BLUE RIDGE JUVENILE DETENTION COMMISSION

CHARLOTTESVILLE, VIRGINIA

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2020

BOARD MEMBERS

ALBEMARLE COUNTY

Doug Walker, Assistant County Executive

CITY OF CHARLOTTESVILLE

Mike Murphy, Director of Human Services

CULPEPER COUNTY

John Egertson, County Executive

FLUVANNA COUNTY

Eric Dahl, Deputy County Administrator

GREENE COUNTY

John Barkley, County Administrator

BLUE RIDGE JUVENILE DETENTION COMMISSION

CHARLOTTESVILLE, VIRGINIA

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2020

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
BLUE RIDGE JUVENILE DETENTION COMMISSION
CHARLOTTESVILLE, VIRGINIA

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Blue Ridge Juvenile Detention Commission, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Blue Ridge Juvenile Detention Commission's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Blue Ridge Juvenile Detention Commission, as of June 30, 2020, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that schedules related to pension and OPEB funding on pages 39-47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Blue Ridge Juvenile Detention Commission's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Blue Ridge Juvenile Detention Commission's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 12, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2021, on our consideration of Blue Ridge Juvenile Detention Commission'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 Blue Ridge Juvenile Detention Commission'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 Blue Ridge Juvenile Detention Commission's internal control over financial reporting and compliance.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
March 16, 2021

- Basic Financial Statements -

BLUE RIDGE JUVENILE DETENTION COMMISSION

Statement of Net Position
As of June 30, 2020
(With Comparative Amounts for 2019)

		2020		2019
Assets				
Current assets:				
Cash and cash equivalents	$	1,164,754	$	1,151,354
Prepaid items		-		1,411
Accounts receivable		624		101
Due from other governments		51,307		22,075
Total current assets	$	1,216,685	$	1,174,941
Other asset:				
Net pension asset	$	-	$	23,970
Capital assets:				
Capital assets, not being depreciated:				
Land	$	417,115	$	417,115
Capital assets, being depreciated:				
Building and improvements	$	10,526,320	$	10,526,320
Equipment		738,442		733,142
Vehicles		171,539		171,539
Accumulated depreciation		(5,473,844)		(5,142,793)
Total capital assets, being depreciated	$	5,962,457	$	6,288,208
Total capital assets	$	6,379,572	$	6,705,323
Total assets	$	7,596,257	$	7,904,234
Deferred Outflows of Resources				
OPEB related items	$	40,894	$	110,320
Pension related items		287,661		193,176
Total deferred outflows of resources	$	328,555	$	303,496
Total assets and deferred outflows of resources	$	7,924,812	$	8,207,730
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$	5,254	$	19,752
Compensation payable		28,898		9,771
Compensated absences - current portion		13,604		14,525
Total current liabilities	$	47,756	$	44,048
Noncurrent liabilities:				
Net OPEB liability	$	470,089	$	485,350
Net pension liability		169,897		-
Compensated absences - net of current portion		122,433		130,729
Total noncurrent liabilities	$	762,419	$	616,079
Total liabilities	$	810,175	$	660,127
Deferred Inflows of Resources				
OPEB related items	$	65,088	$	32,127
Pension related items		50,804		73,736
Total deferred inflows of resources	$	115,892	$	105,863
Net Position				
Investment in capital assets	$	6,379,572	$	6,705,323
Unrestricted		619,173		736,417
Total net position	$	6,998,745	$	7,441,740
Total liabilities, deferred inflows of resources and net position	$	7,924,812	$	8,207,730

See accompanying notes to financial statements.

BLUE RIDGE JUVENILE DETENTION COMMISSION

Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2020
(With Comparative Amounts for 2019)

		2020		2019
Operating Revenues:				
From local sources:				
Charges for services	$	2,583,906	$	2,910,059
Miscellaneous		9,534		32,226
Intergovernmental:				
State		896,435		874,113
Federal		52,910		24,247
Total operating revenues	$	3,542,785	$	3,840,645
Operating Expenses:				
Compensation and related items	$	2,948,337	$	2,643,159
Contractual		254,299		259,735
Other charges		476,334		538,963
Depreciation		331,051		349,239
Total operating expenses	$	4,010,021	$	3,791,096
Total operating income (loss)	$	(467,236)	$	49,549
Nonoperating Revenues (Expenses):				
Interest income	$	24,241	$	31,119
Total nonoperating revenues (expenses)	$	24,241	$	31,119
Change in net position	$	(442,995)	$	80,668
Net position, beginning of year		7,441,740		7,361,072
Net position, end of year	$	6,998,745	$	7,441,740

See accompanying notes to financial statements.

BLUE RIDGE JUVENILE DETENTION COMMISSION

Statement of Cash Flows
Year Ended June 30, 2020
(With Comparative Amounts for 2019)

		2020		2019
Cash flows from operating activities:				
Receipts from customers	$	3,513,030	$	3,478,503
Payments to suppliers		(743,720)		(1,260,157)
Payments to and for employees		(2,774,851)		(2,727,380)
Net cash flows provided by (used for) operating activities	$	(5,541)	$	(509,034)
Cash flows from investing activities:				
Interest income	$	24,241	$	31,119
Cash flows from capital and related financing activities:				
Purchase of capital assets	$	(5,300)	$	(65,118)
Net cash flows provided by (used for) capital and related financing activities	$	(5,300)	$	(65,118)
Net change in cash and cash equivalents	$	13,400	$	(543,033)
Cash and cash equivalents, beginning of year		1,151,354		1,694,387
Cash and cash equivalents, end of year	$	1,164,754	$	1,151,354
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	$	(467,236)	$	49,549
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation		331,051		349,239
Changes in operating assets and deferred ouflows of resources:				
Prepaid items		1,411		(1,411)
Due from other governments		(29,232)		(20,462)
Accounts receivable		(523)		11,600
Net pension asset		23,970		15,171
Deferred outflows of resources - pension		(94,485)		6,233
Deferred outflows of resources - OPEB		69,426		(96,801)
Changes in operating liabilities and deferred inflows of resources:				
Accounts payable and accrued liabilities		(14,498)		(460,048)
Compensation payable		19,127		(567)
Compensated absences		(9,217)		(23,319)
Unearned revenue		-		(353,280)
Net pension liability		169,897		-
Net OPEB liabilities		(15,261)		53,873
Deferred inflows of resources - pension		(22,932)		(40,248)
Deferred inflows of resources - OPEB		32,961		1,437
Net cash provided by (used for) operating activities	$	(5,541)	$	(509,034)

See accompanying notes to financial statements.

NOTE 1 - FINANCIAL REPORTING ENTITY:

Blue Ridge Juvenile Detention Commission was created in October 1998 by the City of Charlottesville and the Counties of Albemarle, Fluvanna and Greene to finance, construct, equip, maintain and operate a regional juvenile detention facility. The Commission is a jointly governed organization of the member jurisdictions. The Commission commenced operations on July 14, 2002. In fiscal year 2008, the County of Culpeper joined the Commission.

NOTE 2 - OPERATING ACTIVITIES:

The detention facility consists of 40 detention beds. The members are assessed a pro-rata share of the operating expenses in proportion to their respective use of the facility for each detainee they commit to the Commission's custody. The operating charges are to be collected in advance at the beginning of each quarter of each fiscal year based on the operating member percentages established by the member's respective usage during the preceding fiscal year. These amounts are subject to an annualized adjustment based on actual usage after the end of the fiscal year. Charges to nonmember jurisdictions will be based upon an established per diem charge as the Commission may deem advisable for the care, maintenance and subsistence of their detainees. The Commonwealth of Virginia may provide capital and/or operating expense reimbursement grants to the Commission. These funds are subject to the provisions of any bond indenture or financing documents requiring specific application of such funds.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The Commission operates as an enterprise fund and its accounts are maintained on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash.

Cash and Cash Equivalents:

The Commission's cash and cash equivalents consist of demand deposits, certificates of deposit, overnight repurchase agreements and short-term U.S. Governmental obligations, with an original maturity of three months or less, all of which are readily convertible to known amounts of cash.

Capital Assets:

Capital assets are capitalized at cost in the year the expenditure is incurred. The Commission's policy is to capitalize assets whose cost equals or exceeds $5,000 and have an estimated useful life greater than one year. Donated capital assets are valued at their acquisition value on the date donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	40 Years
Equipment and vehicles	5 Years

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Operating and Nonoperating Revenues and Expenses:

Operating revenues and expenses are defined as those items that result from providing services and include all transactions and events which are not capital and related financing, noncapital financing or investing activities. Nonoperating revenues are defined as grants, investment and other income. Nonoperating expenses are defined as capital and noncapital related financing and other expenses.

Compensated Absences:

The Commission records liabilities for accrued vacation and sick leave at various amounts based on the length of service. Benefits or pay are received for unused annual leave or retirement bonus upon termination. There are various restrictions both for annual leave and retirement bonus upon termination of employment. Accumulated vacation up to 40 days is paid upon termination of employment. Compensated absences decreased from $145,254 in FY19 by $14,525 and increased by $5,308 to $136,037 in FY20 or a net decrease of $9,217.

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, less any outstanding debt related to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Net Position Flow Assumption:

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

Pensions:

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

Other Postemployment Benefits (OPEB):

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

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Deferred Outflows/Inflows of Resources:

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Commission has one type of item that qualifies for reporting in this category. Certain items related to the measurement of the net pension asset and net OPEB liabilities are reported as deferred inflows of resources. For more detailed information on these items, reference the related notes.

Use of Estimates:

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

Comparative Amounts:

Comparative amounts are presented for informational purposes only.

NOTE 4 - DEPOSITS AND INVESTMENTS:

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% excess deposits. Accordingly, all deposits are considered fully collateralized.

The Commission's cash and cash equivalents are a part of the pooled cash and investments of the County of Albemarle, Virginia, the fiscal agent for the Commission. At year end, all of the County's deposits with banks were covered by depository insurance or collateralized in accordance with the Virginia Security for Public Deposits Act. Deposits covered by the Act are considered insured since the State Treasury Board is authorized to make assessments against other member institutions that hold public deposits. At year end the County investments were only of the type of securities authorized by the laws of the Commonwealth of Virginia.

NOTE 5 - RECEIVABLES AND AMOUNTS DUE FROM OTHER GOVERNMENTS:

Receivables and amounts due from other governments are as follows:

	2020
Accounts receivable:	
Other	$ 624
Total accounts receivable	$ 624
Due from other governmental units:	
Commonwealth of Virginia	$ 51,307
Total due from other governmental units	$ 51,307
Total receivables	$ 51,931

NOTE 6 - CAPITAL ASSETS:

Changes in capital assets are summarized below:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	$ 417,115	$ -	$ -	$ 417,115
Capital assets being depreciated:				
Building and improvements	$ 10,526,320	$ -	$ -	$ 10,526,320
Equipment	733,142	5,300	-	738,442
Vehicles	171,539	-	-	171,539
Total capital assets being depreciated	$ 11,431,001	$ 5,300	$ -	$ 11,436,301
Accumulated depreciation:				
Building and improvements	$ 4,365,245	$ 274,529	$ -	$ 4,639,774
Equipment	667,480	41,006	-	708,486
Vehicles	110,068	15,516	-	125,584
Total accumulated depreciation	$ 5,142,793	$ 331,051	$ -	$ 5,473,844
Total capital assets being depreciated, net	$ 6,288,208	$ (325,751)	$ -	$ 5,962,457
Net capital assets	$ 6,705,323	$ (325,751)	$ -	$ 6,379,572

Depreciation expense was $331,051 for 2020.

NOTE 8 - PENSION PLAN:

Plan Description

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

Benefit Structures

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

a. Employees hired before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit. Hazardous duty employees (law enforcement officers, firefighters, and sheriffs) are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.

b. Employees hired on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013 are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age plus service credit equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. Hazardous duty employees are eligible for an unreduced benefit beginning at age 60 with at least 5 years of service credit or age 50 with at least 25 years of service credit. Hazardous duty employees may retire with a reduced benefit as early as age 50 with at least 5 years of service credit.

NOTE 8 - PENSION PLAN: (CONTINUED)

Benefit Structures: (Continued)

c. Non-hazardous duty employees hired on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 – April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service credit equals 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

Average Final Compensation and Service Retirement Multiplier

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

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

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

NOTE 8 - PENSION PLAN: (CONTINUED)

Employees Covered by Benefit Terms

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

	Number
Inactive members or their beneficiaries currently receiving benefits	7
Inactive members:	
Vested inactive members	6
Non-vested inactive members	21
Inactive members active elsewhere in VRS	20
Total inactive members	47
Active members	46
Total covered employees	100

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.

Blue Ridge Juvenile Detention Commission's contractually required employer contribution rate for the year ended June 30, 2020 was 4.64% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from Blue Ridge Juvenile Detention Commission were $83,876 and $86,890 for the years ended June 30, 2020 and June 30, 2019, respectively.

Net Pension (Asset) Liability

The net pension liability (asset) (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For Blue Ridge Juvenile Detention Commission's, the net pension liability (asset) was measured as of June 30, 2019. The total pension liability used to calculate the net pension (asset) liability was determined by an actuarial valuation performed as of June 30, 2018, and rolled forward to the measurement date of June 30, 2019.

NOTE 8 - PENSION PLAN: (CONTINUED)

Actuarial Assumptions – General Employees

The total pension liability for General Employees in Blue Ridge Juvenile Detention Commission's Retirement Plan was based on an actuarial valuation as of June 30, 2018, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019.

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

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

Mortality rates:

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

NOTE 8 - PENSION PLAN: (CONTINUED)

Actuarial Assumptions – General Employees: (Continued)

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016. Changes to the actuarial assumptions as a result of the experience study are as follows:

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

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

Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits

The total pension liability for Public Safety employees with Hazardous Duty Benefits in Blue Ridge Juvenile Detention Commission's Retirement Plan was based on an actuarial valuation as of June 30, 2018, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019.

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

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

NOTE 8 - PENSION PLAN: (CONTINUED)

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

Mortality rates:

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

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

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

All Others (Non 10 Largest) – Hazardous Duty:

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

NOTE 8 - PENSION PLAN: (CONTINUED)

Long-Term Expected Rate of Return

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

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

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

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for

NOTE 8 - PENSION PLAN: (CONTINUED)

Discount Rate: (Continued)

state and teacher employer contributions; the Commission was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2019, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever was greater. From July 1, 2019, 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.

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, 2018	$ 3,030,978	$ 3,054,948	$ (23,970)
Changes for the year:			
Service cost	$ 189,110	$ -	$ 189,110
Interest	208,240	-	208,240
Changes of assumptions	126,316	-	126,316
Differences between expected and actual experience	59,398	-	59,398
Contributions - employer	-	86,711	(86,711)
Contributions - employee	-	95,649	(95,649)
Net investment income	-	208,898	(208,898)
Benefit payments, including refunds of employee contributions	(87,289)	(87,289)	-
Refund of contributions	(24,950)	(24,950)	-
Administrative expenses	-	(1,928)	1,928
Other changes	-	(133)	133
Net changes	$ 470,825	$ 276,958	$ 193,867
Balances at June 30, 2019	$ 3,501,803	$ 3,331,906	$ 169,897

NOTE 8 - PENSION PLAN: (CONTINUED)

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

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

	Rate		
	(5.75%)	(6.75%)	(7.75%)
Commission			
Net Pension (Asset) Liability	$ 745,322	$ 169,897	$ (280,760)

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

For the year ended June 30, 2020, Blue Ridge Juvenile Detention Commission recognized pension expense of $160,145. At June 30, 2020, Blue Ridge Juvenile Detention Commission 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	$ 108,054	$ 8,570
Change in assumptions	95,731	18,161
Net difference between projected and actual earnings on pension plan investments	-	24,073
Employer contributions subsequent to the measurement date	83,876	-
Total	$ 287,661	$ 50,804

$83,876 reported as deferred outflows of resources related to pensions resulting from Blue Ridge Juvenile Detention Commission’s contributions subsequent to the measurement date will be recognized as an increase to the Net Pension (Asset) Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the future reporting periods as follows:

Year ended June 30	
2021	$ 66,558
2022	34,840
2023	44,271
2024	7,312
Thereafter	-

NOTE 8 - PENSION PLAN: (CONTINUED)

Pension Plan Data

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

NOTE 9 – MEDICAL, DENTAL AND LIFE INSURANCE – PAY-AS-YOU-GO (OPEB PLAN):

Plan Description

The Albemarle County Voluntary Early Retirement Incentive Program (VERIP) is a single employer defined benefit plan. VERIP benefits are paid monthly for a period of five years or until age 65, whichever comes first. In addition to the monthly stipend, the County will pay an amount equivalent to the Commission's annual contribution toward medical insurance. Participants may accept it as a cash payment or apply it toward the cost of the continuation of their County medical/dental benefits. To be eligible, employees must meet the age and service criteria for reduced VRS retirement and be a current employee at least 50 years of age and have been employed by the County in a benefits-eligible position for 10 of the last 13 years prior to retirement. The plan is administered by the County and does not issue a publicly available financial report.

Benefits Provided

Postemployment benefits provided to eligible retirees include Medical, Dental, and Life insurance. The benefits that are provided for active employees are the same for eligible retirees, spouses and dependents of eligible retirees. Retirees pay 100% of spousal premiums. Coverage ceases when retirees reach the age of 65. Surviving spouses are not allowed access to the plan.

Contributions

The Commission does not pre-fund benefits; therefore, no assets are accumulated in a trust fund. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The funding requirements are established and may be amended by the County Board.

Total OPEB Liability

The Blue Ridge Juvenile Detention Commission's total OPEB liability was measured as of June 30, 2019. The total OPEB liability was determined by an actuarial valuation as of that date.

NOTE 9 – MEDICAL, DENTAL AND LIFE INSURANCE – PAY-AS-YOU-GO (OPEB PLAN): (CONTINUED)

Actuarial Assumptions

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5% per year as of June 30, 2019
Salary Increases	The salary increase rate starts at 3.15% salary increase for 1 year of service and gradually declines to 1.3% salary increase for 20 or more years of service
Discount Rate	3.13% per year as of June 30, 2019

Mortality rates for Active employees and healthy retirees were based on a RP-2000 Fully Generational Combined Healthy table while mortality rates for disabled retirees were based on a RP-2000 Disabled Mortality Table.

The date of the most recent actuarial experience study for which significant assumptions were based is not available.

Discount Rate

The final equivalent single discount rate used for this year's valuation is 3.13% as of the end of the fiscal year and is based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rate of AA/Aa or higher.

Changes in Total OPEB Liability

		Total OPEB Liability
Balances at June 30, 2018	$	324,350
Changes for the year:		
Service cost	$	25,096
Interest		10,764
Amortization adjustments		971
Difference between expected and actual experience		(17,636)
Changes in proportionate share		(18,477)
Changes in assumptions		(7,156)
Benefit payments		(15,432)
Net changes	$	(21,870)
Balances at June 30, 2019	$	302,480

NOTE 9 – MEDICAL, DENTAL AND LIFE INSURANCE – PAY-AS-YOU-GO (OPEB PLAN): (CONTINUED)

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

The following amounts present the total OPEB liability of the Commission, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.13%) or one percentage point higher (4.13%) than the current discount rate:

	Rates		
	1% Decrease (2.13%)	Current Discount Rate (3.13%)	1% Increase (4.13%)
BRJDC	$ 322,532	302,480	$ 283,494

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

The following presents the total OPEB liability of the Blue Ridge Juvenile Detention Commission, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (3.00%) or one percentage point higher (5.00%) than the current healthcare cost trend rates:

	Rates		
	1% Decrease (3.00%)	Healthcare Cost Trend (4.00%)	1% Increase (5.00%)
BRJDC	$ 272,914	$ 302,480	$ 336,932

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

For the year ended June 30, 2020, the Blue Ridge Juvenile Detention Commission recognized OPEB expense in the amount of $26,497. At June 30, 2020, the Blue Ridge Juvenile Detention Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	BRJDC	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 19,672
Changes in assumptions	-	15,439
Changes in proportion		15,837
Total	$ -	$ 50,948

NOTE 9 – MEDICAL, DENTAL AND LIFE INSURANCE – PAY-AS-YOU-GO (OPEB PLAN): (CONTINUED)

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense in future reporting periods as follows:

Year Ended June 30		BRJDC
2021	$	(9,363)
2022		(9,363)
2023		(9,363)
2024		(9,361)
2025		(7,315)
Thereafter		(6,183)

Additional disclosures on changes in total OPEB liability and related ratios can be found in the required supplementary information following the notes to the financial statements.

NOTE 10 - GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN):

Plan Description

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

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

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

Eligible Employees

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

NOTE 10 - GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

Benefit Amounts

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

Contributions

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.31% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.79% (1.31% x 60%) and the employer component was 0.52% (1.31% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2020 was 0.52% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the Group Life Insurance Plan from the entity were $10,287 and $10,496 for the years ended June 30, 2020 and June 30, 2019, respectively.

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

At June 30, 2020, the entity reported a liability of $167,609 proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2019 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2018, and rolled forward to the measurement date of June 30, 2019. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2019, the participating employer's proportion was .01030% as compared to 01056% at June 30, 2018.

For the year ended June 30, 2020, the participating employer recognized GLI OPEB expense of $5,352. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

NOTE 10 - GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN): (CONTINUED)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 11,147	$ 2,174
Net difference between projected and actual earnings on GLI OPEB program investments	-	3,443
Change in assumptions	10,582	5,054
Changes in proportion	8,878	3,469
Employer contributions subsequent to the measurement date	10,287	-
Total	$ 40,894	$ 14,140

$10,287 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Year Ended June 30	
2021	$ 2,071
2022	2,072
2023	3,530
2024	4,616
2025	3,433
Thereafter	745

NOTE 10 - GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN): (CONTINUED)

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2018, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019.

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

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

Mortality Rates – Teachers

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

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

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

NOTE 10 - GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN): (CONTINUED)

Actuarial Assumptions: (Continued)

Mortality Rates – Teachers: (Continued)

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

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

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

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

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

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

NOTE 10 - GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN): (CONTINUED)

Actuarial Assumptions: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – General Employees: (Continued)

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

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

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

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

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

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

NOTE 10 - GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN): (CONTINUED)

Actuarial Assumptions: (Continued)

Mortality Rates – Non-Largest Ten Locality Employers – Hazardous Duty Employees: (Continued)

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

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

NET GLI OPEB Liability

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

		Group Life Insurance OPEB Program
Total GLI OPEB Liability	$	3,390,238
Plan Fiduciary Net Position		1,762,972
Employers' Net GLI OPEB Liability (Asset)	$	1,627,266
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability		52.00%

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

NOTE 10 - GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN): (CONTINUED)

Long-Term Expected Rate of Return

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

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

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

Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ended June 30, 2019, the rate contributed by the entity for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2019 on, employers

NOTE 10 - GROUP LIFE INSURANCE (GLI) PROGRAM (OPEB PLAN): (CONTINUED)

Discount Rate: (Continued)

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

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

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Commission's proportionate share of the Group Life Insurance Program Net OPEB Liability	$ 220,191	$ 167,609	$ 124,965

GLI Program Fiduciary Net Position

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

NOTE 11 - SUMMARY OF NET OPEB LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES:

	OPEB Plans:			
	Deferred Outflows	Deferred Inflows	Net OPEB Liabilty	OPEB Expense
Group Life Insurance Program	$ 40,894	$ 14,140	$ 167,609	$ 5,352
Stand-Alone Plan	-	50,948	302,480	26,497
	$ 40,894	$ 65,088	$ 470,089	$ 31,849

NOTE 12 - RISK MANAGEMENT:

The Commission insures for the risk of loss through the purchase of insurance through commercial insurance carriers and through participation in public interest risk pools.

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

NOTE 13 - FISCAL AGENT:

The County of Albemarle serves as fiscal agent for the Commission. As a part of the fiscal agent agreement, the County provides treasury, accounting, purchasing and personnel services for the Commission.

NOTE 14 - LITIGATION:

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

NOTE 15 - DETAINEE COST PER DIEM:

The Commission's detainee days totaled 6,582 for the year ended June 30, 2020 and 5,376 for 2019. Costs incurred in the operation of the Commission are as follows:

	2020	2019
Total operating expenses per budgetary basis	$ 3,561,711	$ 3,601,923
Less:		
Charges to others for detainee care and other sources	(1,081,123)	(835,616)
Reimbursed expenditures from the Commonwealth	(896,435)	(874,113)
Net cost to participant localities	$ 1,584,153	$ 1,892,194
Total detainee days for participant localities	6,582	5,376
Actual local cost per diem	$ 240.68	$ 351.97

- Required Supplementary Information -

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

	2019	2018	2017
Total pension liability			
Service cost	$ 189,110	$ 172,652	$ 166,421
Interest	208,240	187,199	167,047
Differences between expected and actual experience	59,398	45,276	136,044
Changes in assumptions	126,316	(96,834)	(60,722)
Benefit payments, including refunds of employee contributions	(87,289)	-	(144,984)
Refund of contributions	(24,950)	-	-
Net change in total pension liability	$ 470,825	$ 308,293	$ 263,806
Total pension liability - beginning	3,030,978	2,722,685	2,458,879
Total pension liability - ending (a)	$ 3,501,803	$ 3,030,978	$ 2,722,685
Plan fiduciary net position			
Contributions - employer	$ 86,711	$ 88,764	$ 81,943
Contributions - employee	95,649	95,918	87,889
Net investment income	208,898	207,143	297,908
Benefit payments, including refunds of employee contributions	(87,289)	(96,834)	(144,984)
Refund of contributions	(24,950)	-	-
Administrative expense	(1,928)	(1,679)	(1,653)
Other	(133)	(190)	(270)
Net change in plan fiduciary net position	$ 276,958	$ 293,122	$ 320,833
Plan fiduciary net position - beginning	3,054,948	2,761,826	2,440,993
Plan fiduciary net position - ending (b)	$ 3,331,906	$ 3,054,948	$ 2,761,826
Commission's net pension liability (asset) - ending (a) - (b)	$ 169,897	$ (23,970)	$ (39,141)
Plan fiduciary net position as a percentage of the total pension liability	95.15%	100.79%	101.44%
Covered payroll	$ 2,018,447	$ 2,007,385	$ 1,819,607
Commission's net pension liability (asset) as a percentage of covered payroll	8.42%	-1.19%	-2.15%

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

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

	2016	2015	2014
Total pension liability			
Service cost	$ 184,344	$ 177,119	$ 142,904
Interest	161,204	152,459	137,921
Differences between expected and actual experience	(47,090)	(22,146)	-
Changes in assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(284,987)	(80,025)	(66,248)
Refund of contributions	-	-	-
Net change in total pension liability	$ 13,471	$ 227,407	$ 214,577
Total pension liability - beginning	2,445,408	2,218,001	2,003,424
Total pension liability - ending (a)	$ 2,458,879	$ 2,445,408	$ 2,218,001
Plan fiduciary net position			
Contributions - employer	$ 107,724	$ 112,081	$ 128,298
Contributions - employee	82,927	86,383	73,311
Net investment income	36,471	108,003	300,519
Benefit payments, including refunds of employee contributions	(284,987)	(80,025)	(66,248)
Refund of contributions	-	-	-
Administrative expense	(1,546)	(1,335)	(1,492)
Other	(18)	(23)	16
Net change in plan fiduciary net position	$ (59,429)	$ 225,084	$ 434,404
Plan fiduciary net position - beginning	2,500,422	2,275,338	1,840,934
Plan fiduciary net position - ending (b)	$ 2,440,993	$ 2,500,422	$ 2,275,338
Commission's net pension liability (asset) - ending (a) - (b)	$ 17,886	$ (55,014)	$ (57,337)
Plan fiduciary net position as a percentage of the total pension liability	99.27%	102.25%	102.59%
Covered payroll	$ 1,733,722	$ 1,744,886	$ 1,470,248
Commission's net pension liability (asset) as a percentage of covered payroll	1.03%	-3.15%	-3.90%

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

BLUE RIDGE JUVENILE DETENTION COMMISSION

Schedule of Employer Contributions - Pension Plan
Years Ended June 30, 2011 through June 30, 2020

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
2020	$ 83,876	$ 83,876	$ -	$ 1,978,222	4.24%
2019	86,890	86,890	-	2,018,447	4.30%
2018	95,150	95,150	-	2,007,385	4.74%
2017	86,249	86,249	-	1,819,607	4.74%
2016	112,692	112,692	-	1,733,722	6.50%
2015	113,418	113,418	-	1,744,886	6.50%
2014	128,500	128,500	-	1,470,248	8.74%
2013	117,674	117,674	-	1,346,380	8.74%
2012	80,774	80,774	-	1,274,036	6.34%
2011	82,193	82,193	-	1,296,417	6.34%

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

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 14% to 15%
Discount Rate	Decreased rate from 7% to 6.75%

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to a more current mortality table - RP-2014 projected to 2020
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decreased rate from 60% to 45%
Discount Rate	Decreased rate from 7% to 6.75%

BLUE RIDGE JUVENILE DETENTION COMMISSION

Schedule of Changes in Total OPEB Liability (Asset) and Related Ratios - Stand-Alone OPEB
For the Measurement Dates of June 30, 2017 through June 30, 2019

	2019	2018	2017
Total OPEB liability			
Service cost	$ 25,096	$ 37,496	$ 39,630
Interest	10,764	10,049	7,546
Amortization adjustment	971	-	-
Changes in proportion	(18,477)	-	-
Changes in assumptions	(7,156)	(1,137)	(15,972)
Differences between expected and actual experience	(17,636)	(5,535)	-
Benefit payments	(15,432)	-	(25,000)
Net change in total OPEB liability	$ (21,870)	$ 40,873	$ 6,204
Total OPEB liability - beginning	324,350	283,477	277,273
Total OPEB liability - ending	$ 302,480	$ 324,350	$ 283,477
Covered payroll	$ N/A	$ N/A	$ N/A
Commission's total OPEB liability (asset) as a percentage of covered payroll	N/A	N/A	N/A

Schedule is intended to show information for 10 years. Additional years will be included as they become available.

Notes to Required Supplementary Information - Stand-Alone OPEB
Year Ended June 30, 2020

Valuation Date: 6/30/2019
Measurement Date: 6/30/2019

No assets are accumulated in a trust that meets the criteria in GASB 75 to pay related benefits.

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	3.13%
Inflation	2.50%
Healthcare Trend Rate	The healthcare trend rate assumption starts at 4.7% in 2017 and gradually declines to 4.0% by the year 2075
Salary Increase Rates	The salary increase rate starts at 3.15% salary increase for 1 year of service and gradually declines to 1.3% salary increase for 20 or more years of service
Retirement Age	The average age at retirement is 62
Mortality Rates	The mortality rates for active and healthy retirees was calculated using the RP-2000 Fully Generational Combined Healthy Table. The mortality rates for disabled retirees was calculated using the RP 2000 Disabled Mortality Table.

BLUE RIDGE JUVENILE DETENTION COMMISSION

Schedule of Commission's Share of Net OPEB Liability
Group Life Insurance (GLI) Plan
For the Measurement Dates of June 30, 2017 through June 30, 2019

Date (1)	Employer's Proportion of the Net GLI OPEB Liability (2)	Employer's Proportionate Share of the Net GLI OPEB Liability (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
2019	0.0103%	$ 167,609	$ 2,018,447	8.30%	52.00%
2018	0.0106%	161,000	2,007,385	8.02%	51.22%
2017	0.0987%	148,000	1,819,607	8.13%	48.86%

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

BLUE RIDGE JUVENILE DETENTION COMMISSION

Schedule of Employer Contributions
Group Life Insurance (GLI) Plan
Years Ended June 30, 2011 through June 30 2020

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2020	$ 10,287	$ 10,287	$ -	$ 1,978,269	0.52%
2019	10,496	10,496	-	2,018,447	0.52%
2018	10,519	10,519	-	2,007,385	0.52%
2017	9,462	9,462	-	1,819,607	0.52%
2016	8,322	8,322	-	1,733,722	0.48%
2015	8,375	8,375	-	1,744,886	0.48%
2014	7,057	7,057	-	1,470,248	0.48%
2013	6,463	6,463	-	1,346,380	0.48%
2012	3,650	3,650	-	1,303,413	0.28%
2011	3,630	3,630	-	1,296,417	0.28%

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

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

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

Non-Largest Ten Locality Employers - General Employees

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

Non-Largest Ten Locality Employers - Hazardous Duty Employees

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

- Other Supplementary Information -

BLUE RIDGE JUVENILE DETENTION COMMISSION

Schedule of Revenues and Expenses - Operating Fund
Budgetary Basis
Year Ended June 30, 2020

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for services:				
Care of detainees:				
County of Albemarle	$ 489,484	$ 489,484	$ 333,717	$ (155,767)
City of Charlottesville	763,336	763,336	508,196	(255,140)
County of Greene	209,163	209,163	158,139	(51,024)
County of Fluvanna	174,662	174,662	121,900	(52,762)
County of Culpeper	519,672	519,672	380,831	(138,841)
Other	750,000	750,000	1,081,123	331,123
Total charges for services	$ 2,906,317	$ 2,906,317	$ 2,583,906	$ (322,411)
Miscellaneous:				
Other	$ 8,500	$ 8,500	$ 9,534	$ 1,034
Recovered costs:				
Region Ten	$ 10,000	$ 10,000	$ 11,600	$ 1,600
Other recovered costs	27,850	27,850	29,417	1,567
Total recovered costs	$ 37,850	$ 37,850	$ 41,017	$ 3,167
Intergovernmental:				
Commonwealth of Virginia:				
Department of Juvenile Justice	$ 862,250	$ 862,250	$ 892,335	$ 30,085
Other	1,000	1,000	4,100	3,100
Total Commonwealth of Virginia	$ 863,250	$ 863,250	$ 896,435	$ 33,185
Federal government:				
USDA	$ 40,000	$ 40,000	$ 52,910	$ 12,910
Total intergovernmental	$ 903,250	$ 903,250	$ 949,345	$ 46,095
Total revenues	$ 3,855,917	$ 3,855,917	$ 3,583,802	$ (272,115)
Expenses:				
Compensation and related items:				
Salaries and wages	$ 2,249,239	$ 2,249,239	$ 2,161,554	$ 87,685
Fringes:				
Social Security and Medicare taxes	172,067	172,067	159,476	12,591
Retirement	106,140	106,140	91,789	14,351
Health insurance	386,427	386,427	288,972	97,455
Dental insurance	11,280	11,280	9,212	2,068
Life insurance	29,334	29,334	25,915	3,419
Unemployment	5,000	5,000	5,788	(788)
Workers' compensation	31,000	31,000	30,482	518
Other expenses	19,800	19,800	11,573	8,227
Total compensation and related items	$ 3,010,287	$ 3,010,287	$ 2,784,761	$ 225,526

Schedule of Revenues and Expenses - Operating Fund
Budgetary Basis
Year Ended June 30, 2020 (Continued)

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Expenses: (continued)				
Contractual:				
Legal	$ 24,000	$ 24,000	$ 24,000	$ -
Professional services	12,000	12,000	11,829	171
Health services	20,000	20,000	16,921	3,079
Audit	4,800	4,800	5,009	(209)
Repairs and maintenance	45,900	45,900	33,543	12,357
Maintenance contracts	120,000	120,000	114,644	5,356
Printing and binding	1,000	1,000	1,007	(7)
Advertising	400	400	629	(229)
Refuse collection	2,000	2,000	1,912	88
Administration fees	75,430	75,430	75,430	-
Other contractual	7,500	7,500	10,392	(2,892)
Total contractual	$ 313,030	$ 313,030	$ 295,316	$ 17,714
Other charges:				
Data processing	$ 30,000	$ 30,000	$ 21,709	$ 8,291
Electrical	67,000	67,000	59,252	7,748
Heating	13,000	13,000	12,309	691
Water and sewer	11,000	11,000	11,506	(506)
Postal services	1,000	1,000	16	984
Telecommunications	25,000	25,000	23,334	1,666
Fire insurance	34,000	34,000	29,895	4,105
Training - Academy	5,000	5,000	3,381	1,619
Travel - subsistence	8,500	8,500	5,848	2,652
Miscellaneous	9,500	9,500	4,574	4,926
Dues and memberships	1,200	1,200	1,260	(60)
Materials and supplies	3,500	3,500	9,140	(5,640)
Office supplies	8,300	8,300	7,522	778
Food supplies	127,000	127,000	138,087	(11,087)
Medical and lab supplies	8,000	8,000	8,220	(220)
Laundry and janitorial supplies	20,000	20,000	17,347	2,653
Linen supplies	2,000	2,000	1,349	651
Uniforms - inmates	6,000	6,000	6,874	(874)
Repair and maintenance supplies	13,000	13,000	10,489	2,511
Vehicle and equipment fuel	2,000	2,000	2,990	(990)
Vehicle and equipment repairs	2,000	2,000	3,000	(1,000)
Police supplies	3,000	3,000	1,950	1,050
Uniforms and apparel	7,000	7,000	6,934	66
Books and subscriptions	2,000	2,000	379	1,621
Education and recreation supplies	15,000	15,000	14,887	113
Recreation supplies	5,000	5,000	4,884	116
Copy expense	600	600	-	600
Regional jail	36,000	36,000	36,000	-
Curry school	5,000	5,000	2,500	2,500
Total other charges	$ 470,600	$ 470,600	$ 445,636	$ 24,964

Schedule of Revenues and Expenses - Operating Fund
Budgetary Basis
Year Ended June 30, 2020 (Continued)

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
Expenses: (continued)				
Capital outlay:				
Machinery and equipment	$ 15,000	$ 15,000	$ 21,914	$ (6,914)
Furniture and fixtures	60,000	60,000	9,476	50,524
Lease/rent equipment	7,000	7,000	4,608	2,392
Total capital outlay	$ 82,000	$ 82,000	$ 35,998	$ 46,002
Total expenses	$ 3,875,917	$ 3,875,917	$ 3,561,711	$ 314,206
Net operating income (loss)	$ (20,000)	$ (20,000)	$ 22,091	$ 42,091
Nonoperating revenues:				
Interest income	$ 20,000	$ 20,000	$ 24,241	$ 4,241
Net nonoperating revenue	$ 20,000	$ 20,000	$ 24,241	$ 4,241
Excess (deficiency) of revenues over (under) expenses	$ -	$ -	$ 46,332	$ 46,332

The budgetary data presented above is on the modified accrual basis of accounting which is in accordance with generally accepted accounting principles.

BLUE RIDGE JUVENILE DETENTION COMMISSION

Reconciliation of the Schedule of Revenues and Expenses - Operating Fund - Budgetary Basis to the Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2020

Reconciliation of excess (deficiency) of revenues over (under) expenses to changes in net position per the Statement of Revenues, Expenses and Changes in Net Position:		
Excess (Deficiency) of revenues over(under) expenses per budgetary basis schedule	$	46,332
Depreciation expense		(331,051)
Acquisition of capital assets		5,300
Change in pension related items		(76,450)
Change in OPEB related items		(87,126)
Changes in net position, per statement of revenues, expenses, and changes in net position	$	(442,995)

- Compliance -

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO THE MEMBERS OF
BLUE RIDGE JUVENILE DETENTION COMMISSION
CHARLOTTESVILLE, VIRGINIA

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions,* issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the business-type activities of Blue Ridge Juvenile Detention Commission as of and for the year ended June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated March 16, 2021.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
March 16, 2021