421	23,421
Taxes on recordation and wills	375,000	375,000	311,325	(63,675)
Lodging taxes	140,400	140,400	146,240	5,840
Meals tax	1,339,000	1,339,000	1,755,945	416,945
Cigarette tax	400,000	400,000	356,250	(43,750)
Total other local taxes	10,472,400	10,472,400	11,183,268	710,868
Permits, privilege fees, and regulatory licenses:				
Animal licenses	6,300	6,300	5,259	(1,041)
Building and related permits	154,250	154,250	231,360	77,110
Permits and other licenses	30,750	30,750	48,630	17,880
Total permits, privilege fees, and regulatory licenses	191,300	191,300	285,249	93,949
Fines and forfeitures:				
Court fines and forfeitures	-	38,320	193,596	155,276
Total fines and forfeitures	-	38,320	193,596	155,276
Revenue from use of money and property:				
Revenue from use of money	228,000	228,000	1,091,957	863,957
Revenue from use of property	129,750	129,750	112,457	(17,293)
Total revenue from use of money and property	357,750	357,750	1,204,414	846,664
Charges for services:				
Sheriff's fees	2,199	2,199	2,199	-
Collection fees – taxes and liens	100,000	101,928	115,554	13,626
Commonwealth attorney fees	3,500	3,500	9,610	6,110
Courthouse security fees	67,000	67,000	81,196	14,196
Jail processing fees	2,000	2,000	1,896	(104)
Charges for parks and recreation	60,000	60,000	66,831	6,831
Library	8,000	8,000	3,800	(4,200)
Emergency medical service fees	1,514,051	1,514,051	1,448,870	(65,181)
Telecommunication charges	-	43,327	94,213	50,886
Other charges for services	-	242,800	248,304	5,504
Total charges for services	1,756,750	2,044,805	2,072,473	27,668



# County of Amherst, Virginia

Schedule 1

## Governmental Funds and Discretely Presented Component Unit – School Board Schedule of Revenues – Budget and Actual Year Ended June 30, 2024

	Budget Amounts			Variance From Final Budget Positive (Negative)
	Original	Final	Actual	
Miscellaneous revenue:				
Miscellaneous	211,600	300,976	183,987	(116,989)
Total miscellaneous revenue	211,600	300,976	183,987	(116,989)
Recovered costs:				
Social services	25,000	26,165	1,190	(24,975)
CSA recoveries	59,000	59,000	21,260	(37,740)
Public safety	168,550	189,104	108,825	(80,279)
Miscellaneous recoveries	68,210	68,210	65,640	(2,570)
Total recovered costs	320,760	342,479	196,915	(145,564)
Total revenue from local sources	44,054,360	44,504,171	42,972,271	(1,531,900)
Intergovernmental revenue:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Motor vehicles carriers' tax	77,000	77,000	88,216	11,216
Mobile home titling taxes	38,282	38,282	67,031	28,749
Auto rental tax	15,000	15,000	35,778	20,778
PPTRA	2,199,018	2,199,018	2,199,018	-
Total noncategorical aid	2,329,300	2,329,300	2,390,043	60,743
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	510,000	589,024	590,707	1,683
Sheriff	1,942,550	2,013,995	1,997,793	(16,202)
Commissioner of the Revenue	123,000	159,139	147,069	(12,070)
Treasurer	136,500	136,500	168,349	31,849
Registrar/electoral board	72,400	136,400	106,011	(30,389)
Clerk of the Circuit Court	350,000	365,064	376,263	11,199
Total shared expenses	3,134,450	3,400,122	3,386,192	(13,930)
Other categorical aid:				
Public assistance and welfare administration	1,395,805	1,482,028	1,050,211	(431,817)
Health department	11,000	11,000	64,101	53,101
Library grant	178,000	231,210	231,334	124
Fire program	125,000	188,578	131,458	(57,120)
EMS – 4 for life	33,500	33,500	34,321	821
Juvenile justice – crime control	37,100	37,100	24,170	(12,930)
Victim witness	101,484	101,484	70,784	(30,700)
Emergency management grant	14,711	61,833	65,470	3,637
Juror reimbursement	20,000	20,000	12,300	(7,700)
Comprehensive services	2,011,700	2,011,700	1,742,024	(269,676)
Miscellaneous	46,000	90,016	45,374	(44,642)
Total other categorical aid	3,974,300	4,268,449	3,471,547	(796,902)
Total categorical aid	7,108,750	7,668,571	6,857,739	(810,832)
Total revenue from the Commonwealth	9,438,050	9,997,871	9,247,782	(750,089)
Revenue from the Federal Government:				
Non-categorical aid:				
Payment in lieu of taxes	130,000	130,000	160,407	30,407



# County of Amherst, Virginia

Schedule 1

## Governmental Funds and Discretely Presented Component Unit – School Board Schedule of Revenues – Budget and Actual Year Ended June 30, 2024

	Budget Amounts		Actual	Variance From Final Budget Positive (Negative)
	Original	Final		
Categorical aid:				
Public assistance and welfare	2,109,000	2,109,000	2,268,009	159,009
Total categorical aid	2,109,000	2,109,000	2,268,009	159,009
Total revenue from the Federal Government	2,239,000	2,239,000	2,428,416	189,416
Other Financing Sources				
Debt proceeds	564,875	564,875	-	(564,875)
Issuance of financing leases	-	-	74,983	74,983
Transfers in	2,722,553	6,071,461	864,105	(5,207,356)
Total other financing sources	3,287,428	6,636,336	939,088	(5,697,248)
Total general fund	59,018,838	63,377,378	55,587,557	(7,789,821)
Special Revenue Fund:				
Revenue from local sources:				
Charges for services:				
Recreation trips	-	14,731	14,731	-
Landfill operations	601,000	702,000	1,009,943	307,943
Total charges for services	601,000	716,731	1,024,674	307,943
Miscellaneous revenue:				
Dare donations	-	11,367	11,367	-
Miscellaneous	-	1,308,230	219,188	(1,089,042)
Total miscellaneous revenue	-	1,319,597	230,555	(1,089,042)
Recovered costs:				
Recovered costs	-	-	2,702	2,702
Total revenue from local sources	601,000	2,036,328	1,257,931	(778,397)
Intergovernmental revenue:				
Revenue from the Commonwealth:				
Other categorical aid:				
E-911 wireless grant	-	107,200	147,545	40,345
Litter control	15,000	15,000	18,900	3,900
DEQ and RSAF grants	-	313,150	392,294	79,144
Other state revenues	-	-	81	81
Total revenue from the Commonwealth	15,000	435,350	558,820	123,470
Revenue from the Federal Government:				
Categorical aid:				
Community development block grant	-	342	-	(342)
DMV grants	-	8,444	12,914	4,470
Sheriff grants	-	32,993	30,272	(2,721)
American rescue plan act	-	377,082	1,031,593	654,511
Miscellaneous	-	357,110	308,708	(48,402)
Total revenue from the Federal Government	-	775,971	1,383,487	607,516
Other Financing Sources				
Transfers in	1,406,028	2,845,618	2,343,838	(501,780)
Total other financing sources	1,406,028	2,845,618	2,343,838	(501,780)
Total special revenue fund	2,022,028	6,093,267	5,544,076	(549,191)



# County of Amherst, Virginia

Schedule 1

## Governmental Funds and Discretely Presented Component Unit – School Board Schedule of Revenues – Budget and Actual Year Ended June 30, 2024

	Budget Amounts			Variance From Final Budget Positive (Negative)
	Original	Final	Actual	
Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	-	-	1,416,462	1,416,462
Miscellaneous revenue:				
Miscellaneous	-	18,685,207	-	(18,685,207)
Other Financing Sources				
Debt proceeds	-	-	15,855,000	15,855,000
Premium on debt issuance	-	-	609,324	609,324
Issuance of financing leases	-	-	74,983	74,983
Transfers in	-	18,309	18,309	-
Total other financing sources	-	18,309	16,557,616	16,539,307
Total capital projects fund	-	18,703,516	17,974,078	(729,438)
Total revenues – primary government	<u>\$ 61,040,866</u>	<u>\$ 88,174,161</u>	<u>\$ 79,105,711</u>	<u>\$ (9,068,450)</u>
Component Unit – School Board:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of property	\$ -	\$ -	\$ 61,201	\$ 61,201
Charges for services:				
Tuition	11,500	11,500	55,859	44,359
Transportation	-	-	18,114	18,114
Other	2,000	2,000	39,811	37,811
Total charges for services	13,500	13,500	113,784	100,284
Miscellaneous revenue:				
Miscellaneous	1,026,001	1,064,701	1,904,315	839,614
Recovered costs:				
Recovered costs	112,000	112,000	88,666	(23,334)
Total revenue from local sources	1,151,501	1,190,201	2,167,966	977,765
Intergovernmental revenue:				
County contribution to School Board	16,402,089	17,152,089	11,699,517	(5,452,572)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	7,030,955	7,030,955	7,662,038	631,083
Basic school aid	15,146,496	15,146,496	15,353,119	206,623
Special education SOQ	1,726,432	1,726,432	1,726,520	88
Remedial education	558,091	558,091	558,120	29
Technology	-	-	249,042	249,042
Lottery	1,047,695	1,047,695	1,056,045	8,350
Primary class size	689,302	689,302	698,465	9,163
Fringe benefits	3,004,305	3,004,305	2,996,633	(7,672)
Textbooks	345,234	345,234	345,252	18
Preschool	732,208	732,208	-	(732,208)
Gifted and talented	146,043	146,043	146,050	7
At-risk	1,757,309	1,757,309	1,795,516	38,207
Regional program	504,571	504,571	786,888	282,317
Vocational education SOQ	406,833	406,833	406,854	21
Salary Supplement	2,077,478	2,077,478	2,335,054	257,576



# County of Amherst, Virginia

Schedule 1

## Governmental Funds and Discretely Presented Component Unit – School Board Schedule of Revenues – Budget and Actual Year Ended June 30, 2024

	Budget Amounts		Actual	Variance From Final Budget Positive (Negative)
	Original	Final		
Adult Basic Education Regionalization	110,000	110,000	78,899	(31,101)
Other state funds	1,016,483	1,016,483	4,045	(1,012,438)
Total categorical aid	36,299,435	36,299,435	36,198,540	(100,895)
Total revenue from the Commonwealth	36,299,435	36,299,435	36,198,540	(100,895)
Revenue from the Federal Government:				
Non-categorical				
Federal land use	59,101	59,101	68,520	9,419
Categorical aid:				
Preschool handicap	20,925	20,925	706,076	685,151
Adult basic aid	374,277	374,277	283,771	(90,506)
Title I	996,654	996,654	1,019,167	22,513
Title II	232,204	574,942	194,491	(380,451)
Title VI-B special education	1,009,619	1,009,619	1,093,588	83,969
Vocational education	88,250	88,250	105,569	17,319
ESSER II	142,920	142,920	247,580	104,660
ESSER III	4,083,152	5,083,152	5,090,560	7,408
Other education	284,000	3,700,229	699,367	(3,000,862)
Total categorical aid	7,232,001	11,990,968	9,440,169	(2,550,799)
Total revenue from the Federal Government	7,291,102	12,050,069	9,508,689	(2,541,380)
Total school operating fund	61,144,127	66,691,794	59,574,712	(7,117,082)
School Cafeteria Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	175,000	575,000	254,928	(320,072)
Intergovernmental revenue:				
Revenue from the Commonwealth:				
Categorical aid:				
School food	26,446	26,446	-	(26,446)
Revenue from the Federal Government:				
Categorical aid:				
School food	2,626,128	3,185,208	2,618,352	(566,856)
Total school cafeteria fund	2,827,574	3,786,654	2,873,280	(913,374)
School Textbook Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of money	-	-	127,715	127,715
Total school textbook fund	-	-	127,715	127,715
School Construction Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from use of property	-	-	8,610	8,610
Total revenue from use of money and property	-	-	8,610	8,610
Intergovernmental revenue:				
County contribution to School Board	-	433,583	55,246	(378,337)
Total school construction fund	-	433,583	63,856	(369,727)
Total revenues – component unit – school board	<u>\$ 63,971,701</u>	<u>\$ 70,912,031</u>	<u>\$ 62,639,563</u>	<u>\$ (8,272,468)</u>



# County of Amherst, Virginia

Schedule 2

## Governmental Funds and Discretely Presented Component Unit – School Board Schedule of Expenditures – Budget and Actual Year Ended June 30, 2024

	Budget Amounts		Actual	Variance From Final Budget Positive (Negative)
	Original	Final		
Primary Government:				
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 188,313	\$ 174,749	\$ 150,702	\$ 24,047
General and financial administration:				
County administrator	342,508	414,056	411,406	2,650
Commissioner of the revenue	442,831	495,634	491,687	3,947
Treasurer	530,747	556,702	541,183	15,519
Finance	442,837	532,903	529,602	3,301
Purchasing	223,969	210,938	205,968	4,970
County attorney	122,750	122,750	114,381	8,369
Information technology	666,134	1,772,291	873,623	898,668
Human resources	277,784	326,991	312,508	14,483
Total general and financial administration	3,049,560	4,432,265	3,480,358	951,907
Board of Elections/Registrar:				
Electoral board and officials and registrar	307,369	466,922	427,481	39,441
Total general government administration	3,545,242	5,073,936	4,058,541	1,015,395
Judicial administration:				
Courts:				
Circuit court	111,230	137,767	134,874	2,893
General district court	10,684	10,684	10,332	352
Magistrate	1,750	1,750	-	1,750
Juvenile and domestic relations court	12,750	36,610	36,412	198
Clerk of the circuit court	684,978	754,477	738,155	16,322
Jurors	20,000	12,000	11,680	320
VJCCCA	78,430	13,430	9,766	3,664
Total courts	919,822	966,718	941,219	25,499
Commonwealth's attorney:				
Commonwealth's attorney	895,753	1,098,962	1,080,668	18,294
Victim advocate grant	157,724	183,084	182,656	428
Total commonwealth's attorney	1,053,477	1,282,046	1,263,324	18,722
Total judicial administration	1,973,299	2,248,764	2,204,543	44,221
Public safety:				
Law enforcement and traffic control:				
Sheriff	5,267,333	6,175,962	6,044,771	131,191
Total law enforcement and traffic control	5,267,333	6,175,962	6,044,771	131,191
Fire and rescue services:				
Volunteer emergency services	401,259	470,098	438,402	31,696
Volunteer rescue services	214,036	139,383	106,374	33,009
Emergency medical services	2,484,959	2,944,140	2,853,877	90,263
Emergency service council	298,442	472,202	384,587	87,615
Total fire and rescue services	3,398,696	4,025,823	3,783,240	242,583
Correction and detention:				
Contribution to regional jail operations	1,742,282	1,804,305	1,804,305	-
Inspections:				
Building	455,187	504,723	504,661	62



# County of Amherst, Virginia

Schedule 2

## Governmental Funds and Discretely Presented Component Unit – School Board Schedule of Expenditures – Budget and Actual Year Ended June 30, 2024

	Budget Amounts		Actual	Variance From Final Budget Positive (Negative)
	Original	Final		
Other protection:				
Animal control	163,893	169,966	165,684	4,282
Animal shelter	262,941	255,160	254,340	820
Emergency services	1,452,398	2,168,160	1,674,070	494,090
Communications dispatch	1,119,122	1,430,134	1,428,479	1,655
Other public safety	166,750	298,086	327,928	(29,842)
Total other protection	3,165,104	4,321,506	3,850,501	471,005
Total public safety	14,028,602	16,832,319	15,987,478	844,841
Public works:				
Maintenance of general buildings and grounds:				
General properties	1,149,845	2,187,482	2,102,843	84,639
Health and welfare:				
Health:				
Supplement of local health department	239,493	221,287	218,765	2,522
Mental health:				
Community services board	164,410	164,410	164,410	-
Welfare:				
Welfare administration	3,461,143	3,733,772	3,504,918	228,854
Public assistance	1,166,053	1,221,158	928,446	292,712
County contributions	212,215	212,215	192,368	19,847
Comprehensive services	2,865,796	2,885,545	2,835,110	50,435
Tax relief for the elderly	250,000	262,341	262,341	-
Total welfare	7,955,207	8,315,031	7,723,183	591,848
Total health and welfare	8,359,110	8,700,728	8,106,358	594,370
Education:				
Contributions to community colleges	6,759	6,759	6,759	-
County contribution to School Board	16,457,335	16,457,335	11,754,763	4,702,572
Total education	16,464,094	16,464,094	11,761,522	4,702,572
Parks, recreation and cultural:				
Parks and recreation				
Parks and recreation	520,679	846,447	735,756	110,691
Library:				
Library	937,693	1,121,988	1,112,826	9,162
Museum	72,976	82,864	82,863	1
Total library	1,010,669	1,204,852	1,195,689	9,163
Total parks, recreation, and cultural	1,531,348	2,051,299	1,931,445	119,854
Community development:				
Planning and community development:				
Planning	378,255	401,556	365,035	36,521
Planning commission	26,119	26,119	21,645	4,474
Zoning board	2,408	2,408	1,064	1,344
Central Virginia planning	20,312	20,312	20,312	-
EDA board	9,043	9,043	6,567	2,476
Contribution to EDA	444,939	444,939	442,736	2,203
Tourism	85,400	85,400	52,437	32,963
County fair	-	227,708	227,708	-
Community development projects	32,000	379,434	381,637	(2,203)
Total planning and community development	998,476	1,596,919	1,519,141	77,778



**Governmental Funds and Discretely Presented Component Unit – School Board**  
**Schedule of Expenditures – Budget and Actual**  
**Year Ended June 30, 2024**

	Budget Amounts			Variance From Final Budget Positive (Negative)
	Original	Final	Actual	
Environmental management:				
Soil and water conservation district	10,000	10,000	10,000	-
Cooperative extension program:				
VPI extension	129,441	129,441	104,918	24,523
Total community development	1,137,917	1,736,360	1,634,059	102,301
Non-Departmental:				
Non-departmental:				
Insurance	70,000	70,000	66,346	3,654
Line of duty	75,000	75,000	73,629	1,371
Other	4,473,411	551,408	147,871	403,537
Total non-departmental	4,618,411	696,408	287,846	408,562
Capital Outlay:				
Capital outlay:				
Financing leases	-	-	74,983	(74,983)
Debt service:				
Principal retirement	2,615,000	2,615,000	2,639,927	(24,927)
Interest and fiscal charges	1,439,687	1,439,687	1,414,757	24,930
Bond issuance costs	4,000	629,250	633,116	(3,866)
Total debt service	4,058,687	4,683,937	4,687,800	(3,863)
Other Financing Uses				
Transfers out	2,152,283	2,700,954	3,114,097	(413,143)
Total other financing sources (uses)	2,152,283	2,700,954	3,114,097	(413,143)
Total general fund	59,018,838	63,376,281	55,876,532	7,499,749
Special Revenue Fund:				
Public safety:				
Other protection:				
Miscellaneous public safety grants	-	2,165,856	2,114,784	51,072
DARE program	-	70,574	70,574	-
Total public safety	-	2,236,430	2,185,358	51,072
Sanitation and waste removal:				
Solid waste	2,022,028	3,592,994	3,436,874	156,120
Total public works	2,022,028	3,592,994	3,436,874	156,120
Parks, recreation and cultural:				
Parks and recreation				
Parks and recreation	-	21,484	21,484	-
Cultural				
Miscellaneous grants	-	90,610	90,610	-
Total parks, recreation, and cultural	-	112,094	112,094	-
Community development:				
Planning and community development:				
CDBG projects	-	39,592	39,592	-
Total community development	-	39,592	39,592	-



# County of Amherst, Virginia

Schedule 2

## Governmental Funds and Discretely Presented Component Unit – School Board Schedule of Expenditures – Budget and Actual Year Ended June 30, 2024

	Budget Amounts			Variance From Final Budget Positive (Negative)
	Original	Final	Actual	
Other financing uses:				
Transfers out	-	112,155	112,155	-
Total special revenue funds	2,022,028	6,093,265	5,886,073	207,192
Capital Projects Fund:				
Public works:				
General construction projects	-	18,704,616	7,402,943	11,301,673
Total capital projects fund	-	18,704,616	7,402,943	11,301,673
Total expenditures – primary government	<u>\$ 61,040,866</u>	<u>\$ 88,174,162</u>	<u>\$ 69,165,548</u>	<u>\$ 19,008,614</u>
Component Unit – School Board:				
School Operating Fund:				
Education:				
Instruction	\$ 43,265,851	\$ 45,980,001	\$ 44,289,200	\$ 1,690,801
Administration, attendance, and health	2,988,263	3,511,423	3,158,543	352,880
Pupil transportation services	4,331,438	4,413,603	4,297,873	115,730
Operation and maintenance services	8,532,059	10,099,761	5,210,988	4,888,773
Technology	2,026,516	2,687,006	2,618,108	68,898
Total education	61,144,127	66,691,794	59,574,712	7,117,082
Special Revenue Fund:				
School Cafeteria Fund:				
Education:				
School food services	2,827,574	3,786,654	3,153,454	633,200
School Construction Fund:				
Education:				
Capital projects	-	433,583	433,583	-
Total expenditures – component unit – school board	<u>\$ 63,971,701</u>	<u>\$ 70,912,031</u>	<u>\$ 63,161,749</u>	<u>\$ 7,750,282</u>





# **Other Information Section**

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**County of Amherst, Virginia**  
**Government-Wide Expenses by Function**  
**Last Ten Fiscal Years**  
**(Unaudited)**

**Table 1**

<b>Fiscal Year</b>	<b>General Government Administration</b>	<b>Judicial Administration</b>	<b>Public Safety</b>	<b>Public Works</b>	<b>Health and Welfare</b>	<b>Education</b>	<b>Recreation and Cultural</b>	<b>Community Development</b>	<b>Interest on Debt</b>	<b>Lease Payments</b>	<b>Water and Sewer</b>	<b>Total</b>
2015	\$ 2,297,022	\$ 1,269,372	\$ 10,575,623	\$ 3,326,923	\$ 3,818,367	\$ 14,418,116	\$ 1,555,006	\$ 1,375,216	\$ 688,554	\$ -	\$ 3,819,278	\$ 43,143,477
2016	2,252,063	1,279,439	10,108,631	3,380,591	4,133,175	15,663,137	1,221,157	655,103	600,798	-	3,792,350	43,086,444
2017	2,769,062	1,295,433	10,908,850	3,074,740	4,572,841	15,813,456	1,232,390	1,247,749	1,458,621	-	3,810,554	46,183,696
2018	2,715,342	1,349,155	11,362,549	3,471,751	4,676,817	15,378,025	1,091,043	1,427,839	1,040,351	-	4,066,492	46,579,364
2019	3,332,172	1,492,417	11,645,637	3,870,102	5,694,210	15,744,408	1,342,938	1,408,928	931,975	-	4,438,476	49,901,263
2020	3,242,000	1,729,315	11,705,418	4,624,421	6,563,281	15,393,007	1,432,705	2,350,505	849,921	-	3,966,483	51,857,056
2021	3,180,105	1,700,946	15,496,706	6,174,788	6,630,119	14,594,918	1,436,038	2,395,581	951,842	-	4,169,204	56,730,247
2022	3,494,989	1,713,062	21,630,459	2,538,585	6,622,475	13,202,097	1,042,750	1,568,937	704,367	58,415	4,416,296	56,992,432
2023	3,567,177	1,367,749	14,854,982	2,511,441	6,973,472	12,331,673	1,629,181	3,337,364	1,316,342	-	2,794,650	50,684,031
2024	3,310,959	2,144,544	17,174,165	5,181,032	7,900,600	13,174,421	1,502,601	1,676,931	2,178,876	-	6,039,423	60,283,552



# County of Amherst, Virginia

Table 2

## Government-Wide Revenues

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	General Property Taxes	Other Local Taxes	Grants and Contributions Not Restricted to Specific Programs	Revenues from the Use of Money and Property	Miscellaneous	Total
2015	\$ 6,338,102	\$ 5,487,075	\$ 417,869	\$ 21,721,228	\$ 6,848,592	\$ 2,435,205	\$ 177,154	\$ 189,654	\$ 43,614,879
2016	6,820,048	5,603,239	398,248	21,990,825	7,021,941	2,467,038	124,223	141,268	44,566,830
2017	6,906,027	6,114,114	527,439	23,786,506	7,107,816	2,413,980	234,641	328,698	47,419,221
2018	7,031,180	6,328,886	-	24,038,201	7,168,048	2,561,106	341,432	576,546	48,045,399
2019	7,411,429	6,708,976	-	24,229,683	7,285,683	2,530,141	401,287	899,353	49,466,552
2020	7,380,330	7,720,720	28,263	24,680,553	7,698,266	3,536,701	294,873	638,319	51,978,025
2021	7,134,104	7,772,688	142,958	26,172,789	8,833,419	8,621,010	127,419	1,235,378	60,039,765
2022	7,536,556	8,063,536	1,032,410	26,845,935	9,739,259	9,556,490	156,960	1,097,312	64,028,458
2023	5,541,052	9,084,343	8,588	27,923,237	10,388,566	3,308,705	1,334,334	874,064	58,462,889
2024	8,334,358	10,160,979	-	27,544,641	11,183,268	3,954,852	3,237,792	1,828,959	66,244,849



# County of Amherst, Virginia

Table 3

## General Government Revenues by Source <sup>(1)</sup> Last Ten Fiscal Years (Unaudited)

Fiscal Year	General Property Taxes	Other Local Taxes	Permit Privilege Fees and Regulatory Licenses	Fines and Forfeitures	Revenues from the Use of Money and Property	Charges for Services	Miscellaneous	Recovered Costs	Inter- Governmental <sup>(2)</sup>	Total
2015	\$ 21,700,594	\$ 6,848,592	\$ 153,827	\$ 443,406	\$ 374,454	\$ 2,920,001	\$ 292,097	\$ 1,166,486	\$ 39,340,868	\$ 73,240,325
2016	21,919,213	7,021,941	166,321	278,583	301,536	2,973,236	321,780	1,107,912	38,383,212	72,473,734
2017	23,735,333	7,107,816	239,820	469,572	461,042	2,761,065	802,394	980,145	39,009,863	75,567,050
2018	24,052,792	7,168,048	222,071	530,585	756,878	2,858,668	824,943	822,514	39,865,328	77,101,827
2019	24,281,191	7,285,683	178,315	430,626	921,330	3,350,349	1,069,298	1,021,700	41,835,972	80,374,464
2020	24,650,547	7,698,266	213,979	298,887	749,389	3,023,986	497,902	645,502	45,032,981	82,811,439
2021	26,203,903	8,833,419	195,798	228,358	203,624	3,650,656	1,690,319	396,411	52,288,189	93,690,677
2022	27,187,859	9,739,259	232,409	163,301	219,706	3,899,418	1,210,830	307,726	55,606,168	98,566,676
2023	27,108,149	10,388,566	184,451	195,791	1,186,010	4,261,263	762,870	488,487	60,489,505	105,065,092
2024	27,652,369	11,183,268	285,249	193,596	2,885,379	4,673,672	2,431,631	288,283	65,463,831	115,057,278

<sup>(1)</sup> Includes General, Special Revenue, and Capital Project Funds of the Primary Government and its Discretely Presented Component Units.

<sup>(2)</sup> Excludes contribution from Primary Government to Discretely Presented Component Units.



# County of Amherst, Virginia

Table 4

## General Governmental Expenditures by Function <sup>(1)</sup> Last Ten Fiscal Years (Unaudited)

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education <sup>(2)</sup>	Recreation and Cultural	Community Development <sup>(2)</sup>	Non-developmental	Capital Projects	Debt Service	Total
2015	\$ 2,220,308	\$ 1,234,131	\$ 10,753,707	\$ 2,887,296	\$ 3,876,099	\$ 45,490,573	\$ 1,491,094	\$ 1,116,624	\$ 99,190	\$ 472,615	\$ 2,478,022	\$ 72,119,659
2016	2,470,122	1,234,688	10,994,314	2,786,914	4,253,852	46,113,110	1,313,819	1,022,438	136,625	2,747,028	2,407,984	75,480,894
2017	2,591,426	1,239,942	11,928,485	2,646,505	4,615,919	46,961,515	1,593,137	1,228,419	114,247	12,425,601	2,961,192	88,306,388
2018	2,489,389	1,336,579	11,361,700	2,990,098	4,725,330	46,597,341	1,302,676	1,380,561	193,501	8,872,209	2,912,923	84,162,307
2019	2,692,756	1,455,479	11,540,020	2,962,085	5,827,377	47,333,256	1,351,168	1,701,167	400,658	2,407,251	3,508,338	81,179,555
2020	2,669,759	1,573,487	10,371,672	3,183,445	6,453,401	49,412,192	2,456,106	2,645,873	271,500	2,052,813	3,507,015	84,597,263
2021	2,865,634	1,548,936	14,893,305	2,770,113	6,515,534	50,356,831	1,612,883	2,580,162	217,966	2,952,192	19,838,780	106,152,336
2022	3,067,647	1,673,797	15,242,611	3,344,743	6,757,405	55,366,493	1,656,583	1,822,786	179,303	4,015,849	3,493,479	96,620,696
2023	3,549,975	1,826,558	14,807,075	4,535,278	7,189,600	71,193,223	1,568,950	3,330,812	41,111	1,596,464	3,888,953	113,527,999
2024	4,058,541	2,204,543	18,172,836	5,539,717	8,106,358	75,860,533	2,043,539	2,267,472	287,846	7,788,471	4,914,578	131,244,434

<sup>(1)</sup> Includes General, Special Revenue, and Capital Project funds of the Primary Government and its Discretely Presented Component Units.

<sup>(2)</sup> Excludes contribution from Primary Government to Discretely Presented Component Units.



**County of Amherst, Virginia**  
**Assessed Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(Unaudited)**

**Table 5**

<b>Fiscal Year</b>	<b>Real Estate</b>	<b>Personal Property</b>	<b>Mobile Homes</b>	<b>Machinery and Tools</b>	<b>Merchants' Capital</b>	<b>Public Service</b>	<b>Total</b>
2015	\$ 2,322,802,000	\$ 221,807,920	\$ 12,478,000	\$ 91,682,335	\$ 7,195,285	\$ 110,708,512	\$ 2,766,674,052
2016	2,328,617,800	228,367,429	10,230,500	102,058,311	7,959,415	118,573,643	2,795,807,098
2017	2,336,518,000	238,821,725	10,392,150	109,064,626	6,792,875	126,915,081	2,828,504,457
2018	2,351,114,100	248,466,285	10,571,150	113,111,841	8,116,970	126,915,081	2,858,295,427
2019	2,361,100,400	258,157,030	11,163,000	103,614,690	7,458,340	127,246,052	2,868,739,512
2020	2,443,055,800	268,543,433	12,072,500	106,547,800	8,391,240	114,633,907	2,953,244,680
2021	2,455,478,600	276,971,587	16,836,560	125,669,580	9,578,020	120,860,837	3,005,395,184
2022	2,456,600,600	279,348,260	16,524,630	116,154,270	-	131,519,346	3,000,147,106
2023	2,488,921,500	309,359,280	16,766,880	116,961,290	-	108,997,976	3,041,006,926
2024	2,528,092,300	286,186,851	18,317,880	114,140,116	-	126,955,846	3,073,692,993



# County of Amherst, Virginia

Table 6

## Property Tax Rates

Last Ten Fiscal Years  
(Unaudited)

<b>Fiscal Year</b>	<b>Real Estate</b>	<b>Personal Property</b>	<b>Mobile Homes</b>	<b>Machinery and Tools</b>	<b>Merchants' Capital</b>
2015	\$ 0.56	\$ 3.45	\$ 0.56	\$ 2.00	\$ 3.95
2016	0.61	3.45	0.61	2.00	3.95
2017	0.61	3.45	0.61	2.00	3.95
2018	0.61	3.45	0.61	2.00	3.95
2019	0.61	3.45	0.61	2.00	3.95
2020	0.61	3.45	0.61	2.00	3.95
2021	0.61	3.45	0.61	2.00	3.95
2022	0.61	3.45	0.61	2.00	-
2023	0.61	3.45	0.61	2.00	-
2024	0.61	3.45	0.61	2.00	-



**County of Amherst, Virginia**  
**Property Tax Levies and Collections**  
Last Ten Fiscal Years  
(Unaudited)

Table 7

Fiscal Year	Total Tax Levy	Current Tax Collections <sup>(1)</sup>	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes <sup>(1, 2)</sup>	Percent of Delinquent Taxes to Tax Levy
2015	\$ 23,299,349	\$ 22,195,862	95.26 %	\$ 1,703,750	\$ 23,899,612	102.58 %	\$ 991,033	4.25 %
2016	24,957,139	23,599,590	94.56	518,641	24,118,231	96.64	1,117,498	4.48
2017	25,005,330	24,166,916	96.65	1,631,312	25,798,228	103.17	1,200,017	4.80
2018	25,561,439	24,588,889	96.20	1,296,055	25,884,944	101.27	1,315,787	5.15
2019	25,744,343	24,840,449	96.49	1,255,376	26,095,825	101.37	1,450,481	5.63
2020	26,593,717	25,728,884	96.75	618,915	26,347,799	99.08	1,005,103	3.78
2021	27,612,892	27,000,222	97.78	445,625	27,445,847	99.40	1,035,740	3.75
2022	28,847,748	28,413,072	98.49	568,962	28,982,034	100.47	1,064,611	3.69
2023	30,148,365	28,147,621	93.36	690,517	28,838,138	95.65	1,040,377	3.45
2024	29,790,183	28,160,221	94.53	1,168,066	29,328,287	98.45	1,353,144	4.54

<sup>(1)</sup> Exclusive of penalties and interest.

<sup>(2)</sup> Includes three years taxes.



# County of Amherst, Virginia

Table 8

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

<b>Fiscal Year</b>	<b>Population <sup>(1)</sup></b>	<b>Assessed Value <sup>(2)</sup></b>	<b>Gross Bonded Debt <sup>(3)</sup></b>	<b>Less: Debt Payable from Enterprise Revenue</b>	<b>Net General Bonded Debt</b>	<b>Ratio of Gross Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt per Capita</b>
2015	32,353	\$ 2,766,674,052	\$ 23,329,381	\$ 9,240,000	\$ 14,089,381	0.84 %	\$ 435
2016	31,914	2,795,807,098	21,350,548	8,975,000	12,375,548	0.76	388
2017	31,914	2,828,504,457	23,798,456	8,695,000	15,103,456	0.84	473
2018	31,594	2,858,295,427	23,024,941	9,272,000	13,752,941	0.81	435
2019	31,666	2,868,739,512	21,081,822	8,884,000	12,197,822	0.73	385
2020	31,605	2,953,244,680	19,200,909	8,477,000	10,723,909	0.65	339
2021	31,605	3,005,395,184	29,062,000	9,922,000	19,140,000	0.97	606
2022	31,273	3,000,147,106	40,408,000	9,523,000	30,885,000	1.35	988
2023	31,589	3,041,006,926	48,488,000	18,938,000	29,550,000	1.59	935
2024	31,396	3,073,692,993	62,425,000	18,330,000	44,095,000	2.03	1,404

<sup>(1)</sup> Bureau of the Census.

<sup>(2)</sup> From Table 5.

<sup>(3)</sup> Includes all long-term general obligation debt.



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# Compliance Section

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

Honorable Members of Board of Supervisors  
County of Amherst, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns* and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Amherst, Virginia (the "County"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 16, 2024.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. **We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Item 2024-001 that we consider to be a significant deficiency.**



## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. **The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as Item 2024-003.**

## County of Amherst, Virginia's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## Purpose of this Report

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

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

CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia  
December 16, 2024



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

Honorable Members of Board of Supervisors  
County of Amherst, Virginia

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

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

We have audited the County of Amherst, Virginia's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2024. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

#### *Responsibilities of Management for Compliance*

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



## *Auditor's Responsibilities for the Audit of Compliance*

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

## *Other Matters*

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on each major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.



## Report on Internal Control over Compliance

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

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

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

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

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

CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia  
December 16, 2024



# County of Amherst, Virginia

## Summary of Compliance Matters

June 30, 2024

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

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### State Compliance Matters

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#### Code of Virginia

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

#### State Agency Requirements

Education  
Social Services  
Fire Program Aid to Localities  
Opioid Abatement Program

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### Federal Compliance Matters

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

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



**County of Amherst, Virginia**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2024**

<b>Federal Grantor/Pass – Through Grantor/ Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Cluster Amounts</b>	<b>Federal Expenditures</b>
Department of Health and Human Services:			
Pass Through Payments:			
Department of Social Services:			
Guardianship Assistance	93.090		\$ 12,159
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354		20,417
Title IV-E Prevention Program	93.472		7,135
Promoting Safe and Stable Families	93.556		24,841
Temporary Assistance to Needy Families (TANF)	93.558		267,412
Refugee and Entrant Assistance - State Administered Programs	93.566		1,042
Low Income Home Energy Assistance	93.568		57,618
Child Care Mandatory and Matching funds of the Child Care and Development Fund (CCDF Cluster)	93.596		60,084
Stephanie Tubbs Jones Child Welfare Services Program	93.645		296
Foster Care - Title IV-E	93.658		230,274
Adoption Assistance - Title IV-E	93.659		344,812
Social Services Block Grant	93.667		282,423
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674		2,485
Elder Abuse Prevention Interventions Program	93.747		1,806
Children's Health Insurance Program (CHIP)	93.767		6,019
Medical Assistance Program (Medicaid; Title XIX) (Medicaid Cluster)	93.778		628,719
Total Department of Health and Human Services			1,947,542
Department of Justice:			
Pass through Payments:			
Virginia Department of Criminal Justice Services:			
Crime Victim Assistance	16.575		70,784
Edward Byrne Memorial Justice Assistance Grant Program	16.738		9,270
Total Department of Justice			80,054
Department of Agriculture:			
Pass Through Payments:			
Virginia Department of Agriculture and Consumer Services:			
Child and Adult Care Food Program (CACFP)	10.558		62,751
COVID-19 - State Pandemic Electronic Benefit Transfer (P-EBT)			
Administrative Costs Grant	10.649		3,256
Schools and Roads - Grants to States	10.665		68,520
Child Nutrition Cluster:			
Summer Food Service Program for Children	10.559	\$ 79,367	
Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	717,401	
National School Lunch Program	10.555	1,689,341	
Total Child Nutrition Cluster			2,486,109
Department of Social Services:			
State Administration:			
State Administrative Matching Grants for Supplemental Nutrition Assistance Program (SNAP Cluster)	10.561		647,947
Total Department of Agriculture			3,268,583



**County of Amherst, Virginia**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2024**

<b>Federal Grantor/Pass – Through Grantor/ Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Cluster Amounts</b>	<b>Federal Expenditures</b>
Department of Commerce:			
Pass Through Payments:			
Economic Adjustment Assistance (Economic Development Cluster)	11.307		3,519,745
Department of Transportation:			
Pass Through Payments:			
Virginia Department of Motor Vehicles:			
State and Community Highway Safety (Highway Safety Cluster)	20.600		21,002
Alcohol Open Container Requirements	20.607		12,914
Total Department of Transportation			33,916
Department of the Interior:			
Direct payments:			
Bureau of Land Management:			
Payments in Lieu of Taxes	15.226		160,407
Department of Education:			
Pass Through Payments:			
Adult Education – Basic Grants to States	84.002		527,295
Title I Grants to Local Educational Agencies	84.010		1,019,167
Higher Education Institutional Aid	84.031		5,913
Career and Technical Education - Basic Grants to States (Perkins V)	84.048		90,701
Special Education - Grants to States (Special Education Cluster)	84.027	1,160,475	
Special Education - Preschool Grants (Special Education Cluster)	84.173	27,021	
Total Special Education Cluster			1,187,496
COVID-19 Education Stabilization Fund - ESSER II	84.425D		82,054
COVID-19 Education Stabilization Fund - ESSER III	84.425D		5,375,297
COVID-19 Education Stabilization Fund - ARP ESSER	84.425U		27,456
Supporting Effective Instruction State Grants	84.367		141,818
Student Support and Academic Enrichment Program	84.424		111,691
School Based Mental Health	84.184H		135,106
Total Department of Education			8,703,994
Department of Treasury:			
Direct Payments:			
Local Assistance and Tribal Consistency Fund	21.032		76,597
COVID-19 - American Rescue Plan - Coronavirus State and Local Fiscal Recovery Fund	21.027		1,038,426
COVID-19 - American Rescue Plan - Coronavirus State and Local Fiscal Recovery Fund - Sheriff	21.027		279,000
Total Department of Treasury			1,394,023
Total Expenditures of Federal Awards			<b>\$ 19,108,264</b>



**County of Amherst, Virginia**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2024**

**NOTE 1 – BASIS OF PRESENTATION:**

The accompanying schedule of federal expenditures includes the activity of all federally assisted programs of the County of Amherst, Virginia and is presented on the modified accrual basis of accounting, as described in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on this schedule.

**NOTE 2 – FOOD DISTRIBUTION:**

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

**NOTE 3 – DE MINIMIS INDIRECT COST RATE:**

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

**NOTE 4 – OUTSTANDING LOAN BALANCES:**

At June 30, 2024, the County had no outstanding loan balances requiring continuing disclosure.



**County of Amherst, Virginia**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2024**

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**A – Summary of Auditor’s Results**

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

Name of Program	Assistance Listing #
Economic Development Cluster:	
Economic Adjustment Assistance	11.307
Coronavirus State and Local Fiscal Recovery Funds – COVID 19	21.027
Education Stabilization Fund – ESSER II and III – COVID-19	84.425D
Education Stabilization Fund – ARP ESSER – COVID-19	84.425U

8. The threshold for distinguishing Type A and B programs was \$750,000.
9. The County was not determined to be a low-risk auditee.

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**B – Findings – Financial Statement Audit**

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**2024-001: Segregation of Duties (Significant Deficiency)****Condition**

A fundamental concept of internal controls is the separation of duties. No one employee should have access to both physical assets and the related accounting records, or to all phases of a transaction. A proper segregation of duties has not been established in functions related to administrative rights to the financial system, ability to change the access right of user accounts within the financial system, and journal entries for the Schools. A proper segregation of duties has not been established in functions related to accounts receivable and journal entries for the County. We noted the finance department started reviewing bank reconciliations prepared by the Treasurer’s office as a compensating control.

**Criteria**

The CFO for the School Board has administrative rights to the accounting software and posts journal entries.

**Cause**

The size of the School's accounting staff prohibits complete adherence to segregation of duties.



**County of Amherst, Virginia**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2024**

**Effect**

Internal controls are designated to safeguard assets and detect losses from employee dishonestly or error.

**Recommendation**

Steps should be taken to eliminate performance of conflicting duties where possible or to implement effective compensating controls.

**Management's Response**

Compensating controls are being implemented by the Schools with the addition of a staff member in fiscal year 2025.

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**C – Findings and Questioned Costs – Major Federal Award Programs Audit**

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*2024-002: Economic Adjustment Assistance – AL #11.307, Coronavirus State and Local Fiscal Recovery Fund – AL# 21.027; Education Stabilization Fund – AL# 84.425C, 84.425D, 84.425U, Late Filing of Data Collection Form*

**Condition**

The County did not file the data collection form for the year ended June 30, 2023 timely.

**Criteria**

Under the requirements in the Uniform Guidance and the Office of Management and Budget (OMB), all entities are required to file the annual data collection form with the Federal Audit Clearinghouse the earlier of either 30 days after the issuance of the entity's annual audit or twelve months after the entity's fiscal year end (June 30th for the County of Amherst).

**Cause**

Management did not complete and certify auditee portion of the form before the deadline. The form was not completed until August 30, 2024.

**Effect**

The County's form was submitted to the Federal Audit Clearinghouse late, delaying completion of all annual audit requirements for the County.

**Recommendation**

Management should take steps to ensure that the form is filed timely.

**Views of Responsible Officials and Planned Corrective Action**

Fiscal year 2024 and all future reports will be submitted on time.



**County of Amherst, Virginia**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2024**

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**D – Findings – Commonwealth of Virginia**

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*2024-003: Budget Appropriations*

Condition

Expenditures exceeded budgeted appropriations in the other public safety and community development projects expenditures in the General Fund for the year ended June 30, 2024.

Criteria

Sections 15.2-2506 and 58.1-3001 of the *Code of Virginia* states that no money shall be paid out for any contemplated expenditures unless and until the governing body has made an appropriation for the expenditure.

Cause

The necessary budget amendments were not made for excess expenditures over the budgeted appropriations.

Effect

The County is not compliant with Sections 15.2-2506 and 58.1-3001 of the *Code of Virginia*.

Recommendation

Steps should be taken to ensure that excess expenditures over budgeted appropriations are approved by the Board Members and the budget amended accordingly.

Management's Response

The overage in community development projects was created by the departmental groupings at the audit level being different than the county departmental budget. The overage in other public safety is the result of incorrect calculation for the transfer request to alleviate the overage. Budget reviews will be conducted quarterly by the Finance Director to identify potential overages timely and to request the necessary transfers or amendments as needed.



**County of Amherst, Virginia**  
**Summary Schedule of Prior Audit Findings**  
**June 30, 2024**

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**A – Findings – Financial Statement Audit**

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*2023-001: Segregation of Duties (Significant Deficiency)*

Condition

A fundamental concept of internal controls is the separation of duties. No one employee should have access to both physical assets and the related accounting records, or to all phases of a transaction. A proper segregation of duties has not been established in functions related to payroll, accounts receivable, cash disbursements, and journal entries for the Schools. A proper segregation of duties has not been established in functions related to accounts receivable and journal entries for the County. We noted the finance department started reviewing bank reconciliations prepared by the Treasurer's office as a compensating control.

Recommendation

Steps should be taken to eliminate performance of conflicting duties where possible or to implement effective compensating controls.

Current Status

Condition still exists for the current year. See finding 2024-001.

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**B – Findings and Questioned Costs – Major Federal Award Programs Audit**

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*2023-002: Coronavirus State and Local Fiscal Recovery Fund – AL# 21.027; Title I Grants to Local Educational Agencies – AL# 84.010; Education Stabilization Fund – AL# 84.425C, 84.425D, 84.425U, Late Filing of Data Collection Form*

Condition

The County did not file the data collection form for the year ended June 30, 2022 timely.

Recommendation

Management should take steps to ensure that the form is filed timely.

Current Status

Condition still exists for the current year. See finding 2024-002.



**County of Amherst, Virginia**  
**Summary Schedule of Prior Audit Findings**  
**June 30, 2024**

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**C – Findings – Commonwealth of Virginia**

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*2023-003: Budget Appropriations*

Condition

Expenditures exceeded budgeted appropriations in the communications dispatch, comprehensive services, and museum functions in the General Fund, DARE program, parks and recreation, and CDBG projects functions in the Special Revenue Fund, administration, attendance, and health and technology functions in the School Operating Fund, and in the School Construction Fund for the year ended June 30, 2023.

Recommendation

Steps should be taken to ensure that excess expenditures over budgeted appropriations are approved by the Board of Supervisors and the budget amended accordingly.

Current Status

Condition still exists partially in the current year. See finding 2024-003.

*2023-004: Commonwealth of Virginia Disclosure Statements*

Condition

Five members of various County boards and one School board member filed a statement of economic interest as required by the *Code of Virginia* after the February 1, 2023 deadline.

Recommendation

Steps should be taken to ensure that these statements are filed and in a timely manner.

Current Status

All Commonwealth of Virginia Disclosure Statements were filed by the February 1, 2024 deadline. Condition no longer exists.



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