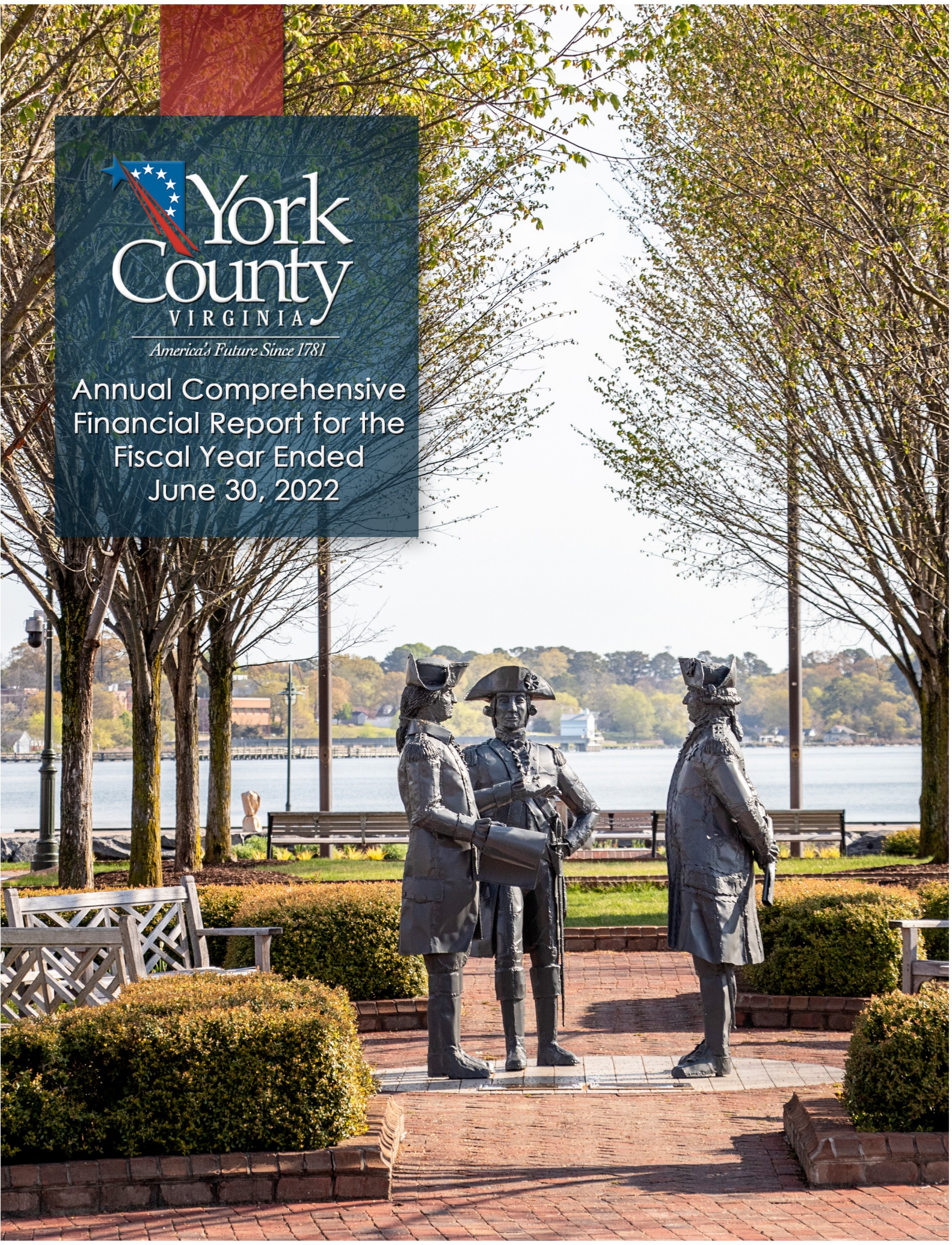




America's Future Since 1781

Annual Comprehensive
Financial Report for the
Fiscal Year Ended
June 30, 2022



ANNUAL COMPREHENSIVE FINANCIAL REPORT

COUNTY OF YORK, VIRGINIA

For the Fiscal Year Ended June 30, 2022

Prepared by the Department of Finance,
Division of Accounting and Financial Reporting

Theresa S. Owens, CPA
Director of Finance

Carolyn T. Cuthrell
Deputy Director of Finance

Amy L. Santiago
Catherine A. Wyatt

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COUNTY OF YORK, VIRGINIA
Annual Comprehensive Financial Report
June 30, 2022

Table of Contents

	<u>Page</u>
<u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	A-1 - A-8
Certificate of Achievement for Excellence in Financial Reporting	A-9
Organizational Diagram of York County Government	A-10
Principal Officials	A-11
<u>FINANCIAL SECTION</u>	
Report of Independent Auditor	B-1 - B-3
Management's Discussion and Analysis	C-1 - C-15
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	D-1
Statement of Activities	D-2
Fund Financial Statements:	
Governmental Funds Financial Statements:	
Balance Sheet	E-1
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	E-2
Statement of Revenues, Expenditures and Changes in Fund Balances	E-3
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	E-4
Proprietary Funds Financial Statements:	
Statement of Net Position	E-5
Statement of Revenues, Expenses and Changes in Fund Net Position	E-6
Statement of Cash Flows	E-7
Fiduciary Financial Statements:	
Statement of Fiduciary Net Position	E-8
Statement of Changes in Fiduciary Net Position	E-9
Notes to Basic Financial Statements	F-1 - F-101
Required Supplementary Information Other Than Management's Discussion and Analysis:	
Budgetary Comparison Schedule, General Fund - Revenues and Other Financing Sources	G-2 - G-3
Budgetary Comparison Schedule, General Fund - Expenditures and Other Financing Uses	G-4 - G-5
Budgetary Comparison Schedule, Tourism Fund	G-7
Schedule of Changes in Employer's Net Pension Liability and Related Ratios	G-8 - G-10
Schedule of Employer's Share of Net Pension Liability	G-11
Schedule of Employer Contributions - Pension	G-12
Schedule of Changes in Employer's Net OPEB Liability and Related Ratios - Health/Dental	G-13
Schedule of Employer Contributions - OPEB - Health/Dental	G-14
Schedule of Changes in Employer's Net HIC OPEB Liability and Related Ratios	G-15
Schedule of Employer HIC OPEB Contributions	G-16
Schedule of Employer's Share of Net OPEB Liability - Health Insurance Credit Program Professional Employees	G-17
Schedule of Employer's Share of Net OPEB Liability - Group Life Insurance	G-18
Schedule of Employer's Share of Net OPEB Liability - Group Life Insurance Nonprofessional Employees	G-19
Schedule of Employer's Share of Net OPEB Liability - Group Life Insurance Professional Employees	G-20
Schedule of Employer GLI OPEB Contributions	G-21
Schedule of Employer's Share of Net OPEB Liability - Virginia Local Disability Program (VLDP) Nonprofessional Employees	G-22
Schedule of Employer's Share of Net OPEB Liability - Virginia Local Disability Program (VLDP) Professional Employees	G-23
Schedule of Employer Virginia Local Disability Program (VLDP)	G-24
Schedule of Investment Returns - Other Postemployment Benefits Health/Dental	G-25
Notes to Required Supplementary Information	G-26 - G-30
Other Supplementary Information:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	H-2
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	H-3
Budgetary Comparison Schedule - Nonmajor Special Revenue Funds	H-4 - H-5
Budgetary Comparison Schedule - Debt Service Funds	H-6
Budgetary Comparison Schedule - Capital Project Funds	H-7
Nonmajor Enterprise Funds:	
Combining Statement of Net Position	I-2
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	I-3
Combining Statement of Cash Flows	I-4
Internal Service Funds:	
Combining Statement of Net Position	J-2
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	J-3
Combining Statement of Cash Flows	J-4

COUNTY OF YORK, VIRGINIA
Annual Comprehensive Financial Report
June 30, 2022

Table of Contents, Continued

	<u>Page</u>
Custodial Funds:	
Combining Statement of Fiduciary Net Position	K-2
Combining Statement of Changes in Fiduciary Net Position	K-3
 <u>STATISTICAL SECTION (Unaudited)</u>	
Financial Trends:	
Net Position By Component - Accrual Basis of Accounting - Last Ten Fiscal Years	L-3
Changes in Net Position - Accrual Basis of Accounting - Last Ten Fiscal Years	L-4
Governmental Activities Tax Revenues By Source - Accrual Basis of Accounting - Last Ten Fiscal Years	L-5
Fund Balances of Governmental Funds - Modified Accrual Basis of Accounting - Last Ten Fiscal Years	L-6
Changes in Fund Balances of Governmental Funds - Modified Accrual Basis of Accounting - Last Ten Fiscal Years	L-7
General Government Tax Revenues By Source - Modified Accrual Basis of Accounting - Last Ten Fiscal Years	L-8
Revenue Capacity:	
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Calendar Years	L-9
Property Tax Rates - Last Ten Fiscal Years	L-10
Principal Property Taxpayers - Calendar Year 2021 and Nine Years Prior	L-11
Property Tax Levies and Collections - Last Ten Fiscal Years	L-12
Debt Capacity:	
Ratio of Outstanding Debt By Type - Last Ten Fiscal Years	L-13
Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years	L-14
Demographic and Economic Information:	
Demographic and Economic Statistics - Last Ten Fiscal Years	L-15
Principal Employers - Current and Nine Years Prior	L-16
Operating Information:	
Full-time Equivalent County Employees By Function - Last Ten Fiscal Years	L-17
Operating Indicators By Function - Last Ten Years	L-18
Capital Asset Statistics By Function - Last Ten Years	L-19
 <u>COMPLIANCE SECTION</u>	
Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	M-1 - M-2
Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	M-3 - M-5
Schedule of Expenditures of Federal Awards	M-6 - M-7
Notes to Schedule of Expenditures of Federal Awards	M-8
Schedule of Findings and Questioned Costs	M-9

COUNTY ADMINISTRATOR
Neil A. Morgan



BOARD OF SUPERVISORS

Walter C. Zaremba
District 1
Sheila S. Noll
District 2
W. Chad Green
District 3
G. Stephen Roane, Jr.
District 4
Thomas G. Shepperd, Jr.
District 5

November 29, 2022

Members of the Board of Supervisors and Citizens of County of York, Virginia:

On behalf of the staff, I am submitting the York County's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022, as required by the Code of Virginia. The Finance Department has prepared this report in accordance with generally accepted accounting principles (GAAP) in the United States, the standards of financial reporting prescribed by the Governmental Accounting Standards Board, and those of the Auditor of Public Accounts of the Commonwealth of Virginia. Cherry Bekaert LLP, an independent certified public accounting firm, has audited the financial statements and the firm's opinions are contained within this report.

Responsibility for both the accuracy of the presented data and the fairness of the presentation, including all disclosures, rests with the County. As such, and after detailed review, we believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the various funds of the County; and that all disclosures necessary to enable the reader to gain maximum understanding of the County's financial activity have been included.

As a political entity, York County provides a wide range of municipal services including general government administration, judicial services, public safety, management services, education, social services, public works, community development and community services. In addition, the County operates and maintains a solid waste disposal program and a sewer utility system, which service geographically dispersed areas of the jurisdiction.

Three discretely presented component units are included in the County's financial statements. Discretely presented component units are entities that are legally separate from the County, but for which the County is financially accountable, or whose relationships with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. In York County, these are the School Division, the Economic Development Authority (EDA), and the Marquis Community Development Authority (MCDA).

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors, beginning on page C-1 of this report.

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A Hampton Roads Community

PROFILE OF THE GOVERNMENT

York County was established in 1634 and thrived for decades as a colonial seaport. However, it is best known as the site of the final major battle of the American Revolution when on October 19, 1781, British troops under the command of Lord Cornwallis surrendered to the combined American and French forces under the leadership of General George Washington. The County is located in the Virginia coastal plain on the peninsula formed by the James and York Rivers and the Chesapeake Bay. It consists of 108 square miles and is bounded by James City County and the Cities of Poquoson, Hampton, Newport News, and Williamsburg, and by the York River. The County land area is effectively split into two distinct sections by a large area of federal landholdings, including the Coast Guard Training Center, the Colonial National Historical Park, and the U.S. Naval Weapons Station. In addition, the U.S. Navy's Cheatham Annex, Camp Peary, and the U.S. Air Force's Landings at Langley Housing Complex (Langley Air Force Base) with its associated reservoir bring the total non-taxable federal landholdings to approximately 40% of the County's total land area. With the exception of the previously mentioned Federal landholdings, the County is empowered to levy a property tax on both real and personal properties located within its boundaries.

York County is organized under the traditional form of government (as defined under Virginia Law), with the elected Board of Supervisors (*the Board*) establishing laws and policies for the administration of the municipality. The Board is comprised of five members: one member from each of five districts, elected for a four-year term by the voters of the district in which the member resides. The Board appoints a County Administrator to act as the administrative head of the County.

York County provides a full range of services, including law enforcement and fire protection. It also is financially accountable for the legally separate School Division, Economic Development Authority, and the financial reporting for the Marquis Community Development Authority (discretely presented component units as mentioned above). Additional information on each of these legally separate entities can be found in Note 1 of the financial statements.

The annual budget serves as the foundation for the County's financial planning and control, with all departments and agencies required to submit requests for appropriation to the County Administrator each October and November. These requests are utilized as a starting point for developing a proposed budget for presentation to the Board for review in March. After a series of work sessions and a public hearing on the proposed budget, the Board shall adopt the budget by the first Board of Supervisors' meeting in May. However, if the County has not received the estimates of state funds, the budget adoption may occur up to 30 days after the estimates are received.

The budget is prepared by fund and function (i.e. public safety). The County Administrator may make transfers of appropriations within functions. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and the tourism fund, a major special revenue fund, this comparison is presented on pages G-2 through G-7 as part of the required supplementary information other than management's discussion and analysis. For governmental funds with appropriated budgets, other than the general and tourism funds, this comparison is presented beginning on page H-4, in the other supplementary information subsection of this report.

COVID-19, ECONOMIC CONDITION AND OUTLOOK

The County continues to monitor the impacts of the novel Coronavirus pandemic, COVID-19, which began in March 2020. On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law. This Act established the Coronavirus State Fiscal Recovery Fund (CSFR) and the Coronavirus Local Fiscal Recovery Fund (CLFRF) known together as the State and Local Fiscal Recovery Funds (SLFRF). These funds build on and expand the support provided to governments over the last year, including the CRF funds. On June 7, 2021, the County received its first allocation of CLFRF funds in the amount of \$6,631,295. The first allocation was fully expended for government operations in FY2021 under the revenue loss provision of the Act. The second allocation of \$6,631,295 was received on June 9, 2022 and was fully expended for government operations in FY2022. These federal dollars along with strong fiscal management measures taken early on have ensured that the County's financial condition remains strong despite the ongoing uncertainty surrounding COVID-19.

Sales and historic triangle sales tax continue to increase and remain strong. Lodging and meals tax remain strong and are above the pre-pandemic level. Beginning in FY2022, the cigarette tax was allowed for counties by the prior year's General Assembly action and remains a strong revenue source. Regarding employment, the areas of most significant gains were Leisure & Hospitality, followed by Healthcare & Social and Education services. The County's unemployment rate in 2022 was more favorable than 2021. The County's annual unemployment rate from the U.S. Bureau of Labor Statistics of 2.8% in June 2022 was more favorable than both the Virginia Beach-Norfolk-Newport News, VA MSA and the Commonwealth's civilian noninstitutional rate of 3.4% and 3.0%, respectively.

STRATEGIC PRIORITIES

The Board developed Strategic Priorities in January of 2016 with revisions in January of 2020 that guided and influenced the development of the fiscal year 2023 budget and funding decisions.

1. Devote leadership and resources necessary to ensure and sustain EXEMPLARY PUBLIC SAFETY functions.
2. Facilitate EXCELLENT EDUCATIONAL OPPORTUNITIES for all County citizens.
3. Facilitate VALUE-DRIVEN ECONOMIC DEVELOPMENT that is sensitive to community character and the environment.
4. MAXIMIZE OUTSTANDING COMMUNICATIONS and CUSTOMER SERVICE as an organizational value, expectation and outcome amongst and between the Board of Supervisors, citizens, boards and commissions, and County staff.
5. Protect and respect the County's natural and built attributes through balanced and cost-effective ENVIRONMENTAL STEWARDSHIP with a FOCUS on RESILIENCY.
6. Promote QUALITY TECHNOLOGY INVESTMENTS to support the efficient operation of County government.

The FY2023 Adopted Budget was prepared with the mindset that the County still faces uncertainty about the impact the economic recovery will have on the County's finances, as we begin to emerge from the economic effects of a historic health emergency. The adopted budget represented a carefully considered fiscal plan and reflected a plan that invests in all of the Board's strategic priorities while lowering tax rates. There was nominal inflation adjustment for Parks and Recreation program fees, but no other fees were increased.

Operations

The Comprehensive Plan, *Charting the Course to 2035*, is the long-range plan for the physical development of the County. The plan was adopted in September 2013 after an extensive review process involving citizens and civic and business groups, the Planning Commission, and the Board of Supervisors. The goals and implementation strategies set out in the Comprehensive Plan also inform and influence the budget, as well as various County programs and operations. For example, the Economic Development Authority's focus on revitalization of strategic development nodes on the Route 17 corridor is consistent with objectives identified in the Comprehensive Plan. Other initiatives that link back to the Comprehensive Plan include development management that encourages a balance of quality residential and commercial growth, financial and cooperative services support for the County's School Division, and a capital improvements program that devotes significant resources to public safety (emergency response and emergency communications) and utility infrastructure improvements (sewer, water and stormwater management). The 5-year review process for the Comprehensive Plan is underway and York2040 is expected to be completed in 2023.

Economic Development

In FY2022, the Board of Supervisors continued to firmly support economic development as one of its six Strategic Priorities – *Facilitate VALUE DRIVEN ECONOMIC DEVELOPMENT that is sensitive to community character and the environment*. In support of this objective, the Economic Development Authority (EDA), the Office of Economic Development (OED), and the new Department of Economic & Tourism Development (ETD), focused on assisting the County's business base as it began the process of shifting from survival in a COVID-19 environment, to rebuilding in a post-COVID-19 economy.

- **COVID-19 Small Business Recovery Grant Program:** Led by the County's Housing and Neighborhood Revitalization Division (HNR), with assistance from the OED, funds from the COVID-19 Small Business Recovery Grant Program were fully expended in FY2022. Throughout three phases of the program, over \$1,638,400 of Community Development Block Grant (CDBG) funds were utilized to support 167 unique funding applications from York County businesses.
- **Organizational Restructuring:** Recognizing the importance of tourism-based assets and activities to the York County economic base, the County decided in FY2022 to combine the Office of Economic Development and the Office of Tourism Development into a single department. The new Department of Economic & Tourism Development was formed in December 2021. While still in the developmental phase, clear benefits in terms of business outreach efforts, marketing, and event planning, have already been evident. Going forward, it is anticipated these initial positive results will only be amplified as the two groups continue to identify ways in which ETD staff experience and expertise can be utilized in a highest and best use manner.
- **Regional Economic Development:** In December 2021, the Eastern Virginia Regional Industrial Facility Authority (EVRIFA), closed on the purchase of 432 acres of surplus state property in York County formerly known as the "Fuel Farm", which will be used to create Kings Creek Commerce Center. Subsequent to the property acquisition, EVRIFA entered into a long-term lease with CI Renewable for the use of 250 acres for a 20 megawatt solar facility. CI Renewable's rights under the long-term lease were then transferred to Dominion Virginia. Dominion has continued to move forward with design development for the solar facility. In FY2022, EVRIFA also began to actively market the remaining portion of the Kings Creek Commerce Center property for uses such as light industrial, R&D unmanned technologies, etc.

- **Hampton Roads Alliance:** Effective December 1, 2021, the communities of James City County, Williamsburg and York County, aligned their regional economic development association with other regional endeavors, and joined the Hampton Roads Alliance. The entire region will benefit from the comprehensive strategic cooperation, workforce development and general collaboration provided by membership in the Hampton Roads Alliance.
- **Commercial Development Activity:** While FY2021 had a total permit value of just over \$45 million, FY2022's total permit value grew to over \$213 million. New construction increased from \$16.6 million in FY2021 to almost \$53 million in FY2022, while additions and alterations increased from almost \$13 million in FY2021 to almost \$35.5 million in FY2022. Commercial activity was evenly distributed throughout the County and across the commercial, retail, and industrial market sectors. Backfill of existing commercial space continued to be a focus in FY2022. Ollie's and Ashley Home Store opened their doors in the former Big K space in Kingsgate Green Shopping Center. The Kingsgate Green management company also announced a lease signing with Locke Supply Co., a new-to-market supplier of plumbing, electrical, and HVAC equipment. Build-out of the Locke Supply Co. space is underway with an opening expected in FY2023. In the southern end of the County, Raising Cane's announced plans to build a new location on the site of the former Ruby Tuesday restaurant in the Kiln Creek development.

Capital Improvements Program

Growth in the County's population is projected to continue on a gradual upward trend. Along with this growth, the County can anticipate an increased demand for government services in future years. The County's six-year capital improvements program (CIP) indicates that a major emphasis will continue to be placed on emergency services and communications, the expansion of infrastructure, such as sewer, fiber and facilities, renovation and expansion of county and school facilities, maintenance of buildings, and drainage improvements.

The CIP is funded either on a pay-as-you-go basis or through debt issuance. Pay-as-you-go funding is derived from sources such as tax revenues, interest earnings, payments from other governmental agencies, cash proffers, and user fees. The County also seeks grant funding for projects when available, such as Virginia Department of Transportation (VDOT) shared road projects. Debt funding may include general obligation bonds, revenue bonds or lease financing.

FINANCIAL INFORMATION

The County's accounting records for general governmental operations are maintained on the modified accrual basis. This essentially involves the recording of revenues when they become measurable and available and the recording of expenditures when the goods and/or services are received or related fund liability is incurred. Accounting records for the County's enterprise (utility systems) and internal service (motor vehicle pool, information technology, health/dental insurance and workers' compensation) funds are maintained on the accrual basis.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are a system of methods, practices, and procedures designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived therefrom; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal accounting control evaluations occur within the above framework. We believe that our system of internal accounting control adequately safeguards assets and provides reasonable assurance for the proper recording of financial transactions. Budgetary controls are maintained to ensure compliance with the budget approved by the Board of Supervisors. The approved budget is used as a tool to monitor general government expenditures within the limits adopted by the Board. Encumbrances are used to reserve a portion of the applicable appropriation for purchase orders, contracts, and commitments of the County. Open encumbrances are reported in the governmental funds as a component of restricted, committed, and assigned fund balances, as applicable, at year-end.

POLICIES/SIGNIFICANT CHANGES

For fiscal year 2022, the County has adopted GASB Statement No. 87, *Leases*. "The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments." Additional information can be found on GASB 87 in Note 9.

INDEPENDENT AUDIT

The Code of Virginia and the Commonwealth's Auditor of Public Accounts require an annual audit of the books of account, financial records, and the transactions of all administrative departments, agencies, and activities of the County by an independent certified public accountant selected by the Board of Supervisors. This requirement has been complied with and the report of independent auditors has been included in the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the requirements of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also report on the County's compliance with federal requirements for each major program as well as on internal control over compliance pursuant to the audit requirements of Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, U.S. Office of Management and Budget Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). The reports of the independent auditors that relate specifically to the single audit are also included in the compliance section of this report.

AWARDS

The County continued to be recognized for excellence in operational and fiscal management during fiscal year 2022. The following awards were received:

- 2022 National Association of Counties achievement award for Digital & Health Literacy with York County Public Library.
- The York-Poquoson Social Services Director was awarded the Civilian of the Year Award in the Virginia Peninsula Crime Stoppers Salute to Law Enforcement Awards.
- Various awards were provided to employees of Fire and Life Safety and the Sheriff's office for outstanding leadership and performance.
- A dispatcher received the York County Chamber of Commerce First Responder Hero of the Year Award.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded the *Certificate of Achievement for Excellence in Financial Reporting* to York County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2021. This was the 36th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Report continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

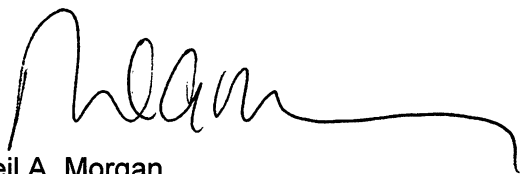
DISTINGUISHED BUDGET PRESENTATION

The GFOA presented a Distinguished Budget Presentation Award to York County for its annual budget for the fiscal year beginning July 1, 2021. This was the 19th consecutive year that the County has achieved this prestigious award. In order to receive this award, a governmental entity must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe that our current budget continues to conform to program requirements and it has been submitted to the GFOA to determine its eligibility for another award.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the staff of the Finance Department, in particular the divisions of Accounting and Financial Reporting, Budget, and Fiscal Accounting Services, as well as the Office of the Treasurer, the School Division, and York-Poquoson Social Services. I would like to express my appreciation to the employees who assisted with and contributed to its preparation. I would also like to thank the members of the Board of Supervisors who, both individually and collectively, provided the guidance and support essential to the conduct of the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Neil A. Morgan", with a long horizontal flourish extending to the right.

Neil A. Morgan
County Administrator

A handwritten signature in dark ink, appearing to read "Theresa S. Owens", with a long horizontal flourish extending to the right.

Theresa S. Owens, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

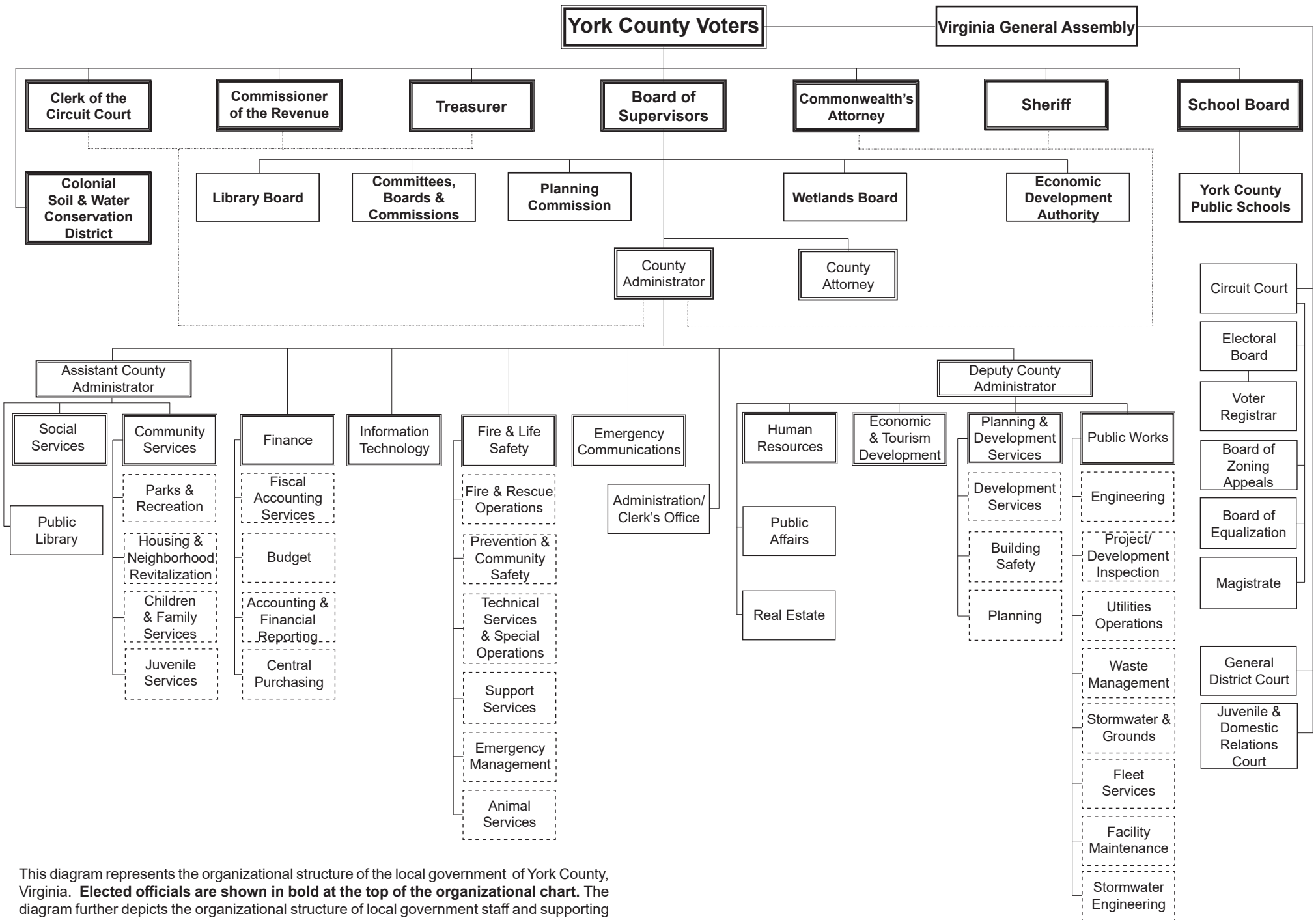
**County of York
Virginia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



COUNTY OF YORK, VIRGINIA
Principal Officials
For the Fiscal Year Ended June 30, 2022

Board of Supervisors

Sheila S. Noll, Chairman
Thomas G. Shepperd, Jr., Vice-Chairman
Walter C. Zaremba
W. Chad Green
G. Stephen Roane, Jr.

Constitutional Officers

Clerk of the Circuit Court
Commissioner of the Revenue
County Treasurer
Commonwealth's Attorney
Sheriff

Kristen N. Nelson
Ann H. Thomas
Candice D. Kelley
Krystyn L. Reid
J. D. Diggs

County Officials

County Administrator
County Attorney
Deputy County Administrator
Director of Community Services/Assistant County Administrator
Acting Director of Economic and Tourism Development
Director of Emergency Communications
Director of Finance
Fire Chief
Director of Human Resources
Director of Information Technology
Director of Library Services
Director of Planning and Development Services
Acting Director of Public Works
Director of York-Poquoson Social Services

Neil A. Morgan
James E. Barnett, Jr.
Mark L. Bellamy, Jr.
Brian P. Fuller
Kristina R. Olsen
Donald T. Hall
Theresa S. Owens
Stephen P. Kopczynski
Rose M. McKinney
Timothy D. Wyatt
Kevin W. Smith
Susan D. Kassel
Robert L. Krieger, III
Margaret Mack-Yaroch

School Board

Laurel M. Garrelts, Chairman
Sean P. Myatt, Vice-Chairman
Brett Higginbotham
James E. Richardson
Mark J. Shafer

School Officials

Superintendent of Schools
Chief Academic Officer
Chief Financial Officer
Chief Human Resources Officer
Chief Operations Officer
Director of Leadership and Accountability
Director of Information Technology
Director of School Administration
Director of Curriculum and Instruction
Director of Student Services

Dr. Victor D. Shandor
Candi L. Skinner
William Bowen
Dr. Anthony Vladu
Dr. James Carroll
Dr. David Reitz
Douglas E. Meade
Dr. Aaron Butler
Dr. Karen Cagle
Christy Morgan

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Report of Independent Auditor

To the Honorable Members of the Board of Supervisors
County of York, 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 York, Virginia (the "County"), as of and for the year ended June 30, 2022, 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, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia (the "Specifications"). Our responsibilities under those standards and specifications 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 the 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'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, *Government Auditing Standards*, and the Specifications 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, *Government Auditing Standards*, and the Specifications, 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 management's discussion and analysis and the schedules of 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Other Supplementary Information, as listed in the table of contents, and the 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 Other Supplementary Information 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 Statistical 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 November 29, 2022, 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 County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The signature is written in a cursive, flowing style.

Virginia Beach, Virginia
November 29, 2022

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the County of York's (the "County's") Annual Comprehensive Financial Report (ACFR) presents management's discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2022. Please read it in conjunction with the transmittal letter on pages A-1 through A-8 at the front of this report and the County's basic financial statements, which begin on page D-1.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2022 (FY2022)

- The assets and deferred outflows of resources of the County on a government-wide basis, excluding component units, exceeded its liabilities and deferred inflows of resources as of June 30, 2022 by \$202,420,198 (net position). Under Virginia law, School Divisions hold title to all school property and local governments incur financial obligations for school property. The assets are reported on the School Division's Statement of Net Position and the related debt is reported on the County's Statement of Net Position. Consequently, the County reports \$76,941,376 in school debt without the related assets.
- The County's total net position increased by \$29,508,133. Governmental activities increased by \$25,303,471, primarily due to General Fund expenditures being offset with American Rescue Plan Act (ARPA) funding and an increase in General Fund property tax revenues, sales tax, hotel and motel room taxes, business license taxes and a newly implemented revenue source of cigarette taxes in FY2022. Business-type activities increased by \$4,204,662 mainly attributable to an increased allocation from restaurant food taxes to support sewer projects and capital contributions of sewer lines in FY2022.
- As of June 30, 2022, the County's governmental funds reported combined ending fund balances of \$127,885,877, an increase of \$43,971,389 from the prior year. Unassigned fund balance totaled \$17,895,217 and is available for spending at the County's discretion. This amount reflects a General Fund unassigned fund balance of \$20,898,594, or 14.8% of total General Fund expenditures and an unassigned fund deficit of \$3,003,377 in the Yorktown Capital Improvements Fund, attributable to a long-term advance payable to another fund.
- The County's noncurrent liabilities, which includes the net OPEB liability, net pension liability and lease liability at June 30, 2022, were \$187,535,729, which is an increase of \$4,996,515 from the prior year. The key factors in this increase were the issuance of new lease revenue bonds, a new direct financing lease and the implementation of GASB 87 for leases offset by a decrease in the pension and OPEB liabilities based on actuarial calculations.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Annual Comprehensive Financial Report consists of three (3) sections: introductory, financial and statistical. The financial section includes the basic financial statements consisting of three components: 1) Government-wide financial statements; 2) Fund financial statements; and 3) Notes to the basic financial statements. Required Supplementary Information as well as Other Supplementary Information is included in addition to the basic financial statements.

Government-wide Statements - The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, in a manner similar to a private-sector business. One of the most frequently asked questions about the County's finances is, "Is the County as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all of the assets and liabilities using the

accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and the changes in them. One can think of the County's net position - the difference between assets + deferred outflows of resources less liabilities + deferred inflows of resources - as one way to measure the County's financial health or financial position. Over time, increases or decreases in the County's net position is one indicator of whether its financial health is improving or deteriorating. However, other non-financial factors will need to be considered, such as changes in the County property tax base, to assess the overall health of the County.

In the Statement of Net Position and the Statement of Activities, the County is divided into three kinds of activities:

- Governmental activities - Most of the County's basic services are reported here, including general government, judicial services, public safety, management services including finance, education, human services, public works, community development including planning and community services. Property taxes, other local taxes, and state and federal grants finance most of these activities.
- Business-type activities - The County charges a fee to customers to help cover the majority of the costs of services it provides. The County's water and sewer utilities, solid waste, Yorktown operations, the two Sanitary Districts, and Regional Radio System operations are reported here.
- Component units - The County includes three separate legal entities in its report - the York County School Division, the Economic Development Authority of York County and the Marquis Community Development Authority. Although legally separate, the County is financially accountable for the School Division and the Economic Development Authority component units and provides operating and capital funding. The County provides the financial reporting for the Marquis Community Development Authority.

The government-wide financial statements can be found on pages D-1 through D-2 of this report.

Fund Financial Statements - Traditional users of government financial statements will find the fund statement presentation more familiar, although the focus is only on the County's most significant funds. The County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

The County has three kinds of funds:

- Governmental funds - Most of the County's basic services are reported in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out; and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed, short-term view of the County's general government operations and the basic services it provides.

Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the future to finance the County's programs. Because this information does not address the long-term focus of the government-wide statements, additional information is provided after the governmental funds statements that explains the relationship (or differences) between the fund financial statements and the government-wide financial statements. The basic governmental fund financial statements can be found on pages E-1 through E-4 of this report. The County maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Tourism Fund, Yorktown Capital Improvements Fund, County Capital Fund and Education Debt Service Fund, all of which are considered to be major funds.

Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages H-2 through H-7 of this report.

- Proprietary funds - Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information.

In fact, the County's enterprise funds (one type of proprietary fund) are its business-type activities, but the fund financial statements provide more detail and additional information, such as cash flow. The basic proprietary fund financial statements can be found on pages E-5 through E-7 of this report. The County maintains eight individual enterprise funds. Information is presented separately in the proprietary fund statement of net position, the proprietary fund statement of revenues, expenses and changes in fund net position and the proprietary fund statement of cash flows for the Sewer Utility Fund and Solid Waste Fund, which are major funds. Data for the other six enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements on pages I-2 through I-4 of this report.

During fiscal year 2022, the County used four internal service funds (the other type of proprietary fund) to report activities that provide supplies and services for the County's other programs and activities. The Vehicle Maintenance Fund provides for the accumulation of resources to replace capital equipment and maintenance services for the County's vehicle fleet. The Health and Dental Insurance fund provides for the revenues and expenses of the health and dental programs. The Workers' Compensation fund accounts for the claims and related expenses for workers' compensation. The Information Technology fund accounts for the costs of providing computer technical support, software support, and internet and telecommunications services. The internal service funds are presented as a separate column in the proprietary fund financial statements, on pages E-5 through E-7 of this report. Individual fund data for each of these internal service funds is provided in the form of combining statements on pages J-2 through J-4 of this report.

- Fiduciary funds – The County's fiduciary activities are reported in an Other Postemployment Benefit Trust Fund and custodial fund statements of fiduciary net position and changes in fiduciary net position. The County excludes these activities from the County's government-wide statements because the County cannot use these assets to finance its operations. The OPEB Trust Fund is irrevocable and custodial funds are used to provide accountability of client monies for which the County is the custodian. The OPEB Trust Fund accounts for future benefits payable for eligible retirees of the County towards health insurance coverage in a plan sponsored by the County.

The Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position can be found on pages E-8 to E-9 of this report. Individual fund data for the custodial funds is provided in the form of combining statements on pages K-2 through K-3 of this report.

Notes to the Basic Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages F-1 through F-101 of this report.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's General Fund and Tourism Fund budgets and progress in funding its obligations to provide pension benefits and other postemployment benefits to its employees and contributions for other postemployment benefits and for the single-employer defined benefit pension plan of the School Division. Required supplementary information can be found beginning on page G-2 of this report.

The combining statements for nonmajor governmental funds are presented immediately following the required supplementary information. Combining statements can be found on pages H-2 through K-3 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary of Statement of Net Position - As of June 30, 2022 and 2021

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY2022</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2021</u>
Current and other assets	\$ 166,861,145	\$ 127,926,084	\$ 26,791,797	\$ 20,113,295	\$ 193,652,942	\$ 148,039,379
Capital assets	<u>110,417,096</u>	<u>91,018,245</u>	<u>128,317,669</u>	<u>128,221,425</u>	<u>238,734,765</u>	<u>219,239,670</u>
Total assets	<u>\$ 277,278,241</u>	<u>\$ 218,944,329</u>	<u>\$ 155,109,466</u>	<u>\$ 148,334,720</u>	<u>\$ 432,387,707</u>	<u>\$ 367,279,049</u>
Deferred outflows of resources	<u>\$ 23,767,689</u>	<u>\$ 26,655,976</u>	<u>\$ 2,590,717</u>	<u>\$ 2,901,934</u>	<u>\$ 26,358,406</u>	<u>\$ 29,557,910</u>
Current and other liabilities	\$ 22,237,802	\$ 26,821,770	\$ 2,591,808	\$ 2,425,259	\$ 24,829,610	\$ 29,247,029
Long-term liabilities	<u>167,485,534</u>	<u>158,752,331</u>	<u>20,050,195</u>	<u>23,786,883</u>	<u>187,535,729</u>	<u>182,539,214</u>
Total liabilities	<u>\$ 189,723,336</u>	<u>\$ 185,574,101</u>	<u>\$ 22,642,003</u>	<u>\$ 26,212,142</u>	<u>\$ 212,365,339</u>	<u>\$ 211,786,243</u>
Deferred inflows of resources	<u>\$ 37,130,891</u>	<u>\$ 11,137,972</u>	<u>\$ 6,829,685</u>	<u>\$ 1,000,679</u>	<u>\$ 43,960,576</u>	<u>\$ 12,138,651</u>
Net position:						
Net investment in capital assets	\$ 44,619,015	\$ 67,685,243	\$ 110,911,421	\$ 110,749,120	\$ 155,530,436	\$ 178,434,363
Restricted	31,721,148	8,951,725	-	-	31,721,148	8,951,725
Unrestricted (deficit)	<u>(2,148,460)</u>	<u>(27,748,736)</u>	<u>17,317,074</u>	<u>13,274,713</u>	<u>15,168,614</u>	<u>(14,474,023)</u>
Total net position	<u>\$ 74,191,703</u>	<u>\$ 48,888,232</u>	<u>\$ 128,228,495</u>	<u>\$ 124,023,833</u>	<u>\$ 202,420,198</u>	<u>\$ 172,912,065</u>

- The County's net position totaled \$202,420,198, an increase of \$29,508,133. This result is comprised of an increase of net position in governmental activities of \$25,303,471, and an increase of \$4,204,662 in business-type activities. The increase in governmental activities was primarily due to General Fund expenditures being offset with American Rescue Plan Act (ARPA) funding and an increase in General Fund property tax revenues, sales tax, hotel and motel room taxes, business license taxes and a newly implemented revenue source of cigarette taxes in FY2022. The increase for business-type activities was mainly attributable to an increased allocation from restaurant food taxes to support sewer projects and capital contributions of sewer lines in FY2022.

Approximately 15.7% of net position represented resources that are subject to external restrictions. Restrictions do not significantly affect the availability of fund resources for future use. The majority of the County's net position reflected its investment in capital assets, less any related debt used to acquire those assets that were still outstanding. These assets are used to provide services to citizens and consequently are not available for future spending. At June 30, 2022, the County reported an unrestricted balance of \$7,400,403. The increase in the unrestricted fund balance of \$21,874,426 is primarily due to an increase in the allocation from restaurant food taxes and capital contributions in the Sewer Fund and General Fund increases in property tax, sales tax, hotel and motel room taxes, business license taxes and cigarette taxes offset with ARPA funding.

Under Virginia law, School Divisions hold title to all school property, except when the governing bodies of the local government and school division agree that title may vest in the locality. Since Virginia school divisions do not have taxing authority, local governments incur financial obligations for school property. In June 2003, the York County Board of Supervisors passed a resolution electing not to acquire tenancy in common of school property as allowed for under GAAP. The County borrows funds to finance the acquisition, construction, and improvement of school property and the School Division holds title to this property.

With the County opting out of Senate Bill 276, the asset values are reported on the School Division's Statement of Net Position and the related debt or liability are reported on the County's Statement of Net Position. Consequently, the County reports \$76,941,376 in school debt without the related assets.

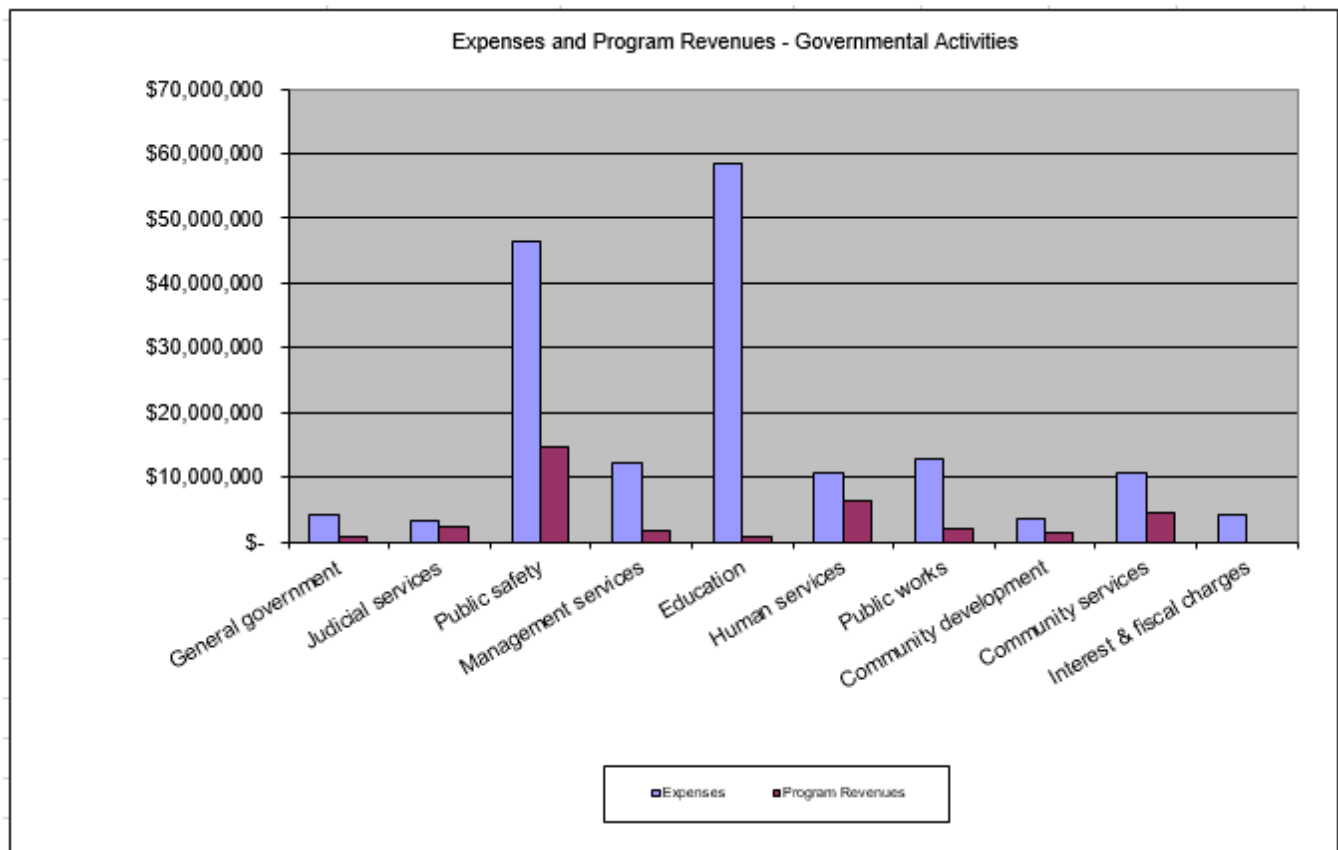
Summary of Changes in Net Position - Years Ended June 30, 2022 and 2021

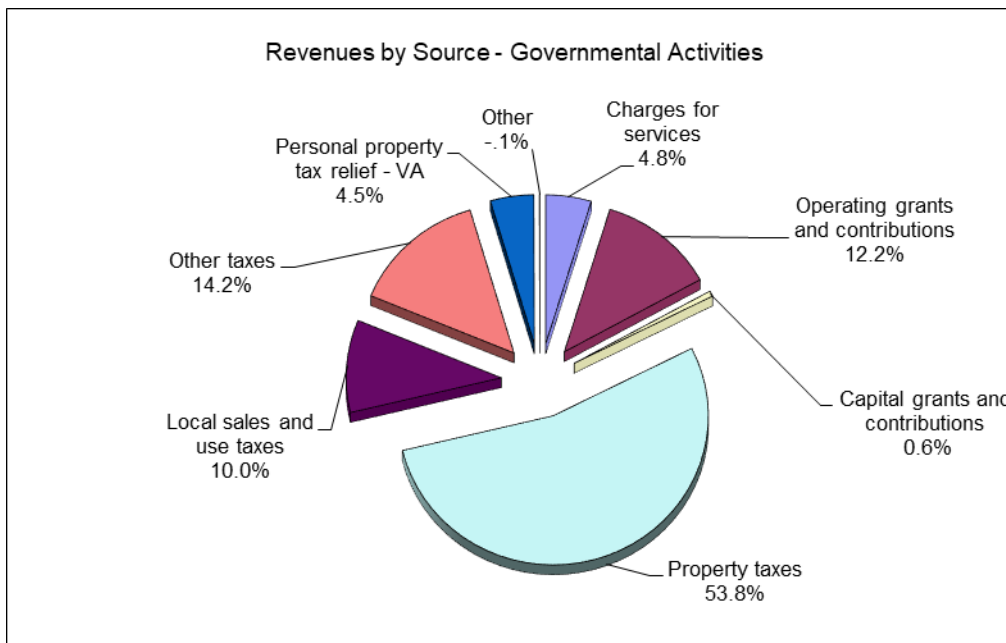
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY2022</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2021</u>
Revenues:						
Program revenues:						
Charges for services	\$ 9,174,673	\$ 7,858,320	\$ 20,568,792	\$ 21,185,080	\$ 29,743,465	\$ 29,043,400
Operating grants and contributions	23,546,282	29,664,580	184,946	90,492	23,731,228	29,755,072
Capital grants and contributions	1,130,423	911,612	2,424,823	2,179,427	3,555,246	3,091,039
General revenues:						
Property taxes	103,616,113	96,141,095	-	-	103,616,113	96,141,095
Other taxes	46,622,154	39,554,043	2,589,804	937,343	49,211,958	40,491,386
Commonwealth of Virginia, net						
Local Aid to Commonwealth	8,741,680	8,741,680	-	-	8,741,680	8,741,680
Unrestricted investment earnings	(294,364)	(19,787)	56,802	25,086	(237,562)	5,299
Miscellaneous	207,247	372,731	37,265	8,534	244,512	381,265
Gain on sale of capital assets	-	4,391	-	23,769	-	28,160
Total revenues	<u>192,744,208</u>	<u>183,228,665</u>	<u>25,862,432</u>	<u>24,449,731</u>	<u>218,606,640</u>	<u>207,678,396</u>
Expenses:						
Governmental activities:						
General administration	4,031,287	3,753,814	-	-	4,031,287	3,753,814
Judicial services	3,352,664	3,704,339	-	-	3,352,664	3,704,339
Public safety	46,324,046	42,065,399	-	-	46,324,046	42,065,399
Management services	12,139,466	12,923,458	-	-	12,139,466	12,923,458
Education	58,348,697	70,239,829	-	-	58,348,697	70,239,829
Human services	10,624,676	10,111,077	-	-	10,624,676	10,111,077
Public works	12,784,193	10,943,599	-	-	12,784,193	10,943,599
Community development	3,514,026	3,498,074	-	-	3,514,026	3,498,074
Community services	10,765,249	8,106,746	-	-	10,765,249	8,106,746
Interest and fiscal charges on noncurrent debt	4,179,779	3,577,368	-	-	4,179,779	3,577,368
Business-type activities:						
Sewer Utility	-	-	12,120,219	11,992,147	12,120,219	11,992,147
Water Utility	-	-	722,641	324,391	722,641	324,391
Solid Waste	-	-	5,898,184	6,055,946	5,898,184	6,055,946
Yorktown Operations	-	-	225,797	157,317	225,797	157,317
Sanitary Districts	-	-	417,138	418,134	417,138	418,134
Regional Radio System	-	-	3,650,445	4,068,264	3,650,445	4,068,264
Total expenses	<u>166,064,083</u>	<u>168,923,703</u>	<u>23,034,424</u>	<u>23,016,199</u>	<u>189,098,507</u>	<u>191,939,902</u>
Change in net position, before transfers	26,680,125	14,304,962	2,828,008	1,433,532	29,508,133	15,738,494
Transfers	<u>(1,376,654)</u>	<u>(1,045,730)</u>	<u>1,376,654</u>	<u>1,045,730</u>	<u>-</u>	<u>-</u>
Change in net position	25,303,471	13,259,232	4,204,662	2,479,262	29,508,133	15,738,494
Net position, beginning	<u>48,888,232</u>	<u>35,629,000</u>	<u>124,023,833</u>	<u>121,544,571</u>	<u>172,912,065</u>	<u>157,173,571</u>
Net position, ending	<u>\$ 74,191,703</u>	<u>\$ 48,888,232</u>	<u>\$ 128,228,495</u>	<u>\$ 124,023,833</u>	<u>\$ 202,420,198</u>	<u>\$ 172,912,065</u>

Governmental Activities - For the fiscal year ended June 30, 2022, revenues from governmental activities totaled \$192,744,208. The \$7,475,018 increase from fiscal year 2021 in property taxes is comprised primarily of two revenue sources: real estate and personal property tax revenues. Real estate tax revenue, the County's largest revenue source, was \$79,900,885. The County's assessed real property tax base for calendar year 2022 was \$10,441,342,000. The County's second largest revenue source is personal property taxes, with total current year collections of \$30,904,031. The Commonwealth of Virginia provides a constant \$8,741,680 as an entitlement grant under the provisions of the Personal Property Tax Relief Act (PPTRA), which is included in the total current year collections.

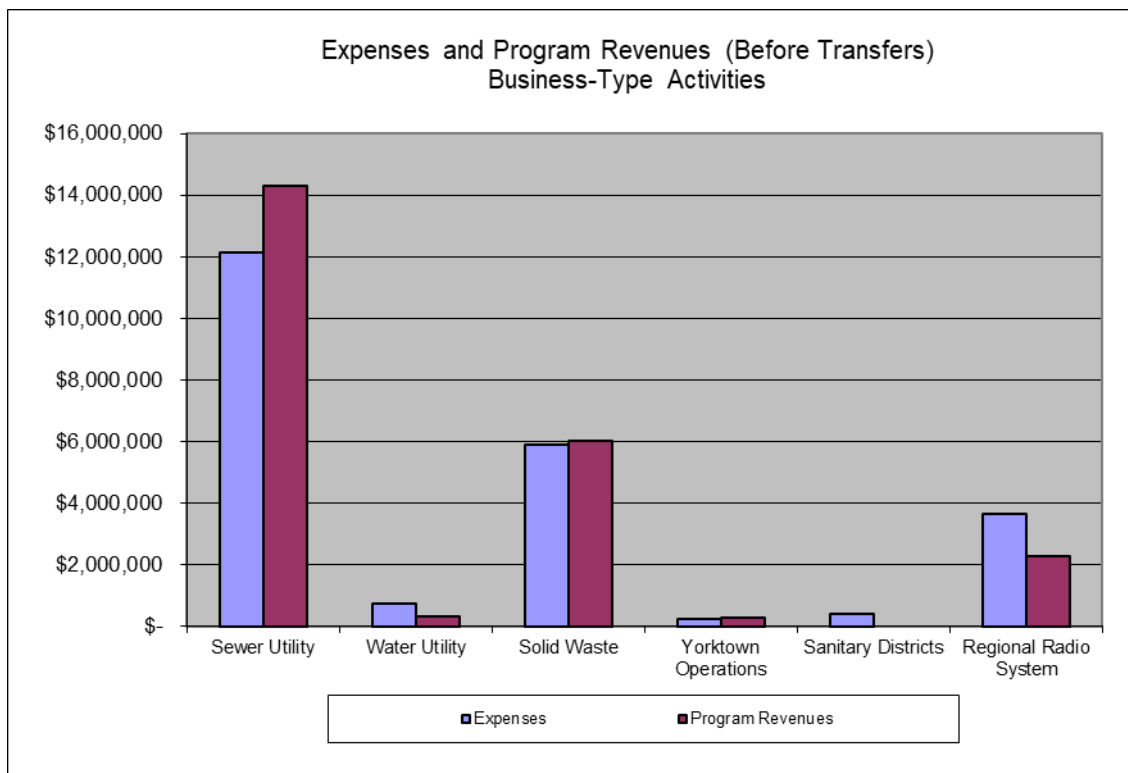
Other taxes increased by \$7,068,111 from the prior year as a result of increases in sales taxes, hotel and motel room taxes, restaurant food taxes, cigarette taxes and business license taxes.

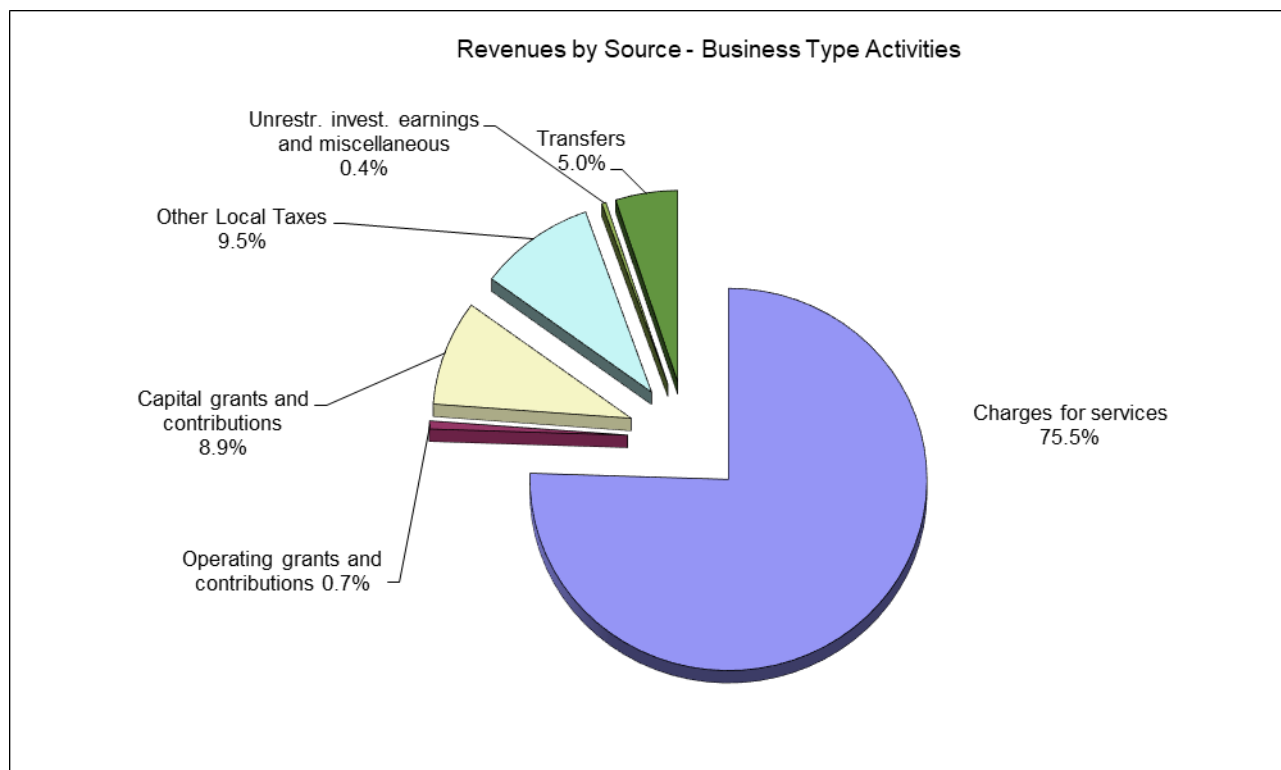
For the fiscal year ended June 30, 2022, expenses for governmental activities totaled \$166,064,083, including the following payments to the component unit - School Division: \$55,209,924 for operations and capital projects; the component unit - Economic Development Authority: \$297,535 for operations and capital, and the component unit - Community Development Authority: \$1,201,089 in incremental taxes and special assessments. For further discussion on changes from the prior year for the governmental funds, see page C-12.





Business-type Activities - Business-type activities increased the County's net position by \$4,204,662 for the fiscal year ended June 30, 2022. This increase is primarily attributable to restaurant food taxes allocated to sewer projects and capital contributions of sewer lines in FY2022. Significant transfers include \$1,376,654, of which the majority is for the maintenance on the emergency radio system in the Regional Radio System Fund.



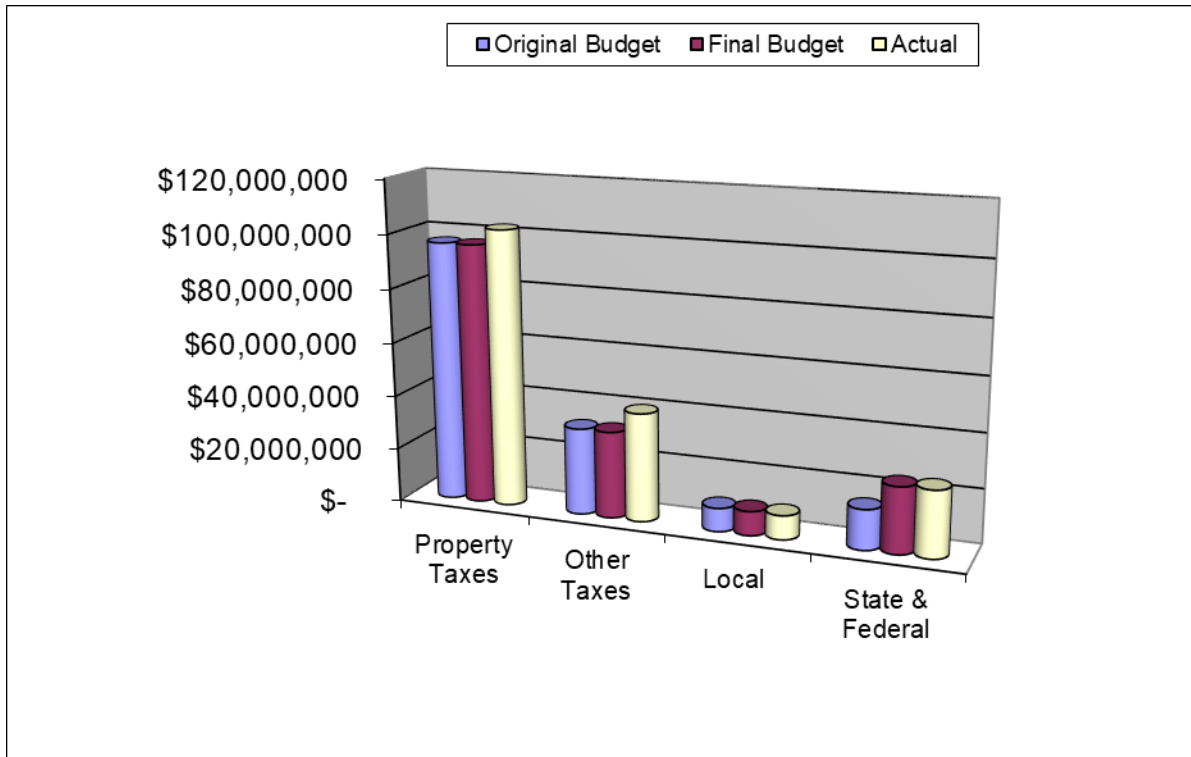


GENERAL FUND

As of June 30, 2022, the County's governmental funds reported combined ending fund balances of \$127,885,877, an increase of \$43,971,389 from the prior year. Unassigned fund balance totaled \$17,895,217 and is available for spending at the County's discretion. Of the remainder of fund balance, \$5,841,716 is nonspendable, \$31,687,038 is restricted, \$23,704,338 is committed and \$48,757,568 is assigned. The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$20,898,594 and total fund balance was \$54,453,731. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 14.8% of total General Fund expenditures while total fund balance represents 38.5% of the same amount.

During the year, the Board of Supervisors approved various budget revisions. The following chart shows the original approved budget, the revised budget at the end of the fiscal year and the actual amounts for both revenues and expenditures in the General Fund.

General Fund Revenue - Comparison of Budget to Actual

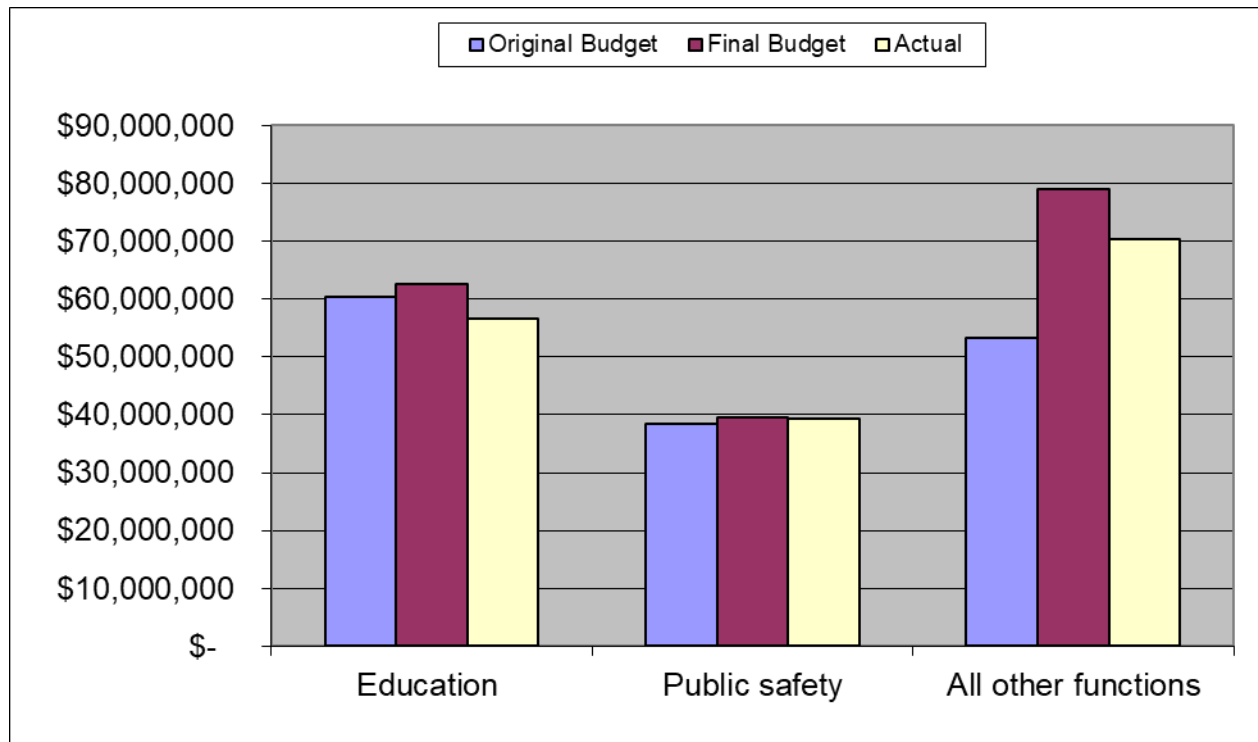


The total change in General Fund final budgeted revenues and other financing sources were \$9,821,993 or 6.46% over the original budget. The majority of the increase was driven by the appropriation of approximately \$6.6 million for the second allocation of ARPA Funding; and \$2.6 million of a Community Development Block Grant from the CARES Act as part of the FY2022 amended budget.

The total General Fund actual revenues and other financing sources were \$22,540,783 or 13.9% over the final budget. Significant variances include the following:

- General property taxes were higher than the final budget by \$6,102,652 or 6.3%, which was primarily driven by higher than anticipated real estate and personal property tax collections.
- Other local taxes were higher than the final budget by \$8,070,769 or 25.1%, primarily due to higher than anticipated local sales and use tax as well as the historic triangle sales tax, hotel and motel room taxes, restaurant food taxes and business license taxes. Also, there was a new cigarette tax that was implemented during FY22.
- Charges for services were higher than the final budget by \$286,128 or 6.2%, which was driven by higher emergency medical services fees and an increase in parks and recreation charges.
- Intergovernmental revenue was \$229,454 or 0.9% above the final budget.

General Fund Expenditures - Comparison of Budget to Actual



The total change in General Fund final budgeted expenditures and other financing uses were \$28,816,167 or 19% over the original budget. The majority of the increase was driven by the appropriation of approximately \$6.6 million for the second allocation of ARPA Funding; \$2.6 million of a Community Development Block Grant from the CARES; and approximately \$19 million of carryovers for continuing capital and special projects.

The total General Fund actual expenditures and other financing uses were \$6,277,008 or 3.5% under the final budget. A portion of the variance, \$439,494 is attributable to outstanding encumbrances at June 30, 2022, which are not reflected in the budgetary comparison schedule. Other significant variances include the following:

- Education: the payment to the School Division is under budget due to the return of unspent funds to the County per State code.
- All Functions: The majority of all the cost centers were under budget as a result of additional funding received to support government operating personnel and fringe benefit costs through the revenue loss provision of the ARPA Act which was appropriated in non-departmental.
- Additional Functions with significant variances:
 - Judicial Administration: The Clerk of Circuit Court was also under budget due to unspent information technology funding.
 - Management Services: In addition, Human Resources and Real Estate Assessment were under budget as a result of vacancies and due to funding set aside for management training yet to occur.

- Public Works, Community Development and Community Services: these departments realized savings from operations and personnel due to turnover and vacancies.

GOVERNMENTAL FUNDS

The County maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Tourism, Yorktown Capital Improvements, County Capital and the Education Debt Service Funds, all of which are considered to be major funds.

The General Fund increased by \$9,823,617 primarily due to an increase in property taxes and other local taxes and expenditures were offset by the ARPA Act funding received and expended in FY2022.

The Tourism Fund accounts for transactions related to the lodging tax restricted by the State for tourism activities. The Yorktown Capital Improvements and County Capital Funds account for major capital improvements. The Education Debt Service Fund accounts for debt service payments for School Division capital projects for which debt was issued.

For fiscal year ended June 30, 2022, the Tourism Fund and the County Capital Fund had increases in fund balance of \$817,854 and \$33,463,719 due to transfers from the General Fund and issuance of debt. The Yorktown Capital Improvements Fund had a decrease in fund deficit of \$505,917, mainly due to transfers from the General Fund and interest received for Riverwalk Landing.

PROPRIETARY FUNDS

The County reported operations for eight enterprise funds and four internal service funds. The enterprise funds provide the means to account for the operations of the County-operated utilities, the two sanitary districts, the County solid waste disposal activity, the operations at Yorktown and the operations of the Regional Radio System.

During fiscal year 2022, the internal service funds were used to account for the operation of the centralized motor vehicle pool, for health and dental insurance programs, claims and related expenses for workers' compensation and costs of providing computer technical support, software support, internet and telecommunications.

The Sewer Utility Fund earned \$11,724,393 through charges for services and \$2,436,984 from restaurant food taxes. The Vehicle Maintenance Fund (internal service fund) collects its revenues through charges for services imposed on the various County departments to which fleet vehicles are assigned. The expenses relate directly to the maintenance and depreciation of the County's fleet of vehicles. The Health and Dental Insurance Fund, accounts for the health and dental insurance claims, payments to the insurance providers and the IRS as required by the Affordable Care Act, and the contributions from the County and employees. The Workers' Compensation Fund accounts for the claims associated with workers compensation. The Information Technology Fund collects its revenues through charges for services imposed on the various County departments to which computer and network software and hardware are assigned and a transfer from the General Fund for overall operations.

The enterprise funds in the aggregate had an increase in net position during the fiscal period of \$4,204,662, and the internal service funds reported a decrease in net position of \$2,116,951. The net position for the enterprise funds and internal service funds were \$128,228,495 and \$12,777,294, respectively, at the end of the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2022, the County's investment in capital assets for its governmental and business-type activities amounts to \$238,734,765 (net of accumulated depreciation and amortization). This investment in capital assets includes land, easements, construction in progress, land improvements, buildings and improvements, infrastructure, equipment, vehicles and computer software. The increase in governmental activities is mainly attributable to the implementation of GASB 87 whereby right-to-use leased assets are reported and an increase in construction in progress projects including the Yorktown Library expansion, the law enforcement building, and other public safety and management services projects not yet completed.

The County does not own its roads and they are therefore not included in the capital assets. In addition, the School Division owns school buildings and the related debt is County debt. For this reason, the assets are reflected in the Statement of Net Position of the component unit School Division, while the related debt is reflected in the Statement of Net Position of the County.

The slight increase in capital assets for business-type activities is driven by an increase in construction in progress projects with no reductions in FY2022. Also, an increase for a full year of depreciation for assets entered into service during the previous year would offset any additions to capital assets.

Governmental Activities and Business-Type Activities - Capital Assets, Net of Depreciation and Amortization

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY2022</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2021</u>
Land	\$ 12,854,926	\$ 12,854,926	\$ 3,946,755	\$ 3,946,755	\$ 16,801,681	\$ 16,801,681
Easements	828,199	821,664	718,853	704,453	1,547,052	1,526,117
Construction in progress	15,691,817	3,157,559	5,528,449	3,961,322	21,220,266	7,118,881
Land improvements	6,020,280	4,965,567	46,529	39,576	6,066,809	5,005,143
Buildings	27,400,452	28,293,133	4,957,987	5,660,268	32,358,439	33,953,401
Building improvements	11,942,300	12,051,882	430,828	294,017	12,373,128	12,345,899
Infrastructure	6,547,802	6,803,391	107,095,162	107,727,109	113,642,964	114,530,500
Equipment	7,740,501	8,645,500	3,977,408	4,212,498	11,717,909	12,857,998
Vehicles	12,271,574	12,086,907	1,615,698	1,675,427	13,887,272	13,762,334
Right-to-use leased assets	7,949,019	-	-	-	7,949,019	-
Computer software	1,170,226	1,337,716	-	-	1,170,226	1,337,716
Total	<u>\$ 110,417,096</u>	<u>\$ 91,018,245</u>	<u>\$ 128,317,669</u>	<u>\$ 128,221,425</u>	<u>\$ 238,734,765</u>	<u>\$ 219,239,670</u>

Capital Project Funds

The capital project funds are used by the County to acquire and construct major capital projects.

Yorktown Capital Improvements Fund

This fund had a \$3,003,377 deficit at June 30, 2022, resulting from a prior year advance from the Tourism Fund.

County Capital Fund

For fiscal year 2022, a transfer of \$15,358,533 was from the General Fund for future projects. Capital expenditures of \$19,316,582 included the following significant expenditures: software replacement for

records management in the Sheriff's office; law enforcement building; communication equipment; fire and life safety apparatus; Yorktown Library expansion; firing range construction; dark fiber buildout; financial software; fire station #7 improvements; and Bulifants/Mooretown traffic signal.

Additional information on the County's capital assets can be found in note 5 beginning on page F-18 of this report.

Governmental Activities and Business-type Activities - Long-term Debt

At the end of the fiscal year, the County had total bonded debt of \$132,064,174. Leases, compensated absences, claims liabilities, net pension liability and net OPEB obligation are not included in these figures.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY2022</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2021</u>
Bonds payable	\$ 132,064,174	\$ 105,817,406	\$ 17,801,109	\$ 18,768,007	\$ 149,865,283	\$ 124,585,413
Total	\$ 132,064,174	\$ 105,817,406	\$ 17,801,109	\$ 18,768,007	\$ 149,865,283	\$ 124,585,413

Under Virginia state law, school divisions do not have the authority to issue debt. Therefore, all school debt is issued by and is a liability of the County. In fiscal year 2022, the County paid debt service of \$5,250,000 and \$2,923,472 for education related principal and interest and fiscal charges, respectively, through the Education Debt Service Fund.

The County continues to maintain an excellent bond rating for local governmental jurisdictions of its type and size. The rating assigned by Standard & Poor's Corporation is AAA and the Moody's rating is Aa1 for the lease revenue bonds issued in December 2008.

Additional information on the County's long-term debt can be found in note 7 beginning on page F-22 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND TAX RATES

The County's staff and Board of Supervisors considered many factors when developing the fiscal year 2023 budget including the economic impact from the coronavirus pandemic. The fiscal year 2023 approved budget for the General Fund is \$165,821,600, a 9.1% increase from the fiscal year 2022 budget.

The fiscal year 2023 Budget was adopted on May 3, 2022 and represents a cautious fiscal plan taking into consideration the uncertainty of the economic impacts of the coronavirus pandemic. It reflects a plan that invests in all of the Board's strategic priorities as outlined in the Letter of Transmittal while lowering tax rates. There was a slight inflation adjustment for Parks and Recreation fees, but no other fees were increased.

The School Division's request for funding in FY2023 was fully funded. Also, the FY2023 Budget provided a meaningful compensation package for County staff. Preparations for the next budget cycle are underway for FY2024.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Theresa S. Owens, CPA, Finance Director, P.O. Box 532, Yorktown, VA 23690, telephone (757) 890-3700.

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COUNTY OF YORK, VIRGINIA
Statement of Net Position
June 30, 2022

	Primary Government			Discretely Presented Component Units		
	Governmental Activities	Business-type Activities	Total	School Division	Economic Development Authority	Marquis Community Development Authority
ASSETS						
Cash and investments	\$ 107,540,400	\$ 21,867,467	\$ 129,407,867	\$ 14,053,756	\$ 1,222,759	\$ -
Restricted cash	34,562,250	78,780	34,641,030	-	14,121	224,108
Receivables, net	19,821,583	3,299,394	23,120,977	6,905,553	212,283	4,023
Due from Primary Government	-	-	-	8,746,300	-	335,045
Due from component unit - EDA	-	209,515	209,515	-	-	-
Prepaid expenses	444,487	24,159	468,646	591,000	12	-
Other assets	-	-	-	-	1,423,602	-
Net Pension asset	-	-	-	2,232,033	-	-
Net OPEB asset	-	-	-	3,617,389	-	-
Lease receivables	2,191,068	3,608,493	5,799,561	6,514,270	147,347	-
Lease interest receivables	1,357	3,989	5,346	11,925	56	-
Internal balances	2,300,000	(2,300,000)	-	-	-	-
Capital assets:						
Nondepreciable/nonamortizable	29,374,942	10,194,057	39,568,999	25,283,353	268,135	-
Depreciable/amortizable	172,298,153	207,363,773	379,661,926	264,350,411	951,712	20,375,995
Less accumulated depreciation/amortization	(91,255,999)	(89,240,161)	(180,496,160)	(115,109,297)	(304,793)	(687,900)
Total assets	<u>277,278,241</u>	<u>155,109,466</u>	<u>432,387,707</u>	<u>217,196,693</u>	<u>3,935,234</u>	<u>20,251,271</u>
DEFERRED OUTFLOWS OF RESOURCES						
Debt refundings resulting in loss transactions, net of accumulated amortization	869,563	320,364	1,189,927	-	-	-
OPEB costs	10,874,742	1,133,707	12,008,449	4,311,560	-	-
Pension costs	<u>12,023,384</u>	<u>1,136,646</u>	<u>13,160,030</u>	<u>25,971,983</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>23,767,689</u>	<u>2,590,717</u>	<u>26,358,406</u>	<u>30,283,543</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 301,045,930</u>	<u>\$ 157,700,183</u>	<u>\$ 458,746,113</u>	<u>\$ 247,480,236</u>	<u>\$ 3,935,234</u>	<u>\$ 20,251,271</u>
LIABILITIES						
Accounts payable	\$ 4,923,634	\$ 1,273,404	\$ 6,197,038	\$ 5,556,522	\$ 42,841	\$ 9,406
Retainage payable	360,897	16,471	377,368	374,375	-	-
Deposits payable	1,050,693	57,982	1,108,675	53	14,121	-
Salaries, taxes and benefits payable	2,405,156	222,567	2,627,723	11,245,525	-	-
Unearned revenues	2,595,919	848,906	3,444,825	213,285	54,437	18,036
Due to Primary Government	-	-	-	-	209,515	-
Due to component unit - School Division	8,746,300	-	8,746,300	-	-	-
Due to component unit - CDA	335,045	-	335,045	-	-	-
Accrued interest payable	1,820,158	172,478	1,992,636	-	-	927,313
Noncurrent liabilities:						
Due within one year	12,171,268	1,005,208	13,176,476	4,240,100	-	-
Due in more than one year	<u>155,314,266</u>	<u>19,044,987</u>	<u>174,359,253</u>	<u>86,277,124</u>	<u>-</u>	<u>39,426,125</u>
Total liabilities	<u>189,723,336</u>	<u>22,642,003</u>	<u>212,365,339</u>	<u>107,906,984</u>	<u>320,914</u>	<u>40,380,880</u>
DEFERRED INFLOWS OF RESOURCES						
Leases	2,180,310	3,586,180	5,766,490	6,410,824	145,779	-
Prepaid taxes, fees and receivables	1,466,955	-	1,466,955	-	-	-
OPEB costs	7,780,921	806,618	8,587,539	3,627,554	-	-
Pension costs	<u>25,702,705</u>	<u>2,436,887</u>	<u>28,139,592</u>	<u>52,760,396</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>37,130,891</u>	<u>6,829,685</u>	<u>43,960,576</u>	<u>62,798,774</u>	<u>145,779</u>	<u>-</u>
NET POSITION						
Net investment in capital assets	44,619,015	110,911,421	155,530,436	173,153,232	915,054	(18,509,230)
Restricted for:						
Community services	53,230	-	53,230	-	-	-
Public safety	26,167,489	-	26,167,489	-	-	-
Tourism	1,568,518	-	1,568,518	-	-	-
Judicial services	91,986	-	91,986	-	-	-
Transportation improvements	1,229,742	-	1,229,742	-	-	-
Library renovations	1,934,019	-	1,934,019	-	-	-
Proffer projects	646,046	-	646,046	-	-	-
Other purposes	30,118	-	30,118	7,506,412	-	-
Food service	-	-	-	5,878,767	-	-
Unrestricted (deficit)	<u>(2,148,460)</u>	<u>17,317,074</u>	<u>15,168,614</u>	<u>(109,763,933)</u>	<u>2,553,487</u>	<u>(1,620,379)</u>
Total net position (deficit)	<u>74,191,703</u>	<u>128,228,495</u>	<u>202,420,198</u>	<u>76,774,478</u>	<u>3,468,541</u>	<u>(20,129,609)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 301,045,930</u>	<u>\$ 157,700,183</u>	<u>\$ 458,746,113</u>	<u>\$ 247,480,236</u>	<u>\$ 3,935,234</u>	<u>\$ 20,251,271</u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA
Statement of Activities
For the Year Ended June 30, 2022

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position						
					Primary Government			Discretely Presented Component Units			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	School Division	Economic Development Authority	Marquis Community Development Authority	
Primary Government:											
Governmental activities:											
General administration	\$ 4,031,287	\$ 123,351	\$ 258,206	\$ 241,767	\$ (3,407,963)	\$ -	\$ (3,407,963)	\$ -	\$ -	\$ -	
Judicial services	3,352,664	614,571	1,672,846	-	(1,065,247)	-	(1,065,247)	-	-	-	
Public safety	46,324,046	4,336,634	9,833,651	545,000	(31,608,761)	-	(31,608,761)	-	-	-	
Management services	12,139,466	625,454	1,046,488	-	(10,467,524)	-	(10,467,524)	-	-	-	
Education	58,348,697	17,298	349,462	340,671	(57,641,266)	-	(57,641,266)	-	-	-	
Human services	10,624,676	296,265	5,950,742	-	(4,377,669)	-	(4,377,669)	-	-	-	
Public works	12,784,193	1,422,935	545,486	2,985	(10,812,787)	-	(10,812,787)	-	-	-	
Community development	3,514,026	1,098,220	173,100	-	(2,242,706)	-	(2,242,706)	-	-	-	
Community services	10,765,249	639,945	3,716,301	-	(6,409,003)	-	(6,409,003)	-	-	-	
Interest and fiscal charges on noncurrent debt	4,179,779	-	-	-	(4,179,779)	-	(4,179,779)	-	-	-	
Total governmental activities	166,064,083	9,174,673	23,546,282	1,130,423	(132,212,705)	-	(132,212,705)	-	-	-	
Business-type activities:											
Sewer Utility	12,120,219	11,724,393	168,247	2,424,823	-	2,197,244	2,197,244	-	-	-	
Water Utility	722,641	307,050	-	-	-	(415,591)	(415,591)	-	-	-	
Solid Waste	5,898,184	5,988,733	16,699	-	-	107,248	107,248	-	-	-	
Yorktown Operations	225,797	263,972	-	-	-	38,175	38,175	-	-	-	
Sanitary Districts	417,138	-	-	-	-	(417,138)	(417,138)	-	-	-	
Regional Radio System	3,650,445	2,284,644	-	-	-	(1,365,801)	(1,365,801)	-	-	-	
Total business-type activities	23,034,424	20,568,792	184,946	2,424,823	-	144,137	144,137	-	-	-	
Total Primary Government	\$ 189,098,507	\$ 29,743,465	\$ 23,731,228	\$ 3,555,246	(132,212,705)	144,137	(132,068,568)	-	-	-	
Component units:											
School Division	\$ 154,435,074	\$ 1,019,086	\$ 91,287,927	\$ 490,811	-	-	-	\$ (61,637,250)	\$ -	\$ -	
Economic Development Authority	907,893	389,978	-	8,350	-	-	-	-	(509,565)	-	
Marquis Community Development Authority	3,069,759	-	-	300	-	-	-	-	-	(3,069,459)	
Total component units	\$ 158,412,726	\$ 1,409,064	\$ 91,287,927	\$ 499,461	-	-	-	(61,637,250)	(509,565)	(3,069,459)	
General revenues:											
Taxes:											
Property taxes					103,616,113	-	103,616,113	-	-	-	
Local sales and use taxes					19,333,835	-	19,333,835	-	-	-	
Hotel and motel room taxes					6,028,261	-	6,028,261	-	-	-	
Restaurant food taxes					5,329,793	2,589,804	7,919,597	-	-	-	
Cigarette taxes					1,544,370	-	1,544,370	-	-	-	
Business license taxes					8,805,867	-	8,805,867	-	-	-	
Motor vehicle licenses					1,689,691	-	1,689,691	-	-	-	
Taxes on recordation and wills					2,097,909	-	2,097,909	-	-	-	
Other local taxes					1,792,428	-	1,792,428	-	-	-	
Personal property tax relief from Commonwealth of Virginia, net Local Aid to Commonwealth					8,741,680	-	8,741,680	-	-	-	
Payment from Primary Government					-	-	-	55,209,924	297,535	1,201,089	
Unrestricted shared intergovernmental revenues					-	-	-	17,430,188	-	-	
Unrestricted investment earnings					(294,364)	56,802	(237,562)	5,366	9,566	-	
Miscellaneous					207,247	37,265	244,512	2,485,981	3,500	-	
Gain on disposal of capital assets					-	-	-	-	-	-	
Transfers					(1,376,654)	1,376,654	-	-	-	-	
Total general revenues and transfers					157,516,176	4,060,525	161,576,701	75,131,459	310,601	1,201,089	
Change in net position					25,303,471	4,204,662	29,508,133	13,494,209	(198,964)	(1,868,370)	
Net position (deficit), beginning					48,888,232	124,023,833	172,912,065	63,280,269	3,667,505	(18,261,239)	
Net position (deficit), ending					\$ 74,191,703	\$ 128,228,495	\$ 202,420,198	\$ 76,774,478	\$ 3,468,541	\$ (20,129,609)	

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA
Balance Sheet
Governmental Funds
June 30, 2022

ASSETS	Capital Project						
	General	Tourism Special Revenue	Yorktown Capital Improvements	County Capital	Debt Service Education	Nonmajor Governmental Funds	Total Governmental Funds
Cash and investments	\$ 51,448,025	\$ 1,279,726	\$ 530,420	\$ 26,898,360	\$ 776,703	\$ 16,528,828	\$ 97,462,062
Restricted cash	17,029	-	-	34,545,221	-	-	34,562,250
Receivables, net	17,060,445	440,793	-	809,470	-	1,517,337	19,828,045
Lease receivables	2,191,068	-	-	-	-	-	2,191,068
Lease interest receivables	1,357	-	-	-	-	-	1,357
Prepaid expenditures	7,919	-	-	190,000	-	18,037	215,956
Advances to other funds	5,833,797	3,533,797	-	-	-	-	9,367,594
Total assets	<u>\$ 76,559,640</u>	<u>\$ 5,254,316</u>	<u>\$ 530,420</u>	<u>\$ 62,443,051</u>	<u>\$ 776,703</u>	<u>\$ 18,064,202</u>	<u>\$ 163,628,332</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 1,973,244	\$ 96,654	\$ -	\$ 886,743	\$ -	\$ 1,207,471	\$ 4,164,112
Retainage payable	-	-	-	360,897	-	-	360,897
Deposits payable	1,050,693	-	-	-	-	-	1,050,693
Salaries, taxes and benefits payable	2,084,522	34,596	-	-	-	231,242	2,350,360
Unearned revenue	17,342	44,050	-	2,341,704	-	192,823	2,595,919
Due to component unit - School Division	8,746,300	-	-	-	-	-	8,746,300
Due to component unit - CDA	-	-	-	-	-	335,045	335,045
Advances from other funds	-	3,533,797	3,533,797	-	-	-	7,067,594
Total liabilities	<u>13,872,101</u>	<u>3,709,097</u>	<u>3,533,797</u>	<u>3,589,344</u>	<u>-</u>	<u>1,966,581</u>	<u>26,670,920</u>
Deferred inflows of resources:							
Leases	2,180,310	-	-	-	-	-	2,180,310
Unavailable revenues - property taxes, fees and grants	5,410,005	10,811	-	-	-	3,454	5,424,270
Prepaid taxes, fees and receivables	643,493	-	-	666,675	-	156,787	1,466,955
Total deferred inflows of resources	<u>8,233,808</u>	<u>10,811</u>	<u>-</u>	<u>666,675</u>	<u>-</u>	<u>160,241</u>	<u>9,071,535</u>
Fund balances (deficit):							
Nonspendable	5,841,716	-	-	-	-	-	5,841,716
Restricted	-	1,534,408	-	28,799,901	-	1,352,729	31,687,038
Committed	5,699,023	-	-	5,612,839	-	12,392,476	23,704,338
Assigned	22,014,398	-	-	23,774,292	776,703	2,192,175	48,757,568
Unassigned	20,898,594	-	(3,003,377)	-	-	-	17,895,217
Total fund balances (deficit)	<u>54,453,731</u>	<u>1,534,408</u>	<u>(3,003,377)</u>	<u>58,187,032</u>	<u>776,703</u>	<u>15,937,380</u>	<u>127,885,877</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 76,559,640</u>	<u>\$ 5,254,316</u>	<u>\$ 530,420</u>	<u>\$ 62,443,051</u>	<u>\$ 776,703</u>	<u>\$ 18,064,202</u>	<u>\$ 163,628,332</u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2022

Fund balances - Total governmental funds \$ 127,885,877

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets including right to use assets used in governmental fund activities are not financial resources and, therefore, are not reported in the funds. 105,253,868

Other noncurrent assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.

Unavailable revenue property taxes, fees and grants	\$ 5,424,270	
Less allowance for doubtful accounts, fees	<u>(178,677)</u>	5,245,593

Deferred outflows and inflows of resources related to the net pension and OPEB obligations are not recognized in the funds.

Deferred outflows of resources related to OPEB costs	\$ 10,638,391	
Deferred inflows of resources related to OPEB costs	(7,610,361)	
Deferred outflows of resources related to pension costs	11,739,656	
Deferred inflows of resources related to pension costs	<u>(25,103,332)</u>	(10,335,646)

Costs incurred from the issuance of long-term debt are recognized as expenditures in the fund statements, but are deferred in the government-wide statements.

Deferred charge on refunded debt	\$ 2,049,699	
Less accumulated amortization	<u>(1,180,136)</u>	869,563

Internal Service Funds are used by management to provide certain goods and services to governmental funds. The assets and liabilities of the Internal Service Funds are included in the governmental activities in the Statement of Net Position.

Assets

Current assets	\$ 10,669,084	
Capital assets	11,379,684	
Less accumulated depreciation/amortization	(6,406,456)	
Deferred outflows of resources	<u>520,079</u>	
	16,162,391	
Liabilities	(2,615,164)	
Deferred inflows of resources	<u>(769,933)</u>	12,777,294

Noncurrent assets/liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued interest payable	\$ (1,820,158)	
Lease liability	(7,768,211)	
Net OPEB liability	(10,062,860)	
Net pension liability	(6,065,861)	
General obligation bonds, net	(76,941,376)	
Direct financing leases	(3,454,792)	
Lease revenue bonds, net	(55,122,798)	
Compensated absences	<u>(6,268,790)</u>	<u>(167,504,846)</u>

Total net position - Statement of Net Position	<u><u>\$ 74,191,703</u></u>
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The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

			<u>Capital Project</u>				
	<u>General</u>	<u>Tourism Special Revenue</u>	<u>Yorktown Capital Improvements</u>	<u>County Capital</u>	<u>Debt Service Education</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES							
General property taxes	\$ 102,526,652	\$ -	\$ -	\$ -	\$ -	\$ 407,758	\$ 102,934,410
Other local taxes	40,216,769	4,095,262	-	-	-	2,180,415	46,492,446
Intergovernmental:							
Federal	10,465,161	-	-	21,865	56,082	5,041,022	15,584,130
State	14,090,115	20,000	-	141,660	178,886	2,372,475	16,803,136
Permits, fees, and licenses	1,253,374	-	-	-	-	-	1,253,374
Fines and forfeitures	325,485	-	-	-	-	-	325,485
Use of money and property	(66,307)	143,267	5,917	53,101	-	4,848	140,826
Charges for services	4,909,908	2,450	-	-	-	17,985	4,930,343
Miscellaneous	292,237	27,090	-	77,852	-	60,677	457,856
Recovered costs	1,922,112	-	-	547,985	105,703	261,812	2,837,612
Total revenues	<u>175,935,506</u>	<u>4,288,069</u>	<u>5,917</u>	<u>842,463</u>	<u>340,671</u>	<u>10,346,992</u>	<u>191,759,618</u>
EXPENDITURES							
Current:							
General administration	3,225,635	-	-	-	-	-	3,225,635
Judicial services	2,870,013	-	-	-	-	99,166	2,969,179
Public safety	39,329,747	165,000	-	-	-	552,372	40,047,119
Management services	9,477,702	511,588	-	-	-	-	9,989,290
Education	56,634,598	-	-	-	-	2,030,301	58,664,899
Human services	1,583,692	-	-	-	-	8,481,683	10,065,375
Public works	9,615,392	70,000	-	-	-	-	9,685,392
Community development	2,616,737	-	-	-	-	-	2,616,737
Community services	5,361,709	2,471,627	-	-	-	1,052,244	8,885,580
Non-departmental	2,206,711	-	-	-	-	1,066,456	3,273,167
Capital outlay	-	-	-	19,316,582	-	1,512,087	20,828,669
Debt service:							
Principal retirement	437,737	52,000	-	-	5,250,000	2,325,854	8,065,591
Interest and fiscal charges	53,454	-	-	-	2,923,472	898,644	3,875,570
Lease financing	8,189,708	-	-	-	-	22,094	8,211,802
Debt issuance costs	-	-	-	514,776	-	-	514,776
Total expenditures	<u>141,602,835</u>	<u>3,270,215</u>	<u>-</u>	<u>19,831,358</u>	<u>8,173,472</u>	<u>18,040,901</u>	<u>190,918,781</u>
Excess (deficiency) of revenues over (under) expenditures	<u>34,332,671</u>	<u>1,017,854</u>	<u>5,917</u>	<u>(18,988,895)</u>	<u>(7,832,801)</u>	<u>(7,693,909)</u>	<u>840,837</u>
OTHER FINANCING SOURCES (USES)							
Insurance recovery	61,323	-	-	33,023	-	-	94,346
Transfers in	176,239	300,000	500,000	15,358,533	8,252,830	6,788,307	31,375,909
Issuance of debt	-	-	-	32,165,000	-	-	32,165,000
Premium on bonds issued	-	-	-	2,308,689	-	-	2,308,689
Direct financing lease	-	-	-	2,587,369	-	-	2,587,369
Lease financing	8,189,708	-	-	-	-	22,094	8,211,802
Transfers out	(32,936,324)	(500,000)	-	-	-	(176,239)	(33,612,563)
Total other financing sources and (uses), net	<u>(24,509,054)</u>	<u>(200,000)</u>	<u>500,000</u>	<u>52,452,614</u>	<u>8,252,830</u>	<u>6,634,162</u>	<u>43,130,552</u>
Net change in fund balance	9,823,617	817,854	505,917	33,463,719	420,029	(1,059,747)	43,971,389
Fund balance (deficit), beginning of year	44,630,114	716,554	(3,509,294)	24,723,313	356,674	16,997,127	83,914,488
Fund balance (deficit), end of year	<u>\$ 54,453,731</u>	<u>\$ 1,534,408</u>	<u>\$ (3,003,377)</u>	<u>\$ 58,187,032</u>	<u>\$ 776,703</u>	<u>\$ 15,937,380</u>	<u>\$ 127,885,877</u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2022

Net change in fund balances - total governmental funds \$ 43,971,389

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

Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Capital outlay expenditures, depreciation and amortization expenses and the loss on disposal of capital assets in the current period are provided below.

Capital outlay expenditures	\$ 15,837,049	
Right to use assets	7,759,019	
Depreciation and amortization expenses	(5,425,645)	
Loss on disposal of capital assets	<u>(189,218)</u>	17,981,205

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. Unavailable revenues changed by this amount in the current year.

812,954

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has an effect on net position. Governmental funds report the effect of premiums, discounts and similar items when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of those differences in the treatment of long-term debt and related items.

Principal repayments	\$ 7,622,000	
Issuance of debt	(32,165,000)	
Direct financing lease	(2,587,369)	
Premium on issuance of noncurrent debt, net	(2,308,689)	
Amortization of premium on issuance of noncurrent debt	656,921	
Amortization of deferred charge on refunded debt	<u>(186,590)</u>	(28,968,727)

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. Retirement liabilities, accrued interest and compensated absences changed by the amounts provided below in the current year.

Accrued interest payable	\$ (259,764)	
Lease liability	(7,768,211)	
Net OPEB liability	305,972	
Net pension liability	1,337,320	
Compensated absences	<u>8,284</u>	(6,376,399)

The internal service funds are used by management to charge the costs of certain activities to individual funds. The net income of the internal service funds are reported with governmental activities.

(2,116,951)

Change in net position of governmental activities \$ 25,303,471

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities				Governmental Activities
	Sewer Utility	Solid Waste	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS					
Current assets:					
Cash and investments	\$ 18,366,544	\$ 1,622,884	\$ 1,878,039	\$ 21,867,467	\$ 10,078,338
Restricted cash	78,780	-	-	78,780	-
Receivable, net	2,360,122	893,961	45,311	3,299,394	172,215
Lease receivables	-	3,608,493	-	3,608,493	-
Lease interest receivables	-	3,989	-	3,989	-
Due from component unit - EDA	-	-	209,515	209,515	-
Prepaid expenses	5,939	2,545	15,675	24,159	418,531
Total current assets	<u>20,811,385</u>	<u>6,131,872</u>	<u>2,148,540</u>	<u>29,091,797</u>	<u>10,669,084</u>
Noncurrent assets:					
Nondepreciable capital assets:					
Land	501,353	413,902	3,031,500	3,946,755	-
Construction in progress	5,528,449	-	-	5,528,449	14,370
Easements	707,908	-	10,945	718,853	-
Depreciable capital assets:					
Land improvements	79,584	-	-	79,584	1,312,152
Buildings	18,155,052	1,550,467	3,483,141	23,188,660	-
Buildings improvements	459,979	295,438	-	755,417	-
Infrastructure	146,130,979	163,209	23,259,651	169,553,839	-
Equipment	5,851,974	798,903	3,819,348	10,470,225	2,014,480
Vehicles	1,976,687	1,269,089	-	3,245,776	7,798,775
Intangibles	70,272	-	-	70,272	239,907
Less accumulated depreciation	(61,481,952)	(3,149,476)	(24,538,462)	(89,169,890)	(6,288,412)
Less accumulated amortization	(70,271)	-	-	(70,271)	(118,044)
Total noncurrent assets	<u>117,910,014</u>	<u>1,341,532</u>	<u>9,066,123</u>	<u>128,317,669</u>	<u>4,973,228</u>
DEFERRED OUTFLOWS OF RESOURCES					
Debt refundings resulting in loss transactions, net of accumulated amortization	320,364	-	-	320,364	-
Deferred outflows related to OPEB costs	975,859	145,068	12,780	1,133,707	236,351
Deferred outflows related to pension costs	955,675	172,909	8,062	1,136,646	283,728
Total deferred outflows	<u>2,251,898</u>	<u>317,977</u>	<u>20,842</u>	<u>2,590,717</u>	<u>520,079</u>
Total assets and deferred outflows of resources	<u>\$ 140,973,297</u>	<u>\$ 7,791,381</u>	<u>\$ 11,235,505</u>	<u>\$ 160,000,183</u>	<u>\$ 16,162,391</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 742,921	\$ 526,895	\$ 3,588	\$ 1,273,404	\$ 759,522
Retainage payable	16,471	-	-	16,471	-
Deposits payable	45,982	12,000	-	57,982	-
Salaries, taxes and benefits payable	179,431	35,886	7,250	222,567	54,796
Unearned revenue	775,273	21,881	51,752	848,906	-
Accrued interest payable	172,478	-	-	172,478	-
Revenue bonds	1,001,898	-	-	1,001,898	-
Claims payable	-	-	-	-	1,287,000
Compensated absences	28,500	4,600	-	33,100	6,000
Total current liabilities	<u>2,962,954</u>	<u>601,262</u>	<u>62,590</u>	<u>3,626,806</u>	<u>2,107,318</u>
Noncurrent liabilities:					
Revenue bonds	16,799,211	-	-	16,799,211	-
Compensated absences	487,024	68,377	12,903	568,304	134,874
Net OPEB liability	908,648	139,037	11,157	1,058,842	228,143
Net pension liability	495,006	89,754	4,080	588,840	144,829
Advance from other fund	-	-	2,300,000	2,300,000	-
Total noncurrent liabilities	<u>18,689,889</u>	<u>297,168</u>	<u>2,328,140</u>	<u>21,315,197</u>	<u>507,846</u>
Total liabilities	<u>21,652,843</u>	<u>898,430</u>	<u>2,390,730</u>	<u>24,942,003</u>	<u>2,615,164</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to leases	-	3,586,180	-	3,586,180	-
Deferred inflows related to OPEB costs	693,388	104,391	8,839	806,618	170,560
Deferred inflows related to pension costs	2,048,561	371,442	16,884	2,436,887	599,373
Total deferred inflows of resources	<u>2,741,949</u>	<u>4,062,013</u>	<u>25,723</u>	<u>6,829,685</u>	<u>769,933</u>
NET POSITION					
Net investment in capital assets	100,503,766	1,341,532	9,066,123	110,911,421	4,973,228
Unrestricted	<u>16,074,739</u>	<u>1,489,406</u>	<u>(247,071)</u>	<u>17,317,074</u>	<u>7,804,066</u>
Total net position	<u>116,578,505</u>	<u>2,830,938</u>	<u>8,819,052</u>	<u>128,228,495</u>	<u>12,777,294</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 140,973,297</u>	<u>\$ 7,791,381</u>	<u>\$ 11,235,505</u>	<u>\$ 160,000,183</u>	<u>\$ 16,162,391</u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities				Governmental Activities
	<u>Sewer Utility</u>	<u>Solid Waste</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Operating Revenues					
Use of property	\$ -	\$ 236,691	\$ 2,438,586	\$ 2,675,277	\$ -
Charges for services	11,724,393	5,752,042	417,080	17,893,515	19,250,602
Miscellaneous	9,206	9,332	18,727	37,265	67,584
Total operating revenues	<u>11,733,599</u>	<u>5,998,065</u>	<u>2,874,393</u>	<u>20,606,057</u>	<u>19,318,186</u>
Operating Expenses					
Personal services	4,866,012	794,528	116,842	5,777,382	2,795,613
Contractual services	582,721	4,744,287	3,435,069	8,762,077	15,944,349
Materials and supplies	2,200,260	147,832	336,567	2,684,659	2,973,476
Depreciation and amortization	3,964,906	165,177	714,654	4,844,737	701,728
Total operating expenses	<u>11,613,899</u>	<u>5,851,824</u>	<u>4,603,132</u>	<u>22,068,855</u>	<u>22,415,166</u>
Operating income (loss)	<u>119,700</u>	<u>146,241</u>	<u>(1,728,739)</u>	<u>(1,462,798)</u>	<u>(3,096,980)</u>
Nonoperating Revenues (Expenses)					
Other local taxes	2,436,984	-	152,820	2,589,804	-
Federal subsidy for interest on debt	168,247	-	-	168,247	-
Grant income	-	16,699	-	16,699	113,400
Interest income	5,351	50,859	592	56,802	2,890
Amortization of debt premium	236,898	-	-	236,898	-
Interest and fiscal charges	(743,218)	-	-	(743,218)	-
Loss on disposal of capital assets	-	(46,360)	-	(46,360)	(23,036)
Donated property	-	-	(412,889)	(412,889)	-
Total nonoperating revenues (expenses), net	<u>2,104,262</u>	<u>21,198</u>	<u>(259,477)</u>	<u>1,865,983</u>	<u>93,254</u>
Income (loss) before contributions and transfers, net	<u>2,223,962</u>	<u>167,439</u>	<u>(1,988,216)</u>	<u>403,185</u>	<u>(3,003,726)</u>
Capital Contributions	2,424,823	-	-	2,424,823	26,775
Transfers In	-	190,000	1,196,664	1,386,664	860,000
Transfers Out	<u>(10,010)</u>	<u>-</u>	<u>-</u>	<u>(10,010)</u>	<u>-</u>
Change in net position	4,638,775	357,439	(791,552)	4,204,662	(2,116,951)
Total net position, beginning of year	<u>111,939,730</u>	<u>2,473,499</u>	<u>9,610,604</u>	<u>124,023,833</u>	<u>14,894,245</u>
Total net position, end of year	<u>\$ 116,578,505</u>	<u>\$ 2,830,938</u>	<u>\$ 8,819,052</u>	<u>\$ 128,228,495</u>	<u>\$ 12,777,294</u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities				Governmental Activities
	Sewer Utility	Solid Waste	Nonmajor Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 11,189,972	\$ 5,994,145	\$ 3,375,377	\$ 20,559,494	\$ 19,963,051
Other receipts	9,206	9,332	18,727	37,265	67,584
Payments to suppliers for goods and services	(2,493,252)	(4,741,382)	(3,773,112)	(11,007,746)	(18,365,696)
Payments to employees for services	(4,987,750)	(910,862)	(102,801)	(6,001,413)	(2,773,773)
Payment for interfund activity	-	-	(50,000)	(50,000)	-
Net cash provided by (used in) operating activities	<u>3,718,176</u>	<u>351,233</u>	<u>(531,809)</u>	<u>3,537,600</u>	<u>(1,108,834)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Grant income	-	16,699	-	16,699	-
Interest income related to leases	-	50,455	-	50,455	-
Transfers in	-	190,000	1,196,664	1,386,664	850,000
Transfers out	(10,010)	-	-	(10,010)	-
Net cash provided by (used in) noncapital financing activities	<u>(10,010)</u>	<u>257,154</u>	<u>1,196,664</u>	<u>1,443,808</u>	<u>850,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(2,379,357)	(189,298)	(412,889)	(2,981,544)	(1,951,409)
Net proceeds from the disposal of capital assets	-	6,137	-	6,137	35,774
Grant income related to capital project	-	-	-	-	113,400
Other local taxes to support capital projects	2,436,984	-	152,820	2,589,804	-
Federal subsidy for interest on debt	168,247	-	-	168,247	-
Deferred charge from capital debt	4,471	-	-	4,471	-
Principal paid on capital debt	(730,000)	-	-	(730,000)	-
Interest paid on capital debt	(717,877)	-	-	(717,877)	-
Net cash used in capital and related financing activities	<u>(1,217,532)</u>	<u>(183,161)</u>	<u>(260,069)</u>	<u>(1,660,762)</u>	<u>(1,802,235)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income	5,351	404	592	6,347	2,890
Net cash provided by investing activities	<u>5,351</u>	<u>404</u>	<u>592</u>	<u>6,347</u>	<u>2,890</u>
Net increase (decrease) in cash and cash equivalents	2,495,985	425,630	405,378	3,326,993	(2,058,179)
Cash and cash equivalents, beginning of year	15,949,339	1,197,254	1,472,661	18,619,254	12,136,517
Cash and cash equivalents, end of year	<u>\$ 18,445,324</u>	<u>\$ 1,622,884</u>	<u>\$ 1,878,039</u>	<u>\$ 21,946,247</u>	<u>\$ 10,078,338</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Cash and investments	\$ 18,366,544	\$ 1,622,884	\$ 1,878,039	\$ 21,867,467	\$ 10,078,338
Restricted cash	78,780	-	-	78,780	-
Cash and cash equivalents, end of year	<u>\$ 18,445,324</u>	<u>\$ 1,622,884</u>	<u>\$ 1,878,039</u>	<u>\$ 21,946,247</u>	<u>\$ 10,078,338</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 119,700	\$ 146,241	\$ (1,728,739)	\$ (1,462,798)	\$ (3,096,980)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	3,964,906	165,177	714,654	4,844,737	701,728
Decrease (increase) in:					
Receivables	(234,233)	31,570	671,343	468,680	712,449
Lease receivables and related outflows/inflows	-	(26,302)	-	(26,302)	-
Due from/to component unit - EDA	-	-	(158,031)	(158,031)	-
Prepaid expenses	324	-	-	324	(2,328)
Increase (decrease) in:					
Accounts payable	272,988	150,737	(1,476)	422,249	342,543
Retainage payable	16,471	-	-	16,471	(10,086)
Deposits payable	(54)	-	-	(54)	-
Salaries, taxes and benefits payable	27,355	717	2,757	30,829	12,004
Unearned revenues	(300,188)	144	6,399	(293,645)	-
Net OPEB liability and related outflows/inflows	106	(22,910)	(505)	(23,309)	5,768
Net pension liability and related outflows/inflows	(103,895)	(88,475)	(1,114)	(193,484)	(8,432)
Claims payable	-	-	-	-	222,000
Compensated absences	(45,304)	(5,666)	12,903	(38,067)	12,500
Advance from other fund	-	-	(50,000)	(50,000)	-
Net cash provided by (used in) operating activities	<u>\$ 3,718,176</u>	<u>\$ 351,233</u>	<u>\$ (531,809)</u>	<u>\$ 3,537,600</u>	<u>\$ (1,108,834)</u>
Noncash investing, capital, and financing activities:					
Contributions of capital assets	\$ 2,424,823	-	-	\$ 2,424,823	\$ 26,775
Transfer in of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

ASSETS	Other Postemployment Benefits Trust Fund	Custodial Funds
Cash	\$ -	\$ 7,004,817
Investments at fair value:		
Investment in pooled funds - County		
Fixed Income	2,527,112	-
Stocks	6,498,287	-
Real Estate	842,371	-
Alternative Investments	2,166,096	-
Investment in pooled funds - School Division		
Fixed Income	2,025,037	-
Stocks	5,207,239	-
Real Estate	675,012	-
Alternative Investments	1,735,747	-
Investment in pooled funds - Colonial Behavioral Health		
Fixed Income	87,062	-
Stocks	223,873	-
Real Estate	29,021	-
Alternative Investments	74,624	-
Accounts receivable	-	205,458
Total assets	<u>22,091,481</u>	<u>7,210,275</u>
LIABILITIES		
Accounts payable	-	865,822
Salaries, taxes and benefits payable	-	99,607
Deferred revenue	-	198,475
Total liabilities	<u>-</u>	<u>1,163,904</u>
NET POSITION		
Restricted for:		
Postemployment benefits other than pensions	22,091,481	-
Individuals, organizations and other governments	-	6,046,371
Total net position	<u>\$ 22,091,481</u>	<u>\$ 6,046,371</u>

The accompanying notes are an integral part of the basic financial statements.

COUNTY OF YORK, VIRGINIA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022

	Other Postemployment Benefits Trust Fund	Custodial Funds
ADDITIONS		
Contributions:		
County	\$ 1,699,737	\$ -
School Division	588,407	-
Colonial Behavioral Health	248,664	-
Federal receipts for other agencies & individuals	-	1,718,521
State receipts for other agencies & individuals	-	8,016,279
Payments from other governments, agencies & local sources	-	10,181,927
Interest earned on cash balances	-	192
Total contributions	<u>2,536,808</u>	<u>19,916,919</u>
Investment earnings:		
Net increase in fair value of investments	(2,228,918)	-
Less administrative expenses	<u>(26,636)</u>	<u>-</u>
Total investment earnings, net	<u>(2,255,554)</u>	<u>-</u>
Total additions	<u>281,254</u>	<u>19,916,919</u>
DEDUCTIONS		
Retirement benefits	2,013,495	-
Payments to other governments, agencies & individuals	<u>-</u>	<u>18,973,533</u>
Total deductions	<u>2,013,495</u>	<u>18,973,533</u>
Change in net position	<u>(1,732,241)</u>	<u>943,386</u>
Total net position, beginning of year, as restated	<u>23,823,722</u>	<u>5,102,985</u>
Total net position, end of year	<u><u>\$ 22,091,481</u></u>	<u><u>\$ 6,046,371</u></u>

The accompanying notes are an integral part of the basic financial statements.

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COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

York County, which was originally named Charles River County, was one of Virginia's eight original "shires" formed in 1634. It was renamed nine years later in 1643 when the river that determines the County's character was also given the name of the then Duke of York. York County has played a major role in the development of this nation. Most importantly, it was the location of the culminating battle of the Revolutionary War and the subsequent surrender of Lord Cornwallis and his British army on October 19, 1781.

The County of York, Virginia (the County) is organized under the traditional form of government (as defined under Virginia Law). The governing body of the County is the Board of Supervisors that establishes policies for the administration of the County. The Board of Supervisors comprises five members: one member from each of five districts, elected for a four-year term by the voters of the district in which the member resides. The Board of Supervisors appoints a County Administrator to act as the administrative head of the County.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles. The County's significant accounting and reporting policies are described below.

In fiscal year 2022, GASB Statement No. 87 ("GASB 87"), *Leases*, was implemented to improve the usefulness of financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources. GASB 87 is based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. In FY2022, the County is a lessor and a lessee.

The Reporting Entity

The County's financial reporting entity is defined and its financial statements are presented in accordance with GAAP where in it defines the distinction between the County as a Primary Government and its related entities. The financial reporting entity consists of the Primary Government and its discretely presented component units, which are legally, separate organizations for which the elected officials of the Primary Government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the Primary Government, or b) the possibility that the component unit will provide a financial benefit or impose a financial burden on the Primary Government. The Primary Government may also be financially accountable if the component unit is fiscally dependent on the Primary Government regardless of whether the component unit has a separately elected governing board.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

As such, the York County School Division (the School Division), the Economic Development Authority of York County (EDA) and the Marquis Community Development Authority (CDA) are reported as separate and discretely presented component units in the County's reporting entity. The Primary Government is hereafter referred to as the "County" and the reporting entity, which includes the County and its component units, is hereafter referred to as the "Reporting Entity."

As required by GAAP, the accompanying basic financial statements include all activities of the County. The component unit columns in the basic financial statements include the financial data of the County's three discretely presented component units. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the primary government and a description of each follows:

The **York County School Division (the School Division)** is a separate legal entity that is responsible for elementary and secondary education within the County. Since January 1, 1996, the citizens of the County have elected the members of the School Board; however, the School Division is fiscally dependent upon the County because the Board of Supervisors approves the School Division's annual budget and levies the necessary taxes to finance the School Division's operations. The Board of Supervisors makes an annual appropriation to the School Division, but is prohibited from exercising any control over specific expenditures of the School Division's operating funds. The School Division may not issue debt, so the Board of Supervisors borrows funds to finance the acquisition, construction, and improvement of School Division property. The School Division holds title to this property, while the County remains responsible for repayment of the debt. The majority of the School Division's funding is from the County and the Commonwealth of Virginia. Separate audited financial statements are available from the School Division at 302 Dare Road, Yorktown, Virginia, 23692.

The **Economic Development Authority of York County (EDA)** was originally established under the Industrial Development and Revenue Bond Act - *Code of Virginia* (Code). The 2004 General Assembly amended the Code 15.2-4903 to allow localities to change the name of their Industrial Development Authorities if so authorized by the local governing body and the EDA took such action. A separate board appointed by the Board of Supervisors governs the EDA. The EDA is fiscally dependent upon the County because substantially all of its income is derived from an appropriation from the County. The EDA has the responsibility to promote industry and develop trade by inducing manufacturing, industrial and commercial enterprises to locate or to remain in the County. Separate audited financial statements are available from the EDA at P.O. Box 612, Yorktown, Virginia, 23690.

The **Marquis Community Development Authority (CDA)** was created pursuant to the Virginia Water and Waste Authorities Act (the "Act"), beginning with 15.2-5100 *et. seq.* of the Code of Virginia, 1950, by an ordinance adopted by the County's Board of Supervisors on December 19, 2006. The Marquis Development Authority District (the "District") consists of a land area of approximately 222.85 acres in York County, Virginia just outside of the City of Williamsburg, Virginia. The Act provides that the Authority may issue bonds to finance infrastructure improvements located within or benefiting the District and the Board of Supervisors, at the request of the Authority, may levy and collect special assessments within the District and appropriate such sums to the Authority for use in paying the administrative expenses and debt service requirement in connection with any such bonds.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The CDA is fiscally dependent upon the County for the remittance of the incremental tax revenues to fund the CDA's debt service requirements. On November 28, 2007, the Authority issued \$32,860,000 Revenue Bonds, Series 2007 which were restructured on March 1, 2012. On October 27, 2015, the CDA issued convertible capital appreciation revenue bonds. The principal of and the interest on the 2007 bonds do not constitute a pledge of the faith and credit of the County and therefore the faith and credit of the County have not been pledged to the payment of the principal of or interest on the 2007 bonds. The issuance of the bonds does not directly, indirectly or contingently obligate the County to levy any taxes or to make any appropriation for their payment except from the revenues and receipts pledged therefore. Pursuant to the Act, the County is expressly precluded from paying the principal of or interest on the bonds except from the special assessments and the incremental tax revenues. A separate board appointed by the Board of Supervisors governs the CDA. Separate audited financial statements are available from Theresa S. Owens, Marquis Community Development Authority at 120 Alexander Hamilton Boulevard, Yorktown, Virginia 23690.

Joint Venture Government Organizations

The County does not include in the basic financial statements certain authorities created as separate governments under the laws of the Commonwealth of Virginia. These authorities are separate legal entities having governmental character and sufficient autonomy in the management of their own affairs to distinguish them as separate from the administrative organization of the County although the County Board of Supervisors appoints certain members of their governing bodies. While the County may have some reversionary interest in the assets of these entities in the event they are dissolved, the nature and extent of that interest would be subject to negotiation at the time of dissolution. The County does not include these entities as component units because they do not meet the criteria as set forth in GAAP.

The **Virginia Peninsulas Public Service Authority (VPPSA)** was established under the Code, Virginia Water and Sewer Authorities Act. A separate ten-member board of which the County appoints one representative governs VPPSA. VPPSA was formed for the purpose of developing regional refuse collection, waste reduction and disposal alternatives with the ultimate goal of acquiring, financing, constructing and/or operating and maintaining a residential, commercial and industrial garbage and refuse collection and disposal system or systems. VPPSA is fiscally independent of the County because substantially all of its income is generated through the collection of user fees. Separate audited financial statements are available from VPPSA at 300 McLaws Circle, Suite 200, Williamsburg, Virginia 23185.

The **Virginia Peninsula Regional Jail Authority (Jail Authority)** was created pursuant to Article 3.1, Chapter 3, Title 53.1 of the Code to finance, acquire, construct, equip, maintain and operate a regional jail. A separate seven-member board, of which the County Sheriff serves as a member and the County appoints one representative, governs the Jail Authority. The Jail Authority is fiscally independent of the County because substantially all of its income is generated from payments by the member jurisdictions and reimbursements from the Commonwealth of Virginia for a portion of the capital costs, a portion of salaries and benefits of certain regional jail employees and a charge for prisoners housed at the jail. Separate audited financial statements are available from the Jail Authority, c/o the County of James City at P.O. Box 8784, Williamsburg, Virginia 23187-8784.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The **Middle Peninsula Juvenile Detention Commission (the Commission)** was created to enhance the region for the protection of the citizens by the construction, equipping, maintenance and operation of a new juvenile detention facility serving the eighteen member jurisdictions of which the Director of Community Services serves as the County's representative on the board. The Commission is fiscally independent of the County because substantially all of its income will be generated from per diem payments from the member jurisdictions and reimbursements from the Commonwealth of Virginia for a portion of the capital costs. Separate audited financial statements are available from the Commission, c/o the County of James City at P. O. Box 8784, Williamsburg, Virginia 23187-8784.

The **Eastern Virginia Regional Industrial Facility Authority (EVRIFA)** was created pursuant to the Virginia Regional Industrial Facilities Act, Chapter 64, Title 15.2, Section 15.2-6400, et seq., of the Code to provide a regional authority mechanism for member localities to cooperate in developing, owning, and operating one or more facilities through combined action. The EVRIFA was established in November 2018. A separate thirteen-primary member board, of which the County Board of Supervisor serves as a member and the County appoints one representative, governs the EVRIFA. The EVRIFA is fiscally independent of the County because substantially all of its income is generated from a GO Virginia grant. Separate audited financial statements will be available from the City of Hampton at 22 Lincoln Street, Hampton, Virginia 23669.

Government-wide and Fund Financial Statements

The basic financial statements are composed of both government-wide and fund financial statements. The government-wide statements, the Statement of Net Position and the Statement of Activities, report information on all of the nonfiduciary activities of the County and its component units.

Generally, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely primarily on fees and charges for services. The Primary Government is reported separately from certain legally separate component units for which the Primary Government is financially accountable.

The Statement of Net Position provides information on assets and deferred outflows of resources, liabilities and deferred inflows of resources and the net position. The Statement of Activities presents a comparison between direct expenses of a function and program revenues. Direct expenses are those that are specifically associated with a specific function or segment. Program revenues include fees, fines and charges paid by the recipients of goods or services offered by the function or segment; and grants and contributions that are restricted to meet the operations or capital requirements of a particular function or segment. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, Financial Statement Presentation

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are generally considered available to be used to pay liabilities of the current period if they are collectible within the current period or within 45 days thereafter, or within 90 days thereafter for intergovernmental reimbursement grants. The primary revenues susceptible to accrual include property taxes, sales taxes, other local taxes and intergovernmental revenues. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. Expenditures are generally recorded when the related fund liability is incurred. Debt service expenditures, as well as compensated absences and claims and judgments, are recorded when payment is due.

The County reports the following major governmental funds:

General Fund: The County's primary operating fund; accounts for revenue sources and expenditures not required to be accounted for in other funds.

Tourism Fund: Accounts for the receipt and disbursement of 3% of the lodging tax and the \$2.00 additional tax restricted by the Commonwealth of Virginia for tourism activities.

Yorktown Capital Improvements Fund: Accounts for revenue and expenditures related to capital improvements in the historical Yorktown area.

County Capital Fund: Accounts for revenue and expenditures related to construction or acquisition of facilities and equipment in general governmental areas (other than those financed by proprietary funds).

Education Debt Service Fund: Accounts for the receipt and payment of bonds and loans issued for the construction and maintenance of educational facilities and equipment.

The County reports the following nonmajor governmental funds:

Special Revenue Funds: The Revenue Stabilization, Children and Family Services, Virginia Public Assistance, Grant and Donations, Law Library and Community Development Authority Revenue Account Funds are used to account for the proceeds of federal, state, and local sources that are legally restricted to expenditures for specified purposes.

County Debt Service Fund: Accounts for the receipt and payment of bonds and loans issued for the construction and maintenance of County facilities and equipment.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Stormwater Capital Projects Fund: Accounts for revenue and expenditures related to the drainage maintenance projects.

The County reports the following major enterprise funds:

Sewer Utility Fund: Accounts for the operations of the County's sewer utility systems.

Solid Waste Fund: Accounts for the operations of the County's solid waste disposal system.

The County reports the following nonmajor enterprise funds:

Yorktown Operations Fund: Accounts for the operations at the Yorktown waterfront.

York Sanitary District Fund: Accounts for the capital assets as of January 1, 1992 of the Sanitary District No. 1 utility systems.

Upper County Utility Fund: Accounts for the capital assets as of January 1, 1992 of the upper County utility systems.

Water Utility Fund: Accounts for operations of the County's water utility systems.

Sanitary District No. 2 Fund: Accounts for the capital assets as of January 1, 1992 of the Sanitary District No. 2 utility systems.

Regional Radio System Fund: Accounts for the County's joint emergency communication system with James City County and Gloucester County.

The County reports the following additional fund types:

Internal Service Funds: The Vehicle Maintenance Fund accounts for the operation of the vehicle maintenance and replacement services provided to County departments on a cost reimbursement basis. The Health and Dental Insurance Fund accounts for the payment of claims and other expenses related to medical and dental benefits provided to employees and retirees. The Workers' Compensation Fund accounts for the claims and related expenses for workers' compensation. The Information Technology Fund accounts for the costs of providing computer technical support, software support, internet and telecommunications services.

Fiduciary Funds:

Custodial Funds: The County's custodial funds account for fiscal funds held for the Colonial Behavioral Health; the Colonial Group Home Commission; the Special Welfare Board; Regional Projects, the Peninsula Public Sports Facility Authority, and the Darby-Firby Neighborhood Corporation.

Other Postemployment Benefits (OPEB) Trust Fund: Accounts for the resources held in trust for members and beneficiaries other postemployment benefits.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's Sewer Utility and various other functions of the government; elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted on an as needed basis.

Property Taxes

The two major sources of property taxes are described below:

Real Estate: The County levies real estate taxes on all real estate within its boundaries, except that exempted by statute, each year as of January 1 on the estimated market value of the property. All real estate property is assessed biennially.

Real estate taxes are billed in semi-annual installments due June 25 and December 5. Liens are placed on the property on the date real estate taxes are delinquent, June 26 and December 6, and must be satisfied prior to the sale or transfer of the property. Real estate taxes reported as revenue are for the assessment due December 5, 2021 and June 25, 2022, less an allowance for uncollectible amounts and taxes not collected within 45 days after year-end. The tax rate for calendar year 2021 was \$0.795, per \$100 of assessed value and for calendar year 2022 was \$0.780, per \$100 of assessed value.

Personal Property: The County levies personal property taxes on motor vehicles and tangible personal business property. These levies are made each year as of January 1. Personal property taxes are billed in equal semi-annual installments due June 25 and December 5. Personal property taxes do not create a lien on property. The personal property taxes reported as revenue are for the levies due December 5, 2021, and June 25, 2022, less an allowance for uncollectible amounts and taxes not collected within 45 days after year-end. The tax rate for calendar years 2021 and 2022 was \$4.00 per \$100 of assessed value.

The County's property tax collection records show that 95.43% of the property taxes due for the current tax year were collected.

Allowance for Uncollectible Amounts

Provision for uncollectible property taxes is based upon a historical percentage of accounts written off applied to the total levies of all years carried in taxes receivable and, in certain cases, specific account analysis. Provision for uncollectible solid waste, water and sewer service bills is based upon a historical analysis of uncollected accounts and, in certain cases, specific account analysis.

Cash and Temporary Investments

The County utilizes the pooled cash investment method. Income from the investment of pooled cash is allocated to the various funds based on the percentage of cash and temporary investments of each fund to the total pooled cash and temporary investments. See Note 2 for description of cash and temporary investment policies. Investments are stated at fair value.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories consist of materials and supplies held for future consumption and are stated at cost using the first-in, first-out method. Inventory is accounted for under the consumption method.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the basic financial statements. Prepaid items are recorded as expenditures when consumed.

Advances

Advances to other funds as reported in the General Fund, net advances from other funds, is offset by a fund balance nonspendable account, to indicate that they are not available for appropriation and are not expendable available financial resources.

Capital Assets

Capital assets include land, land improvements, buildings and improvements, infrastructure, equipment, and vehicles. Intangible assets include easements, computer software and right-to-use assets. Infrastructure acquired prior to 2002 that meets the County's capitalization threshold has been reported. All acquisitions of land and easements; land improvements, infrastructure, equipment, and computer software that individually costs \$5,000 or more; vehicles that individually cost \$10,000 or more; and buildings and improvements that individually cost \$30,000 or more and with useful lives greater than one year are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if constructed or purchased. Donated capital assets are recorded at acquisition value at the date of donation. Capital and intangible assets are depreciated and amortized over their estimated useful lives using the straight-line, half-year convention method. Land and permanent easements have an indefinite life. Temporary easements are amortized over the period of time the easement covers. The estimated useful lives of other capital and intangible assets are as follows: land improvements (15 - 20), buildings and improvements (10 - 50), infrastructure (10 - 50), equipment (3 - 20), vehicles (3 - 20), and computer software (3 - 7). Right-to-use assets are explained in the section below.

Leases: Lessee

The County is a lessee for noncancellable leases of equipment, infrastructure and land. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County recognizes all lease liability regardless of the initial value.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Leases: Lessor

The County is a lessor for noncancellable leases of infrastructure, land and building space. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenues over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Compensated Absences

County employees are granted vacation and sick pay in varying amounts as services are provided. They may accumulate, subject to certain limitations, unused vacation and sick pay earned and, upon retirement, termination or death, may be compensated for certain amounts at their then current rates of pay. A liability for these amounts is reported in governmental funds only if they have matured, for the reasons stated above. The current and noncurrent liability for accrued vacation and sick leave benefits at June 30, 2022 has been reported in the government-wide statements, representing the County's commitment to fund such costs from future operations. In the proprietary funds, the amount of compensated absences recognized is the

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

amount earned. Such benefits are included in the government-wide statements. The amount due within one year has been estimated based on historic trends.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an expense or expenditure until then. The County's deferred outflows of resources may consist of the amount by which the principal and premium of a refunding bond exceed the net carrying amount of the refunded debt and amounts related to pension and OPEB costs. The deferred outflow associated with the refunded debt is being amortized over the remaining life of the refunded debt. Changes of assumptions, differences between projected and actual earnings on investments, differences between expected and actual experience, and changes in proportion and differences between employer contributions and proportionate share of contributions on pension plan investments are actuarially determined and recorded as deferred outflows. Additionally, employer contributions subsequent to the measurement date will be recognized as a reduction of the liability in the following fiscal year. Other amounts reported as deferred outflows of resources will be amortized according to the actuarial amortization calculation. See note 10 and 11 for further details.

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as revenue until then. Under the modified accrual basis of accounting, the County has revenues, which are applicable to a future period, and will not be recognized until the period they become available. These revenues may include amounts recorded on the governmental funds' Balance Sheet as a deferred inflow of resources. Deferred revenue for prepaid taxes, fees and receivables are recorded as deferred inflows in the government-wide financial statements. Additionally, amounts related to pension and OPEB costs are actuarially determined and recorded as deferred inflows in the government-wide financial statements and proprietary funds' Statement of Net Position. These inflows include differences between expected and actual experience, differences between projected and actual earnings, changes of assumptions and changes in proportionate share. Other amounts reported as deferred inflows of resources will be amortized according to the actuarial amortization calculation. See note 10 and 11 for further details.

Fund Balances

In the governmental fund financial statements, fund balances have been classified to reflect the limitations and restrictions placed on the respective funds 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.

Restricted: Amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or through enabling legislation.

Committed: Amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision making authority, the Board of Supervisors, whom can commit funds, by adoption of an ordinance (establishing rates and fees earmarked for a specific purpose). Once adopted, the limitation cannot be used for any other purpose unless the Board of Supervisors removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances (Continued)

Assigned: Amounts that are intended to be used for specific purposes, but do not meet the criteria as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Supervisors, or as delegated to the County Administrator. The Board of Supervisors has by resolution authorized the County Administrator to assign fund balance. Unlike commitments, assignments generally only exist temporarily and an additional action is not normally required to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned: The residual classification for the County's General Fund and includes all spendable amounts not contained in other classifications.

The County's policy is to apply expenditures against restricted resources first when either restricted or unrestricted amounts are available. Within unrestricted fund balance, it is the County's policy to apply expenditures against committed amounts first, followed by assigned, and then unassigned amounts. In a governmental fund other than the General Fund, a negative unassigned fund balance could result if expenditures incurred for a specific purpose exceeds the amounts in the fund that are restricted, committed, and assigned for that purpose.

Net Position

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted and unrestricted. Restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, laws and regulations of other governments or imposed by law through state statute.

Statement of Cash Flows

For purposes of the Statement of Cash Flows, cash and temporary investments with original maturities of three months or less are considered to be cash and cash equivalents.

Use of Estimates

Management of the County has made a number of estimates and assumptions relating to the reporting of assets, liabilities and deferred flows of resources and related disclosures to prepare these financial statements in conformity with GAAP. Any differences between these estimates and actual results should immaterially affect the County's reporting of its financial position.

Credit Risk

The assessed value of real estate and personal property for the County's ten largest taxpayers comprises 10.20% of the County's tax base. Concentration of credit risk with respect to receivables is limited due to the large number of customers comprising the County's customer base. The *Code of Virginia* (Code), as amended, requires the election of a County Treasurer. The County's Treasurer is the custodian of cash and investments for the County, EDA and School Division. Oversight for investment activity is the responsibility of the Treasurer.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

2. 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. 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.

Statutes authorize the County to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, bankers' acceptances, repurchase agreements and the State Treasurer's Local Government Investment Pool (LGIP). The Treasury Board of the Commonwealth of Virginia has regulatory oversight of the LGIP. It is managed in a manner consistent with the "2a7 like pool" risk limiting requirements of GAAP with the portfolio securities valued by the amortized cost method, which approximates fair value. Investments with a maturity date of one year or less are stated at amortized cost. The fair value of the County's position in the LGIP is the same as the value of the pool shares. All other investments are stated at fair value.

The County and the School Division are participates in the Virginia Pooled OPEB Trust administered by the VML/VACo Finance Program. Funds of participating jurisdictions are pooled and invested in the name of the Virginia Pooled OPEB Trust. The County, Colonial Behavioral Health and the School Division's investment amounts are reported on the Fiduciary Fund statements on pages E-8 and E-9. The Board of Trustees of the Virginia Pooled OPEB Trust have adopted an investment policy to maximize total long-term rate of return with reasonable risk by seeking capital appreciation and, secondarily, principal protection. Investments are structured to achieve a compound annualized total expected rate of return over a market cycle, including current income and capital appreciation, of 7.5%. Investment decisions for the fund's assets are made by the Board of Trustees. The Board of Trustees establishes investment objectives, risk tolerance, and asset allocation policies in light of market and economic conditions and generally prevailing prudent investment practices. The Board of Trustees also monitors the investments through the appointment and oversight of investment managers and ensures adherence to the adopted policies and guidelines. Specific investment information and written investment policies for the Virginia Pooled OPEB Trust can be obtained by writing to VML/VACo Finance Program, 8 E. Canal Street, Suite 100, Richmond, VA 23219.

The carrying amount of the Primary Government's cash and investments at June 30, 2022 is as follows:

	Amount
Restricted cash	\$ 34,641,030
Investments	68,273,693
Deposits with financial institutions	61,129,829
Petty cash	4,345
Total cash and investments	<u><u>\$ 164,048,897</u></u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

2. DEPOSITS AND INVESTMENTS (Continued)

A reconciliation to the basic financial statements is as follows:

	Primary Government	School Division Component Unit	Economic Development Authority Component Unit	Community Development Authority Component Unit	Total
Cash and investments	\$ 129,407,867	\$ 14,053,756	\$ 1,222,759	\$ -	\$ 144,684,382
Restricted cash	34,641,030	-	14,121	224,108	34,879,259
Total cash and investments	<u>\$ 164,048,897</u>	<u>\$ 14,053,756</u>	<u>\$ 1,236,880</u>	<u>\$ 224,108</u>	<u>\$ 179,563,641</u>

Restricted Cash

The County's restricted cash of \$34,641,030 at June 30, 2022 consisted of the following: \$4,000 of surety deposits for junkyards held in the County and junkyards' names; \$13,029 of surety deposits for developments; \$34,545,221 for debt reserves on the 2020 and 2022 bonds; \$74,497 for debt reserves on the 2020 sewer revenue bonds; and \$4,283 of retainage held by others.

Credit Risk

As required by state statute, the policy requires that commercial paper be rated "prime quality" by at least two nationally recognized statistical rating organizations (A-1 by both Standard & Poor's and Moody's Investor Service) and corporate notes and bonds must be rated in the AAA or AA categories by both Standard & Poor's and Moody's Investor Service. The County's policy further limits credit risk by limiting investments in securities that have higher credit risks. As of June 30, 2021, the County's investments as rated by Standard & Poor's were as follows:

Investment Type	AAA	AA+	Unrated
LGIP	\$ 27,050,351	\$ -	\$ -
Money market	-	-	1,352,427
Treasury bills	-	1,345,964	-
Municipal bonds	2,379,070	-	-
Federal agency bonds and notes	-	36,145,881	-
Total investments	<u>\$ 29,429,421</u>	<u>\$ 37,491,845</u>	<u>\$ 1,352,427</u>

Concentration of Credit Risk

State statute limits the percentage of the portfolio that can be invested in any one issuer, excluding the U.S. Government, U.S. Government Agencies, the Commonwealth of Virginia and its authorities, mutual funds and pooled investment funds. Furthermore, no more than 35% of total available funds may be invested in commercial paper.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

2. DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, the County's policy limits the investment portfolio holdings to no more than 24 months, unless approved by the Treasurer. As of June 30, 2022, the carrying values and weighted average maturity of the County's investments were as follows:

Investment Type	Fair Value	Weighted Average Maturity in Years
Money market	\$ 1,352,427	0.02
Treasury bills	1,345,964	1.16
Federal agency bonds and notes	36,145,881	1.53
Municipal Bonds	2,379,070	1.06
Total investments	<u>\$ 41,223,342</u>	
Weighted average of portfolio		<u>0.87</u>

Custodial Credit Risk

The policy requires that all investment securities purchased by the County be held by an independent third-party custodian and evidenced by safekeeping receipts in the County's name. As of June 30, 2022, all of the County's investments were held in a bank's trust department in the County's name.

Fair Value Hierarchy

GAAP establishes a hierarchy (3 Levels) of valuation techniques used to measure fair value. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are inputs other than quoted prices that are observable either directly or indirectly. Level 3 inputs are unobservable inputs. The County has the following fair value measurements as of June 30, 2022:

Fair Value Measurements Using

Investments - At fair value	June 30, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Money market	\$ 1,352,427	\$ 1,352,427	\$ -
Treasury bills	1,345,964	1,345,964	-
Federal agency bonds and notes	36,145,881	9,509,187	26,636,694
Municipal Bonds	2,379,070	-	2,379,070
Total investments	<u>\$ 41,223,342</u>	<u>\$ 12,207,578</u>	<u>\$ 29,015,764</u>

In addition, investments held by the Virginia Pooled OPEB Trust Fund in the pool in which the County and the School Division participate (Portfolio I) as reported by the Fund's investment advisor, Asset Consulting Group, at June 30, 2022 are \$1.587 billion, of which the County, School Division and the Colonial Behavioral Health have \$22,091,481 invested.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

2. DEPOSITS AND INVESTMENTS (Continued)

Investments measured at fair value using net asset value per share (VML/VACo Pooled OPEB Trust) are not classified in the fair value hierarchy. The VML/VACo Pooled OPEB Trust categorizes their investments within the fair value hierarchy established by GAAP. A government is permitted, in certain circumstances, to establish the fair value of an investment that does not have a readily determinable fair value by using the Net Asset Value (NAV) per share (or its equivalent) of the investment. Investments in the VML/VACo Pooled OPEB Trust are valued using the NAV per share, which is determined by dividing the total value of the Trust by the number of outstanding shares. The NAV per share changes with the value of the underlying investments in the Trust. Generally, VML/VACo Pooled OPEB Trust participants may redeem their investment at the end of a calendar quarter upon 90 days; written notice.

Discretely Presented Component Units

At June 30, 2022, the School Division's total cash of \$14,053,756 consisted of bank deposits of \$12,218,974; investments of \$177,192 in LGIP, with a Standard and Poor's rating of AAA; and petty cash of \$600, held by the Treasurer and other cash not held by the Treasurer of \$1,656,990 for School Activity Funds. Cash and cash equivalents of the School Division's Pension Trust fund consisted of \$1,488,828, which is not included in the School Division's total cash.

At June 30, 2022, the EDA had bank deposits of \$310,558 (\$14,121 of which was restricted for tenant security deposits) and investments in LGIP of \$926,322, rated AAAM by Standard & Poor's.

The CDA's restricted cash and investments of \$224,108 at June 30, 2022, consisted of unspent bond proceeds. The total amount was invested in the U.S. Treasury money market funds. The U.S. Treasury money market funds are rated AAAM by Standard & Poor's and were stated at cost, which approximates fair value.

3. RECEIVABLES

At June 30, 2022, receivables other than lease receivables were as follows:

	<u>General</u>	<u>Tourism</u>	<u>County Capital</u>	<u>Nonmajor Governmental Funds</u>	<u>Sewer Utility</u>	<u>Solid Waste</u>	<u>Nonmajor Enterprise Funds</u>	<u>Internal Service Funds</u>
Property taxes	\$ 7,578,133	\$ -	\$ -	\$ 37,110	\$ -	\$ -	\$ -	\$ -
Vehicle registration fees	711,005	-	-	-	-	-	-	-
Other taxes	4,276,675	428,909	-	185,841	320,864	-	-	-
Accounts	407,743	-	-	52,152	2,141,403	940,712	45,348	172,215
Notes	-	-	666,675	-	-	-	-	-
Intergovernmental:								
Federal	961,262	-	4,618	783,447	-	-	-	-
State	4,481,075	20,000	138,177	458,787	-	-	-	-
Receivables, gross	18,415,893	448,909	809,470	1,517,337	2,462,267	940,712	45,348	172,215
Less allowance for doubtful accounts	(1,355,448)	(8,116)	-	-	(102,145)	(46,751)	(37)	-
Receivables, net	<u>\$ 17,060,445</u>	<u>\$ 440,793</u>	<u>\$ 809,470</u>	<u>\$ 1,517,337</u>	<u>\$ 2,360,122</u>	<u>\$ 893,961</u>	<u>\$ 45,311</u>	<u>\$ 172,215</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

4. INTERFUND AND COMPONENT UNIT TRANSACTIONS

The composition of interfund balances as of June 30, 2022 is as follows:

<u>Advance from Fund</u>	<u>Advance to Fund</u>	<u>Purpose</u>	<u>Amount</u>
General	Tourism	Infrastructure	\$ 3,533,797
	Nonmajor Enterprise Funds	Land purchase	<u>2,300,000</u>
Total Advances to other funds			<u>\$ 5,833,797</u>
	Yorktown Capital Improvements		
Tourism		Infrastructure	<u>\$ 3,533,797</u>

The advances from the General Fund and Tourism Fund were capital project loans and are not expected to be fully repaid in the subsequent year. Repayments for the infrastructure loan are from the lodging tax revenue generated by tourism. Repayments for the land purchase are from net rental income generated by the tenant operations managed by the EDA. Repayments in both instances are expected to continue until the advances are fully liquidated.

Due to/from Primary Government:

<u>Due from Entity</u>	<u>Due to Entity</u>	<u>Purpose</u>	<u>Amount</u>
County of York	School Division	Operations	<u>\$ 8,746,300</u>
EDA	County of York	Riverwalk Landing lease	<u>\$ 209,515</u>
County of York	CDA	Incremental tax revenues	<u>\$ 335,045</u>

Transfers In and Out:

<u>Fund</u>	<u>Transfers Out Fund</u>	<u>Transfers In Fund</u>
General	\$ 32,936,324	\$ 176,239
Tourism	500,000	300,000
County Capital	-	15,358,533
Yorktown Capital	-	500,000
Debt Service Education	-	8,252,830
Nonmajor governmental	176,239	6,788,307
Sewer Utility	10,010	-
Solid Waste	-	190,000
Nonmajor enterprise	-	1,196,664
Internal service	-	860,000
Total	<u>\$ 33,622,573</u>	<u>\$ 33,622,573</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

4. INTERFUND AND COMPONENT UNIT TRANSACTIONS (Continued)

Significant transactions between the Primary Government and component units during fiscal year 2022 were as follows:

Payments from County to School Division for school operations	\$ 56,837,094
Payments from County to School Division for health and dental insurance	828,853
Payments from County to School Division for school capital projects	1,243,000
Payments to County from School Division - year-end reversion entry	<u>(5,699,023)</u>
Total General Fund	<u>\$ 53,209,924</u>
Payments from County to School Division for school capital projects	
Total Nonmajor Governmental Fund	<u>\$ 2,000,000</u>
Statement of Activities - Payment from County of York	<u>\$ 55,209,924</u>
Payment from County General Fund to Economic Development Authority	
for operations; Statement of Activities - Payment from County of York	<u>\$ 297,535</u>
Payment from County Nonmajor Governmental Fund to Community Development Authority	
for incremental tax revenue; Statement of Activities - Payment from County of York	<u>\$ 1,201,089</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

Primary Government:

Governmental Activities:	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022
Capital assets not being depreciated/amortized:				
Land	\$ 12,854,926	\$ -	\$ -	\$ 12,854,926
Easements	821,664	6,535	-	828,199
Construction in progress	3,157,559	15,408,532	(2,874,274)	15,691,817
Total capital assets not being depreciated/amortized	16,834,149	15,415,067	(2,874,274)	29,374,942
Capital assets being depreciated/amortized:				
Land improvements	24,534,316	2,024,484	(163,649)	26,395,151
Buildings	45,464,820	-	-	45,464,820
Building improvements	16,366,907	396,798	-	16,763,705
Infrastructure	15,142,791	223,650	-	15,366,441
Equipment	31,006,248	807,263	(700,185)	31,113,326
Vehicles	24,279,350	1,728,130	(311,913)	25,695,567
Right-to-use leased assets	-	8,406,802	-	8,406,802
Computer software	2,983,026	109,315	-	3,092,341
Total capital assets being depreciated/amortized	159,777,458	13,696,442	(1,175,747)	172,298,153
Less accumulated depreciation/amortization for:				
Land improvements	(19,568,749)	(969,770)	163,648	(20,374,871)
Buildings	(17,171,687)	(892,681)	-	(18,064,368)
Building improvements	(4,315,025)	(506,380)	-	(4,821,405)
Infrastructure	(8,339,400)	(479,239)	-	(8,818,639)
Equipment	(22,360,748)	(1,505,810)	493,733	(23,372,825)
Vehicles	(12,192,443)	(1,496,688)	265,138	(13,423,993)
Right-to-use leased assets	-	(457,783)	-	(457,783)
Computer software	(1,645,310)	(276,805)	-	(1,922,115)
Total accumulated depreciation/amortization	(85,593,362)	(6,585,156)	922,519	(91,255,999)
Total capital assets being depreciated/amortized, net	74,184,096	7,111,286	(253,228)	81,042,154
Governmental activities capital assets, net	\$ 91,018,245	\$ 22,526,353	\$ (3,127,502)	\$ 110,417,096

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

5. CAPITAL ASSETS (Continued)

Depreciation and amortization expense was charged to functions of the Primary Government for governmental activities as follows:

General administration	\$ 859,695
Judicial services	325,909
Public safety	2,425,751
Management services	377,854
Education	99,177
Human services	6,072
Public works	344,049
Community services	1,444,921
Internal Service Fund - charged to functions based on usage	<u>701,728</u>
Total depreciation and amortization expenses - governmental activities	<u>\$ 6,585,156</u>

Business-type Activities:	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022
Capital assets not being depreciated/amortized:				
Land	\$ 3,946,755	\$ -	\$ -	\$ 3,946,755
Easements	704,453	14,400	-	718,853
Construction in progress	<u>3,961,322</u>	<u>1,567,127</u>	<u>-</u>	<u>5,528,449</u>
Total capital assets not being depreciated/amortized	<u>8,612,530</u>	<u>1,581,527</u>	<u>-</u>	<u>10,194,057</u>
Capital assets being depreciated/amortized:				
Land improvements	68,920	10,664	-	79,584
Buildings	23,188,660	-	-	23,188,660
Building improvements	604,449	150,968	-	755,417
Infrastructure	166,861,648	2,692,191	-	169,553,839
Equipment	10,110,437	368,830	(9,042)	10,470,225
Vehicles	3,376,302	189,298	(319,824)	3,245,776
Computer software	<u>70,272</u>	<u>-</u>	<u>-</u>	<u>70,272</u>
Total capital assets being depreciated/amortized	<u>204,280,688</u>	<u>3,411,951</u>	<u>(328,866)</u>	<u>207,363,773</u>
Less accumulated depreciation/amortization for:				
Land improvements	(29,344)	(3,711)	-	(33,055)
Buildings	(17,528,392)	(702,281)	-	(18,230,673)
Building improvements	(310,431)	(14,158)	-	(324,589)
Infrastructure	(59,134,539)	(3,324,138)	-	(62,458,677)
Equipment	(5,897,940)	(599,397)	4,520	(6,492,817)
Vehicles	(1,700,875)	(201,052)	271,849	(1,630,078)
Computer software	<u>(70,272)</u>	<u>-</u>	<u>-</u>	<u>(70,272)</u>
Total accumulated depreciation/amortization	<u>(84,671,793)</u>	<u>(4,844,737)</u>	<u>276,369</u>	<u>(89,240,161)</u>
Total capital assets being depreciated/amortized, net	<u>119,608,895</u>	<u>(1,432,786)</u>	<u>(52,497)</u>	<u>118,123,612</u>
Business-type activities capital assets, net	<u>\$ 128,221,425</u>	<u>\$ 148,741</u>	<u>\$ (52,497)</u>	<u>\$ 128,317,669</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

5. CAPITAL ASSETS (Continued)

Depreciation and amortization expense was charged to functions of the Primary Government for business type activities as follows:

Sanitary District No. 2	\$ 370,660
Solid waste	165,177
Sewer utility	3,964,906
York Sanitary District	31,733
Upper County utility	14,745
Water utility	5,586
Regional radio	<u>291,930</u>
Total depreciation and amortization expenses (excluding amortization on capitalized debt costs) - business-type activities	 <u>\$ 4,844,737</u>

Discretely Presented Component Unit - School Division

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 4,824,818	\$ -	\$ -	\$ 4,824,818
Construction in progress	13,092,601	9,241,947	(1,876,013)	20,458,535
Total capital assets not being depreciated	<u>17,917,419</u>	<u>9,241,947</u>	<u>(1,876,013)</u>	<u>25,283,353</u>
Capital assets being depreciated/amortized:				
Buildings	226,756,883	409,348	-	227,166,231
Building improvements	14,907,006	1,466,665	-	16,373,671
Equipment	2,606,403	305,836	(86,055)	2,826,184
Vehicles	15,448,550	730,269	(68,601)	16,110,218
Right-of-use leased assets	-	1,874,107	-	1,874,107
Total capital assets being depreciated/amortized	<u>259,718,842</u>	<u>4,786,225</u>	<u>(154,656)</u>	<u>264,350,411</u>
Less accumulated depreciation/amortization for:				
Buildings	(93,575,865)	(4,362,590)	-	(97,938,455)
Building improvements	(4,565,678)	(669,678)	-	(5,235,356)
Equipment	(1,879,048)	(134,647)	72,951	(1,940,744)
Vehicles	(8,454,711)	(1,007,314)	68,601	(9,393,424)
Right-of-use leased assets	-	(601,318)	-	(601,318)
Total accumulated depreciation/amortization	<u>(108,475,302)</u>	<u>(6,775,547)</u>	<u>141,552</u>	<u>(115,109,297)</u>
Total capital assets being depreciated/amortized, net	<u>151,243,540</u>	<u>(1,989,322)</u>	<u>(13,104)</u>	<u>149,241,114</u>
School Division capital assets, net	<u>\$ 169,160,959</u>	<u>\$ 7,252,625</u>	<u>\$ (1,889,117)</u>	<u>\$ 174,524,467</u>

Discretely Presented Component Unit - EDA

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 268,135	\$ -	\$ 268,135
Total capital assets not being depreciated	<u>-</u>	<u>268,135</u>	<u>-</u>	<u>268,135</u>
Capital assets being depreciated:				
Land improvements	9,604	-	-	9,604
Infrastructure	850,913	91,195	-	942,108
Total capital assets being depreciated	<u>860,517</u>	<u>91,195</u>	<u>-</u>	<u>951,712</u>
Less accumulated depreciation for:				
Land improvements	(6,081)	(640)	-	(6,721)
Infrastructure	(268,859)	(29,213)	-	(298,072)
Total accumulated depreciation	<u>(274,940)</u>	<u>(29,853)</u>	<u>-</u>	<u>(304,793)</u>
Total capital assets being depreciated, net	<u>585,577</u>	<u>61,342</u>	<u>-</u>	<u>646,919</u>
Economic Development Authority capital assets, net	<u>\$ 585,577</u>	<u>\$ 329,477</u>	<u>\$ -</u>	<u>\$ 915,054</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

5. CAPITAL ASSETS (Continued)

<u>Discretely Presented Component Unit - MCDA</u>	<u>Balance</u>				<u>Balance</u>
	<u>July 1, 2021</u>	<u>Additions</u>	<u>Transfers</u>	<u>Reductions</u>	<u>June 30, 2022</u>
Capital assets not being depreciated:					
Public improvements 2015	3,464,370	-	(3,464,370)	-	-
Roads	7,524,128	-	(7,524,128)	-	-
BMP Basins	4,442,390	-	(4,442,390)	-	-
Storm Drain	4,936,107	-	(4,936,107)	-	-
Total capital assets not being depreciated	<u>20,366,995</u>	<u>-</u>	<u>(20,366,995)</u>	<u>-</u>	<u>-</u>
Capital assets being amortized/depreciated:					
Computer software	9,000	-	-	-	9,000
Public improvements 2015	-	-	3,464,370	-	3,464,370
Roads	-	-	7,524,128	-	7,524,128
BMP Basins	-	-	4,442,390	-	4,442,390
Storm Drain	-	-	4,936,107	-	4,936,107
Total capital assets being amortized/depreciated	<u>9,000</u>	<u>-</u>	<u>20,366,995</u>	<u>-</u>	<u>20,375,995</u>
Less accumulated amortization/depreciation for:					
Computer software	(9,000)	-	-	-	(9,000)
Public improvements 2015	-	(115,479)	-	-	(115,479)
Roads	-	(250,804)	-	-	(250,804)
BMP Basins	-	(148,080)	-	-	(148,080)
Storm Drain	-	(164,537)	-	-	(164,537)
Total accumulated amortization/depreciation	<u>(9,000)</u>	<u>(678,900)</u>	<u>-</u>	<u>-</u>	<u>(687,900)</u>
Total capital assets being amortized/depreciated, net	<u>-</u>	<u>(678,900)</u>	<u>20,366,995</u>	<u>-</u>	<u>19,688,095</u>
Total	<u>\$ 20,366,995</u>	<u>\$ (678,900)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,688,095</u>

6. UNEARNED REVENUE AND DEFERRED INFLOWS

Unearned revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Unearned revenue at the fund level arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized. Deferred inflows represent an acquisition of net position that will not be recognized as revenue until a future period. At June 30, 2022, unearned revenues and deferred inflows are provided in the table below.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

6. UNEARNED REVENUE AND DEFERRED INFLOWS (Continued)

	<u>General</u>	<u>Tourism</u>	<u>County Capital</u>	<u>Nonmajor Governmental Funds</u>	<u>Sewer Utility</u>	<u>Solid Waste</u>	<u>Nonmajor Enterprise Funds</u>
<u>Unearned Revenues</u>							
Advance payments for fees, services and rents	\$ 17,342	\$ 44,050	\$ 2,341,704	\$ 192,823	\$ 775,273	\$ 21,881	\$ 51,752
<u>Deferred Inflows</u>							
Unavailable property taxes and fees	\$ 4,931,986	\$ 10,811	\$ -	\$ -	\$ -	\$ -	\$ -
Unavailable grants	478,019	-	-	3,454	-	-	-
Prepaid taxes and services	643,493	-	-	156,787	-	-	-
Long-term notes receivable	-	-	666,675	-	-	-	-
Total	\$ 6,053,498	\$ 10,811	\$ 666,675	\$ 160,241	\$ -	\$ -	\$ -

7. LONG-TERM DEBT

The following is a summary of changes in long-term debt during the year ended June 30, 2022:

<u>Primary Government:</u>	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
<u>Governmental Activities:</u>	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>One Year</u>
General obligation bonds	\$ 77,575,000	\$ -	\$ (5,250,000)	\$ 72,325,000	\$ 5,780,000
Premium on bonds	4,954,933	-	(338,557)	4,616,376	338,557
Direct financing leases	919,423	2,587,369	(52,000)	3,454,792	1,050,956
Leases	-	8,211,802	(443,591)	7,768,211	357,577
Lease revenue bonds	20,580,000	32,165,000	(2,320,000)	50,425,000	2,430,000
Premium on bonds	2,707,473	2,308,689	(318,364)	4,697,798	424,178
Compensated absences	6,405,448	5,907,730	(5,903,514)	6,409,664	503,000
Claims liabilities, IBNR	1,065,000	1,287,000	(1,065,000)	1,287,000	1,287,000
Net pension liability	36,268,303	9,615,575	(39,673,188)	6,210,690	-
Net OPEB liability	8,276,751	22,453,557	(20,439,305)	10,291,003	-
Total Governmental Activities	\$ 158,752,331	\$ 84,536,722	\$ (75,803,519)	\$ 167,485,534	\$ 12,171,268

<u>Primary Government:</u>	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
<u>Business-type Activities:</u>	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>One Year</u>
Revenue bonds	\$ 15,530,000	\$ -	\$ (730,000)	\$ 14,800,000	\$ 765,000
Premium on bonds	3,238,007	-	(236,898)	3,001,109	236,898
Compensated absences	639,471	673,536	(711,603)	601,404	3,310
Net pension liability	3,547,597	825,763	(3,784,520)	588,840	-
Net OPEB liability	831,808	2,325,753	(2,098,719)	1,058,842	-
Total Business-type Activities	\$ 23,786,883	\$ 3,825,052	\$ (7,561,740)	\$ 20,050,195	\$ 1,005,208

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

7. LONG-TERM DEBT (Continued)

<u>Discretely Presented</u>	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
<u>Component Units:</u>	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>One Year</u>
School Division					
Compensated absences	\$ 3,507,761	\$ 1,596,398	\$ (1,677,636)	\$ 3,426,523	\$ 1,250,000
Claims liabilities	4,834,141	284,856	(367,415)	4,751,582	2,492,000
Lease liability	-	1,874,107	(502,872)	1,371,235	498,100
Net pension liability *	126,964,717	24,784,774	(86,409,959)	65,339,532	-
Net OPEB liability	18,118,045	3,396,078	(5,885,771)	15,628,352	-
	<u>\$ 153,424,664</u>	<u>\$ 31,936,213</u>	<u>\$ (94,843,653)</u>	<u>\$ 90,517,224</u>	<u>\$ 4,240,100</u>
* Beginning balance restated to add York County Public Schools - Option plan, which was a net pension asset in the prior year.					
Economic Development Authority					
Notes payable	<u>\$ 36,667</u>	<u>\$ -</u>	<u>\$ (36,667)</u>	<u>\$ -</u>	<u>\$ -</u>
Community Development Authority					
Refunding bonds payable	\$ 28,875,000	\$ -	\$ -	\$ 28,875,000	\$ -
Capital Appreciation bonds payable	4,404,482	2,368,518	-	6,773,000	-
Total bonds payable	<u>\$ 33,279,482</u>	<u>\$ 2,368,518</u>	<u>\$ -</u>	<u>\$ 35,648,000</u>	<u>\$ -</u>
Accretion of interest payable:					
Refunding bonds	\$ 3,412,500	\$ 365,625	\$ -	\$ 3,778,125	\$ -
Capital Appreciation bonds	2,286,903	-	(2,286,903)	-	-
Total accretion of interest payable	<u>\$ 5,699,403</u>	<u>\$ 365,625</u>	<u>\$ (2,286,903)</u>	<u>\$ 3,778,125</u>	<u>\$ -</u>
Total bonds and accretion of interest payables	<u>\$ 38,978,885</u>	<u>\$ 2,734,143</u>	<u>\$ (2,286,903)</u>	<u>\$ 39,426,125</u>	<u>\$ -</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

7. LONG-TERM DEBT (Continued)

Arbitrage

Arbitrage is the difference between the yield on an issuer's tax-exempt bonds and the investment income earned on the proceeds. Arbitrage restrictions imposed by the federal government prohibit an issuer from retaining arbitrage profits when investing bond proceeds at a yield that exceeds the yield on the bonds. Any excess arbitrage must be rebated to the U.S. Treasury. As of June 30, 2022, there was no rebate liability.

General Obligation Bonds

General obligations bonds (GOB) are backed by the full faith and credit of the County. There are no sinking fund requirements. Outstanding general obligation bonds at June 30, 2022 of the Primary Government governmental activities are as follows:

GOB Series	Purpose	Bond Date	Maturity Date	Interest Rate	Balance June 30, 2022
VPSA 05	York High and School Board renovations	11/10/05	07/15/25	4.60-5.10%	\$ 4,280,000
VPSA 10	Grafton Bethel Elementary	07/08/10	12/01/27	1.93%	340,000
VPSA 12B	Coventry Elementary and New Horizons HVAC; Coventry Elem. gymnasium (gym), Grafton Bethel and Grafton Complex gym roof; Tabb Elementary classrooms	05/10/12	07/15/32	2.55-5.05%	4,585,000
VPSA 14C	Various schools HVAC, roofs, kitchens, gyms and repairs	11/20/14	07/15/34	2.05-5.05%	6,455,000
VPSA 14B	Yorktown Middle and New Horizons renovations	05/15/14	07/15/26	4.40-4.60%	3,770,000
VPSA 15	Dare, Magruder, Yorktown Elementary classrooms	02/17/15	07/15/28	4.10-5.35%	2,550,000
VPSA 16	Waller Mill roof and Magruder HVAC and roof	05/01/16	07/15/36	2.05-5.05%	9,520,000
VPSA 16B	Dare and Mt. Vernon Elementary and Tabb High	11/17/16	07/15/29	3.05-4.05%	2,025,000
VPSA 17A	York HVAC, roof and Bethel Manor roof, renovation	04/30/17	07/15/37	3.05-5.05%	7,005,000
VPSA 18A	Tabb Elementary HVAC; Grafton Complex, Yorktown Elementary Roofs, York High School Interior doors, modular classrooms	04/29/18	07/15/38	3.05-5.05%	7,070,000
VPSA 19A	Tabb, Dare, Mt. Vernon, Coventry Elementary, Tabb Middle, and Grafton Complex various renovations	05/05/19	07/15/39	3.05-5.05%	7,275,000
VPSA 19B	Bruton High & Queens Lake renovations	05/21/19	07/15/23	4.85-5.10%	1,170,000
VPSA 20	Various schools HVAC, roofs, interior doors, security vestibules, parking lot and other repairs	04/22/20	07/15/40	2.90%	7,700,000
VPSA 21	Coventry Elementary Grafton Complex	04/25/21	07/15/41	2.05-5.05%	8,580,000
					<u>\$ 72,325,000</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

7. LONG-TERM DEBT (Continued)

The following is a summary of the repayment schedules for fiscal years:

<u>Year</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 5,780,000	\$ 2,734,930
2024	5,435,000	2,471,460
2025	5,385,000	2,218,829
2026	5,640,000	1,961,122
2027	4,705,000	1,723,684
2028-2032	19,605,000	5,793,309
2033-2037	17,855,000	2,430,853
2038-2042	7,920,000	382,584
	<u>\$ 72,325,000</u>	<u>\$ 19,716,771</u>

Compensated Absences

For governmental activities, compensated absences are typically liquidated by the General Fund.

Net OPEB and Pension Liabilities

For governmental activities, net OPEB and pension obligations are typically liquidated by the General Fund. For business-type activities, net OPEB and pension obligations are liquidated by the respective fund.

Lease Revenue Bonds

Principal payments will be made in annual installments and interest payments will be made in semi-annual installments. Outstanding lease revenue bonds at June 30, 2022 of the Primary Government governmental activities are as follows:

<u>Series</u>	<u>Purpose</u>	<u>Bond Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2022</u>
2014	Communications system and building, equipment, parking garage	02/27/14	07/15/23	2.000-4.500%	\$ 1,245,000
2016	Sports Field Complex-Partial refunding of Series 2008	05/25/16	10/01/29	4.163-5.125%	8,065,000
2018A	Fire Apparatus, Grafton Fire Station and Carver Gardens	05/23/18	10/01/38	3.125-5.125%	6,830,000
2020	Fire Apparatus, Yorktown Library, Law Enforcement Building	06/03/20	10/01/40	4.125-5.125%	2,120,000
2022	Fire Apparatus, Yorktown Library, Law Enforcement Building	05/25/22	10/01/42	4.316-5.125%	32,165,000
					<u>\$ 50,425,000</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

7. LONG-TERM DEBT (Continued)

The following is a summary of the repayment schedules for fiscal years:

<u>Year</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 2,430,000	\$ 2,194,733
2024	2,225,000	2,157,959
2025	2,330,000	2,041,238
2026	2,455,000	1,920,197
2027	2,575,000	1,794,528
2028-2032	12,410,000	7,045,400
2033-2037	11,405,000	4,446,450
2038-2042	12,200,000	1,828,066
2043-2047	2,395,000	53,825
	<u>\$ 50,425,000</u>	<u>\$ 23,482,396</u>

In an event of default, outstanding amounts become due and payable immediately if the County is unable to make payment. In addition, upon the occurrence and continuation of an Event of Default, the Lessor may take possession of the leased property as stated in the financing lease agreement for the bonds as a result of the assets pledged as collateral for the debt. The Law Enforcement Building for Series 2022A, the Yorktown Library for Series 2020A, the Grafton Fire Station for Series 2018A, the Sports Field Complex for Series 2016 and the parking terrace, communications equipment and real estate for Series 2014 are pledged as collateral for these bonds.

Revenue Bonds

The County anticipates that the amounts required for the payment of interest and principal on the bonds will be provided by the respective enterprise funds revenues. Revenue bonds at June 30, 2022 of the Primary Government business-type activities are as follows:

<u>Series</u>	<u>Purpose</u>	<u>Bond Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2022</u>
2016C	Sewer systems refunding	09/22/16	10/01/28	2.125-5.125%	\$ 4,145,000
2020	Sewer systems refunding	06/03/20	10/01/39	4.125-5.125%	9,510,000
2020	SCADA system	06/03/20	10/01/30	5.125%	1,145,000
					<u>\$ 14,800,000</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

7. LONG-TERM DEBT (Continued)

The following is a summary of the repayment schedules for fiscal years:

<u>Year</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 765,000	\$ 674,097
2024	805,000	633,866
2025	790,000	592,994
2026	635,000	556,478
2027	665,000	523,166
2028-2032	3,875,000	2,045,159
2033-2037	4,275,000	1,075,909
2038-2042	2,990,000	188,100
	<u>\$ 14,800,000</u>	<u>\$ 6,289,769</u>

In an event of default, outstanding amounts become due and payable immediately if the County is unable to make payment. The County would pay to the Owners of the Bonds the entire unpaid principal and accrued interest on the Bonds, but only from the Net Revenues and other funds of the County pledged to such payment.

Marquis Community Development Authority

On November 27, 2007, the CDA issued special obligation bonds for \$32,860,000 to finance the construction of public infrastructure improvements located within the District. On March 1, 2012, the Bonds were restructured and reissued pursuant to a Restructuring Memorandum of Understanding. Under the restructuring and reissuance terms, the original 2007 Bonds have been restructured and \$2,805,000 of the original Bonds has been redeemed.

Interest on the bonds is payable each March 1 and September 1. Interest is computed on the basis of a year of 360 days and twelve 30-day months. Interest rates range from 5.1% - 5.625%. The following is a summary of the repayment schedules for fiscal years:

<u>Year Ending June 30,</u>	<u>Series A Bonds 5.100%</u>		<u>Series B Bonds 5.625%</u>		<u>Series C Bonds 5.625%</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ -	\$ 289,425	\$ -	\$ 939,375	\$ -	\$ -
2024	-	289,425	-	939,375	-	-
2025	-	289,425	-	939,375	-	-
2026	-	289,425	-	939,375	-	-
2027	395,000	279,353	-	939,375	-	-
2028-2032	2,315,000	1,062,713	1,140,000	4,664,813	-	-
2033-2037	2,965,000	393,084	6,720,000	3,472,594	-	-
2038-2042	-	-	8,840,000	1,297,126	6,500,000	26,890,476
Total	<u>\$ 5,675,000</u>	<u>\$ 2,892,850</u>	<u>\$ 16,700,000</u>	<u>\$ 14,131,408</u>	<u>\$ 6,500,000</u>	<u>\$ 26,890,476</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

7. LONG-TERM DEBT (Continued)

Marquis Community Development Authority (Continued)

On October 27, 2015, the CDA issued convertible capital appreciation revenue bonds in the amount of \$4,404,482 to finance additional public infrastructure improvements located within the District. The 2015 Bonds were initially be issued as capital appreciation bonds and converted to current interest bonds on September 1, 2021, the "conversion date". Prior to the conversion date, the 2015 Bonds will not pay interest on a current basis, but will increase in value by the accumulation of earned interest from their initial principal amounts on the issue date to the conversion date. Interest will be compounded each March 1 and September 1, commencing March 1, 2016 at a rate of 7.5% according to the table of accreted values. The accreted value at the conversion date was \$6,773,000. Following the conversion date, interest on the 2015 Bonds will be payable semiannually on each March 1 and September 1, commencing March 1, 2022 at a rate of 7.5%. Interest due on March 1, 2022 was \$253,988, however because of insufficient TIF revenues and limitations on special assessments used to pay debt service, only \$152,091 was paid. The Authority's long-term debt activity for the 2015 Bonds for the year ended June 30, 2022 was as follows:

	Balance			Balance
	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>
Series 2015 CAB Bonds	\$ 4,404,482	\$ 2,368,518	\$ -	\$ 6,773,000
Accretion of interest payable	<u>2,286,903</u>	<u>-</u>	<u>(2,286,903)</u>	<u>-</u>
Total	<u>\$ 6,691,385</u>	<u>\$ 2,368,518</u>	<u>\$ (2,286,903)</u>	<u>\$ 6,773,000</u>

Mandatory debt service requirements after conversion consist of the following:

Year Ending	<u>Series 2015 CAB Bonds</u>	
<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ -	\$ 507,975
2024	-	507,975
2025	-	507,975
2026	-	507,975
2027	-	507,975
2028-2032	-	2,539,875
2033-2037	-	2,539,875
2038-2042	-	2,539,875
2043-2047	<u>6,773,000</u>	<u>1,269,863</u>
Total	<u>\$ 6,773,000</u>	<u>\$ 11,429,363</u>

8. FUND BALANCE (DEFICIT)

Fund balance (deficit) is classified as nonspendable, restricted, committed, assigned and/or unassigned 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 constraints placed on fund balance (deficit) for the major governmental funds and all other governmental funds are presented below:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

8. FUND BALANCE (DEFICIT) (Continued)

<u>Purpose</u>	<u>General</u>	<u>Tourism</u>	<u>Yorktown Capital Imps</u>	<u>County Capital</u>	<u>Debt Service Education</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:							
Prepaid expenditures	\$ 7,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,919
Advances	5,833,797	-	-	-	-	-	5,833,797
Total nonspendable	5,841,716	-	-	-	-	-	5,841,716
Restricted:							
Judicial services and Commonwealth's Attorney grants	-	-	-	-	-	91,986	91,986
Public safety grants and donations	-	-	-	24,990,094	-	1,177,395	26,167,489
Library renovation & expansion	-	-	-	1,934,019	-	-	1,934,019
Environmental and transportation improvements	-	-	-	1,229,742	-	-	1,229,742
Community services grants and donations	-	-	-	-	-	53,230	53,230
Tourism projects	-	1,534,408	-	-	-	-	1,534,408
Proffer projects	-	-	-	646,046	-	-	646,046
Other purposes	-	-	-	-	-	30,118	30,118
Total restricted	-	1,534,408	-	28,799,901	-	1,352,729	31,687,038
Committed:							
School reversion	5,699,023	-	-	-	-	-	5,699,023
Intergovernmental revenue shortfalls for School Division	-	-	-	-	-	7,011,518	7,011,518
Meals tax for drainage projects	-	-	-	-	-	5,380,958	5,380,958
Environmental and transportation improvements	-	-	-	5,612,839	-	-	5,612,839
Total committed	5,699,023	-	-	5,612,839	-	12,392,476	23,704,338
Assigned:							
Active Transportation Projects	-	-	-	533,991	-	-	533,991
Capital outlay/one time expenditures	10,115,709	-	-	8,907,630	-	-	19,023,339
Capital and operating one time expenditures	6,631,295	-	-	-	-	-	6,631,295
Community Services and Tourism Improvements	-	-	-	486,136	-	-	486,136
Contractual services	417,810	-	-	-	-	-	417,810
Economic development	-	-	-	1,637,090	-	-	1,637,090
Emergency communications operations	361,857	-	-	-	-	-	361,857
Facility maintenance and repair	-	-	-	2,415,038	-	-	2,415,038
Facility renovation & relocation	-	-	-	430,753	-	-	430,753
Facility security	-	-	-	83,977	-	-	83,977
Fire & Life Safety equipment and operations	71,643	-	-	1,954,888	-	-	2,026,531
Fire Alarm System	-	-	-	221,150	-	-	221,150
Fire Station #7	-	-	-	3,453,344	-	-	3,453,344
Grounds maintenance repairs, operations and equipment	-	-	-	121,366	-	-	121,366
Head Start and Social Services programs	-	-	-	-	-	1,183,070	1,183,070
Information technology: hardware/software	-	-	-	1,545,865	-	-	1,545,865
Library renovation & expansion	-	-	-	1,027,727	-	-	1,027,727
Other purposes/miscellaneous	626,055	-	-	-	776,703	1,009,105	2,411,863
Personal property rebate	3,500,000	-	-	-	-	-	3,500,000
Public works operations	105,327	-	-	-	-	-	105,327
Sheriff operations, equipment and training facility	184,702	-	-	884,635	-	-	1,069,337
Video services equipment	-	-	-	70,702	-	-	70,702
Total assigned	22,014,398	-	-	23,774,292	776,703	2,192,175	48,757,568
Unassigned:	20,898,594	-	(3,003,377)	-	-	-	17,895,217
Total fund balances (deficit)	\$54,453,731	\$1,534,408	\$(3,003,377)	\$58,187,032	\$ 776,703	\$ 15,937,380	\$ 127,885,877

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

9. LEASES

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Leases Receivable

Governmental Activities:

The County leases the usage of its infrastructure with lease terms ranging from 2 years to 31 years. As of June 30, 2022, the value of the lease receivable was \$1,201,362. The value of the deferred inflow of resources as of June 30, 2022 was \$1,205,279 and the County recognized lease revenue of \$149,852 during the fiscal year.

The County leases the usage of its building with a lease term of 13 years. As of June 30, 2022, the value of the lease receivable was \$152,643. The value of the deferred inflow of resources as of June 30, 2022 was \$150,797 and the County recognized lease revenue of \$12,480 during the fiscal year.

The County leases the usage of its land with a lease term of 22 years. As of June 30, 2022, the value of the lease receivable was \$837,063. The value of the deferred inflow of resources as of June 30, 2022 was \$824,234 and the County recognized lease revenue of \$38,823 during the fiscal year.

The future principal and interest receipts as of June 30, 2022, were as follows:

Year	Governmental Activities		
	Principal	Interest	Total
2023	\$ 188,170	\$ 16,597	\$ 204,767
2024	146,033	15,368	161,401
2025	91,351	14,301	105,652
2026	92,752	13,572	106,324
2027	98,663	12,809	111,472
2028-2032	493,224	51,905	545,129
2033-2037	358,533	36,391	394,924
2038-2042	373,816	24,138	397,954
2043-2047	201,038	12,577	213,615
2048-2052	145,001	4,375	149,376
2053-2054	2,487	2	2,489
Totals	<u>\$ 2,191,068</u>	<u>\$ 202,035</u>	<u>\$ 2,393,103</u>

Business-type Activities:

The County leases the usage of its building with a lease term of 20 years. As of June 30, 2022, the value of the lease receivable was \$2,353,697. The value of the deferred inflow of resources as of June 30, 2022 was \$2,333,633 and the County recognized lease revenue of \$122,823 during the fiscal year.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

9. LEASES (Continued)

The County leases the usage of its land with a lease term of 12 years. As of June 30, 2022, the value of the lease receivable was \$1,254,796. The value of the deferred inflow of resources as of June 30, 2022 was \$1,252,547 and the County recognized lease revenue of \$113,868 during the fiscal year.

The future principal and interest receipts as of June 30, 2022, were as follows:

<u>Year</u>	Business-type Activities		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 212,409	\$ 48,435	\$ 260,844
2024	214,798	46,046	260,844
2025	217,226	43,618	260,844
2026	219,693	41,151	260,844
2027	222,199	38,645	260,844
2028-2032	1,150,014	154,206	1,304,220
2033-2037	762,152	89,092	851,244
2038-2042	610,001	23,599	633,600
Totals	<u>\$ 3,608,492</u>	<u>\$ 484,792</u>	<u>\$ 4,093,284</u>

Discretely Presented Component Unit – EDA:

The EDA rents building space to various businesses at Riverwalk Landing with lease terms ranging from 17 to 78 months. As of June 30, 2022, the value of the lease receivable is \$147,347. As of June 30, 2022, the value of the lease interest receivable is \$56. The value of the deferred inflow of resources as of June 30, 2022 was \$145,779 and the EDA recognized lease revenue of \$150,799 during the fiscal year.

A summary of future principal and interest receipts as of June 30, 2022, were as follows:

<u>Year</u>	EDA		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 83,991	\$ 488	\$ 84,479
2024	29,860	242	30,102
2025	12,619	116	12,735
2026	8,150	75	8,225
2027	8,433	39	8,472
2028-2032	4,294	5	4,299
Total minimum lease payments	<u>\$ 147,347</u>	<u>\$ 965</u>	<u>\$ 148,312</u>

Discretely Presented Component Unit – School Division:

The School Division leases certain land where radio towers are located with varying terms ranging from 24 to 40 years. The School Division does not own the radio towers but does own the land. The School Division also leases space in certain schools for before and after school childcare. As of June 30, 2022, the value of the lease receivable for all leases of the School Division is \$6,514,270. The value of the deferred inflow of resources as of June 30, 2022 was \$6,410,824, and the School Division recognized lease revenue of \$246,116 during the fiscal year.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

9. LEASES (Continued)

A summary of future principal and interest receipts for the School Division as of June 30, 2022, were as follows:

<u>Year</u>	<u>School Division</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 207,541	\$ 146,486	\$ 354,027
2024	234,885	142,830	377,715
2025	243,417	138,688	382,105
2026	252,204	134,393	386,597
2027	170,795	130,200	300,995
2028-2032	861,567	593,411	1,454,978
2033-2037	1,072,110	478,777	1,550,887
2038-2042	1,230,520	342,774	1,573,294
2043-2047	1,309,030	189,374	1,498,404
2048-2052	467,140	74,815	541,955
2053-2057	270,690	40,583	311,273
2058-2061	194,371	7,956	202,327
Total minimum lease payments	<u>\$ 6,514,270</u>	<u>\$ 2,420,287</u>	<u>\$ 8,934,557</u>

Leases Payable

Governmental Activities:

The County leases infrastructure with a lease term of 3 years. An initial lease liability was recorded in the amount of \$126,815. As of June 30, 2022, the value of the lease liability was \$85,562. The value of the right to use asset as of June 30, 2022 was \$126,815 with accumulated amortization of \$41,129.

The County leases certain buildings with lease terms ranging from 8 years to 39 years. An initial lease liability was recorded in the amount of \$3,915,100. As of June 30, 2022, the value of the lease liability was \$3,743,397. The value of the right to use asset as of June 30, 2022 was \$4,110,100 with accumulated amortization of \$231,145.

The County leases land with lease terms ranging from 24 years to 28 years. An initial lease liability was recorded in the amount of \$4,097,285. As of June 30, 2022, the value of the lease liability was \$3,882,365. The value of the right to use asset as of June 30, 2022 was \$4,097,285 with accumulated amortization of \$169,686.

The County leases equipment with lease terms ranging from 1.2 years to 5 years. An initial lease liability was recorded in the amount of \$72,602. As of June 30, 2022, the value of the lease liability was \$56,887. The value of the right to use asset as of June 30, 2022 was \$72,602 with accumulated amortization of \$15,823.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

9. LEASES (Continued)

The future principal and interest payments as of June 30, 2022, were as follows:

Year	Governmental Activities		
	Principal	Interest	Total
2023	\$ 357,577	\$ 141,756	\$ 499,333
2024	364,254	135,933	500,187
2025	323,999	129,996	453,995
2026	327,189	124,265	451,454
2027	329,072	118,461	447,533
2028-2032	1,683,009	502,769	2,185,778
2033-2037	1,932,617	342,267	2,274,884
2038-2042	1,799,226	159,402	1,958,628
2043-2047	636,538	30,369	666,907
2048-2052	14,730	304	15,034
Totals	<u>\$ 7,768,211</u>	<u>\$ 1,685,522</u>	<u>\$ 9,453,733</u>

Discretely Presented Component Unit – School Division:

The School Division leases certain office space under a non-cancelable operating lease agreement with the term ending August 12, 2024. An initial lease liability was recorded in the amount of \$1,874,107 during the current fiscal year. As of June 30, 2022, the value of the lease liability was \$1,371,235. The value of the right to use asset as of June 30, 2022 was \$1,874,107 with accumulated amortization of \$601,318.

The future principal and interest payments as of June 30, 2022, were as follows:

Year	School Division		
	Principal	Interest	Total
2023	\$ 498,099	\$ 13,593	\$ 511,692
2024	580,506	7,940	588,446
2025	292,630	1,595	294,225
Totals	<u>\$ 1,371,235</u>	<u>\$ 23,128</u>	<u>\$ 1,394,363</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

9. LEASES (Continued)

Direct Financing Leases

The County leases certain equipment under direct financing lease agreements that were excluded from GASB 87 based on the terms on the leases. The County executed two lease-purchase agreements in July 2016 and January 2022 with Motorola for 800 MHz system upgrades on behalf of York, James City and Gloucester Counties with the final payment scheduled to end in FY2022 and FY2027, respectively. Also, a Memorandum of Understanding was executed with the County's partner counties that will empower York to act as their fiscal agent for purposes of this contract and committing the local government partners to make their proportional contributions over the next five fiscal years. The total cost of the 2016 upgrade is \$10,492,814, and York and James City County's shares are each \$4,736,044 and Gloucester's share is \$1,020,276. The total cost of the 2022 upgrade is \$10,982,234 and York County's share is \$5,087,369, James City County's share is \$4,953,268 and Gloucester's share is \$941,598. A summary of future minimum lease payments under direct financing leases together with the present value of the net minimum lease payments as of June 30, 2022 are as follows:

	Primary Government - Governmental
<u>Year</u>	<u>Activities</u>
2023	\$ 1,124,569
2024	601,569
2025	605,490
2026	577,570
2027	577,570
2028-2032	140,000
2033	9,333
Total minimum lease payments	3,636,101
Less amount representing interest	(181,309)
Present value of principal	<u>\$ 3,454,792</u>

10. DEFINED BENEFIT PENSION PLANS

Virginia Retirement System

The Virginia Retirement System (VRS) Political Subdivision Retirement Plan is a multi-employer, agent plan for the County. The School Division participates in the VRS Teacher Employee Plan (Professional Plan), which is a multiple employer, cost-sharing plan. The School Division also participates in the VRS Political Subdivision Retirement Plan (Nonprofessional Plan), which is a multi-employer, agent plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's Retirement Plan and the York County Schools ("Schools") Professional and Nonprofessional Retirement Plans and the additions to/deductions from the County Retirement Plan's and Schools Professional and Nonprofessional Retirement Plans' net fiduciary position have been determined on the same basis as they were reported by Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

All full-time, salaried permanent employees of the County and School Division are automatically covered by a VRS retirement plan upon employment. This 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 are paying contributions to VRS. Members are eligible to purchase prior public 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 duty military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<u>About Plan 1</u> Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, service credit and average final compensation at retirement using a formula.	<u>About Plan 2</u> Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, service credit and average final compensation at retirement using a formula.	<u>About the Hybrid Plan</u> The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. • The defined benefit is based on a member's age, service credit and average final compensation at retirement using a formula. • The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<u>Eligible Members</u> Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013, and they have not taken a refund. <u>Hybrid Opt-In Election</u> VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan. Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.	<u>Eligible Members</u> Employees are in Plan 2 if their membership date is 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. <u>Hybrid Opt-In Election</u> Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan. Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.	• In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees. <u>Eligible Members</u> Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes: • County employees • Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014. <u>Non-Eligible Members</u> Some employees are not eligible to participate in the Hybrid Retirement Plan. They include political subdivision employees who are covered by enhanced benefits for hazardous duty employees. Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<u>Retirement Contributions</u> Members contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some school divisions and political subdivisions elected to phase in the required 5% member contribution; all employees pay the full 5% as of July 1, 2016. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.	<u>Retirement Contributions</u> Same as Plan 1.	<u>Retirement Contributions</u> A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.
<u>Service Credit</u> Service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.	<u>Service Credit</u> Same as Plan 1.	<u>Service Credit</u> <u>Defined Benefit Component:</u> Under the defined benefit component of the plan, service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional service credit the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit. <u>Defined Contributions Component:</u> Under the defined contribution component, service credit is used to determine vesting for the employer contribution portion of the plan.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<u>Vesting</u> Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of service credit. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund. Members are always 100% vested in the contributions that they make.	<u>Vesting</u> Same as Plan 1.	<u>Vesting</u> <u>Defined Benefit Component:</u> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of service credit. Plan 1 or Plan 2 members with at least five years (60 months) of service credit who opted into the Hybrid Retirement Plan remain vested in the defined benefit component. <u>Defined Contributions Component:</u> Defined contribution vesting refers to minimum length of service a member needs to be eligible to withdraw employer contributions from the defined contribution component of the plan. Members are always 100% vested in contributions they make. Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service. • After two years, a member is 50% vested and may withdraw 50% of employer contributions. • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. Distributions not required, except as governed by law.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<u>Calculating the Benefit</u> The basic benefit is determined using the average final compensation, service credit and plan multiplier. An early retirement reduction is applied to this amount if the member is retiring with a reduced benefit. In cases where the member has elected an optional form of retirement payment, an option factor specific to the option chose in then applied.	<u>Calculating the Benefit</u> See definition under Plan 1.	<u>Calculating the Benefit</u> <u>Defined Benefit Component:</u> See definition under Plan 1 <u>Defined Contribution Component:</u> The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.
<u>Average Final Compensation</u> A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.	<u>Average Final Compensation</u> A member's average final compensation is the average of the 60 consecutive months of highest compensation as a covered employee.	<u>Average Final Compensation</u> Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.
<u>Service Retirement Multiplier</u> The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%. <u>Sheriffs</u> The retirement multiplier for sheriffs is 1.85%. <u>Hazardous Duty Employees</u> The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs is 1.85% as elected by the employer.	<u>Service Retirement Multiplier</u> Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for service credit earned, purchased or granted on or after January 1, 2013. <u>Sheriffs and Hazardous Duty Employees</u> Same as Plan 1.	<u>Service Retirement Multiplier</u> <u>Defined Benefit Component:</u> The retirement multiplier for the defined benefit component 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. <u>Sheriffs and Hazardous Duty Employees</u> Not applicable. <u>Defined Contribution Component:</u> Not applicable.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<u>Normal Retirement Age</u> Age 65. <u>Hazardous Duty Employees</u> Age 60.	<u>Normal Retirement Age</u> Normal Social Security retirement age. <u>Hazardous Duty Employees</u> Same as Plan 1.	<u>Normal Retirement Age</u> Defined Benefit Component: Same as Plan 2. <u>Hazardous Duty Employees</u> Not applicable. <u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.
<u>Earliest Unreduced Retirement Eligibility</u> Members who are not in hazardous duty positions are eligible for an unreduced retirement benefit at age 65 with at least five years (60 months) of service credit or at age 50 with at least 30 years of service credit. <u>Hazardous Duty Employees</u> Age 60 with at least five years of service credit or age 50 with at least 25 years of service credit.	<u>Earliest Unreduced Retirement Eligibility</u> Members who are not in hazardous duty positions are eligible for an unreduced retirement benefit when they reach normal Social Security retirement age and have at least five years (60 months) of service credit or when their age plus service credit equals 90. <u>Hazardous Duty Employees</u> Same as Plan 1.	<u>Earliest Unreduced Retirement Eligibility</u> Defined Benefit Component: Members are eligible for an unreduced retirement benefit when they reach normal Social Security retirement age and have at least five years (60 months) of service credit or when their age plus service credit equals 90. <u>Hazardous Duty Employees</u> Not applicable. <u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.
<u>Earliest Reduced Retirement Eligibility</u> Members may retire with a reduced benefit as early as age 55 with at least five years (60 months) of service credit or age 50 with at least 10 years of service credit. <u>Hazardous Duty Employees</u> Age 50 with at least five years of service credit.	<u>Earliest Reduced Retirement Eligibility</u> Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of service credit. <u>Hazardous Duty Employees</u> Same as Plan 1.	<u>Earliest Reduced Retirement Eligibility</u> Defined Benefit Component: Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of service credit. <u>Hazardous Duty Employees</u> Not applicable. <u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<u>Cost-of-Living Adjustment (COLA) in Retirement</u> The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%. <u>Eligibility:</u> For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of service credit, the COLA will go into effect on July 1 after one full calendar year from the retirement date. For members who retire with a reduced benefit and who have less than 20 years of service credit, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date. <u>Exceptions to COLA Effective Dates:</u> The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances: • The member is within 5 years of qualifying for an unreduced retirement benefit as of Jan. 1, 2013. • The member retires on disability. • The member retires directly from short-term or long-term disability. • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program.	<u>Cost-of-Living Adjustment (COLA) in Retirement</u> The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%. <u>Eligibility:</u> Same as Plan 1. <u>Exceptions to COLA Effective Dates:</u> Same as Plan 1.	<u>Cost-of-Living Adjustment (COLA) in Retirement</u> <u>Defined Benefit Component:</u> Same as Plan 2. <u>Defined Contribution Component:</u> Not applicable. <u>Eligibility:</u> Same as Plan 1 and Plan 2. <u>Exceptions to COLA Effective Dates:</u> Same as Plan 1 and Plan 2.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<u>Exceptions to COLA Effective Dates</u> (continued): • The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. • The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.		
<u>Disability Coverage</u> Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.	<u>Disability Coverage</u> Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.	<u>Disability Coverage</u> Employees of political subdivisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members. Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

PLAN 1 Retirement Plan Provisions	PLAN 2 Retirement Plan Provisions	HYBRID Retirement Plan Provisions
<u>Purchase of Prior Service</u> Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as service credit in their plan. Prior service credit counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. Members also may be eligible to purchase periods of leave without pay.	<u>Purchase of Prior Service</u> Same as Plan 1.	<u>Purchase of Prior Service</u> <u>Defined Benefit Component:</u> Same as Plan 1, with the following exceptions: • Hybrid Retirement Plan members are ineligible for ported service. <u>Defined Contribution Component:</u> Not applicable.

1. Employees Covered by Benefit Terms

As of the June 30, 2020 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>County</u>	<u>(Nonprofessional) Schools</u>
Inactive Members or Their Beneficiaries		
Currently Receiving Benefits	565	241
Inactive Members:		
Vested Inactive Members	140	39
Non-Vested Inactive Members	247	167
Long-term Disability	-	1
Inactive Members Active Elsewhere in VRS	260	55
Total Inactive Members	647	262
Active Members	778	265
Total Covered Employees	1,990	768

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

2. Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code, as amended, but may be impacted as a result of funding options provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012 new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5% member contribution. This could have been phased in over a period of up to 5 years and the employer was required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

The County's contractually required contribution rate for the year ended June 30, 2022 was 16.87% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

The School Division's contractually required contribution rate for the year ended June 30, 2022 was 16.62% of covered employee compensation (professional employees). This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School Division were \$12,558,998 and \$12,234,048 for the years ended June 30, 2022 and June 30, 2021, respectively.

In addition, for the Nonprofessional (non-teacher) employees, the School Division is contractually required to contribute the remaining amounts necessary to fund its participation in the VRS using the actuarial basis specified by the Code and approved by the VRS Board of Trustees. The School Division contribution rate for the fiscal year ended 2022 was 6.27% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

These rates, when combined with employee contributions, were expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$5,178,141 and \$5,003,134 for the years ended June 30, 2022 and 2021, respectively. Contributions to the pension plan from the School Division were \$405,782 and \$392,338 for the years ended June 30, 2022 and June 30, 2021, respectively.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

3. Net Pension Liability

The County and School Division's net pension liability (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GAAP, less that employer's fiduciary net position. The County's net pension liability was measured as of June 30, 2021 and totaled \$6,799,530. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2020, rolled forward to the measurement date of June 30, 2021.

At June 30, 2022, the School Division reported a net pension liability of \$65,229,425 for its proportionate share of the net pension liability of the Teacher Retirement Plan (Professional). The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, and rolled forward to the measurement date of June 30, 2021. 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, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the School Division's proportion was 0.85723% as compared to 0.85177% at June 30, 2020.

In addition, the School Division's net pension liability for the Nonprofessional (non-teacher) Retirement Plan was measured as of June 30, 2021. The net pension asset is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with U.S. GAAP, less that employer's fiduciary net position. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation performed as of June 30, 2020, rolled forward to the measurement date of June 30, 2021. At June 30, 2022, the School Division reported an asset of \$2,232,033 for the Nonprofessional (non-teacher) Retirement Plan.

4. Pension Expense

For the year ended June 30, 2022, the County recognized pension expense of \$3,558,932.

For the year ended June 30, 2022, the School Division recognized pension expense of \$465,399 of the Teacher Retirement Plan (Professional). 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.

In addition, for the year ended June 30, 2022, the School Division recognized pension expense of \$8,325 for the Nonprofessional (non-teacher) Retirement Plan.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

5. Deferred Outflows/Inflows of Resources

At June 30, 2022, the County 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	\$ 1,075,932	721,604
Difference between projected and actual earnings on pension plan investments	-	27,417,988
Change in assumptions	6,905,957	-
Employer contributions subsequent to the measurement date	5,178,141	-
Total	<u>\$ 13,160,030</u>	<u>\$ 28,139,592</u>

\$5,178,141 reported as deferred outflows of resources related to pensions results from the County's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Amounts
2023	\$ (2,434,096)
2024	(3,600,174)
2025	(5,786,980)
2026	(8,336,453)
Total	<u>\$ (20,157,703)</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

5. Deferred Outflows/Inflows of Resources

At June 30, 2022, for the Teacher Retirement Plan (Professional), 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	\$ -	\$5,555,849
Change of assumptions	11,428,025	-
Net difference between projected and actual earnings on pension plan investments	-	41,105,838
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,087,701	2,488,575
Employer contributions subsequent to the measurement date	12,558,998	-
Total	<u>\$ 25,074,724</u>	<u>\$ 49,150,262</u>

The \$12,558,998 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 year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Amounts
2023	\$ (8,764,859)
2024	(7,479,299)
2025	(8,429,250)
2026	(11,967,804)
2027	6,676
Total	<u>\$ (36,634,536)</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

5. Deferred Outflows/Inflows of Resources *(Continued)*

In addition, at June 30, 2022, for the Nonprofessional (non-teacher) Retirement Plan, 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
Difference between expected and actual experience	\$ 25,244	\$ -
Changes of assumptions	466,233	-
Net difference between projected and actual earnings on pension plan investments	-	3,406,657
Employer contributions subsequent to the measurement date	405,782	-
Total	<u>\$ 897,259</u>	<u>\$ 3,406,657</u>

The \$405,782 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 year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Amounts
2023	\$ (395,563)
2024	(690,145)
2025	(793,319)
2026	(1,036,153)
Total	<u>\$ (2,915,180)</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

6. Actuarial Assumptions

County Retirement Plan

The total pension liability for the County Retirement Plan was based on an actuarial valuation as of June 30, 2020, 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, 2021:

Inflation	2.5%
Salary increases, including Inflation	3.5% – 5.35%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

Mortality rates:

Largest 10 – Non-Hazardous Duty: 20% of deaths are assumed to be service related
All Others (Non 10 Largest) – Non-Hazardous Duty: 15% of deaths are assumed to be service related

Pre-Retirement:

PUB-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.

Post-Retirement:

PUB-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years.

Post-Disablement:

PUB-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

Beneficiaries and Survivors:

PUB-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.

Mortality Improvement:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

6. Actuarial Assumptions *(Continued)*

The actuarial assumptions used in the June 30, 2020 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 and All Others (Non 10 Largest) – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

6. Actuarial Assumptions (Continued)

Public Safety Employees with Hazardous Duty Benefits

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the Political Subdivision Retirement Plan was based on an actuarial valuation as of June 30, 2020, 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, 2021.

Inflation	2.5%
Salary increases, including Inflation	3.5% – 4.75%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

Mortality rates:

Largest 10 - Hazardous Duty: 70% of deaths are assumed to be service related
All Others (Non 10 Largest) – Hazardous Duty: 45% of deaths are assumed to be service related

Pre-Retirement:

PUB-2010 Amount Weighted Safety Employee Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males; 105% of rates for females set forward 2 years.

Post-Retirement:

PUB-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males; 105% of rates for females set forward 3 years.

Post-Disablement:

PUB-2010 Amount Weighted General Disabled Rates projected generationally with a Modified MP-2020 Improvement Scale; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

Beneficiaries and Survivors:

PUB-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally with a Modified MP-2020 Improvement Scale; 110% of rates for males and females set forward 2 years.

Mortality Improvement:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

6. Actuarial Assumptions *(Continued)*

The actuarial assumptions used in the June 30, 2020 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 – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decrease rates
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased 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
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

6. Actuarial Assumptions (Continued)

Teachers with Hazardous Duty Benefits

The total pension liability for the VRS Teacher Retirement Plan and Nonprofessional Retirement Plan (non-teacher) was based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

Inflation	2.5%
Salary increases, including Inflation	3.5% to 5.95%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation*

- * Administrative expenses as a percent of the fair value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for U.S. GAAP 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 Teachers:

Pre-Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males.

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females.

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females.

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

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years.

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

6. Actuarial Assumptions (Continued)

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.

Mortality Improvement:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the four-year 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:

Teachers:

Mortality Rates (pre-retirement, post-retirement healthy and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

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

Mortality Rates (pre-retirement, post-retirement healthy and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

7. Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Long-Term Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	5.00%	1.70%
Fixed Income	15.00%	0.57%	0.09%
Credit Strategies	14.00%	4.49%	0.63%
Real Assets	14.00%	4.76%	0.67%
Private Equity	14.00%	9.94%	1.39%
MAPS-Multi-Asset Public Strategies	6.00%	3.29%	0.20%
PIP-Private Investment Partnership	3.00%	6.84%	0.21%
Total	<u>100.00%</u>		<u>4.89%</u>
Inflation			<u>2.50%</u>
Expected arithmetic nominal return*			<u><u>7.39%</u></u>

* The above allocation provides a one-year expected return of 7.39%. 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 of 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 6.94%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

8. 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 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, 2021, the alternate rate was the employer contribution rate used in FY2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017, actuarial valuations, whichever was greater. From July 1, 2021 on, participating employers are assumed 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.

9. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the County's net pension liability using the discount rate of 6.75%, as well as what 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:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
County's Net Pension Liability	\$ 40,757,695	\$ 6,799,530	\$ (21,283,638)

The following presents the School Division's proportionate share of the net pension liability for the Professional/Teacher Retirement Plan 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:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School Division's Proportionate Share of the Net Pension Liability for the VRS Teacher Retirement Plan	\$ 125,889,259	\$ 65,229,425	\$ 15,328,610

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

9. Sensitivity of the Net Pension Liability to Changes in the Discount Rate *(Continued)*

In addition, the following presents the net pension liability (asset) of the Nonprofessional (non-teacher) Retirement Plan 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 Liability (Asset) for the Nonprofessional Plan	\$ 1,313,015	\$ (2,232,033)	\$ (5,194,261)

10. Changes in Net Pension Liability – County Retirement Plan

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance – June 30, 2020	\$ 243,526,174	\$ 203,710,274	\$ 39,815,900
Changes for the fiscal year:			
Service cost	5,023,023	-	5,023,023
Interest	16,027,014	-	16,027,014
Changes of assumptions	9,120,764	-	9,120,764
Difference between expected and actual experience	(1,043,749)	-	(1,043,749)
Contribution – employer	-	4,923,161	(4,923,161)
Contribution – employee	-	2,099,693	(2,099,693)
Net investment income	-	55,254,220	(55,254,220)
Benefit payments	(12,177,865)	(12,177,865)	-
Administrative expenses	-	(138,663)	138,663
Other changes	-	5,011	(5,011)
Net Changes	16,949,187	49,965,557	(33,016,370)
Balance – June 30, 2021	\$ 260,475,361	\$ 253,675,831	\$ 6,799,530

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS *(Continued)*

11. Changes in Net Pension Liability – Nonprofessional (non-teacher) Retirement Plan

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance – July 1, 2020	\$ 27,318,858	\$ 25,318,179	\$ 2,000,679
Changes for the fiscal year:			
Service cost	600,482	-	600,482
Interest	1,799,838	-	1,799,838
Changes of assumptions	845,285	-	845,285
Difference between expected and actual experience	14,692	-	14,692
Contribution – employer	-	351,643	(351,643)
Contribution – employee	-	291,284	(291,284)
Net investment income	-	6,866,691	(6,866,691)
Benefit payments	(1,309,188)	(1,309,188)	-
Administrative expenses	-	(17,255)	17,255
Other changes	-	646	(646)
Net Changes	1,951,109	6,183,821	(4,232,712)
Balance – June 30, 2021	\$ 29,269,967	\$ 31,502,000	\$ (2,232,033)

12. Pension Plan Fiduciary Net Position – Teacher Retirement Plan

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2021 Annual Comprehensive Financial Report (Annual Report). A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at varetire.org/pdf/publications/2021-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

13. Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2021 Annual Report. A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at varetire.org/pdf/publications/2021-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

York County Public Schools - Optional Plan

Plan Description

Plan Administration – The York County School Division administers the Optional Plan, a single employer defined benefit pension plan, provides pension benefits to non-professional employees of the School Division who were not previously covered by VRS. A fiduciary agent of the School Division administers the optional plan, which provides retirement benefits as well as death and disability benefits. As of June 30, 1992, the optional plan was frozen and the non-professional employees who participated in the plan became fully vested. The non-professional employees now participate in the VRS as noted above. Stand-alone financial reports are not issued for this plan.

Plan Membership – At June 30, 2022, optional plan membership consisted of the following:

Active plan members	5
Retirees and beneficiaries	58
Number of vested terminations	3
	<u>66</u>

Benefits Provided – The School Division provides retirement benefits. Retirement benefits for plan members are calculated as 1.5% of final 3-year average earnings times the member's years of participation. Optional Plan members may retire at the age of 65 for normal retirement. Optional Plan members may retire at the age of 55 and with 5 years of participation for early retirement. Benefits are reduced actuarially for early commencement.

Contributions – 2.50% of pay contribution was required as a condition of participation; however, no employee contributions were required after June 30, 1992. Employee contributions are accumulated with interest at 5.00%. For the year ended, June 30, 2022, the average active member contribution rate was 0% of annual payroll, and the School Division's average contribution rate was 0% percent of annual payroll.

Summary of Significant Accounting Policies

Method Used to Value Investments - Investments are reported at fair value. Short-term investments are recorded at cost, which approximates fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the School Division's fiscal year. Investments that do not have an established market are reported at estimated fair value.

Investments

Investment Policy – The Optional Plan's policy in regard to the allocation of invested assets is established and may be amended by the School Division Board. It is the policy of the School Division Board to pursue an investment strategy that reduces the risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Optional Plan's investment policy discourages the use of no-load mutual funds that invest in combinations of stocks and/or bonds.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

Rate of Return – For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was -4.77%. The money-weighted return expresses investment performance net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability (Asset) of the School Division – Optional Plan

Based on a measurement date of June 30, 2022, the components of the net pension liability of the School Division's Optional Plan at June 30, 2022 were as follows:

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance – June 30, 2021	\$ 1,785,718	\$ 1,571,157	\$ 214,561
Changes for the fiscal year:			
Service cost	702	-	702
Interest	118,665	-	118,665
Difference between expected and actual experience	25,735	-	25,735
Change of assumptions	97,283	-	97,283
Net investment income	-	364,782	(364,782)
Benefit payments	(182,403)	(182,403)	-
Administrative expenses	-	(17,943)	17,943
Net Changes	59,982	164,436	(104,454)
Balance – June 30, 2022	\$ 1,845,700	\$ 1,735,593	\$ 110,107

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions applied to all periods included in the measurement:

Interest	7.00%
General Inflation	2.40%
Cost of Living Adjustment (COLA)	2.00%
Salary Scale	N/A

Mortality rates were based on the Pub 2010, “Teachers” Classification table under Scale MP-2021, sex-distinct.

Discount Rate – From July 1, 2019 on, it is assumed the School Division will 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. The discount rate used to measure the total pension liability was 7.00%.

Pension Expense and Deferred Outflows/Inflows of Resources

At June 30, 2022, for the Optional Retirement Plan, 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
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 203,477

The School Division did not have any contributions subsequent to the measurement date to be reported as a deferred outflow of resources that will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources related to the Optional Plan will be recognized in pension expense as follows:

	Deferred Amounts
2023	\$ 70,632
2024	46,436
2025	34,047
2026	52,362
Total	\$ 203,477

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

10. DEFINED BENEFIT PENSION PLANS (Continued)

For the year ended June 30, 2022, the School Division recognized pension expense for the Optional Plan of \$82,584.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the School Division's Optional Plan, calculated using the discount rate of 7.00%, as well as what the School Division's Optional Plan net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
School Division's Net Pension Liability (Asset) for the Optional Plan	\$ 237,382	\$ 110,107	\$ (2,586)

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

The VRS County Retirement plan, the VRS School Professional plan, VRS Nonprofessional plan, and the School Optional plan are reported separately herein since each plan has distinctive characteristics, reporting requirements and valuations. The impact of total pension requirements on the net position of the County and the York County School Division is combined and summarized in the schedule below:

	County Retirement Plan	VRS Professional Plan	School Division VRS Nonprofessional Plan	Optional Plan	School Combined Totals
Net pension asset	\$ -	\$ -	\$ (2,232,033)	\$ -	\$ (2,232,033)
Net pension liability	\$ 6,799,530	\$ 65,229,425	\$ -	\$ 110,107	\$ 65,339,532
Pension expense	\$ 3,558,932	\$ 465,399	\$ 8,325	\$ 82,584	\$ 556,308
Deferred outflows of resources:					
Differences between expected and actual experience	\$ 1,075,932	\$ -	\$ 25,244	\$ -	\$ 25,244
Changes in assumptions	6,905,957	11,428,025	466,233	-	11,894,258
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,087,701	-	-	1,087,701
Employer contributions subsequent to the measurement date	5,178,141	12,558,998	405,782	-	12,964,780
Total deferred outflows of resources	\$ 13,160,030	\$ 25,074,724	\$ 897,259	\$ -	\$ 25,971,983
Deferred inflows of resources:					
Differences between expected and actual experience	\$ 721,604	\$ 5,555,849	\$ -	\$ -	\$ 5,555,849
Net difference between projected and actual earnings on pension plan investments	27,417,988	41,105,838	3,406,657	203,477	44,715,972
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	2,488,575	-	-	2,488,575
Total deferred inflows of resources	\$ 28,139,592	\$ 49,150,262	\$ 3,406,657	\$ 203,477	\$ 52,760,396

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

County and School Division OPEB Liability – VRS Plans

The County participates in a cost-sharing multiple employer Group Life Insurance (GLI) Program and an Employee Health Insurance Credit (HIC) Program offered by VRS. The School Division participates in a cost-sharing multiple employer GLI Program, a Teacher Employee HIC Program, a Political Subdivision Employee Virginia Disability Program, and a Teacher Employee Virginia Local Disability Program (VLDP) offered by the VRS.

VRS issues a publicly available Annual Report that includes financial statements and required supplementary information for the plans administered by VRS. A copy of the 2021 VRS annual report may be downloaded from the VRS website at varetire.org/pdf/publications/2021-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia 23218-2500.

The majority of the actuarial assumptions and long term expected rate of return are the same for the VRS OPEB programs. As such, the presentation of the actuarial assumptions and long term expected rate of return are combined below. Specific information for the OPEB plans will be presented after this section.

Actuarial Assumptions

The VRS OPEB liability was based on an actuarial valuation as of June 30, 2020, 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, 2021.

Inflation	2.5%
Salary increases, including inflation –	
General state employees	3.5% – 5.35%
Teachers	3.5% – 5.95%
SPORS & VaLORS employees	3.5% – 4.75%
JRS employees	4.5%
Locality – General employees	3.5% – 5.35%
Locality – Hazardous Duty employees	3.5% – 4.75%
Investment rate of return	6.75%, net of plan investment expenses, including inflation

Mortality rates – Teachers

Pre-Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the four-year 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:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Mortality rates – Largest and Non-Largest Ten Locality Employers - General Employees

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; males set forward 2 years (GLI); 95% of rates for males (HIC); 105% of rates for females set forward 3 years (GLI); 105% of rates for females set forward 2 years (HIC).

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years (GLI); 110% of rates for males (HIC); 95% of rates for females set forward 1 year (GLI); 105% of rates for females set forward 3 years (HIC).

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years (GLI); 95% of rates for males set back 3 years (HIC); 110% of rates for females set forward 2 years (GLI); 90% of rates for females set back 3 years (HIC).

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years (HIC).

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates (GLI & HIC).

The actuarial assumptions used in the June 30, 2020 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:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Mortality rates – Largest and Non-Largest Ten Locality Employers – Hazardous Duty Employees

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

The actuarial assumptions used in the June 30, 2020 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:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates (Largest and Non-Largest); 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 Top 10 Hazardous Duty (Non-Largest)
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	5.00%	1.70%
Fixed Income	15.00%	0.57%	0.09%
Credit Strategies	14.00%	4.49%	0.63%
Real Assets	14.00%	4.76%	0.67%
Private Equity	14.00%	9.94%	1.39%
MAPS-Multi-Asset Public Strategies	6.00%	3.29%	0.20%
PIP-Private Investment Partnership	3.00%	6.84%	0.21%
Total	<u>100.00%</u>		<u>4.89%</u>
Inflation			<u>2.50%</u>
Expected arithmetic nominal return*			<u>7.39%</u>

* The above allocation provides a one-year return of 7.39%. 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 of 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 6.94%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

Virginia Retirement System – Group Life Insurance Program

Plan Description

All full-time, salaried permanent employees of the state agencies, teachers and employees of participating political subdivisions are automatically covered by the VRS GLI Program upon employment. This plan is administered by the Virginia Retirement System (the System), along with pensions and other OBEB plans, for public employer groups in the Commonwealth of Virginia.

In addition to the Basic Group Life Insurance benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance 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 Group Life Insurance Program OPEB.

The specific information for Group Life Insurance Program OPEB, including eligibility, coverage and benefits is set out in the table below:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS
Eligible Employees The Group Life Insurance Program was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program, including the following employers that do not participate in VRS for retirement: • City of Richmond • City of Portsmouth • City of Roanoke • City of Norfolk • Roanoke City School Board Basic group life insurance coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their member contributions and accrued interest.
Benefit Amounts The benefits payable under the Group Life Insurance Program have several components. • <u>Natural Death Benefit</u> – The natural death benefit is equal to the employee’s covered compensation rounded to the next highest thousand and then doubled. • <u>Accidental Death Benefit</u> – The accidental death benefit is double the natural death benefit. • <u>Other Benefit Provisions</u> – In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include: - o Accidental dismemberment benefit - o Seatbelt benefit - o Repatriation benefit - o Felonious assault benefit - o Accelerated death benefit option
Reduction in Benefit Amounts The benefit amounts provided to members covered under the Group Life Insurance Program 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.
Minimum Benefit Amount and Cost-of-Living Adjustment (COLA) For covered members with at least 30 years of service credit, there is a minimum benefit payable under the Group Life Insurance Program. The minimum benefit was set at \$8,000 by statute in 2015. This amount is increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was \$8,722 (County) and \$8,616 (School Division) as of June 30, 2022.

Contributions

The contribution requirements for the GLI Program 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 Program was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% X

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

60%) and the employer component was 0.54% (1.34% X 40%). Employers may elect to pay all or part of the employee contribution; however the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2022 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI Program from the County were \$242,869 and \$234,716 for the years ended June 30, 2022 and June 30, 2021, respectively. Contribution to the GLI Program from the School Division for nonprofessional employees were \$35,511 and \$34,603 for the years ended June 30, 2022 and June 30, 2021, respectively. Contributions to the GLI Program from the School Division for professional employees were \$409,496 and \$398,328 for the years ended June 30, 2022 and June 30, 2021, 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, 2022, the County reported a liability of \$2,451,140 for its proportionate share of the Net GLI OPEB Liability. At June 30, 2022, the School Division reported a liability of \$361,390 for its proportionate share of the Net GLI OPEB Liability for nonprofessional employees. At June 30, 2022, the School Division reported a liability of \$4,159,709 for its proportionate share of the Net GLI OPEB Liability for professional employees. The Net GLI OPEB Liability was measured as of June 30, 2021 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, 2020, and rolled forward to the measurement date of June 30, 2021. 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 Program for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the participating employer's proportion was 0.21053% as compared to 0.21805% at June 30, 2020. At June 30, 2021, the participating employer's proportion was 0.03104% as compared to 0.03261% at June 30, 2020 for nonprofessional employees. At June 30, 2021, the participating employer's proportion was 0.35728% as compared to 0.36222% at June 30, 2020 for professional employees.

For the year ended June 30, 2022, the County recognized GLI OPEB expense of \$97,178. For the year ended June 30, 2022, the School Division recognized GLI OPEB expense of \$1,851 for nonprofessional employees. For the year ended June 30, 2022, the School Division recognized GLI OPEB expense of \$134,025 for professional employees. 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.

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 279,561	\$ 18,676
Net difference between projected and actual earnings on GLI OPEB program investments	-	585,035
Change in assumptions	135,131	335,368
Changes in proportionate share	83,354	135,265
Employer contributions subsequent to the measurement date	242,869	-
Total	<u>\$ 740,915</u>	<u>\$ 1,074,344</u>

\$242,869 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, 2023 for employees. 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:

	Deferred Amounts
2023	\$ (123,993)
2024	(94,811)
2025	(100,632)
2026	(202,520)
2027	(54,342)
Total	<u>\$ (576,298)</u>

At June 30, 2022, the School Division reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB for nonprofessional employees from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 41,218	\$ 2,754
Net difference between projected and actual earnings on OPEB plan investments	-	86,256
Changes of assumptions	19,923	49,446
Changes in proportionate share	-	42,708
Employer contributions subsequent to the measurement date	35,511	-
Total	<u>\$ 96,652</u>	<u>\$ 181,164</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

\$35,511 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, 2023 for nonprofessional employees. 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:

	Deferred Amounts
2023	\$ (30,758)
2024	(25,262)
2025	(22,144)
2026	(32,647)
2027	(9,212)
Total	<u>\$ (120,023)</u>

At June 30, 2022, the School Division reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB for professional employees from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 474,429	\$ 31,695
Net difference between projected and actual earnings on OPEB plan investments	-	992,833
Changes of assumptions	229,324	569,137
Changes in proportionate share	49,176	139,232
Employer contributions subsequent to the measurement date	409,496	-
Total	<u>\$ 1,162,425</u>	<u>\$ 1,732,897</u>

\$409,496 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, 2023 for professional employees. 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:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

	Deferred Amounts
2023	\$ (241,314)
2024	(186,005)
2025	(165,985)
2026	(316,242)
2027	(70,422)
Total	<u>\$ (979,968)</u>

Net GLI OPEB Liability

The net OPEB liability (NOL) for the Group Life Insurance Program represents the program's total OPEB liability determined in accordance with U.S. GAAP, less the associated fiduciary net position. As of the measurement date of June 30, 2021, NOL amounts for the Group Life Insurance Program is as follows (amounts expressed in thousands):

	Group Life Insurance OPEB Program
Total GLI OPEB Liability	\$ 3,577,346
Plan Fiduciary Net Position	<u>2,413,074</u>
Employers' Net GLI OPEB Liability	<u>\$ 1,164,272</u>

Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	67.45%
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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 U.S. GAAP in the System's notes to the financial statements and required supplementary information.

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 employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2021, 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, 2021 on, employers are assumed 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.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Sensitivity of the County'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 for County employees 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:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
County's Proportionate Share of the GLI Program Net OPEB Liability	\$ 3,581,205	\$ 2,451,140	\$ 1,538,562

Sensitivity of the School Division'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 for nonprofessional employees 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:

Sensitivity of the School Division's Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate (Continued)

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School Division's Proportionate Share of the GLI Program Net OPEB Liability - nonprofessional	\$ 528,004	\$ 361,390	\$ 226,842

The following presents the employer's proportionate share of the net GLI OPEB liability for professional employees 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:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School Division's Proportionate Share of the GLI Program Net OPEB Liability - professional	\$ 6,077,486	\$ 4,159,709	\$ 2,611,018

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Virginia Retirement System – Health Insurance Credit Program

Plan Description

The HIC Program is a multiple-employer, agent defined benefit plan that provides a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers. All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision HIC Program upon employment. This plan is administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The 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. The specific information about the Political Subdivision HIC Program OPEB, including eligibility, coverage, and benefits is set out in the table below:

POLITICAL SUBDIVISION HEALTH INSURANCE CREDIT PROGRAM (HIC) PLAN PROVISIONS
Eligible Employees The Political Subdivision Retiree Health Insurance Credit Program was established July 1, 1993 for retired political subdivision employees of employers who elect the benefit and who retire with at least 15 years of service credit. Eligible employees are enrolled automatically upon employment. They include: • Full-time permanent salaried employees of the County who are covered under the VRS pension plan.
Benefit Amounts The County's Retiree Health Insurance Credit Program provides the following benefits for eligible employees: • <u>At Retirement</u> – For employees who retire, the monthly benefit is \$1.50 per year of service per month with a maximum benefit of \$45.00 per month. • <u>Disability Retirement</u> – For employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is \$45.00 per month.
Health Insurance Credit Program Notes: • The monthly Health Insurance Credit benefit cannot exceed the individual premium amount. • No health insurance credit for premiums paid and qualified under LODA, however, the employee may receive the credit for premiums paid for other qualified health plans. • Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the health insurance credit as a retiree.

The specific information for the Teacher HIC Program OPEB, including eligibility, coverage, and benefits is set out in the table below:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

TEACHER EMPLOYEE HEALTH INSURANCE CREDIT PROGRAM (HIC) PLAN PROVISIONS
Eligible Employees – Teacher Employee (Professional) and Political Subdivision (Nonprofessional) The Health Insurance Credit Program was established July 1, 1993 for retired employees covered under VRS who retire with at least 15 years of service credit. Eligible employees are enrolled automatically upon employment. They include: • Full-time permanent salaried employees of public school divisions covered under VRS.
Benefit Amounts – Teacher Employee (Professional) The Teacher Employee Retiree Health Insurance Credit Program provides the following benefits for eligible employees: • <u>At Retirement</u> – For Teacher and other professional school employees who retire with at least 15 years of service credit, the monthly benefit is \$4.00 per year of service per month with no cap on the benefit amount. • <u>Disability Retirement</u> – For Teacher and other professional school employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is either: - o \$4.00 per month, multiplied by twice the amount of service credit, or - o \$4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower. Benefit Amounts – Political Subdivision (Nonprofessional) The political subdivision's Retiree HIC provides the following benefits for eligible employees: • <u>At Retirement</u> – For employees who retire, the monthly benefit is \$1.50 per year of service per month with a maximum benefit of \$45.00 per month. • <u>Disability Retirement</u> – For employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is \$45.00 per month.
Health Insurance Credit Program Notes: • The monthly Health Insurance Credit benefit cannot exceed the individual premium amount. • Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the health insurance credit as a retiree. • No health insurance credit for premiums paid and qualified under LODA, however, the employee may receive the credit for premiums paid for other qualified health plans. (Nonprofessional employees only)

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Employees Covered by Benefit Terms

As of the June 30, 2020 actuarial valuation, the following employees were covered by the benefit terms of the HIC OPEB plan:

	<u>County</u>	<u>(Nonprofessional) Schools</u>
Inactive Members or Their Beneficiaries		
Currently Receiving Benefits	177	43
Inactive Members vested	5	-
Active Members	<u>550</u>	<u>265</u>
 Total Covered Employees	 <u><u>732</u></u>	 <u><u>308</u></u>

Contributions

The contribution requirement for active employees is governed by §51.1-1402(E) of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. The County's contractually required employer contribution rate for the year ended June 30, 2022 was 0.17% of covered employee compensation for employees in the VRS Health Insurance Credit Program. Each school division's contractually required employer contribution rate for the year ended June 30, 2022 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee Health Insurance Credit Program (Professional) and 0.66% of covered compensation for the School Division's nonprofessional employees. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2020. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the County to the VRS Health Insurance Credit Program were \$53,802 and \$51,730 for the years ended June 30, 2022 and June 30, 2021, respectively. Contributions from the school division to the VRS Teacher Employee Health Insurance Credit Program were \$914,343 and \$890,686 for the years ended June 30, 2022 and June 30, 2021, respectively. For nonprofessional employees, contributions from the School Division to the HIC were \$42,714 and \$41,299 for the years ended June 30, 2022 and June 30, 2021, respectively.

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

At June 30, 2022, the County reported a HIC Program Net OPEB liability of \$203,798 measured as of June 30, 2021. The total HIC OPEB liability was determined by an actuarial valuation performed as of June 30, 2020, using updated actuarial assumptions, applied to all periods included in the measurement date and rolled forward to the measurement date of June 30, 2021. At June 30, 2022, the School Division reported a liability of \$10,683,531 for its proportionate share of the VRS Teacher Employee HIC Program Net OPEB Liability and \$423,722 for the Nonprofessional HIC Program Net OPEB Liability. The School Division's Net HIC Program OPEB Liability was measured as of June 30, 2021 and the total HIC OPEB liability used to calculate the net HIC OPEB Liability was determined by an actuarial valuation performed as of June 30, 2020 and rolled forward to the measurement date of June 30, 2021. The School Division's proportion of the Net VRS Teacher Employee HIC Program OPEB Liability was based

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

on the school division's actuarially determined employer contributions to the VRS Teacher Employee HIC Program OPEB plan for the year ended June 30, 2020, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the school division's proportion of the VRS Teacher Employee HIC Program was 0.83233% as compared to 0.84826% at June 30, 2020.

For the year ended June 30, 2022, the County recognized VRS HIC Program OPEB expense of \$22,294. Since there was a change in proportionate share between June 30, 2020 and June 30, 2021 a portion of the VRS HIC Program Net OPEB expense was related to deferred amounts from changes in proportion. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to the VRS HIC Program OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 28,697	\$ 7,351
Net difference between projected and actual earnings on HIC OPEB program investments	-	123,546
Change in assumptions	36,104	9,466
Employer contributions subsequent to the measurement date	53,802	-
Total	<u>\$ 118,603</u>	<u>\$ 140,363</u>

\$53,802 reported as deferred outflows of resources related to the HIC OPEB resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the Fiscal Year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

	Deferred Amounts
2023	\$ (20,996)
2024	(16,081)
2025	(14,491)
2026	(31,958)
2027	7,030
Thereafter	934
Total	<u>\$ (75,562)</u>

For the year ended June 30, 2022, the school division recognized VRS nonprofessional HIC Program OPEB expense of \$116,672. At June 30, 2022 the School Division reported deferred outflows of resources and deferred inflows of resources related to the School Division's HIC from the following sources:

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 238,968	\$ 7,448
Net difference between projected and actual earnings on OPEB plan investments	-	5,526
Changes of assumptions	9,459	-
Employer contributions subsequent to the measurement date	42,714	-
Total	<u>\$ 291,141</u>	<u>\$ 12,974</u>

\$42,714 reported as deferred outflows of resources related to the HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the nonprofessional HIC OPEB Liability in the Fiscal Year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the nonprofessional HIC OPEB will be recognized in the nonprofessional HIC OPEB expense in future reporting periods as follows:

	Deferred Amounts
2023	\$ 76,494
2024	76,492
2025	76,581
2026	6,189
2027	(303)
Total	<u>\$ 235,453</u>

For the year ended June 30, 2022, the school division recognized VRS Teacher Employee HIC Program OPEB expense of \$792,423. Since there was a change in proportionate share between measurement dates a portion of the VRS Teacher Employee HIC Program Net OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2022, the School Division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee HIC Program OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 186,427
Net difference between projected and actual earnings on OPEB plan investments	-	140,734
Changes of assumptions	288,795	42,936
Changes in proportionate share	90,947	342,584
Employer contributions subsequent to the measurement date	914,343	-
Total	<u>\$ 1,294,085</u>	<u>\$ 712,681</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

\$914,343 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the Fiscal Year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

	Deferred Amounts
2023	\$ (90,736)
2024	(92,334)
2025	(73,807)
2026	(40,532)
2027	(6,100)
Thereafter	(29,430)
Total	<u>\$ (332,939)</u>

Net HIC OPEB Liability

The net OPEB liability (NOL) for the County's HIC Program represents the program's total OPEB liability determined in accordance with GAAP, less the associated fiduciary net position. As of June 30, 2021, NOL amounts for the VRS HIC Program is as follows (amounts expressed in thousands):

	HIC OPEB Program
Total HIC OPEB Liability	\$ 82,024,000
Plan Fiduciary Net Position	<u>33,235,000</u>
Employers' Net HIC OPEB Liability	<u>48,789,000</u>
Plan Fiduciary Net Position as a Percentage of the Total HIC OPEB Liability	40.52%

The total HIC OPEB liability is calculated by the System's actuary, and the plan's fiduciary net position is reported in the System's financial statements. The net HIC OPEB liability is disclosed in accordance with the requirements of GAAP in the System's notes to the financial statements and required supplementary information.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Net Teacher Employee HIC OPEB Liability

The net OPEB liability (NOL) for the Teacher Employee HIC Credit Program represents the program's total OPEB liability determined in accordance with U.S. GAAP, less the associated fiduciary net position. As of June 30, 2021, the amounts for the VRS HIC Program is as follows (amounts expressed in thousands):

	Teacher Employee HIC OPEB Program
Total Teacher Employee HIC OPEB Liability	\$ 1,477,874
Plan Fiduciary Net Position	<u>194,305</u>
Teacher Employee Net HIC OPEB Liability	<u><u>1,283,569</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability	13.15%

The total Teacher Employee HIC OPEB liability is calculated by the System's actuary, and the plan's fiduciary net position is reported in the System's financial statements. The net Teacher Employee HIC OPEB liability is disclosed in accordance with the requirements of U.S. GAAP in the System's notes to the financial statements and required supplementary information.

Discount Rate

The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2021, the rate contributed by the entity for the HIC OPEB was 100% of the actuarially determined contribution rate. From July 1, 2021 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the HIC OPEB fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total HIC OPEB liability.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

County's Changes in Net HIC OPEB Liability:

	Total HIC OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net HIC OPEB Liability (a) – (b)
Balance – June 30, 2020	\$ 1,366,322	\$ 991,491	\$ 374,831
Changes for the fiscal year:			
Service cost	24,526	-	24,526
Interest	89,015	-	89,015
Changes of assumptions	23,533	-	23,533
Difference between expected and actual experience	20,487	-	20,487
Contribution – employer	-	74,001	(74,001)
Net investment income	-	257,600	(257,600)
Benefit payments	(95,167)	(95,167)	-
Administrative expenses	-	(3,007)	3,007
Other changes	-	-	-
Net Changes	62,394	233,427	(171,033)
Balance – June 30, 2021	\$ 1,428,716	\$ 1,224,918	\$ 203,798

Nonprofessional Changes in Net HIC OPEB Liability:

	Total HIC OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net HIC OPEB Liability (a) – (b)
Balance – June 30, 2020	\$ 470,512	\$ 34,635	\$ 435,877
Changes for the fiscal year:			
Service cost	11,959	-	11,959
Interest	30,977	-	30,977
Changes of assumptions	5,800	-	5,800
Difference between expected and actual experience	(9,103)	-	(9,103)
Contribution – employer	-	41,300	(41,300)
Net investment income	-	10,673	(10,673)
Benefit payments	(23,179)	(23,179)	-
Administrative expenses	-	(185)	185
Net Changes	16,454	28,609	(12,155)
Balance – June 30, 2021	\$ 486,966	\$ 63,244	\$ 423,722

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
County's Proportionate Share of the HIC Program Net OPEB Liability	\$ 358,302	\$ 203,798	\$ 72,640

The following presents the School Division's proportionate share of the VRS Teacher Employee Health Insurance Credit Program net HIC (professional) OPEB liability and the Political Subdivision HIC (nonprofessional) OPEB liability using the discount rate of 6.75%, as well as what the School Division's proportionate share of the net HIC OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School Division's Proportionate Share of the HIC Program Net OPEB Liability - professional employees	\$ 12,026,695	\$ 10,683,531	\$ 9,546,894
	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School Division's Proportionate Share of the HIC Program Net OPEB Liability - nonprofessional employees	\$ 478,724	\$ 423,722	\$ 376,899

Virginia Retirement System – Virginia Local Disability Program

Plan Description

All full-time, salaried permanent teachers and general employees; including local law enforcement officers, firefighters, or emergency medical technicians of political subdivisions who do not provide enhanced hazardous duty benefits; who are in the VRS Hybrid Retirement Plan benefit structure and whose employer has not elected to opt out of the VRS-sponsored program are automatically covered by the VRS Political Subdivision Employee VLDP. This plan is administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for eligible public employer groups in the Commonwealth of Virginia. Political subdivisions are required by Title 51.1 of the *Code of Virginia*, as amended to provide short-term and long-term disability benefits for their Hybrid employees either through a local plan or through the VLDP.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

VIRGINIA LOCAL DISABILITY PROGRAM (VLDP) PLAN PROVISIONS
Eligible Employees The Virginia Local Disability Program was implemented January 1, 2014 to provide short-term and long-term disability benefits for non-work-related and work-related disabilities for employees with Hybrid retirement benefits Eligible employees are enrolled automatically upon employment, unless their employer has elected to provide comparable coverage. They include: • Political subdivision (non-professional) - Full-time general employees; including local law enforcement officers, firefighters, or emergency medical technicians who do not have enhanced hazardous duty benefits; of public political subdivisions covered under VRS. • Teachers (professional) – Teachers and other full-time permanent salaried employees of public school division covered under VRS.
Benefit Amounts Virginia Disability Local Program (VLDP) provides the following benefits for eligible employees: <u>Short-Term Disability –</u> • The program provides a short-term disability benefit beginning after a seven-calendar-day waiting period from the first day of disability. Employees become eligible for non-work-related short-term disability coverage after one year of continuous participation in VLDP with their current employer. • During the first five years of continuous participation in VLDP with their current employer, employees are eligible for 60% of their pre-disability income if they go out on non-work-related or work-related disability. • Once the eligibility period is satisfied, employees are eligible for higher income replacement levels <u>Long-Term Disability –</u> • The VLDP program provides a long-term disability benefit beginning after 125 workdays of short-term disability. Members are eligible if they are unable to work at all or are working fewer than 20 hours per week. • Members approved for long-term disability will receive 60% of their pre-disability income. If approved for work-related long-term disability, the VLDP benefit will be offset by the workers' compensation benefit. Members will not receive a VLDP benefit if their workers' compensation benefit is greater than the VLDP benefit.
Virginia Local Disability Program Notes: • Members approved for short-term or long-term disability at age 60 or older will be eligible for a benefit, provided they remain medically eligible. • VLDP Long-Term Care Plan is a self-funded program that assists with the cost of covered long-term care services.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Contributions

Nonprofessional - The contribution requirement for active Hybrid employees is governed by §51.1-1178(C) of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to political subdivisions by the Virginia General Assembly. Each political subdivision's contractually required employer contribution rate for the year ended June 30, 2022 was 0.83% of covered employee compensation for employees in the VRS Political Subdivision Employee Virginia Local Disability Program. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions were \$20,783 and \$17,919 for the years ended June 30, 2022 and June 30, 2021, respectively.

Professional - The contribution requirement for active Hybrid employees is governed by §51.1-1178(C) of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to political subdivisions by the Virginia General Assembly. Each political subdivision's contractually required employer contribution rate for the year ended June 30, 2022 was 0.47% of covered employee compensation for employees in the VRS Political Subdivision Employee VLDP. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions were \$100,189 and \$84,455 for the years ended June 30, 2022 and June 30, 2021, respectively.

OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to VLDP OPEB

Nonprofessional - At June 30, 2022, the political subdivision reported an asset of \$5,440 for its proportionate share of the net VLDP OPEB Asset. The Net VLDP OPEB Asset was measured as of June 30, 2021 and the total VLDP OPEB Asset used to calculate the Net VLDP OPEB Asset was determined by an actuarial valuation as of June 30, 2020, and rolled forward to the measurement date of June 30, 2021. The School Division's proportion of the Net VLDP OPEB Asset was based on the School Division's actuarially determined employer contributions to the VLDP OPEB plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the School Division's proportion of VLDP was 0.53742% as compared to 0.59289% at June 30, 2020.

For the year ended June 30, 2022, the School Division recognized VLDP OPEB expense of \$14,797. Since there was a change in proportionate share between measurement dates a portion of the VRS Political Subdivision Employee VLDP Net OPEB expense was related to deferred amounts from changes in proportion.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

At June 30, 2022, the School Division reported deferred outflows of resources and deferred inflows of resources related to VLDP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,232	\$ 8,150
Net difference between projected and actual earnings on OPEB plan investments	-	3,035
Changes of assumptions	185	1,475
Changes in proportionate share	289	571
Employer contributions subsequent to the measurement date	20,783	-
Total	<u>\$ 24,489</u>	<u>\$ 13,231</u>

\$20,783 reported as deferred outflows of resources related to the VLDP OPEB resulting from the School Division's contributions subsequent to the measurement date will be recognized as a reduction of the Net VLDP OPEB Liability in the Fiscal Year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to VLDP will be recognized in VLDP OPEB expense in future reporting periods as follows:

	Deferred Amounts
2023	\$ (1,363)
2024	(1,352)
2025	(1,397)
2026	(2,615)
2027	(862)
Thereafter	(1,936)
Total	<u>\$ (9,525)</u>

Professional - At June 30, 2022, the School Division reported an asset of \$18,799 for its proportionate share of the net VLDP OPEB Asset. The net VLDP OPEB Asset was measured as of June 30, 2021 and the total VLDP OPEB Asset used to calculate the net VLDP OPEB Asset was determined by an actuarial valuation as of June 30, 2020, and rolled forward to the measurement date of June 30, 2021. The School Division's proportion of the Net VLDP OPEB Asset was based on the School Division's actuarially determined employer contributions to the VLDP OPEB plan for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the School Division's proportion of VLDP was 2.67037% as compared to 2.67889% at June 30, 2020.

For the year ended June 30, 2022, the School Division recognized VLDP OPEB expense of \$63,265. Since there was a change in proportionate share between measurement dates a portion of the VRS Teacher Employee VLDP Net OPEB expense was related to deferred amounts from changes in proportion.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

At June 30, 2022, the School Division reported deferred outflows of resources and deferred inflows of resources related to VLDP OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 9,400	\$ 10,447
Net difference between projected and actual earnings on OPEB plan investments	-	14,957
Changes of assumptions	10,204	554
Changes in proportionate share	356	-
Employer contributions subsequent to the measurement date	100,189	-
Total	<u>\$ 120,149</u>	<u>\$ 25,958</u>

\$100,189 reported as deferred outflows of resources related to VLDP OPEB resulting from the School Division's subsequent to the measurement date will be recognized as a reduction of the net VLDP OPEB Liability in the Fiscal Year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB will be recognized in the VLDP OPEB expense in future reporting periods as follows:

	Deferred Amounts
2023	\$ (3,005)
2024	(3,022)
2025	(2,997)
2026	(3,572)
2027	590
Thereafter	6,008
Total	<u>\$ (5,998)</u>

Net School Division's VLDP OPEB Liability

The net VLDP OPEB liabilities represents the program's total OPEB liability determined in accordance with U.S. GAAP, less the associated fiduciary net position. As of June 30, 2021, net VLDP OPEB liabilities are as follows (amounts expressed in thousands):

	Political Subdivision Employee VLDP OPEB Plan	Teacher Employee VLDP OPEB Plan
Total VLDP OPEB Liability	\$ 5,156	\$ 4,884
Plan Fiduciary Net Position	6,166	5,590
Net VLDP OPEB Liability	<u>\$ (1,010)</u>	<u>\$ (706)</u>

Plan Fiduciary Net Position as a Percentage of the
Total VLDP OPEB Liability

119.59%

114.46%

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

The VLDP OPEB liability is calculated by the System's actuary, and the plan's fiduciary net position is reported in the System's financial statements. The net VLDP OPEB liability is disclosed in accordance with the requirements of U.S. GAAP in the System's notes to the financial statements and required supplementary information.

Sensitivity of the School Division's Proportionate Share of the VLDP OPEB Liability to Changes in the Discount Rate

The following presents the proportionate share of the net VLDP OPEB liability using the discount rate of 6.75%, as well as what the net VLDP 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:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School Division's Proportionate Share of the net VLDP OPEB asset - nonprofessional employees	\$ 2,914	\$ 5,440	\$ 7,631
	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
School Division's Proportionate Share of the net VLDP OPEB asset - professional employees	\$ 2,821	\$ 18,799	\$ 32,846

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

County and School Division OPEB Liability – Health and Dental Insurance

Plan Description

The County's and School Division's OPEB plan are each single-employer defined benefit plans administered by the County and School Division. At July 1, 2021, the County had 781 active members and the School Division had 1,498 active members of the plan. In accordance with Article 8, Chapter 15, Title 15.2 of the *Code of Virginia*, the County and School Division have elected to establish a pooled trust for the purpose of accumulating and investing assets to fund Other Postemployment Benefits. The School Division in accordance with this election has joined the Virginia Pooled OPEB Trust Fund (Trust Fund), an irrevocable trust, with the purpose to fund other postemployment benefits. The Colonial Behavioral Health (CBH), a custodial fund to the County of York, began to participate in the County's OPEB Trust in June 2019. Both the County and the School Division agreed to the participation of CBH as a sub-account. The Trust Fund issues separate financial statements, which can be obtained by requesting a copy from the plan administrator, VML/VACo Finance, 919 E. Main Street, Suite 1100, Richmond, Virginia 23219.

Benefits Provided

Employees retiring after January 1, 2002 and having twenty or more years of service with the County and receiving a VRS annuity will qualify for a health insurance premium contribution from the County. The retiree's VRS annuity may be either a full or reduced benefit. The amount of the County's contribution shall be equal to 50% of the retiree's total monthly health insurance premium subject to the following provision: the County's 50% contribution will be reduced by the amount of any health insurance credit that the retiree may qualify for under the VRS program (retiring employees who have fifteen years of service with the VRS will qualify for the VRS Retiree HIC Program).

At June 30, 2022, 141 retirees were participating in this program. The School Division's contribution for retirees having 20 or more years of service with the School Division is 50% of the medical premium and 100% of the dental premium cost, regardless of the plan or coverage tier elected. The School Division's contribution is reduced by the amount of any VRS HIC received by the retiree.

The School Division provides post-retirement health care benefits, in accordance with School Division policy. Medical and dental coverage is provided to eligible retirees and their dependents. Medical benefits are provided until the retiree's age 65. Medical benefits for dependent spouse are provided until the earlier of the spouse's death, the retiree's death, or the retiree's age 65. Upon the earlier of the retiree's death or the retiree's age 65, the dependent spouse may elect to continue coverage through COBRA only. For participant's who retire on or before age 65, dental benefits for both the retiree and their dependent spouse are provided until the retiree's age 66, 6 months. For participants who retire after age 65, dental benefits for both the retiree and their dependent spouse are provided for 18 months from the date of retirement.

Contributions

Contribution requirements are established and may be amended by the Board of Supervisors and School Board. The required contributions were actuarially determined and are based upon projected pay-as-you-go financing requirements. Contributions to the County and School Division plans were \$1,699,737 and \$588,407, respectively, for the year ended June 30, 2022. The actuarially determined contribution at June 30, 2022 was \$744,843 and \$148,716 for the County

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

and School Division, respectively.

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

At June 30, 2022, the County reported an OPEB liability of \$8,694,907 for its share of the Net OPEB Liability. The Net OPEB Liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2021. The covered employer's proportion of the Net OPEB Liability was based on the covered employer's actuarially determined employer contributions to the Program for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions.

For the year ended June 30, 2022, the County recognized OPEB expense of \$1,576,346. OPEB expense was calculated as follows:

	OPEB Expense
Service cost	\$ 296,818
Interest	1,154,829
Effect of plan changes	261,370
Administrative expenses	14,267
Expected Investment Return Net of Investment Expenses	(855,043)
Recognition of Deferred Inflows/Outflows of Resources	
Economic/demographic gains or losses	1,481,948
Assumption changes or inputs	(790,335)
Investment gains or losses	12,492
OPEB Expense	<u>\$ 1,576,346</u>

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 6,194,482	\$ -
Net difference between projected and actual earnings	4,540,346	-
Change in assumptions	414,103	7,372,832
Total	<u>\$ 11,148,931</u>	<u>\$ 7,372,832</u>

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

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

	Deferred Amounts
2023	\$ 744,008
2024	699,354
2025	631,751
2026	965,973
2027	369,625
Thereafter	365,388
Total	<u>\$ 3,776,099</u>

For the year ended June 30, 2022, the School Division recognized OPEB expense of \$(11,909). At June 30, 2022, the School Division reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 342,692	\$ 49,874
Changes of assumptions	609,281	898,775
Net difference between projected and actual earnings on OPEB plan investments	370,646	-
Total	<u>\$ 1,322,619</u>	<u>\$ 948,649</u>

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

	Deferred Amounts
2023	\$ 66,837
2024	31,448
2025	(20,846)
2026	348,303
2027	13,774
Thereafter	(65,546)
Total	<u>\$ 373,970</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Net OPEB Liability – The components of the net OPEB liability for the year ended June 30, 2022 were as follows:

Total OPEB liability	\$ 20,728,773
Plan fiduciary net position	\$ 12,033,866
Net OPEB liability	<u>\$ 8,694,907</u>
Fiduciary net position as a percent of total OPEB liability	58.05%

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan in effect at the time of valuation and on the pattern of sharing of costs between the employer and plan members. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the County's June 30, 2022 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 6.5% investment rate of return (annual returns net of both investment and non-actuarial administrative expenses), general inflation of 2.5% and an annual healthcare cost trend rate of 5.8% for Pre-Medicare eligible, grading to a rate of 3.9% for fiscal year ending June 30, 2074 and 3.8% for Post-Medicare eligible, grading to a rate of 3.9% for fiscal year ending June 30, 2074. The dental cost trend rate assumption is 4.91% for fiscal year ending June 30, 2022; the lesser of 4.0% and the pre-Medicare trend rates for all fiscal years thereafter.

Long-Term Expected Rate of Return

Rate of Return – For the year ended June 30, 2022, the annual money-weighted rate of return on cash flows on the plan investments, net of OPEB plan investment expense was -9.23%. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the middle of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

The long-term expected rate of return on OPEB investments was determined by adding inflation to expected long-term real returns and reflecting volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of December 31, 2021 and the inflation assumption is based on the 2021 Social Security Trustees report. 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	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Core Fixed Income	21.00%	1.39%	1.28%
US Large Cap Equity	26.00%	4.94%	3.46%
US Small Cap Equity	10.00%	6.73%	4.18%
Foreign Developed Equity	13.00%	6.27%	4.52%
Emerging Markets Equity	5.00%	8.82%	5.31%
Private Real Estate Property	7.00%	4.61%	3.58%
Private Equity	5.00%	10.36%	6.15%
Commodities	3.00%	1.99%	0.61%
Hedge Fund of Funds Strategic	10.00%	3.58%	2.67%
Total	<u>100.00%</u>		
Assumed Inflation – Mean		2.40%	2.40%
Assumed Inflation – Standard Deviation		1.23%	1.23%
Portfolio Real Mean Return		4.76%	3.97%
Portfolio Nominal Mean Return		7.16%	6.46%
Portfolio Standard Deviation			12.28%
Long-Term Expected Rate of Return			6.50%

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Discount Rate – The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at current contribution rates. The Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. The long-term expected rate of return on plan investments is 6.5%. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the long-term expected rate of return.

Changes in Net OPEB Liability – County

	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balance – June 30, 2021	\$ 18,257,061	\$ 13,162,231	\$ 5,094,830
Changes for the fiscal year:			
Service cost	296,818	-	296,818
Interest	1,154,829	-	1,154,829
Plan changes	261,370	-	261,370
Economic/Demographic Gains/Losses	2,984,001	-	2,984,001
Changes in assumptions	(625,569)	-	(625,569)
Contribution – employer	-	1,699,737	(1,699,737)
Net investment income	-	(1,214,098)	1,214,098
Benefit payments	(1,599,737)	(1,599,737)	-
Administrative expenses	-	(14,267)	14,267
Net Changes	2,471,712	(1,128,365)	3,600,077
Balance – June 30, 2022	\$ 20,728,773	\$ 12,033,866	\$ 8,694,907

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of the County, calculated using the discount rate of 6.50%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	1.00% Decrease (5.50%)	Current Discount Rate (6.50%)	1.00% Increase (7.50%)
Net OPEB Liability	\$ 10,995,776	\$ 8,694,907	\$ 6,748,262

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the net OPEB liability of the County, as well as what the net OPEB liability would be if it were calculated using the healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend</u>	<u>1.00% Increase</u>
Net OPEB Liability	\$ 6,428,064	\$ 8,694,907	\$ 11,407,327

Changes in Net OPEB Asset – School Division

	<u>Total OPEB Liability (a)</u>	<u>Fiduciary Net Position (b)</u>	<u>Net OPEB Asset (a) – (b)</u>
Balance – June 30, 2021	\$ 5,235,681	\$ 10,413,562	\$ (5,177,881)
Changes for the fiscal year:			
Service cost	284,337	-	284,337
Interest	347,122	-	347,122
Effect of economic demographic gains or losses	291,650	-	291,650
Effect of assumption changes or inputs	256,189	-	256,189
Contribution – employer	-	588,407	(588,407)
Net investment income	-	(982,306)	982,306
Benefit payments	(365,094)	(365,094)	-
Administrative expenses	-	(11,534)	11,534
Net Changes	814,204	(770,527)	1,584,731
Balance – June 30, 2022	<u>\$ 6,049,885</u>	<u>\$ 9,643,035</u>	<u>\$ (3,593,150)</u>

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate – The following presents the net OPEB asset of the School Division, calculated using the discount rate of 6.50%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	<u>1.00% Decrease (5.50%)</u>	<u>Current Discount Rate (6.50%)</u>	<u>1.00% Increase (7.50%)</u>
Net OPEB Asset	\$ (3,205,635)	\$ (3,593,150)	\$ (5,514,763)

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the Net OPEB Asset to Changes in the Healthcare Cost Trend Rates – The following presents the net OPEB asset of the School Division, as well as what the School Division's net OPEB asset would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.3% decreasing to 2.7%) or 1-percentage-point higher (6.3% decreasing to 4.7%) than the current healthcare cost trend rates:

	1.00% Decrease (4.3% decreasing to 2.7%)	Healthcare Cost Trend Rates (5.3% decreasing to 3.7%)	1.00% Increase (6.3% decreasing to 4.7%)
Net OPEB Asset	\$ (4,170,440)	\$ (3,593,150)	\$ (2,932,884)

Combining Net OPEB Liabilities (Asset), OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The VRS GLI County plan, the VRS HIC County plan and the County Health and Dental OPEB plan are reported separately herein since each plan has distinctive characteristics, reporting requirements and valuations. The impact of total OPEB requirements on the net position of the County is combined and summarized in the schedule below:

	County			
	VRS GLI Plan	VRS HIC Plan	County Health/Dental Plan	Combined Totals
Net OPEB liability	\$ 2,451,140	\$ 203,798	\$ 8,694,907	\$ 11,349,845
OPEB expense	\$ 97,178	\$ 22,294	\$ 1,576,346	\$ 1,695,818
Deferred outflows of resources:				
Differences between expected and actual experience	\$ 279,561	\$ 28,697	\$ 6,194,482	\$ 6,502,740
Changes in assumptions	135,131	36,104	4,540,346	4,711,581
Net difference between projected and actual earnings	-	-	414,103	414,103
Changes in proportion and differences between Employer contributions and proportionate share of contributions	83,354	-	-	83,354
Employer contributions subsequent to the measurement date	242,869	53,802	-	296,671
Total deferred outflows of resources	<u>\$ 740,915</u>	<u>\$ 118,603</u>	<u>\$ 11,148,931</u>	<u>\$ 12,008,449</u>
Deferred inflows of resources:				
Differences between expected and actual experience	\$ 18,676	\$ 7,351	\$ -	\$ 26,027
Changes in assumptions	335,368	9,466	7,372,832	7,717,666
Net difference between projected and actual earnings on OPEB plan investments	585,035	123,546	-	708,581
Changes in proportion and differences between Employer contributions and proportionate share of contributions	135,265	-	-	135,265
Total deferred inflows of resources	<u>\$ 1,074,344</u>	<u>\$ 140,363</u>	<u>\$ 7,372,832</u>	<u>\$ 8,587,539</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

The VRS GLI School Professional plan, VRS GLI School Nonprofessional County plan, VRS HIC School Professional plan, VRS VLDP School Professional plan, VRS VLDP School Nonprofessional plan and the School Division Health and Dental OPEB plan are reported separately herein since each plan has distinctive characteristics, reporting requirements and valuations. The impact of total OPEB requirements on the net position of the School Division is combined and summarized in the schedule below:

	School Division							
	VRS GLI Professional Plan	VRS GLI Nonprofessional Plan	VRS HIC Professional Plan	VRS HIC Nonprofessional Plan	VRS VLDP Professional Plan	VRS VLDP Nonprofessional Plan	School Health/Dental Plan	Combined Totals
Net OPEB liability	\$ 4,159,709	\$ 361,390	\$ 10,683,531	\$ 423,722	\$ -	\$ -	\$ -	\$ 15,628,352
Net OPEB asset	\$ -	\$ -	\$ -	\$ -	\$ 18,799	\$ 5,440	\$ 3,593,150	\$ 3,617,389
OPEB expense	\$ 134,025	\$ 1,851	\$ 792,423	\$ 116,672	\$ 63,265	\$ 14,797	\$ (11,909)	\$ 1,111,124
Deferred outflows of resources:								
Differences between expected and actual experience	\$ 474,429	\$ 41,218	\$ -	\$ 238,968	\$ 9,400	\$ 3,232	\$ 342,692	\$ 1,109,939
Changes in assumptions	229,324	19,923	288,795	9,459	10,204	185	609,281	1,167,171
Net difference between projected and actual earnings	-	-	-	-	-	-	370,646	370,646
Changes in proportionate share	49,176	-	90,947	-	356	289	-	140,768
Employer contributions subsequent to the measurement date	409,496	35,511	914,343	42,714	100,189	20,783	-	1,523,036
Total deferred outflows of resources	\$ 1,162,425	\$ 96,652	\$ 1,294,085	\$ 291,141	\$ 120,149	\$ 24,489	\$ 1,322,619	\$ 4,311,560
Deferred inflows of resources:								
Differences between expected and actual experience	\$ 31,695	\$ 2,754	\$ 186,427	\$ 7,448	\$ 10,447	\$ 8,150	\$ 49,874	\$ 296,795
Changes in assumptions	569,137	49,446	42,936	-	554	1,475	898,775	1,562,323
Net difference between projected and actual earnings on OPEB plan investments	992,833	86,256	140,734	5,526	14,957	3,035	-	1,243,341
Changes in proportionate share	139,232	42,708	342,584	-	-	571	-	525,095
Total deferred inflows of resources	\$ 1,732,897	\$ 181,164	\$ 712,681	\$ 12,974	\$ 25,958	\$ 13,231	\$ 948,649	\$ 3,627,554

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

12. 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 a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the participants. Investments are managed by the plan's trustee under one or a combination of 21 investment options. The participants make the choice of the investment options.

The School Division offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, available to all School employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until separation from service, retirement, death, disability, financial hardship and/or reaching age 59½. The School Division offers a selection of investment options to participants. All earnings on the invested funds compound tax-free until withdrawn from the account.

The County offered to its employees a retirement health savings plan, which was available to all full-time, regular County employees who have worked in that capacity for at least one full year. Participation in the plan was optional and employees could be reimbursed for qualified medical expenses, in accordance with Internal Revenue Service Publication 502, for themselves, spouse, and dependents upon separation or retirement from the County. In March 2007, the County was notified of an IRS ruling that due to its elective features, disallowed the County's plan design to continue and consequently, new elections to the existing plan are no longer accepted. The existing plan preserves the favorable tax treatments for elections and contributions prior to December 31, 2007. Investments are managed by the plan's trustee under one or a combination of 9 investment options.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

13. COMMITMENTS AND CONTINGENT LIABILITIES

Significant Commitments

Significant commitments as of June 30, 2022 were as follows:

	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Project:		
County Capital Fund:		
Fire Station #7	\$ 820,014	\$ 2,727,714
Library Addition/Renovation	3,743,395	1,859,082
Pedestrian Access Improvements	-	1,134,682
Avenity Software Implementation	408,636	792,444
International Motor Vehicle / Road Rescues	-	760,630
Contribute to Construction of Dark Fiber	746,581	746,581
Law Enforcement Building	1,159,439	681,581
Generators for Law Enforcement Building	-	570,546
Law Enforcement Building - Phase one site work	2,654,522	527,931
York High School Emergency Shelter	-	493,058
Lifepak 15's	-	455,367
Courthouse Chiller	27,388	246,497
Records Management System	1,629,736	230,329
Library Furniture	-	179,095
York Library A/V equipment and install	-	157,214
Library Furnishings	-	138,504
Frontage Road (Redeemer Way @ Victory)	260,664	134,336
Development Services Office	64,991	128,665
Shelving for Library	-	98,527
Library Furniture	-	83,120
Seal Coating / Striping	-	80,398
Total County Capital Fund commitments		<u>12,226,301</u>
Nonmajor governmental funds:		
Wormley Creek Edgehill Culverts	1,517,412	1,626,341
Country Lane Stream Restoration	-	542,305
Custom Bundle - UAS Command Center	-	199,863
Larkin Run Stream Restoration	124,933	100,528
Total nonmajor governmental fund commitments		<u>2,469,037</u>
Sewer Utility Fund:		
Bypass Road Sewer Project	118,614	888,802
Hollywood Pump Station #24	280,371	457,325
Engineering Services for Whites Faulkner Sanitary Sewer Project	-	391,015
Avenity Software Implementation	-	125,000
SCADA Support	30,582	110,537
Linework Support Assistance	33,797	94,203
Generator for Brandywine Pump Station	-	88,566
SCADA Upgrade	1,257,354	82,536
Total Sewer Utility Fund commitments		<u>2,237,984</u>
Solid Waste Fund:		
Mid-Atlantic Waste Knuckleboom	3,219	268,755
Internal Service fund:		
UST's for Tabb	-	89,392
	<u>14,881,648</u>	<u>\$ 17,291,469</u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

13. COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

Risk Management

The County and the School Division are exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to and health and dental benefits for employees; and natural disasters. The County and the School Division maintain comprehensive property and casualty policies, commercial general liability policies, comprehensive liability, vehicle fleet policies and coverages for errors and omissions, and employer's liability and certain other risks with commercial insurance companies.

The County reports all of its risk management activities except those related to health and dental benefits and workers' compensation in its General Fund. The General Fund retains the full risk for unemployment compensation.

The Workers' Compensation Fund retains the risk up to \$400,000 with no aggregate, for each workers' compensation occurrence and all claims for workers' compensation are paid from this fund. Risks related to health and dental benefits for employees and retirees are reported in an Internal Service Fund. The County's risk for each health care claim is \$300,000 per year.

The School Division reports all of its risk management activities in its Operating Fund, except those related to health and dental benefits. The School Operating Fund retains the full risk for unemployment compensation, and up to \$500,000, with no aggregate, for each workers' compensation occurrence. All claims for retained risks are paid from Operating Fund resources. Risks related to health and dental benefits for employees and retirees are reported in an Internal Service Fund. The School Division's risk for each health care claim is \$300,000.

All unemployment and school workers' compensation claims are paid through a third-party administrator through resources from the General and School Operating Funds. The County's workers' compensation claims and both the County and School Division's health care claims are paid through a third-party administrator through each entity's Internal Service Funds. For all retained risks, claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

The County's health care liability at June 30 has been included in claims payable in the County's internal service funds. The County had available \$5,663,333 for health care and dental claims and \$756,321 for workers' compensation claims at June 30, 2022, which is considered sufficient.

Changes in the reported amounts for both workers' compensations and health and dental claims resulted from the following:

	<u>2022</u>	<u>2021</u>
Claims payable/unrestricted net position, beginning of fiscal year	\$ 8,671,545	\$ 6,906,545
Claims and changes in estimates	13,461,194	16,408,705
Claims payments	<u>(15,713,085)</u>	<u>(14,643,705)</u>
Claims payable/unrestricted net position, end of fiscal year	<u><u>\$ 6,419,654</u></u>	<u><u>\$ 8,671,545</u></u>

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

13. COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

The School Division's health care claim liability of \$1,954,000 at June 30, 2022 is reasonably estimated and has been included in claims payable in the School Division's internal service fund. The School Division's workers' compensation claims liability of \$2,797,582 at June 30, 2022 is included in long-term debt, and is considered sufficient to cover pending claims and incurred but not reported claims that may arise. Changes in the reported amounts since June 30, 2021 resulted from the following:

	<u>2022</u>	<u>2021</u>
Claims payable/committed fund balance, beginning of fiscal year	\$ 4,834,141	\$ 4,658,830
Claims and changes in estimates	284,856	441,807
Claims payment	<u>(367,415)</u>	<u>(266,496)</u>
Claims payable/committed fund balance, end of fiscal year	<u>\$ 4,751,582</u>	<u>\$ 4,834,141</u>

Consent Order

A Special Order has been issued under the authority of the Code Section 62.1-44.15(8a) between the State Water Control Board and the Hampton Roads Sanitation District, the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg; the counties of Gloucester, Isle of Wight, and York; the James City Service Authority; and the town of Smithfield for the purpose of resolving certain alleged violations of environmental laws and regulations. The goal of the Order by Consent is to eliminate all sanitary sewer overflows. As part of the Special Order by Consent, all parties have agreed to a Regional Technical Standard that requires detailed flow modeling, collection of real time rainfall data, peak flow threshold calculations, projected 10 year, 24 hour peak flows, comprehensive sewer system field inspections and testing and the development of a regional and a locality sanitary sewer hydraulic model.

Litigation

The County is a defendant in various lawsuits and although the outcome of these lawsuits is not presently determinable, in the opinion of the County's counsel, only one possible claim or assessment exists that would be deemed material. The matter is related to the tax assessed value of a heavily industrialized property, for tax years beginning in 2018. The defendant has filed an appeal to the Virginia Court of Appeals, so this case is still active. The defendant has also filed an appeal of the 2022 assessment to the circuit court in October 2022.

Uncertainty

In March 2020, the World Health Organization declared COVID-19 a global pandemic. Due to the pandemic, the County undertook steps to limit non-essential spending, while continuing to provide safe and essential services to the county residents. As there is still a significant level of uncertainty associated with the pandemic, the County continues to actively monitor developments and will take steps to respond accordingly to the situation.

COUNTY OF YORK, VIRGINIA
Notes to Basic Financial Statements
June 30, 2022

14. DISCRETELY PRESENTED COMPONENT UNIT – CDA: CASH LIQUIDITY FOR FUTURE DEBT SERVICE PAYMENTS AND GOING CONCERN

The Series 2007 Bonds were restructured in 2015 limiting the availability of future special assessments to cover any shortfall in tax increment financing (TIF) revenues. The terms of the restructuring have materially inhibited the Authority's ability to pay its operating expenses, including debt service, in an economic environment of declining sales. The delay in expanding the retail portion of the development, along with the impact of the closing of Dick's Sporting Goods on sales revenues, have resulted in lower-than-forecasted TIF revenues available for the Authority's expenses.

There have been regular draws on the Series 2007 Debt Service Reserve Fund and Series 2015 Debt Service Reserve Fund to make the regularly scheduled debt service payments on the Bonds each September and March since September 1, 2015. As of August 31, 2022, the Series 2007 Debt Service Reserve Fund was depleted and the balance in the Series 2015 Debt Service Reserve Fund was \$3. Due to a shortfall in pledged revenues, only a partial interest payment was made on March 1, 2022. The total amount of the shortage was \$348,388.

The next scheduled debt service payment due on September 1, 2022, consists of an interest payment in the amount of \$868,388. However, the bondholders directed the trustee to only pay \$450,000. This will result in a total interest shortage as of September 1, 2022 of \$766,776. TIF revenues are not projected to be sufficient to make up the difference between the debt service requirements and the current balances in the trust accounts. Currently, the Authority does not have any plans to mitigate the shortfall in revenues and the expected default on the Bonds. Therefore, there is substantial doubt regarding the entity's ability to continue as a going concern.

15. SUBSEQUENT EVENT

On November 9, 2022, the County issued \$9,080,000 in general obligation school bonds through the Virginia Public School Authority. The proceeds will be used to finance the A&E and construction of Seaford Elementary School; Tabb Middle HVAC and controls replacement; roof work at Bruton and York High Schools; modular classrooms; Seaford Elementary parking lot expansion and gym HVAC and York High bathroom renovation.

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**REQUIRED SUPPLEMENTARY INFORMATION –
BUDGET COMPARISON SCHEDULE**

GENERAL FUND

To account for revenues and expenditures of the County not accounted for in other funds. Revenues are primarily derived from general property taxes, other local taxes, licenses, permits and fees, revenues from the Commonwealth of Virginia and federal grants.

A significant part of the General Fund's revenues is provided to the School Division to fund operations and transferred to other funds to meet debt service requirements, assist with the operations of Virginia Public Assistance and fund capital projects.

COUNTY OF YORK, VIRGINIA

Required Supplementary Information - Budgetary Comparison Schedule
General Fund - Revenues and Other Financing Sources
Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
General property taxes:				
Real property taxes	\$ 75,995,000	\$ 75,995,000	\$ 76,419,942	\$ 424,942
Real and personal property taxes-public service corporation	2,920,000	2,920,000	3,320,870	400,870
Personal property taxes	16,959,000	16,959,000	22,087,167	5,128,167
Machinery and tools taxes	150,000	150,000	157,603	7,603
Penalties and interest	400,000	400,000	541,070	141,070
Total general property taxes	<u>96,424,000</u>	<u>96,424,000</u>	<u>102,526,652</u>	<u>6,102,652</u>
Other local taxes:				
Local sales and use taxes	11,200,000	11,200,000	13,214,143	2,014,143
Historic Triangle local sales and use taxes	4,400,000	4,400,000	5,427,724	1,027,724
Hotel and motel room taxes	1,228,000	1,228,000	1,921,903	693,903
Restaurant food taxes	2,957,000	2,957,000	3,952,285	995,285
Cigarette taxes	650,000	650,000	1,544,370	894,370
Business license taxes	6,700,000	6,700,000	8,674,395	1,974,395
Consumer utility taxes	240,000	240,000	230,649	(9,351)
Communications sales taxes	1,025,000	1,025,000	939,749	(85,251)
Vehicle registration fees	1,736,000	1,736,000	1,664,712	(71,288)
Bank stock taxes	300,000	300,000	367,538	67,538
Franchise taxes	-	-	4,077	4,077
Taxes on recordation and wills	1,550,000	1,550,000	2,097,909	547,909
Rental taxes	160,000	160,000	177,315	17,315
Total other local taxes	<u>32,146,000</u>	<u>32,146,000</u>	<u>40,216,769</u>	<u>8,070,769</u>
From the Federal Government:				
Payments in lieu of taxes	<u>11,000</u>	<u>11,000</u>	<u>11,640</u>	<u>640</u>
Categorical aid:				
Supplemental Local Emergency Management Program grant	50,335	50,335	50,335	-
Universal Service Library E-rate program	10,000	10,000	8,288	(1,712)
21st Century Cures Act - Precision Medicine Initiative (digital literacy)	-	25,300	25,187	(113)
Violence Against Women Formula grant	27,400	27,400	29,871	2,471
Crime Victim Assistance grant	110,650	110,650	93,237	(17,413)
Community Development Block grant - CARES Act	-	2,603,948	2,610,948	7,000
DMV Traffic Enforcement grant	-	42,935	22,684	(20,251)
Section 8 Housing Choice Vouchers program	120,000	120,000	122,165	2,165
Assistance to Firefighters grant (SAFER)	312,740	312,740	301,110	(11,630)
Indirect Cost Allocation reimbursement	180,000	180,000	199,714	19,714
Edward Byrne Memorial State and Local Law Enforcement grant	-	-	11,038	11,038
FEMA Public Assistance - Coronavirus	-	-	163,318	163,318
Medical Transport - CARES Act	-	-	9,938	9,938
Coronavirus State and Local Fiscal Recovery Funds (Compensation Board)	-	174,393	174,393	-
ARPA American Rescue Plan Act Funding (SLFRF)	-	6,631,295	6,631,295	-
Total categorical aid	<u>811,125</u>	<u>10,288,996</u>	<u>10,453,521</u>	<u>164,525</u>
Total revenues from the Federal Government	<u>822,125</u>	<u>10,299,996</u>	<u>10,465,161</u>	<u>165,165</u>
From the Commonwealth of Virginia:				
Non-categorical aid:				
Mobile home taxes	11,000	11,000	26,691	15,691
Rolling stock taxes	20,000	20,000	16,913	(3,087)
Personal property tax relief	8,742,000	8,742,000	8,741,680	(320)
Skill games tax	-	-	17,856	17,856
Total non-categorical aid	<u>8,773,000</u>	<u>8,773,000</u>	<u>8,803,140</u>	<u>30,140</u>
Categorical aid:				
Shared expenses:				
Commonwealth's Attorney	601,355	601,355	576,966	(24,389)
Sheriff	2,839,000	2,839,000	2,887,151	48,151
Commissioner of the Revenue	257,125	257,125	256,976	(149)
Treasurer	170,900	170,900	170,459	(441)
Registrar	92,750	92,750	80,280	(12,470)
Electoral Board	9,000	9,000	-	(9,000)
Clerk of the Circuit Court	577,000	633,296	583,576	(49,720)
Total shared expenses	<u>4,547,130</u>	<u>4,603,426</u>	<u>4,555,408</u>	<u>(48,018)</u>
Other categorical aid:				
Fire and life safety grants	-	-	2,070	2,070
Wireless E911 services	350,000	350,000	399,736	49,736
Crime Victim Assistance grant	36,900	36,900	39,959	3,059
VA Juvenile Community Crime Control Act grant	55,000	55,000	54,684	(316)
VA Supreme Court extradition	15,000	15,000	9,885	(5,115)
Emergency Home and Accessibility Repair program	-	-	32,344	32,344
Arts Commission grant	-	4,500	4,500	-
Election postage reimbursement	-	-	1,503	1,503
Library Aid	180,000	180,000	178,310	(1,690)
Court services postage reimbursement	8,000	8,000	8,576	576
Total other categorical aid	<u>644,900</u>	<u>649,400</u>	<u>731,567</u>	<u>82,167</u>
Total categorical aid	<u>5,192,030</u>	<u>5,252,826</u>	<u>5,286,975</u>	<u>34,149</u>
Total revenues from the Commonwealth of Virginia	<u>13,965,030</u>	<u>14,025,826</u>	<u>14,090,115</u>	<u>64,289</u>

(Continued)

The accompanying notes are an integral part of the required supplementary information.

COUNTY OF YORK, VIRGINIA
Required Supplementary Information - Budgetary Comparison Schedule
General Fund - Revenues and Other Financing Sources
Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Permits, privilege fees and regulatory licenses:				
Animal licenses	8,000	8,000	10,329	2,329
Permits and other licenses	<u>1,053,500</u>	<u>1,053,500</u>	<u>1,243,045</u>	<u>189,545</u>
Total permits, privilege fees and regulatory licenses	<u>1,061,500</u>	<u>1,061,500</u>	<u>1,253,374</u>	<u>191,874</u>
Fines and forfeitures	<u>550,000</u>	<u>550,000</u>	<u>325,485</u>	<u>(224,515)</u>
Revenues from use of money and property:				
Use of money	120,000	120,000	101,911	(18,089)
Unrealized loss on investment	-	-	(463,072)	(463,072)
Use of property	<u>350,000</u>	<u>350,000</u>	<u>294,854</u>	<u>(55,146)</u>
Total revenues from use of money and property	<u>470,000</u>	<u>470,000</u>	<u>(66,307)</u>	<u>(536,307)</u>
Charges for services:				
Court costs	125,000	125,000	171,061	46,061
Charges for Commonwealth's Attorney	13,000	13,000	7,966	(5,034)
Charges for fiscal accounting services	3,000	3,000	3,175	175
Charges for law enforcement and traffic control	143,000	369,680	326,185	(43,495)
Charges for emergency medical services	1,700,000	1,700,000	1,907,632	207,632
Charges for parks and recreation	502,000	502,000	639,935	137,935
Charges for library	20,000	20,000	6,747	(13,253)
Charges for mosquito control	1,000	1,000	-	(1,000)
Charges for information technology	3,500	3,500	3,274	(226)
Charges for grounds maintenance	1,206,600	1,206,600	1,206,600	-
Charges for law enforcement	539,000	539,000	414,982	(124,018)
Charges for video services	42,000	42,000	42,015	15
Charges for radio maintenance services	99,000	99,000	99,000	-
Charges for vehicle maintenance	-	-	81,336	81,336
Total charges for services	<u>4,397,100</u>	<u>4,623,780</u>	<u>4,909,908</u>	<u>286,128</u>
Miscellaneous:				
Miscellaneous	180,000	180,000	283,195	103,195
Sale of surplus property	-	-	9,042	9,042
Total miscellaneous revenues	<u>180,000</u>	<u>180,000</u>	<u>292,237</u>	<u>112,237</u>
Recovered costs:				
City of Poquoson shared court services	504,700	504,700	501,715	(2,985)
City of Poquoson E911 services	334,575	334,575	334,575	-
City of Poquoson cooperative extension services	10,550	10,550	10,550	-
City of Poquoson other public safety	17,000	17,000	17,000	-
City of Williamsburg E911 services	592,920	592,920	592,920	-
City of Williamsburg public safety	17,000	17,000	17,000	-
City of Hampton E911 services	10,000	10,000	28,297	18,297
Assistance for fire & life safety training and other public safety	4,000	7,000	85,672	78,672
Colonial Behavioral Health human resources consulting	-	-	2,850	2,850
Fiscal agent fees	292,260	292,260	284,637	(7,623)
Streetlight operations	20,000	20,000	34,491	14,491
Signage	5,000	5,000	2,000	(3,000)
Riverwalk Landing repairs and maintenance	-	-	10,405	10,405
Total recovered costs	<u>1,808,005</u>	<u>1,811,005</u>	<u>1,922,112</u>	<u>111,107</u>
Total revenues	<u>151,823,760</u>	<u>161,592,107</u>	<u>175,935,506</u>	<u>14,343,399</u>
Other financing sources:				
Insurance recovery	-	53,646	61,323	7,677
Lease financing	-	-	8,189,708	8,189,708
Transfers in	<u>176,240</u>	<u>176,240</u>	<u>176,239</u>	<u>(1)</u>
Total other financing sources	<u>176,240</u>	<u>229,886</u>	<u>8,427,270</u>	<u>8,197,384</u>
 Total revenues and other financing sources	 <u>\$ 152,000,000</u>	 <u>\$ 161,821,993</u>	 <u>\$ 184,362,776</u>	 <u>\$ 22,540,783</u>

The accompanying notes are an integral part of the required supplementary information.

COUNTY OF YORK, VIRGINIA
Required Supplementary Information - Budgetary Comparison Schedule
General Fund - Expenditures and Other Financing Uses
Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
General Administration:				
Legislative Department: Board of Supervisors	\$ 361,334	\$ 361,334	\$ 343,325	\$ 18,009
Executive Department:				
County Administrator	670,346	670,346	597,176	73,170
Public Affairs	453,259	453,259	380,968	72,291
Video Services	330,112	330,112	320,615	9,497
County Attorney	651,446	1,176,446	1,121,727	54,719
Registrar	459,272	459,272	367,685	91,587
Electoral Board	150,738	150,738	94,139	56,599
Total General Administration	<u>3,076,507</u>	<u>3,601,507</u>	<u>3,225,635</u>	<u>375,872</u>
Judicial Services:				
Circuit Court	123,934	123,934	78,608	45,326
General District Court	30,010	30,010	13,345	16,665
Juvenile and Domestic Relations Court	22,180	22,180	17,485	4,695
Clerk of the Circuit Court	997,983	1,359,382	1,040,555	318,827
Colonial Group Home Commission	213,450	213,450	203,023	10,427
Magistrate	2,000	2,000	631	1,369
Commonwealth's Attorney	1,315,037	1,315,037	1,223,640	91,397
Victim/Witness	248,646	248,646	235,538	13,108
Domestic Violence	59,066	59,066	57,188	1,878
Total Judicial Services	<u>3,012,306</u>	<u>3,373,705</u>	<u>2,870,013</u>	<u>503,692</u>
Public Safety:				
Sheriff General Operations	2,600,386	2,899,289	3,128,440	(229,151)
Law Enforcement	6,303,625	6,616,880	6,493,989	122,891
Investigations	1,662,586	1,702,525	1,698,124	4,401
Civil Operations/Court Security	1,563,316	1,574,681	1,511,732	62,949
Sheriff Community Services	1,360,836	1,387,088	1,403,380	(16,292)
Adult Corrections	2,412,580	2,412,580	2,724,646	(312,066)
Juvenile Corrections	241,780	241,780	228,811	12,969
Fire and Life Safety Administration	674,734	676,963	566,325	110,638
Fire and Rescue Operations	14,102,687	14,199,373	14,371,919	(172,546)
Technical Services and Special Operations	589,897	706,568	497,233	209,335
Prevention and Community Safety	447,257	447,623	401,373	46,250
Animal Control	507,143	507,143	491,659	15,484
Emergency Management	276,485	276,485	278,639	(2,154)
Support Services	691,413	725,106	701,791	23,315
Emergency Communications/911	4,690,198	4,768,451	4,621,568	146,883
Radio Maintenance	110,378	110,378	107,281	3,097
Telecom, Security and Services	195,000	198,095	102,837	95,258
Total Public Safety	<u>38,430,301</u>	<u>39,451,008</u>	<u>39,329,747</u>	<u>121,261</u>
Management Services:				
Finance Administration	348,597	348,597	278,674	69,923
Information Technology	2,591,093	2,609,540	2,579,439	30,101
Human Resources	965,055	1,176,818	876,917	299,901
Accounting and Financial Reporting	421,769	421,769	416,166	5,603
Budget	280,941	280,941	230,439	50,502
Fiscal Accounting Services	750,212	791,367	808,007	(16,640)
Commissioner of the Revenue	1,407,418	1,407,418	1,395,935	11,483
Treasurer	1,030,548	1,030,548	970,310	60,238
Real Estate Assessment	808,753	808,753	693,068	115,685
Central Purchasing	462,070	462,070	471,181	(9,111)
Central Insurance	194,409	194,409	163,225	31,184
Economic Development	106,635	106,635	98,181	8,454
Office of Economic Development	525,947	526,597	496,160	30,437
Total Management Services	<u>9,893,447</u>	<u>10,165,462</u>	<u>9,477,702</u>	<u>687,760</u>

(Continued)

The accompanying notes are an integral part of the required supplementary information.

COUNTY OF YORK, VIRGINIA
Required Supplementary Information - Budgetary Comparison Schedule
General Fund - Expenditures and Other Financing Uses
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Education:				
County of York Public School Division - Local	56,837,094	58,908,947	53,209,924	5,699,023
Library Services	3,496,255	3,521,555	3,363,318	158,237
Cooperative Extension	68,295	68,295	61,356	6,939
Total Education	60,401,644	62,498,797	56,634,598	5,864,199
Human Services:				
Social Services - payments to Board members	6,050	6,050	4,823	1,227
Contributions	1,570,875	1,578,875	1,578,869	6
Total Human Services	1,576,925	1,584,925	1,583,692	1,233
Public Works:				
Administration	214,266	214,266	212,176	2,090
Engineering and Facility Maintenance	3,652,006	3,673,868	3,497,956	175,912
Grounds Maintenance and Construction	3,800,520	3,812,033	3,705,639	106,394
Stormwater	1,143,072	1,143,445	1,223,775	(80,330)
Mosquito Control	1,032,670	1,038,814	975,846	62,968
Total Public Works	9,842,534	9,882,426	9,615,392	267,034
Community Development:				
Building Safety	1,240,005	1,240,598	1,095,731	144,867
Board of Zoning/Subdivision Appeals	7,525	7,525	3,058	4,467
Development and Compliance	855,202	855,202	808,289	46,913
Planning	353,115	368,115	355,379	12,736
Planning Commission	30,841	30,841	21,168	9,673
Planning and Development Admin	333,105	333,105	333,112	(7)
Total Community Development	2,819,793	2,835,386	2,616,737	218,649
Community Services:				
Administration	428,729	428,729	333,258	95,471
Housing & Neighborhood Revitalization	678,577	3,282,525	3,263,399	19,126
Parks and Recreation	2,062,752	2,093,689	1,765,052	328,637
Total Community Services	3,170,058	5,804,943	5,361,709	443,234
Non-departmental:				
Employee benefits	(375,870)	6,264,172	1,507,248	4,756,924
Contributions	455,765	515,665	428,262	87,403
Appropriated reserves	200,000	1,410,284	210,176	1,200,108
Emergencies - Coronavirus	-	372	61,025	(60,653)
Total Non-departmental	279,895	8,190,493	2,206,711	5,983,782
Debt Service:				
Principal retirement	437,737	437,737	437,737	-
Interest and fiscal charges	53,454	53,454	53,454	-
Lease financing	-	-	8,189,708	(8,189,708)
Total Debt Service	491,191	491,191	8,680,899	(8,189,708)
Total expenditures	132,994,601	147,879,843	141,602,835	6,277,008
Other Financing Uses:				
Transfers out	19,005,399	32,936,324	32,936,324	-
Total other financing uses	19,005,399	32,936,324	32,936,324	-
Total expenditures and other financing uses	\$ 152,000,000	\$ 180,816,167	\$ 174,539,159	\$ 6,277,008

The accompanying notes are an integral part of the required supplementary information.

**REQUIRED SUPPLEMENTARY INFORMATION –
BUDGET COMPARISON SCHEDULE**

TOURISM FUND

To account for the receipt and disbursement of 3% of the lodging tax and the \$2.00 additional tax restricted by the Commonwealth of Virginia for tourism activities. Per Section 58.1-3823 of the Code of Virginia, one-half of the revenues collected from the additional tax shall be deposited into the Historic Triangle Marketing Fund. The other half is retained by the County. This fund is a major special revenue fund, with a legally adopted annual budget.

COUNTY OF YORK, VIRGINIA

Required Supplementary Information - Budgetary Comparison Schedule

Tourism Fund

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Other local taxes	\$ 2,802,000	\$ 2,982,497	\$ 4,095,262	\$ 1,112,765
Intergovernmental: State	-	20,000	20,000	-
Use of money and property	141,000	141,000	143,267	2,267
Charges for services	-	-	2,450	2,450
Miscellaneous	-	30,000	27,090	(2,910)
Total revenues	<u>2,943,000</u>	<u>3,173,497</u>	<u>4,288,069</u>	<u>1,114,572</u>
EXPENDITURES				
Current:				
Public safety	285,000	285,000	165,000	120,000
Management services	438,600	438,600	511,588	(72,988)
Public works	70,000	70,000	70,000	-
Community services	3,113,954	2,844,451	2,471,627	372,824
Debt service - principal retirement	52,000	52,000	52,000	-
Total expenditures	<u>3,959,554</u>	<u>3,690,051</u>	<u>3,270,215</u>	<u>419,836</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,016,554)</u>	<u>(516,554)</u>	<u>1,017,854</u>	<u>1,534,408</u>
OTHER FINANCING SOURCES				
Transfers in	300,000	300,000	300,000	-
Transfers out	-	(500,000)	(500,000)	-
Total other financing uses	<u>300,000</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Net change in fund balances	<u>(716,554)</u>	<u>(716,554)</u>	<u>817,854</u>	<u>1,534,408</u>
Fund balances, beginning of year	<u>716,554</u>	<u>716,554</u>	<u>716,554</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,534,408</u>	<u>\$ 1,534,408</u>

The accompanying notes are an integral part of the required supplementary information.

COUNTY OF YORK, VIRGINIA
Schedule of Changes in Employer's Net Pension Liability and Related Ratios
Years Ended June 30

	County							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability								
Service cost	\$ 5,023,023	\$ 4,974,047	\$ 4,577,670	\$ 4,414,111	\$ 4,400,884	\$ 4,390,926	\$ 4,347,200	\$ 4,324,554
Interest	16,027,014	15,295,937	14,551,387	13,608,499	13,134,091	12,607,441	12,029,849	11,340,354
Difference between expected and actual	(1,043,749)	2,016,305	3,138,804	1,407,645	(867,346)	(1,790,361)	(1,334,258)	-
Benefit payments	(12,177,865)	(10,733,177)	(9,548,874)	(9,473,846)	(8,050,116)	(7,318,772)	(6,264,165)	(5,365,786)
Other	9,120,764	-	6,602,686	3,550,930	(1,128,389)	-	-	-
Net change in total pension liability	16,949,187	11,553,112	19,321,673	13,507,339	7,489,124	7,889,234	8,778,626	10,299,122
Total pension liability - beginning	243,526,174	231,973,062	212,651,389	199,144,050	191,654,926	183,765,692	174,987,066	164,687,944
Total pension liability - ending	<u>\$ 260,475,361</u>	<u>\$ 243,526,174</u>	<u>\$ 231,973,062</u>	<u>\$ 212,651,389</u>	<u>\$ 199,144,050</u>	<u>\$ 191,654,926</u>	<u>\$ 183,765,692</u>	<u>\$ 174,987,066</u>
Plan Fiduciary Net Position								
Contributions - employer	\$ 4,923,161	\$ 4,364,971	\$ 4,260,368	\$ 4,166,554	\$ 3,593,323	\$ 4,373,897	\$ 4,288,412	\$ 4,332,603
Contributions - employee	2,099,693	2,169,677	2,116,844	1,990,383	1,906,698	1,955,396	1,871,311	1,851,612
Net investment income	55,254,220	3,879,115	12,930,127	13,562,714	20,266,521	2,893,068	7,259,533	21,563,882
Benefit payments	(12,177,865)	(10,733,177)	(9,548,874)	(9,473,846)	(8,050,116)	(7,318,772)	(6,264,165)	(5,365,786)
Administrative expenses	(138,663)	(133,317)	(128,063)	(117,688)	(117,234)	(102,044)	(98,165)	(114,394)
Other changes	5,011	(5,722)	(8,149)	(12,075)	(18,023)	(1,221)	(1,538)	1,136
Net change in plan fiduciary net position	49,965,557	(458,453)	9,622,253	10,116,042	17,581,169	1,800,324	7,055,388	22,269,053
Plan fiduciary net position - beginning	203,710,274	204,168,727	194,546,474	184,430,432	166,849,263	165,048,939	157,993,551	135,724,498
Plan fiduciary net position - ending	<u>\$ 253,675,831</u>	<u>\$ 203,710,274</u>	<u>\$ 204,168,727</u>	<u>\$ 194,546,474</u>	<u>\$ 184,430,432</u>	<u>\$ 166,849,263</u>	<u>\$ 165,048,939</u>	<u>\$ 157,993,551</u>
Net pension liability (asset) *	<u>\$ 6,799,530</u>	<u>\$ 39,815,900</u>	<u>\$ 27,804,335</u>	<u>\$ 18,104,915</u>	<u>\$ 14,713,618</u>	<u>\$ 24,805,663</u>	<u>\$ 18,716,753</u>	<u>\$ 16,993,515</u>
Plan fiduciary net position as a percentage of total pension liability	<u>97.39%</u>	<u>83.65%</u>	<u>88.01%</u>	<u>91.49%</u>	<u>92.61%</u>	<u>87.06%</u>	<u>89.81%</u>	<u>90.29%</u>
Covered payroll	<u>\$ 44,480,850</u>	<u>\$ 45,217,918</u>	<u>\$ 43,554,938</u>	<u>\$ 41,074,204</u>	<u>\$ 39,079,963</u>	<u>\$ 38,259,805</u>	<u>\$ 37,197,611</u>	<u>\$ 37,009,571</u>
Net pension liability as a percentage of covered payroll	<u>15.29%</u>	<u>88.05%</u>	<u>63.84%</u>	<u>44.08%</u>	<u>37.65%</u>	<u>64.83%</u>	<u>50.32%</u>	<u>45.92%</u>

Schedule is intended to show information for 10 years. Since 2022 is the eighth year for this presentation, only seven additional years of data are available. However, additional years will be included as they become available.

* Per GAAP, net pension liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Changes in Employer's Net Pension Liability (Asset) and Related Ratios
Years Ended June 30

	School Division Nonprofessional							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability								
Service cost	\$ 600,482	\$ 612,876	\$ 601,823	\$ 601,022	\$ 639,053	\$ 645,253	\$ 657,682	\$ 651,659
Interest	1,799,838	1,716,651	1,652,635	1,586,058	1,511,907	1,434,468	1,340,262	1,257,618
Difference between expected and actual	14,692	180,378	56,704	(180,060)	21,121	(113,364)	144,530	-
Benefit payments	(1,309,188)	(1,245,823)	(1,143,487)	(968,357)	(883,431)	(836,736)	(756,608)	(700,700)
Changes in assumptions	845,285	-	706,288	-	(186,884)	-	-	-
Net change in total pension liability	1,951,109	1,264,082	1,873,963	1,038,663	1,101,766	1,129,621	1,385,866	1,208,577
Total pension liability - beginning	27,318,858	26,054,776	24,180,813	23,142,150	22,040,384	20,910,763	19,524,897	18,316,320
Total pension liability - ending	\$ 29,269,967	\$ 27,318,858	\$ 26,054,776	\$ 24,180,813	\$ 23,142,150	\$ 22,040,384	\$ 20,910,763	\$ 19,524,897
Plan Fiduciary Net Position								
Contributions - employer	\$ 351,643	\$ 322,379	\$ 326,377	\$ 354,063	\$ 361,828	\$ 487,737	\$ 474,730	\$ 540,694
Contributions - employee	291,284	308,119	305,891	303,951	309,049	310,891	303,379	300,981
Net investment income	6,866,691	483,529	1,615,700	1,696,743	2,525,399	361,926	896,825	2,649,679
Benefit payments	(1,309,188)	(1,245,823)	(1,143,487)	(968,357)	(883,431)	(836,736)	(756,608)	(700,700)
Administrative expenses	(17,255)	(16,631)	(16,095)	(14,629)	(14,499)	(12,543)	(12,064)	(14,022)
Other changes	646	(571)	(1,017)	(1,513)	(2,249)	(151)	(188)	139
Net change in plan fiduciary net position	6,183,821	(148,998)	1,087,369	1,370,258	2,296,097	311,124	906,074	2,776,771
Plan fiduciary net position - beginning	25,318,179	25,467,177	24,379,808	23,009,550	20,713,453	20,402,329	19,496,255	16,719,484
Plan fiduciary net position - ending	\$ 31,502,000	\$ 25,318,179	\$ 25,467,177	\$ 24,379,808	\$ 23,009,550	\$ 20,713,453	\$ 20,402,329	\$ 19,496,255
Net pension liability (asset) *	\$ (2,232,033)	\$ 2,000,679	\$ 587,599	\$ (198,995)	\$ 132,600	\$ 1,326,931	\$ 508,434	\$ 28,642
Plan fiduciary net position as a percentage of total pension liability	107.63%	92.68%	97.74%	100.82%	99.43%	93.98%	97.57%	99.85%
Covered payroll	\$ 6,257,392	\$ 6,598,388	\$ 6,466,346	\$ 6,347,608	\$ 6,373,699	\$ 6,361,525	\$ 6,167,447	\$ 6,035,633
Net pension liability as a percentage of covered payroll	-35.67%	30.32%	9.09%	-3.13%	2.08%	20.86%	8.24%	0.47%

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* Per GAAP, net pension liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Changes in Employer's Net Pension Liability (Asset) and Related Ratios, Continued
Years Ended June 30

	School Division Optional							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability								
Service cost	\$ 702	\$ 646	\$ 1,138	\$ 1,206	\$ 1,385	\$ 1,834	\$ 1,731	\$ 2,224
Interest	118,665	115,237	117,944	120,762	127,986	132,210	120,051	124,341
Difference between expected and actual	25,735	34,647	40,567	47,716	(2,386)	2,076	74,161	-
Benefit payments	(182,403)	(179,529)	(206,332)	(189,804)	(197,602)	(194,429)	(164,908)	(193,616)
Change in assumptions	97,283	79,355	(4,898)	(11,814)	(36,292)	-	157,315	-
Net change in total pension liability	59,982	50,356	(51,581)	(31,934)	(106,909)	(58,309)	188,350	(67,051)
Total pension liability - beginning	1,785,718	1,735,362	1,786,943	1,818,877	1,925,786	1,984,095	1,795,745	1,862,796
Total pension liability - ending	<u>\$ 1,845,700</u>	<u>\$ 1,785,718</u>	<u>\$ 1,735,362</u>	<u>\$ 1,786,943</u>	<u>\$ 1,818,877</u>	<u>\$ 1,925,786</u>	<u>\$ 1,984,095</u>	<u>\$ 1,795,745</u>
Plan Fiduciary Net Position								
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 10,000	\$ -	\$ 290,495
Net investment income	364,782	23,675	179,448	237,109	142,975	89,571	20,333	-
Benefit payments	(182,403)	(179,529)	(206,332)	(189,804)	(197,602)	(194,429)	(164,908)	(177,455)
Refunds of contributions	-	-	-	-	-	-	-	(22,106)
Administrative expenses	(17,943)	(18,397)	(19,034)	(19,484)	(19,782)	(21,276)	(21,515)	-
Net change in plan fiduciary net position	164,436	(174,251)	(45,918)	27,821	(54,409)	(116,134)	(166,090)	90,934
Plan fiduciary net position - beginning	1,571,157	1,745,408	1,791,326	1,763,505	1,817,914	1,934,048	2,100,138	2,009,204
Plan fiduciary net position - ending	<u>\$ 1,735,593</u>	<u>\$ 1,571,157</u>	<u>\$ 1,745,408</u>	<u>\$ 1,791,326</u>	<u>\$ 1,763,505</u>	<u>\$ 1,817,914</u>	<u>\$ 1,934,048</u>	<u>\$ 2,100,138</u>
Net pension liability (asset) *	<u>\$ 110,107</u>	<u>\$ 214,561</u>	<u>\$ (10,046)</u>	<u>\$ (4,383)</u>	<u>\$ 55,372</u>	<u>\$ 107,872</u>	<u>\$ 50,047</u>	<u>\$ (304,393)</u>
Plan fiduciary net position as a percentage of total pension liability (asset)	<u>94.03%</u>	<u>87.98%</u>	<u>100.58%</u>	<u>100.25%</u>	<u>96.96%</u>	<u>94.40%</u>	<u>97.48%</u>	<u>116.95%</u>
Covered payroll	<u>\$ 320,207</u>	<u>\$ 334,285</u>	<u>\$ 315,384</u>	<u>\$ 393,083</u>	<u>\$ 416,038</u>	<u>\$ 490,949</u>	<u>\$ 540,694</u>	<u>\$ 605,577</u>
Net pension liability (asset) as a percentage of covered payroll	<u>34.39%</u>	<u>64.19%</u>	<u>-3.19%</u>	<u>-1.12%</u>	<u>13.31%</u>	<u>21.97%</u>	<u>9.26%</u>	<u>-50.26%</u>

Schedule is intended to show information for 10 years. Since 2022 is the eighth year for this presentation, only seven additional years of data are available. However, additional years will be included as they become available.

* 'Per GAAP, net pension liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Employer's Share of Net Pension Liability
School Division's Professional Employees
Years Ended June 30

	(a)	(b)	(c)	(d)	(e)
	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the NPL as a % of its Covered Payroll b / c	Plan Fiduciary Net Position as a % of the Total Pension Liability
Date					
Professional Employees					
June 30, 2022	0.84025%	\$ 65,229,425	\$ 73,610,398	88.61%	85.46%
June 30, 2021	0.85723%	124,749,477	74,340,993	167.81%	71.47%
June 30, 2020	0.85177%	112,097,772	70,985,747	157.92%	73.51%
June 30, 2019	0.84051%	98,844,000	67,691,857	146.02%	74.81%
June 30, 2018	0.85148%	104,715,000	66,894,061	156.54%	72.92%
June 30, 2017	0.87024%	121,956,000	66,367,678	183.76%	68.28%
June 30, 2016	0.85504%	107,618,000	63,559,725	169.32%	70.68%
June 30, 2015	0.83118%	100,445,000	60,755,750	165.33%	70.88%

Schedule is intended to show information for 10 years. Since 2022 is the eighth year for this presentation, only seven additional years of data are available. However, additional years will be included as they become

The amounts presented have a measurement date of the previous fiscal year end.

COUNTY OF YORK, VIRGINIA
Schedule of Employer Contributions - Pension
Years Ended June 30

	(a)	(b)	(c)	(d)	(e)
Date	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess) (a) - (b)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll (b) / (d)
County					
June 30, 2022	\$ 5,178,141	\$ 5,178,141	\$ -	\$ 46,961,263	11.03%
June 30, 2021	5,003,134	5,003,134	-	44,480,850	11.25%
June 30, 2020	4,448,949	4,448,949	-	45,217,918	9.84%
June 30, 2019	4,341,119	4,341,119	-	43,554,938	9.97%
June 30, 2018	4,170,856	4,170,856	-	41,074,204	10.15%
June 30, 2017	3,686,802	3,686,802	-	39,079,963	9.43%
June 30, 2016	4,480,621	4,480,621	-	38,259,805	11.71%
June 30, 2015	4,359,173	4,359,173	-	37,197,611	11.72%
June 30, 2014	6,183,660	6,183,660	-	37,009,571	16.71%
June 30, 2013	6,020,741	6,020,741	-	36,232,767	16.62%
School Division Nonprofessional					
June 30, 2022	\$ 405,782	\$ 405,782	\$ -	\$ 6,471,798	6.27%
June 30, 2021	392,338	392,338	-	6,257,392	6.27%
June 30, 2020	324,157	324,157	-	6,598,388	4.91%
June 30, 2019	327,734	327,734	-	6,466,346	5.07%
June 30, 2018	355,364	355,364	-	6,347,608	5.60%
June 30, 2017	363,194	363,194	-	6,373,699	5.70%
June 30, 2016	489,081	489,081	-	6,361,525	7.69%
June 30, 2015	475,903	475,903	-	6,167,447	7.72%
June 30, 2014	542,604	542,604	-	6,035,633	8.99%
June 30, 2013	519,830	519,830	-	5,782,294	8.99%
School Division Professional					
June 30, 2022	\$ 12,558,998	\$ 12,558,998	\$ -	\$ 75,656,571	16.60%
June 30, 2021	12,234,048	12,234,048	-	73,610,398	16.62%
June 30, 2020	11,359,571	11,359,571	-	74,340,993	15.28%
June 30, 2019	10,917,764	10,917,764	-	70,985,747	15.38%
June 30, 2018	10,867,762	10,867,762	-	67,691,857	16.05%
June 30, 2017	9,684,516	9,684,516	-	66,894,061	14.48%
June 30, 2016	9,271,511	9,271,511	-	66,367,678	13.97%
June 30, 2015	9,180,878	9,180,878	-	63,559,725	14.44%
June 30, 2014	7,081,843	7,081,843	-	60,755,750	11.66%
June 30, 2013	6,906,219	6,906,219	-	59,230,011	11.66%
School Division Optional					
June 30, 2022	\$ -	\$ -	\$ -	\$ 336,359	0.00%
June 30, 2021	19,821	-	19,821	320,207	0.00%
June 30, 2020	-	-	-	334,285	0.00%
June 30, 2019	-	-	-	315,384	0.00%
June 30, 2018	-	-	-	393,083	0.00%
June 30, 2017	20,000	20,000	-	416,038	4.81%
June 30, 2016	5,370	10,000	(4,630)	490,949	2.04%
June 30, 2015	-	-	-	540,694	0.00%
June 30, 2014	-	-	-	-	0.00%
June 30, 2013	-	-	-	-	0.00%

No changes have been made since GASB 68 has become effective.

COUNTY OF YORK, VIRGINIA

**Schedule of Changes in Employer's Net OPEB Liability and Related Ratios - Health/Dental
Year Ended June 30**

	County						School Division					
	2022	2021	2020	2019	2018	2017	2022	2021	2020	2019	2018	2017
Total OPEB Liability												
Service cost	\$ 296,818	\$ 268,714	\$ 233,175	\$ 94,396	\$ 299,500	\$ 289,250	\$ 284,337	\$ 339,426	\$ 324,527	\$ 256,396	\$ 280,180	\$ 261,850
Interest	1,154,829	1,147,607	1,196,966	479,609	1,539,270	1,002,541	347,122	402,318	382,499	348,052	323,944	308,920
Effect of plan changes	261,370	-	-	-	-	-	-	-	-	-	-	-
Liability gains or losses	2,984,001	-	1,558,131	-	6,981,442	-	291,650	(61,892)	-	131,855	-	-
Assumption changes or inputs	(625,569)	-	(1,192,982)	10,215,778	(15,941,922)	-	256,189	(1,094,130)	(25,368)	626,213	-	-
Benefit payments	(1,599,737)	(1,075,136)	(990,328)	(857,558)	(802,870)	(435,212)	(365,094)	(394,021)	(389,344)	(383,086)	(352,983)	(395,238)
Net change in total OPEB liability	2,471,712	341,185	804,962	9,932,225	(7,924,580)	856,579	814,204	(808,299)	292,314	979,430	251,141	175,532
Total OPEB liability - beginning	18,257,061	17,915,876	17,110,914	7,178,689	15,103,269	14,246,690	5,235,681	6,043,980	5,751,666	4,772,236	4,521,095	4,345,563
Total OPEB liability - ending	\$ 20,728,773	\$ 18,257,061	\$ 17,915,876	\$ 17,110,914	\$ 7,178,689	\$ 15,103,269	\$ 6,049,885	\$ 5,235,681	\$ 6,043,980	\$ 5,751,666	\$ 4,772,236	\$ 4,521,095
Plan Fiduciary Net Position												
Contributions - employer	\$ 1,699,737	\$ 1,175,136	\$ 1,070,691	\$ 930,691	\$ 1,183,144	\$ 812,312	\$ 588,407	\$ 635,431	\$ 389,344	\$ 593,608	\$ 563,505	\$ 589,228
Net investment income	(1,214,098)	3,021,572	294,017	423,140	776,228	911,857	(982,306)	2,355,368	232,409	325,272	602,829	700,174
Benefit payments	(1,599,737)	(1,075,136)	(990,328)	(857,558)	(802,870)	(435,212)	(365,094)	(394,021)	(389,344)	(383,086)	(352,983)	(395,238)
Administrative expenses	(14,267)	(11,889)	(11,270)	(10,499)	(9,596)	(6,740)	(11,534)	(9,365)	(8,907)	(8,187)	(7,558)	(5,292)
Net change in plan fiduciary net position	(1,128,365)	3,109,683	363,110	485,774	1,146,906	1,282,217	(770,527)	2,587,413	223,502	527,607	805,793	888,872
Plan fiduciary net position - beginning	13,162,231	10,052,548	9,689,438	9,203,664	8,056,758	6,774,541	10,413,562	7,826,149	7,602,647	7,075,040	6,269,247	5,380,376
Plan fiduciary net position - ending	\$ 12,033,866	\$ 13,162,231	\$ 10,052,548	\$ 9,689,438	\$ 9,203,664	\$ 8,056,758	\$ 9,643,035	\$ 10,413,562	\$ 7,826,149	\$ 7,602,647	\$ 7,075,040	\$ 6,269,248
Net OPEB liability (asset)	\$ 8,694,907	\$ 5,094,830	\$ 7,863,328	\$ 7,421,476	\$ (2,024,975)	\$ 7,046,511	\$ (3,593,150)	\$ (5,177,881)	\$ (1,782,169)	\$ (1,850,981)	\$ (2,302,804)	\$ (1,748,153)
Plan fiduciary net position as a percentage of total OPEB liability	58.05%	72.09%	56.11%	56.63%	128.21%	53.34%	159.39%	198.90%	129.49%	132.18%	148.25%	138.67%
Covered payroll	\$ 45,056,364	\$ 44,992,730	\$ 44,992,730	\$ 39,807,161	\$ 39,807,161	\$ 37,197,611	\$ 68,592,182	\$ 78,051,732	\$ 72,562,703	\$ 72,562,703	\$ 73,417,704	\$ 73,417,704
Net OPEB liability as a percentage of covered employee payroll	19.30%	11.32%	17.48%	18.64%	-5.09%	18.94%	-5.24%	-6.63%	-2.46%	-2.55%	-3.14%	-2.38%

Schedule is intended to show information for 10 years. Since 2022 is the sixth year for this presentation, only five additional years are available. However, additional years will be included as they become available.

COUNTY OF YORK, VIRGINIA
Schedule of Employer Contributions
Other Postemployment Benefits - Health/Dental
Years Ended June 30

County							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 744,843	\$ 755,941	\$ 720,577	\$ 80,363	\$ 73,133	\$ 816,365	\$ 762,958
Contributions in relation to the actuarially determined contribution	<u>1,699,737</u>	<u>1,175,136</u>	<u>1,070,691</u>	<u>930,691</u>	<u>1,183,144</u>	<u>812,312</u>	<u>7,146,558</u>
Contribution deficiency (excess)	<u>\$ (954,894)</u>	<u>\$ (419,195)</u>	<u>\$ (350,114)</u>	<u>\$ (850,328)</u>	<u>\$ (1,110,011)</u>	<u>\$ 4,053</u>	<u>\$ (6,383,600)</u>
Covered payroll	<u>\$45,056,364</u>	<u>\$44,992,730</u>	<u>\$44,992,730</u>	<u>\$39,807,161</u>	<u>\$39,807,161</u>	<u>\$37,197,611</u>	<u>\$37,197,611</u>
Contribution as a % of covered employee payroll	<u>3.77%</u>	<u>2.61%</u>	<u>2.38%</u>	<u>2.34%</u>	<u>2.97%</u>	<u>2.18%</u>	<u>19.21%</u>
School Division							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 148,716	\$ 260,789	\$ 241,410	\$ 223,313	\$ 210,522	\$ 193,990	\$ 178,621
Contributions in relation to the actuarially determined contribution	<u>588,407</u>	<u>635,431</u>	<u>389,344</u>	<u>593,608</u>	<u>563,505</u>	<u>589,228</u>	<u>5,777,164</u>
Contribution deficiency (excess)	<u>\$ (439,691)</u>	<u>\$ (374,642)</u>	<u>\$ (147,934)</u>	<u>\$ (370,295)</u>	<u>\$ (352,983)</u>	<u>\$ (395,238)</u>	<u>\$ (5,598,543)</u>
Covered payroll	<u>\$68,592,182</u>	<u>\$78,051,732</u>	<u>\$72,562,703</u>	<u>\$72,562,703</u>	<u>\$73,417,704</u>	<u>\$73,417,704</u>	<u>\$73,417,704</u>
Contribution as a % of covered employee payroll	<u>0.86%</u>	<u>0.81%</u>	<u>0.54%</u>	<u>0.82%</u>	<u>0.77%</u>	<u>0.80%</u>	<u>7.87%</u>

COUNTY OF YORK, VIRGINIA
Schedule of Changes in Employer's Net HIC OPEB Liability and Related Ratios
Year Ended June 30

	County					School Division Nonprofessional		
	2022	2021	2020	2019	2018	2022	2021	2020
Total OPEB Liability								
Service cost	\$ 24,526	\$ 24,734	\$ 23,113	\$ 22,681	\$ 25,337	\$ 11,959	\$ 11,482	\$ 11,130
Interest	89,015	88,266	85,890	84,301	84,360	30,977	21,325	(540)
Benefit changes	-	-	-	-	-	-	7,946	-
Assumption changes or inputs	23,533	-	32,340	-	(44,791)	5,800	-	9,367
Difference between expected and actual	20,487	(10,087)	22,769	(1,640)	-	(9,103)	124,238	321,805
Benefit payments	(95,167)	(88,479)	(78,442)	(86,835)	(44,700)	(23,179)	(20,815)	(15,426)
Net change in total OPEB liability	62,394	14,434	85,670	18,507	20,206	16,454	144,176	326,336
Total OPEB liability - beginning	1,366,322	1,351,888	1,266,218	1,247,711	1,227,505	470,512	326,336	-
Total OPEB liability - ending	<u>\$ 1,428,716</u>	<u>\$ 1,366,322</u>	<u>\$ 1,351,888</u>	<u>\$ 1,266,218</u>	<u>\$ 1,247,711</u>	<u>\$ 486,966</u>	<u>\$ 470,512</u>	<u>\$ 326,336</u>
Plan Fiduciary Net Position								
Contributions - employer	\$ 74,001	\$ 76,063	\$ 73,808	\$ 77,571	\$ 73,420	\$ 41,300	\$ 35,120	\$ 34,311
Net investment income	257,600	19,702	59,868	62,659	90,253	10,673	431	1,107
Benefit payments	(95,167)	(88,479)	(78,442)	(86,835)	(44,700)	(23,179)	(20,815)	(15,426)
Administrative expenses	(3,007)	(1,888)	(1,313)	(1,474)	(1,503)	(185)	(64)	(28)
Other changes	-	(9)	(71)	(4,438)	4,438	-	-	(1)
Net change in plan fiduciary net position	233,427	5,389	53,850	47,483	121,908	28,609	14,672	19,963
Plan fiduciary net position - beginning	991,491	986,102	932,252	884,769	762,861	34,635	19,963	-
Plan fiduciary net position - ending	<u>\$ 1,224,918</u>	<u>\$ 991,491</u>	<u>\$ 986,102</u>	<u>\$ 932,252</u>	<u>\$ 884,769</u>	<u>\$ 63,244</u>	<u>\$ 34,635</u>	<u>\$ 19,963</u>
Net OPEB liability	<u>\$ 203,798</u>	<u>\$ 374,831</u>	<u>\$ 365,786</u>	<u>\$ 333,966</u>	<u>\$ 362,942</u>	<u>\$ 423,722</u>	<u>\$ 435,877</u>	<u>\$ 306,373</u>
Plan fiduciary net position as a percentage of total OPEB liability	<u>85.74%</u>	<u>72.57%</u>	<u>72.94%</u>	<u>73.62%</u>	<u>70.91%</u>	<u>12.99%</u>	<u>7.36%</u>	<u>6.12%</u>
Covered payroll	<u>\$ 30,429,429</u>	<u>\$ 31,562,625</u>	<u>\$ 30,253,324</u>	<u>\$ 28,521,474</u>	<u>\$ 26,950,520</u>	<u>\$ 6,257,392</u>	<u>\$ 6,473,737</u>	<u>\$ 6,441,833</u>
Net OPEB liability as a percentage of covered payroll	<u>0.67%</u>	<u>1.19%</u>	<u>1.21%</u>	<u>1.17%</u>	<u>1.35%</u>	<u>6.77%</u>	<u>6.73%</u>	<u>4.76%</u>

Schedule is intended to show information for 10 years. Since 2022 is the fifth year for this presentation, only four additional years are available. Since the York County School Division nonprofessional employees began participating in the program in 2020, only three years of data are available. However, additional years will be included as they become available.

* Per GAAP, net OPEB liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Employer HIC OPEB Contributions
For the Years Ended June 30, 2013 through 2022

	(a)	(b)	(c)	(d)	(e)
Date	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess) (a) - (b)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll (b) / (d)
County					
June 30, 2022	\$ 53,802	\$ 53,802	-	\$ 31,648,096	0.17%
June 30, 2021	51,730	51,730	-	30,429,429	0.17%
June 30, 2020	53,656	53,656	-	31,562,625	0.17%
June 30, 2019	51,431	51,431	-	30,253,324	0.17%
June 30, 2018	54,191	54,191	-	28,521,474	0.19%
June 30, 2017	51,206	51,206	-	26,950,520	0.19%
June 30, 2016	50,313	50,313	-	26,480,681	0.19%
June 30, 2015	49,503	49,503	-	26,054,442	0.19%
June 30, 2014	41,680	41,680	-	26,049,790	0.16%
June 30, 2013	57,577	57,577	-	35,985,373	0.16%
School Division Professional					
June 30, 2022	\$ 914,343	\$ 914,343	\$ -	\$ 75,565,571	1.21%
June 30, 2021	890,686	890,686	-	73,610,398	1.21%
June 30, 2020	892,376	892,376	-	74,364,656	1.20%
June 30, 2019	852,109	852,109	-	71,009,117	1.20%
June 30, 2018	832,471	832,471	-	67,680,531	1.23%
June 30, 2017	743,350	743,350	-	66,968,466	1.11%
June 30, 2016	703,335	703,335	-	66,352,331	1.06%
June 30, 2015	673,859	673,859	-	63,571,618	1.06%
June 30, 2014	674,705	674,705	-	60,784,260	1.11%
June 30, 2013	657,477	657,477	-	59,232,163	1.11%
School Division Nonprofessional					
June 30, 2022	\$ 42,714	\$ 42,714	\$ -	\$ 6,471,798	0.66%
June 30, 2021	41,299	41,299	-	6,257,392	0.66%
June 30, 2020	34,311	34,311	-	6,473,737	0.53%

Schedule is intended to show information for 10 years. Since the York County School Division nonprofessional employees began participating in the program in 2020, only three years of data are available. However, additional years will be included as they become available.

COUNTY OF YORK, VIRGINIA
Schedule of Employer's Share of Net OPEB Liability
Health Insurance Credit Program - Professional Employees
Year Ended June 30

School Division										
	2022		2021		2020		2019		2018	
Employer's Proportion of the Net HIC OPEB Liability	0.83233%		0.84826%		0.84659%		0.83687%		0.84856%	
Employer's Proportionate Share of the Net HIC OPEB Liability	\$	10,683,531	\$	11,065,692	\$	11,082,687	\$	10,626,000	\$	10,765,000
Employer's Covered Payroll	\$	73,610,398	\$	74,364,656	\$	71,009,117	\$	67,680,531	\$	66,968,466
Employer's Proportionate Share of the Net HIC OPEB Liability as a Percentage of its Covered Payroll	14.51%		14.88%		15.61%		15.70%		16.07%	
Plan Fiduciary Net Position as a Percentage of the Total HIC OPEB Liability	13.15%		9.95%		8.97%		8.08%		7.04%	

Schedule is intended to show information for 10 years. Since 2022 is the fifth year for this presentation, only four additional years of data are available. However, additional years will be included as they become available.

* Per GAAP, net OPEB liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Employer's Share of Net OPEB Liability
Group Life Insurance Program
Year Ended June 30

	County				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net GLI OPEB Liability	0.21053%	0.21805%	0.22168%	0.21566%	0.21034%
Employer's Proportionate Share of the Net GLI OPEB Liability	\$ 2,451,140	\$ 3,638,898	\$ 3,607,323	\$ 3,276,000	\$ 3,165,000
Employer's Covered Payroll	\$ 43,465,887	\$ 44,875,227	\$ 43,457,502	\$ 41,007,670	\$ 38,797,164
Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of its Covered Payroll	5.64%	8.11%	8.30%	7.99%	8.16%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	67.45%	52.64%	52.00%	51.22%	48.86%

Schedule is intended to show information for 10 years. Since 2022 is the fifth year for this presentation, only four additional years of data are available. However, additional years will be included as they become available.

* Per GAAP, net OPEB liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Employer's Share of Net OPEB Liability
Group Life Insurance Program - Nonprofessional Employees
Years Ended June 30

	School Division				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net GLI OPEB Liability	0.03104%	0.03261%	0.03328%	0.33990%	0.03505%
Employer's Proportionate Share of the Net GLI OPEB Liability	\$ 361,390	\$ 544,207	\$ 541,554	\$ 516,000	\$ 527,000
Employer's Covered Payroll	\$ 6,407,980	\$ 6,710,645	\$ 6,524,499	\$ 6,464,042	\$ 6,465,629
Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of its Covered Payroll	5.64%	8.11%	8.30%	7.98%	8.15%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	67.45%	52.64%	52.00%	51.22%	48.86%

Schedule is intended to show information for 10 years. Since 2022 is the fifth year for this presentation, only four additional years of data are available. However, additional years will be included as they become available.

* Per GAAP, net OPEB liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Employer's Share of Net OPEB Liability
Group Life Insurance Program - Professional Employees
Years Ended June 30

	School Division				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's Proportion of the Net GLI OPEB Liability	0.35728%	0.36222%	0.36358%	0.35768%	0.36412%
Employer's Proportionate Share of the Net GLI OPEB Liability	\$ 4,159,709	\$ 6,044,858	\$ 5,916,415	\$ 5,432,000	\$ 5,479,000
Employer's Covered Payroll	\$ 73,764,438	\$ 74,545,554	\$ 71,274,389	\$ 68,011,166	\$ 67,163,557
Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of its Covered Payroll	5.64%	8.11%	8.30%	7.99%	8.16%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	67.45%	52.64%	52.00%	51.22%	48.86%

Schedule is intended to show information for 10 years. Since 2022 is the fifth year for this presentation, only four additional years of data are available. However, additional years will be included as they become available.

* Per GAAP, net OPEB liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Employer GLI OPEB Contributions
For the Years Ended June 30, 2013 through 2022

	(a)	(b)	(c)	(d)	(e)
Date	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess) (a) - (b)	Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll (b) / (d)
County					
June 30, 2022	\$ 242,869	\$ 242,869	-	\$ 44,975,660	0.54%
June 30, 2021	234,716	234,716	-	43,465,887	0.54%
June 30, 2020	233,351	233,351	-	44,875,227	0.52%
June 30, 2019	225,979	225,979	-	43,457,502	0.52%
June 30, 2018	213,240	213,240	-	41,007,670	0.52%
June 30, 2017	201,745	201,745	-	38,797,164	0.52%
June 30, 2016	182,606	182,606	-	38,042,921	0.48%
June 30, 2015	179,206	179,206	-	37,334,631	0.48%
June 30, 2014	178,047	178,047	-	37,093,209	0.48%
June 30, 2013	173,173	173,173	-	36,077,655	0.48%
School Division Nonprofessional					
June 30, 2022	\$ 35,511	\$ 35,511	\$ -	\$ 6,576,091	0.54%
June 30, 2021	34,603	34,603	-	6,407,980	0.54%
June 30, 2020	34,895	34,895	-	6,710,645	0.52%
June 30, 2019	33,927	33,927	-	6,524,499	0.52%
June 30, 2018	33,613	33,613	-	6,464,042	0.52%
June 30, 2017	33,621	33,621	-	6,465,629	0.52%
June 30, 2016	31,104	31,104	-	6,479,929	0.48%
June 30, 2015	29,858	29,858	-	6,220,361	0.48%
June 30, 2014	29,091	29,091	-	6,060,588	0.48%
June 30, 2013	28,253	28,253	-	5,885,972	0.48%
School Division Professional					
June 30, 2022	\$ 409,496	\$ 409,496	\$ -	\$ 75,832,600	0.54%
June 30, 2021	398,328	398,328	-	73,764,438	0.54%
June 30, 2020	387,637	387,637	-	74,545,554	0.52%
June 30, 2019	370,627	370,627	-	71,274,389	0.52%
June 30, 2018	353,658	353,658	-	68,011,166	0.52%
June 30, 2017	349,251	349,251	-	67,163,557	0.52%
June 30, 2016	319,402	319,402	-	66,542,088	0.48%
June 30, 2015	306,106	306,106	-	63,772,157	0.48%
June 30, 2014	292,259	292,259	-	60,887,315	0.48%
June 30, 2013	284,574	284,574	-	59,286,277	0.48%

COUNTY OF YORK, VIRGINIA
Schedule of Employer's Share of Net OPEB Liability (Asset)
Virginia Local Disability Program - Nonprofessional Employees
Years Ended June 30

School Division						
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	
Employer's Proportion of the Net VLDP OPEB Liability	0.053742%	0.59289%	0.56622%	0.55393%	0.58111%	
Employer's Proportionate Share of the Net VLDP OPEB Liability (Asset)	\$ (5,440)	\$ 5,919	\$ 11,471	\$ 4,000	\$ 3,000	
Employer's Covered Payroll	\$ 2,158,928	\$ 2,209,330	\$ 1,749,657	\$ 1,344,986	\$ 1,067,079	
Employer's Proportionate Share of the Net VLDP OPEB Liability (Asset) as a Percentage of its Covered Payroll	-0.25%	0.27%	0.66%	0.30%	0.28%	
Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability	119.64%	76.88%	49.21%	51.39%	38.40%	

Schedule is intended to show information for 10 years. Since 2022 is the fifth year for this presentation, only four additional years of data are available. However, additional years will be included as they become available.

* Per GAAP, net OPEB liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Employer's Share of Net OPEB Liability (Asset)
Virginia Local Disability Program - Professional Employees
Years Ended June 30

	School Division					
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	
Employer's Proportion of the Net VLDP OPEB Liability	2.67037%	2.67889%	2.60420%	2.70217%	2.91011%	
Employer's Proportionate Share of the Net VLDP OPEB Liability (Asset)	\$ (18,799)	\$ 21,492	\$ 15,140	\$ 21,000	\$ 17,000	
Employer's Covered Payroll	\$ 17,969,082	\$ 15,845,658	\$ 12,487,933	\$ 10,075,546	\$ 8,212,334	
Employer's Proportionate Share of the Net VLDP OPEB Liability as a Percentage of its Covered Payroll	-0.10%	0.14%	0.12%	0.21%	0.21%	
Plan Fiduciary Net Position as a Percentage of the Total VLDP OPEB Liability	114.41%	78.25%	74.07%	46.18%	31.96%	

Schedule is intended to show information for 10 years. Since 2022 is the fifth year for this presentation, only four additional years of data are available. However, additional years will be included as they become available.

* Per GAAP, net OPEB liabilities are reported using the measurement date, which is one year prior to the reporting date.

COUNTY OF YORK, VIRGINIA
Schedule of Employer Virginia Local Disability Program (VLDP)
For the Years Ended June 30, 2014 through 2022

	(a)	(b)	(c)	(d)	(e)
<u>Date</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess) (a) - (b)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll (b) / (d)</u>
School Division Nonprofessional					
June 30, 2022	\$ 20,783	\$ 20,783	\$ -	\$ 2,503,941	0.83%
June 30, 2021	17,919	17,919	-	2,158,928	0.83%
June 30, 2020	15,907	15,907	-	2,209,330	0.72%
June 30, 2019	10,848	10,848	-	1,749,657	0.62%
June 30, 2018	8,070	8,070	-	1,344,986	0.60%
June 30, 2017	6,402	6,402	-	1,067,079	0.60%
June 30, 2016	4,505	4,505	-	750,816	0.60%
June 30, 2015	2,825	2,825	-	470,890	0.60%
June 30, 2014	461	461	-	76,841	0.60%
School Division Professional					
June 30, 2022	\$ 100,189	\$ 100,189	\$ -	\$ 21,316,819	0.47%
June 30, 2021	84,455	84,455	-	17,969,082	0.47%
June 30, 2020	64,967	64,967	-	15,845,658	0.41%
June 30, 2019	51,201	51,201	-	12,487,933	0.41%
June 30, 2018	31,234	31,234	-	10,075,546	0.31%
June 30, 2017	25,458	25,458	-	8,212,334	0.31%
June 30, 2016	18,227	18,227	-	6,285,203	0.29%
June 30, 2015	9,074	9,074	-	3,129,075	0.29%
June 30, 2014	336	336	-	115,993	0.29%

Schedule is intended to show information for 10 years. Since VLDP was implemented in January 2014, only nine years of data are available. However, additional years will be included as they become available.

COUNTY OF YORK, VIRGINIA
Schedule of Investment Returns
Other Postemployment Benefits - Health/Dental
Years Ended June 30

	County					
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	-9.23%	30.07%	3.02%	4.60%	9.46%	12.93%

Schedule is intended to show information for 10 years. Since 2022 is the sixth year for this presentation, only six years of data are available. However, additional years will be included as they become available.

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2022

1. BUDGETARY DATA

Annual budget requests for the ensuing fiscal year are submitted to the County Administrator by department or agency heads during the second quarter of the fiscal year. The County Administrator reviews the requests and meetings are held with department heads and agencies for discussion. After work sessions with the Board of Supervisors and public hearings, the budget is amended as necessary and an appropriations resolution by functional level is adopted. The budget is required to be adopted by a majority vote of the Board of Supervisors prior to the end of the current fiscal year.

The budgetary data reported in the required supplementary information reflects the approved County Budget as adopted by the Board of Supervisors for the year ended June 30, 2022, as amended. The budget may be amended by the Board of Supervisors through supplemental appropriations or transfers as necessary. The legal level of budgetary control rests at the fund level with the exception of the General Fund, which is appropriated at the functional level. In addition, the County Code provides that the County Administrator may transfer funds within appropriation functions. These transfers may be made to allow the disbursement of funds for unanticipated costs incurred in daily County operations.

The budgets are prepared on a basis consistent with the modified accrual basis of accounting. The General Fund's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. According to the County Code, unexpended appropriations lapse at the end of the fiscal year. Encumbered balances, grants and donations, capital and maintenance, and other balances for specific purposes may be reappropriated in the following year by the Board of Supervisors.

The General, Special Revenue, Debt Service, Capital Projects, and Proprietary funds have legally adopted budgets, except for Proprietary funds (the York Sanitary District Fund, the Upper County Utility Fund, and the Sanitary District No. 2 Fund) in which the only expense is depreciation.

2. PENSION DATA

The supplemental information presented is intended to help users assess each system's funding status on a going concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other public employee retirement systems. Information pertaining to the retirement systems can be found in the notes to the financial statements.

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, 2020, 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:

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2022

2. PENSION DATA (Continued)

Largest 10 – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Largest 10 – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70.
Withdrawal Rates	Decreased rates
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2022

2. PENSION DATA (Continued)

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70.
Withdrawal Rates	Decreased 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
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

3. OTHER POSTEMPLOYMENT BENEFITS GLI and HIC (OPEB) DATA

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, 2020, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through July 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 – General Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2022

3. OTHER POSTEMPLOYMENT BENEFITS GLI and HIC (OPEB) DATA (Continued)

Non-Largest – General Employees:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Largest 10 – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70.
Withdrawal Rates	Decreased rates
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Non-Largest – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70.
Withdrawal Rates	Decreased 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 Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

COUNTY OF YORK, VIRGINIA
Notes to Required Supplementary Information
June 30, 2022

4. OTHER POSTEMPLOYMENT BENEFITS (OPEB) DATA

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Information pertaining to the OPEB plans can be found in the notes to the financial statements.

The County and School Division pre-fund benefits through contributions to the trust. The current funding policy is to contribute the Actuarially Determined Contribution as calculated by the actuary with exceptions if there is a contribution excess. The Actuarially Determined Contribution is the sum of the current year's normal cost plus an amount necessary to amortize the unfunded liability over a closed period. The following methods and assumptions were used to calculate the Actuarially Determined Contribution for the fiscal year ending June 30, 2022.

Actuarial cost method:	Projected Unit Credit
Amortization method:	Layered approach, with each new base amortized over a closed 30-year period as a level percentage of payroll
Asset valuation method:	Market value
Inflation:	2.5 percent
Payroll growth:	3.0 percent
Discount rate:	6.5 percent
Medical cost trend:	Pre-65 is 5.80% for fiscal 2022, 5.50% for fiscal 2023, and then grading to an ultimate rate of 3.90% for fiscal 2074 Post-65 is 3.80% for fiscal 2022, 5.00% for fiscal 2023, and then grading to an ultimate rate of 3.90% for fiscal 2074
Dental cost trend:	4.91% annual increase for fiscal 2022, then the lesser of the pre-Medicare medical trend and 4.00% for each fiscal year thereafter

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

Revenue Stabilization Fund – accounts for local funds equal to the excess of Federal Impact Aid receipts returned by the School Division at the close of any fiscal year. When applicable, expenditures reflect funds transferred to the School Division for school capital projects, which are typically repaid with future receipts.

Children and Family Services Fund - accounts for the receipt and disbursement of federal and local funds for the Head Start and USDA Food Service Programs.

Virginia Public Assistance Fund - accounts for the rendering of economic aid to qualifying citizens.

Law Library Fund - accounts for the receipt and disbursement of funds for the Law Library.

Community Development Authority Revenue Account Fund - accounts for the incremental tax revenues generated by the Marquis Lifestyle Center and paid to the Authority's trustee and for the payment to the County for services provided to the facilities in the project area.

Grants and Donations Fund - accounts for various grant-funded programs which include non-recurring grants as well as grants that cross multiple years and non-permanent personnel grants.

Debt Service Funds:

County Fund - accounts for the receipt and payment of bonds and loans issued for the construction and maintenance of County facilities and equipment.

Education Fund - accounts for the receipt and payment of bonds and loans issued for the construction and maintenance of educational facilities and equipment. This fund is a major governmental fund; however, it is shown here for budgetary comparison purposes.

Capital Project Funds:

Stormwater Fund - accounts for revenue and expenditures related to the drainage maintenance projects.

Yorktown Capital Improvements Fund - accounts for revenue and expenditures related to capital improvements in the historical Yorktown area. This fund is a major governmental fund; however, it is shown here for budgetary comparison purposes.

County Capital Fund - accounts for revenue and expenditures related to construction or acquisition of facilities and equipment in the general governmental areas such as facilities maintenance, public safety, and parks and recreation. This fund is a major governmental fund; however, it is shown here for budgetary comparison purposes.

COUNTY OF YORK, VIRGINIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

		Special Revenue								Total Nonmajor Governmental Funds
		Revenue Stabilization	Children & Family Services	Virginia Public Assistance	Law Library	Community Development Authority Revenue Account	Grant and Donations	Debt Service County	Stormwater Capital Project	
ASSETS										
Cash and investments		\$ 7,011,518	\$ 200,428	\$ 764,824	\$ 29,942	\$ 185,449	\$ 1,337,077	\$ 903,530	\$ 6,096,060	\$ 16,528,828
Receivables, net		-	178,296	590,092	448	149,596	495,914	-	102,991	1,517,337
Prepaid expenditures		-	-	-	-	18,037	-	-	-	18,037
Total assets		<u>\$ 7,011,518</u>	<u>\$ 378,724</u>	<u>\$ 1,354,916</u>	<u>\$ 30,390</u>	<u>\$ 353,082</u>	<u>\$ 1,832,991</u>	<u>\$ 903,530</u>	<u>\$ 6,199,051</u>	<u>\$ 18,064,202</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable		\$ -	\$ 60,948	\$ 246,410	\$ -	\$ -	\$ 274,843	\$ -	\$ 625,270	\$ 1,207,471
Salaries, taxes and benefits payable		-	50,601	180,641	-	-	-	-	-	231,242
Unearned revenue		-	-	-	-	-	-	-	192,823	192,823
Due to component unit - CDA		-	-	-	-	335,045	-	-	-	335,045
Total liabilities		<u>-</u>	<u>111,549</u>	<u>427,051</u>	<u>-</u>	<u>335,045</u>	<u>274,843</u>	<u>-</u>	<u>818,093</u>	<u>1,966,581</u>
Deferred inflows of resources:										
Unavailable revenues - property taxes, fees and grants		-	-	-	-	-	3,454	-	-	3,454
Prepaid taxes and grants received in advance		-	-	-	-	18,037	138,750	-	-	156,787
Total deferred inflows of resources		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,037</u>	<u>142,204</u>	<u>-</u>	<u>-</u>	<u>160,241</u>
Fund balances:										
Restricted		-	11,970	-	30,390	-	1,310,369	-	-	1,352,729
Committed		7,011,518	-	-	-	-	-	-	5,380,958	12,392,476
Assigned		-	255,205	927,865	-	-	105,575	903,530	-	2,192,175
Total fund balances		<u>7,011,518</u>	<u>267,175</u>	<u>927,865</u>	<u>30,390</u>	<u>-</u>	<u>1,415,944</u>	<u>903,530</u>	<u>5,380,958</u>	<u>15,937,380</u>
Total liabilities, deferred inflows of resources and fund balances		<u>\$ 7,011,518</u>	<u>\$ 378,724</u>	<u>\$ 1,354,916</u>	<u>\$ 30,390</u>	<u>\$ 353,082</u>	<u>\$ 1,832,991</u>	<u>\$ 903,530</u>	<u>\$ 6,199,051</u>	<u>\$ 18,064,202</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue								
	Revenue Stabilization	Children & Family Services	Virginia Public Assistance	Law Library	Community Development Authority Revenue Account	Grants and Donations	Debt Service County	Stormwater Capital Project	Total Nonmajor Governmental Funds
REVENUES									
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ 407,758	\$ -	\$ -	\$ -	\$ 407,758
Other local taxes	-	-	-	-	834,865	-	-	1,345,550	2,180,415
Intergovernmental:									
Federal	-	1,392,319	2,571,273	-	-	1,077,430	-	-	5,041,022
State	-	5,162	1,782,274	-	-	585,039	-	-	2,372,475
Use of money and property	2,440	32	-	10	72	380	10	1,904	4,848
Charges for services	-	10,495	480	5,235	-	-	-	1,775	17,985
Miscellaneous	-	4,320	-	-	-	56,357	-	-	60,677
Recovered costs	-	-	261,812	-	-	-	-	-	261,812
Total revenues	<u>2,440</u>	<u>1,412,328</u>	<u>4,615,839</u>	<u>5,245</u>	<u>1,242,695</u>	<u>1,719,206</u>	<u>10</u>	<u>1,349,229</u>	<u>10,346,992</u>
EXPENDITURES									
Current:									
Judicial services	-	-	-	3,216	-	95,950	-	-	99,166
Public Safety	-	-	-	-	-	552,372	-	-	552,372
Education	2,000,000	-	-	-	-	30,301	-	-	2,030,301
Human services	-	1,712,901	6,768,782	-	-	-	-	-	8,481,683
Community services	-	-	-	-	-	1,052,244	-	-	1,052,244
Nondepartmental	-	-	-	-	1,066,456	-	-	-	1,066,456
Capital outlay	-	-	-	-	-	-	-	1,512,087	1,512,087
Debt service:									
Principal retirement	-	-	5,854	-	-	-	2,320,000	-	2,325,854
Interest and fiscal charges	-	-	116	-	-	-	898,528	-	898,644
Lease financing	-	-	22,094	-	-	-	-	-	22,094
Total expenditures	<u>2,000,000</u>	<u>1,712,901</u>	<u>6,796,846</u>	<u>3,216</u>	<u>1,066,456</u>	<u>1,730,867</u>	<u>3,218,528</u>	<u>1,512,087</u>	<u>18,040,901</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,997,560)</u>	<u>(300,573)</u>	<u>(2,181,007)</u>	<u>2,029</u>	<u>176,239</u>	<u>(11,661)</u>	<u>(3,218,518)</u>	<u>(162,858)</u>	<u>(7,693,909)</u>
OTHER FINANCING SOURCES (USES)									
Lease financing	-	-	22,094	-	-	-	-	-	22,094
Transfers in	423,392	360,000	2,381,045	-	-	-	3,423,870	200,000	6,788,307
Transfers out	-	-	-	-	(176,239)	-	-	-	(176,239)
Total other financing sources (uses), net	<u>423,392</u>	<u>360,000</u>	<u>2,403,139</u>	<u>-</u>	<u>(176,239)</u>	<u>-</u>	<u>3,423,870</u>	<u>200,000</u>	<u>6,634,162</u>
Net change in fund balances	(1,574,168)	59,427	222,132	2,029	-	(11,661)	205,352	37,142	(1,059,747)
Fund balances, beginning of year	8,585,686	207,748	705,733	28,361	-	1,427,605	698,178	5,343,816	16,997,127
Fund balances, end of year	<u>\$ 7,011,518</u>	<u>\$ 267,175</u>	<u>\$ 927,865</u>	<u>\$ 30,390</u>	<u>\$ -</u>	<u>\$ 1,415,944</u>	<u>\$ 903,530</u>	<u>\$ 5,380,958</u>	<u>\$ 15,937,380</u>

COUNTY OF YORK, VIRGINIA
 Budgetary Comparison Schedule
 Nonmajor Special Revenue Funds
 For the Year Ended June 30, 2022

	Revenue Stabilization				Children and Family Services			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
Intergovernmental:								
Federal	\$ -	\$ -	\$ -	\$ -	\$ 1,289,272	\$ 1,463,929	\$ 1,392,319	\$ (71,610)
State	-	-	-	-	-	-	5,162	5,162
Use of money and property	-	-	2,440	2,440	1,800	1,800	32	(1,768)
Charges for services	-	-	-	-	4,000	4,000	10,495	6,495
Miscellaneous	-	-	-	-	2,400	2,400	4,320	1,920
Total revenues	-	-	2,440	2,440	1,297,472	1,472,129	1,412,328	(59,801)
EXPENDITURES								
Current:								
Education	-	2,000,000	2,000,000	-	-	-	-	-
Human services	-	-	-	-	1,865,220	2,039,877	1,712,901	326,976
Total expenditures	-	2,000,000	2,000,000	-	1,865,220	2,039,877	1,712,901	326,976
Excess (deficiency) of revenues over (under) expenditures	-	(2,000,000)	(1,997,560)	2,440	(567,748)	(567,748)	(300,573)	267,175
OTHER FINANCING SOURCES								
Transfers in	423,392	423,392	423,392	-	360,000	360,000	360,000	-
Total other financing sources	423,392	423,392	423,392	-	360,000	360,000	360,000	-
Net change in fund balances	423,392	(1,576,608)	(1,574,168)	2,440	(207,748)	(207,748)	59,427	267,175
Fund balances, beginning of year	(423,392)	1,576,608	8,585,686	7,009,078	207,748	207,748	207,748	-
Fund balances, end of year	\$ -	\$ -	\$ 7,011,518	\$ 7,011,518	\$ -	\$ -	\$ 267,175	\$ 267,175

	Virginia Public Assistance				Law Library			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
Intergovernmental:								
Federal	\$ 2,644,132	\$ 2,644,132	\$ 2,571,273	\$ (72,859)	\$ -	\$ -	\$ -	\$ -
State	1,742,410	1,742,410	1,782,274	39,864	-	-	-	-
Use of money and property	-	-	-	-	150	150	10	(140)
Charges for services	-	-	480	480	9,000	9,000	5,235	(3,765)
Miscellaneous	-	-	-	-	-	-	-	-
Recovered costs	304,000	304,000	261,812	(42,188)	-	-	-	-
Total revenues	4,690,542	4,690,542	4,615,839	(74,703)	9,150	9,150	5,245	(3,905)
EXPENDITURES								
Current:								
Judicial services	-	-	-	-	6,000	6,000	3,216	2,784
Human services	7,348,056	7,363,056	6,768,782	594,274	-	-	-	-
Debt service:								
Principal retirement	5,854	5,854	5,854	-	-	-	-	-
Interest and fiscal charges	116	116	116	-	-	-	-	-
Lease financing	-	-	22,094	(22,094)	-	-	-	-
Total expenditures	7,354,026	7,369,026	6,796,846	572,180	6,000	6,000	3,216	2,784
Excess (deficiency) of revenues over (under) expenditures	(2,663,484)	(2,678,484)	(2,181,007)	497,477	3,150	3,150	2,029	(1,121)
OTHER FINANCING SOURCES								
Lease financing	-	-	22,094	22,094	-	-	-	-
Transfers in	2,372,045	2,387,045	2,381,045	(6,000)	-	-	-	-
Total other financing sources	2,372,045	2,387,045	2,403,139	16,094	-	-	-	-
Net change in fund balances	(291,439)	(291,439)	222,132	513,571	3,150	3,150	2,029	(1,121)
Fund balances, beginning of year	291,439	291,439	705,733	414,294	(3,150)	(3,150)	28,361	31,511
Fund balances, end of year	\$ -	\$ -	\$ 927,865	\$ 927,865	\$ -	\$ -	\$ 30,390	\$ 30,390

COUNTY OF YORK, VIRGINIA
 Budgetary Comparison Schedule
 Nonmajor Special Revenue Funds
 For the Year Ended June 30, 2022

	Community Development Authority Revenue Account				Grants and Donations			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
General property taxes	\$ 370,594	\$ 370,594	\$ 407,758	\$ 37,164	\$ -	\$ -	\$ -	\$ -
Other local taxes	799,900	799,900	834,865	34,965	-	-	-	-
Intergovernmental								
Federal	-	-	-	-	1,532,609	2,590,768	1,077,430	(1,513,338)
State	-	-	-	-	380,000	588,119	585,039	(3,080)
Use of money and property	-	-	72	72	-	-	380	380
Miscellaneous	-	-	-	-	-	146,801	56,357	(90,444)
Total revenues	<u>1,170,494</u>	<u>1,170,494</u>	<u>1,242,695</u>	<u>72,201</u>	<u>1,912,609</u>	<u>3,325,688</u>	<u>1,719,206</u>	<u>(1,606,482)</u>
EXPENDITURES								
Current:								
Judicial services	-	-	-	-	61,095	157,385	95,950	61,435
Public Safety	-	-	-	-	2,047,468	2,769,921	552,372	2,217,549
Education	-	-	-	-	6,589	41,093	30,301	10,792
Public Works	-	-	-	-	2,428	2,428	-	2,428
Community development	-	-	-	-	438	438	-	438
Community services	-	-	-	-	1,059,267	1,667,208	1,052,244	614,964
Nondepartmental	994,254	994,254	1,066,456	(72,202)	162,928	114,820	-	114,820
Total expenditures	<u>994,254</u>	<u>994,254</u>	<u>1,066,456</u>	<u>(72,202)</u>	<u>3,340,213</u>	<u>4,753,293</u>	<u>1,730,867</u>	<u>3,022,426</u>
Excess (deficiency) of revenues over (under) expenditures	<u>176,240</u>	<u>176,240</u>	<u>176,239</u>	<u>(1)</u>	<u>(1,427,604)</u>	<u>(1,427,605)</u>	<u>(11,661)</u>	<u>1,415,944</u>
OTHER FINANCING SOURCES (USES)								
Transfers out	(176,240)	(176,240)	(176,239)	1	-	-	-	-
Total other financing sources (uses), net	<u>(176,240)</u>	<u>(176,240)</u>	<u>(176,239)</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	(1,427,604)	(1,427,605)	(11,661)	1,415,944
Fund balances, beginning of year	-	-	-	-	1,427,604	1,427,605	1,427,605	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,415,944</u>	<u>\$ 1,415,944</u>
Total								
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)				
REVENUES								
General property taxes	\$ 370,594	\$ 370,594	\$ 407,758	\$ 37,164				
Other local taxes	799,900	799,900	834,865	34,965				
Intergovernmental								
Federal	5,466,013	6,698,829	5,041,022	(1,657,807)				
State	2,122,410	2,330,529	2,372,475	41,946				
Use of money and property	1,950	1,950	2,934	984				
Charges for services	13,000	13,000	16,210	3,210				
Miscellaneous	2,400	149,201	60,677	(88,524)				
Recovered costs	304,000	304,000	261,812	(42,188)				
Total revenues	<u>9,080,267</u>	<u>10,668,003</u>	<u>8,997,753</u>	<u>(1,670,250)</u>				
EXPENDITURES								
Current:								
Judicial services	67,095	163,385	99,166	64,219				
Public Safety	2,047,468	2,769,921	552,372	2,217,549				
Education	6,589	2,041,093	2,030,301	10,792				
Human services	9,213,276	9,402,933	8,481,683	921,250				
Public Works	2,428	2,428	-	2,428				
Community development	438	438	-	438				
Community services	1,059,267	1,667,208	1,052,244	614,964				
Nondepartmental	1,157,182	1,109,074	1,066,456	42,618				
Debt service:								
Principal retirement	5,854	5,854	5,854	-				
Interest and fiscal charges	116	116	116	-				
Lease financing	-	-	22,094	(22,094)				
Total expenditures	<u>13,559,713</u>	<u>17,162,450</u>	<u>13,310,286</u>	<u>3,852,164</u>				
Excess (deficiency) of revenues over (under) expenditures	<u>(4,479,446)</u>	<u>(6,494,447)</u>	<u>(4,312,533)</u>	<u>2,181,914</u>				
OTHER FINANCING SOURCES (USES)								
Lease financing	-	-	22,094	22,094				
Transfers in	3,155,437	3,170,437	3,164,437	(6,000)				
Transfers out	(176,240)	(176,240)	(176,239)	1				
Total other financing sources, net	<u>2,979,197</u>	<u>2,994,197</u>	<u>3,010,292</u>	<u>16,095</u>				
Net change in fund balances	<u>(1,500,249)</u>	<u>(3,500,250)</u>	<u>(1,302,241)</u>	<u>2,198,009</u>				
Fund balances, beginning of year	<u>1,500,249</u>	<u>3,500,250</u>	<u>10,955,133</u>	<u>7,454,883</u>				
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,652,892</u>	<u>\$ 9,652,892</u>				

COUNTY OF YORK, VIRGINIA
 Budgetary Comparison Schedule
 Debt Service Funds
 For the Year Ended June 30, 2022

	County				Education			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
Intergovernmental - Federal	\$ -	\$ -	\$ -	\$ -	\$ 59,470	\$ 59,470	\$ 56,082	\$ (3,388)
Intergovernmental - State	-	-	-	-	169,955	169,955	178,886	8,931
Use of money and property	-	-	10	10	-	-	-	-
Recovered costs	-	-	-	-	105,700	105,700	105,703	3
Total revenues	-	-	10	10	335,125	335,125	340,671	5,546
EXPENDITURES								
Education	-	-	-	-	9,640,920	9,640,920	-	9,640,920
Debt service:								
Principal retirement	2,320,000	3,018,178	2,320,000	698,178	5,505,000	5,505,000	5,250,000	255,000
Interest and fiscal charges	1,103,870	1,103,870	898,528	205,342	3,082,955	3,439,629	2,923,472	516,157
Total expenditures	3,423,870	4,122,048	3,218,528	903,520	18,228,875	18,585,549	8,173,472	10,412,077
Excess (deficiency) of revenues over (under) expenditures	(3,423,870)	(4,122,048)	(3,218,518)	903,530	(17,893,750)	(18,250,424)	(7,832,801)	10,417,623
OTHER FINANCING SOURCES (USES)								
Transfers in	3,423,870	3,423,870	3,423,870	-	8,252,830	8,252,830	8,252,830	-
Issuance of debt, net	-	-	-	-	9,640,920	9,640,920	-	(9,640,920)
Total other financing sources and uses, net	3,423,870	3,423,870	3,423,870	-	17,893,750	17,893,750	8,252,830	(9,640,920)
Net change in fund balances	-	(698,178)	205,352	903,530	-	(356,674)	420,029	776,703
Fund balances, beginning of year	-	698,178	698,178	-	-	356,674	356,674	-
Fund balances, end of year	\$ -	\$ -	\$ 903,530	\$ 903,530	\$ -	\$ -	\$ 776,703	\$ 776,703
Total								
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)				
REVENUES								
Intergovernmental - Federal	\$ 59,470	\$ 59,470	\$ 56,082	\$ (3,388)				
Intergovernmental - State	169,955	169,955	178,886	8,931				
Use of money and property	-	-	10	10				
Recovered costs	105,700	105,700	105,703	3				
Total revenues	335,125	335,125	340,681	5,556				
EXPENDITURES								
Education	9,640,920	9,640,920	-	9,640,920				
Debt service:								
Principal retirement	7,825,000	8,523,178	7,570,000	953,178				
Interest and fiscal charges	4,186,825	4,543,499	3,822,000	721,499				
Total expenditures	21,652,745	22,707,597	11,392,000	11,315,597				
Excess (deficiency) of revenues over (under) expenditures	(21,317,620)	(22,372,472)	(11,051,319)	11,321,153				
OTHER FINANCING SOURCES (USES)								
Transfers in	11,676,700	11,676,700	11,676,700	-				
Issuance of debt, net	9,640,920	9,640,920	-	(9,640,920)				
Total other financing sources, net	21,317,620	21,317,620	11,676,700	(9,640,920)				
Net change in fund balances	-	(1,054,852)	625,381	1,680,233				
Fund balances, beginning of year	-	1,054,852	1,054,852	-				
Fund balances, end of year	\$ -	\$ -	\$ 1,680,233	\$ 1,680,233				

COUNTY OF YORK, VIRGINIA
 Budgetary Comparison Schedule
 Capital Project Funds
 For the Year Ended June 30, 2022

	Stormwater Fund				Yorktown Capital Improvements			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
Intergovernmental:								
State	\$ -	\$ 2,652,067	\$ -	\$ (2,652,067)	\$ -	\$ -	\$ -	\$ -
Other local taxes	1,250,000	1,250,000	1,345,550	95,550	-	-	-	-
Use of money and property	-	-	1,904	1,904	-	-	5,917	5,917
Charges for services	28,000	28,000	1,775	(26,225)	-	-	-	-
Total revenues	1,278,000	3,930,067	1,349,229	(2,580,838)	-	-	5,917	5,917
EXPENDITURES								
Capital outlay	8,603,456	11,255,523	1,512,087	9,743,436	-	-	-	-
Total expenditures	8,603,456	11,255,523	1,512,087	9,743,436	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(7,325,456)	(7,325,456)	(162,858)	7,162,598	-	-	5,917	5,917
OTHER FINANCING SOURCES								
Transfers in	200,000	200,000	200,000	-	-	-	500,000	500,000
Total other financing sources	200,000	200,000	200,000	-	-	-	500,000	500,000
Net change in fund balances	(7,125,456)	(7,125,456)	37,142	7,162,598	-	-	505,917	505,917
Fund balances (deficit), beginning of year	7,125,456	7,125,456	5,343,816	(1,781,640)	-	-	(3,509,294)	(3,509,294)
Fund balances (deficit), end of year	\$ -	\$ -	\$ 5,380,958	\$ 5,380,958	\$ -	\$ -	\$ (3,003,377)	\$ (3,003,377)

	County Capital				Total			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
Intergovernmental:								
Federal	\$ 400,774	\$ 400,774	\$ 21,865	\$ (378,909)	\$ 400,774	\$ 400,774	\$ 21,865	\$ (378,909)
State	1,349,643	1,799,563	141,660	(1,657,903)	1,349,643	4,451,630	141,660	(4,309,970)
Other local taxes	-	-	-	-	1,250,000	1,250,000	1,345,550	95,550
Use of money and property	-	-	53,101	53,101	-	-	60,922	60,922
Charges for services	-	-	-	-	28,000	28,000	1,775	(26,225)
Miscellaneous	-	77,852	77,852	-	-	77,852	77,852	-
Recovered costs	45,000	570,000	547,985	(22,015)	45,000	570,000	547,985	(22,015)
Total revenues	1,795,417	2,848,189	842,463	(2,005,726)	3,073,417	6,778,256	2,197,609	(4,580,647)
EXPENDITURES								
Capital outlay	41,966,230	53,955,556	19,316,582	34,638,974	50,569,686	65,211,079	20,828,669	44,382,410
Debt service: costs of issuance	-	-	514,776	(514,776)	-	-	514,776	(514,776)
Total expenditures	41,966,230	53,955,556	19,831,358	34,124,198	50,569,686	65,211,079	21,343,445	43,867,634
Excess (deficiency) of revenues over (under) expenditures	(40,170,813)	(51,107,367)	(18,988,895)	32,118,472	(47,496,269)	(58,432,823)	(19,145,836)	39,286,987
OTHER FINANCING SOURCES								
Insurance recovery	-	33,022	33,023	1	-	33,022	33,023	1
Transfers in	2,900,000	15,358,533	15,358,533	-	3,100,000	15,558,533	16,058,533	500,000
Issuance of debt	11,050,000	11,050,000	32,165,000	21,115,000	11,050,000	11,050,000	32,165,000	21,115,000
Premium on bonds issued	-	-	2,308,689	2,308,689	-	-	2,308,689	2,308,689
Direct financing lease	-	-	2,587,369	2,587,369	-	-	2,587,369	2,587,369
Total other financing sources, net	13,950,000	26,441,555	52,452,614	26,011,059	14,150,000	26,641,555	53,152,614	26,511,059
Net change in fund balances	(26,220,813)	(24,665,812)	33,463,719	58,129,531	(33,346,269)	(31,791,268)	34,006,778	65,798,046
Fund balances (deficit), beginning of year	26,220,813	24,665,812	24,723,313	57,501	33,346,269	31,791,268	26,557,835	(5,233,433)
Fund balances (deficit), end of year	\$ -	\$ -	\$ 58,187,032	\$ 58,187,032	\$ -	\$ -	\$ 60,564,613	\$ 60,564,613

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NONMAJOR ENTERPRISE FUNDS

Yorktown Operations Fund - accounts for the operations at the Yorktown waterfront.

York Sanitary District Fund - accounts for the capital assets as of January 1, 1992 of the Sanitary District No. 1 utility systems.

Upper County Utility Fund - accounts for the capital assets as of January 1, 1992 of the upper County utility systems.

Water Utility Fund - accounts for the operations of the County's water utility systems.

Sanitary District No. 2 Fund - accounts for the capital assets as of January 1, 1992 of the Sanitary District No. 2 utility systems.

Regional Radio System Fund - accounts for the County's joint emergency communication system with James City County and Gloucester County.

COUNTY OF YORK, VIRGINIA
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2022

	Yorktown Operations	York Sanitary District	Upper County Utility	Water Utility	Sanitary District No. 2	Regional Radio System	Total
ASSETS							
Current assets:							
Cash and investments	\$ 12,471	\$ 332	\$ -	\$ 38,014	\$ -	\$ 1,827,222	\$ 1,878,039
Receivables, net	12,398	-	-	28,608	-	4,305	45,311
Due from component unit - EDA	209,515	-	-	-	-	-	209,515
Prepaid expenses	-	-	-	15,675	-	-	15,675
Total current assets	<u>234,384</u>	<u>332</u>	<u>-</u>	<u>82,297</u>	<u>-</u>	<u>1,831,527</u>	<u>2,148,540</u>
Noncurrent assets:							
Nondepreciable capital assets:							
Land	2,707,736	37,916	33,994	-	251,854	-	3,031,500
Easements	-	-	-	10,945	-	-	10,945
Depreciable capital assets:							
Buildings	-	783,982	-	-	2,699,159	-	3,483,141
Infrastructure	-	2,254,362	767,391	281,553	19,956,345	-	23,259,651
Equipment	-	446,216	-	-	453,831	2,919,301	3,819,348
Less accumulated depreciation	-	(3,027,311)	(608,341)	(93,958)	(19,787,097)	(1,021,755)	(24,538,462)
Total noncurrent assets	<u>2,707,736</u>	<u>495,165</u>	<u>193,044</u>	<u>198,540</u>	<u>3,574,092</u>	<u>1,897,546</u>	<u>9,066,123</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows related to OPEB costs	12,780	-	-	-	-	-	12,780
Deferred outflows related to pension costs	<u>8,062</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,062</u>
Total deferred outflows of resources	<u>20,842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,842</u>
Total assets and deferred outflows of resources	<u>\$ 2,962,962</u>	<u>\$ 495,497</u>	<u>\$ 193,044</u>	<u>\$ 280,837</u>	<u>\$ 3,574,092</u>	<u>\$ 3,729,073</u>	<u>\$ 11,235,505</u>
LIABILITIES							
Current liabilities:							
Accounts payable	\$ 3,548	\$ -	\$ -	\$ 40	\$ -	\$ -	\$ 3,588
Salaries, taxes and benefits payable	7,250	-	-	-	-	-	7,250
Unearned revenue	12	-	-	51,740	-	-	51,752
Total current liabilities	<u>10,810</u>	<u>-</u>	<u>-</u>	<u>51,780</u>	<u>-</u>	<u>-</u>	<u>62,590</u>
Noncurrent liabilities:							
Compensated absences - net current	12,903	-	-	-	-	-	12,903
Net OPEB liability	11,157	-	-	-	-	-	11,157
Net pension liability	4,080	-	-	-	-	-	4,080
Advance from other fund	2,300,000	-	-	-	-	-	2,300,000
Total noncurrent liabilities	<u>2,328,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,328,140</u>
Total liabilities	<u>2,338,950</u>	<u>-</u>	<u>-</u>	<u>51,780</u>	<u>-</u>	<u>-</u>	<u>2,390,730</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows related to OPEB costs	8,839	-	-	-	-	-	8,839
Deferred inflows related to pension costs	<u>16,884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,884</u>
Total deferred inflows of resources	<u>25,723</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,723</u>
NET POSITION							
Net investment in capital assets	2,707,736	495,165	193,044	198,540	3,574,092	1,897,546	9,066,123
Unrestricted	<u>(2,109,447)</u>	<u>332</u>	<u>-</u>	<u>30,517</u>	<u>-</u>	<u>1,831,527</u>	<u>(247,071)</u>
Total net position	<u>598,289</u>	<u>495,497</u>	<u>193,044</u>	<u>229,057</u>	<u>3,574,092</u>	<u>3,729,073</u>	<u>8,819,052</u>
Total liabilities and net position	<u>\$ 2,962,962</u>	<u>\$ 495,497</u>	<u>\$ 193,044</u>	<u>\$ 280,837</u>	<u>\$ 3,574,092</u>	<u>\$ 3,729,073</u>	<u>\$ 11,235,505</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2022

	<u>Yorktown Operations</u>	<u>York Sanitary District</u>	<u>Upper County Utility</u>	<u>Water Utility</u>	<u>Sanitary District No. 2</u>	<u>Regional Radio System</u>	<u>Total</u>
Operating Revenues							
Use of property	\$ 153,942	\$ -	\$ -	\$ -	\$ -	\$ 2,284,644	\$ 2,438,586
Charges for services	110,030	-	-	307,050	-	-	417,080
Miscellaneous	5,900	-	-	-	-	12,827	18,727
Total operating revenues	<u>269,872</u>	<u>-</u>	<u>-</u>	<u>307,050</u>	<u>-</u>	<u>2,297,471</u>	<u>2,874,393</u>
Operating Expenses							
Personal services	116,842	-	-	-	-	-	116,842
Contractual services	91,047	-	-	16,541	-	3,327,481	3,435,069
Materials and supplies	17,908	-	-	287,625	-	31,034	336,567
Depreciation	-	31,733	14,745	5,586	370,660	291,930	714,654
Total operating expenses	<u>225,797</u>	<u>31,733</u>	<u>14,745</u>	<u>309,752</u>	<u>370,660</u>	<u>3,650,445</u>	<u>4,603,132</u>
Operating income (loss)	<u>44,075</u>	<u>(31,733)</u>	<u>(14,745)</u>	<u>(2,702)</u>	<u>(370,660)</u>	<u>(1,352,974)</u>	<u>(1,728,739)</u>
Nonoperating Revenues (Expenses)							
Other local taxes	-	-	-	152,820	-	-	152,820
Interest income	25	-	-	73	-	494	592
Donated property	-	-	-	(412,889)	-	-	(412,889)
Total nonoperating revenues	<u>25</u>	<u>-</u>	<u>-</u>	<u>(259,996)</u>	<u>-</u>	<u>494</u>	<u>(259,477)</u>
Income before transfers	44,100	(31,733)	(14,745)	(262,698)	(370,660)	(1,352,480)	(1,988,216)
Transfers In	-	10	-	-	-	1,196,654	1,196,664
Change in net position	44,100	(31,723)	(14,745)	(262,698)	(370,660)	(155,826)	(791,552)
Total net position, beginning of year	<u>554,189</u>	<u>527,220</u>	<u>207,789</u>	<u>491,755</u>	<u>3,944,752</u>	<u>3,884,899</u>	<u>9,610,604</u>
Total net position, end of year	<u>\$ 598,289</u>	<u>\$ 495,497</u>	<u>\$ 193,044</u>	<u>\$ 229,057</u>	<u>\$ 3,574,092</u>	<u>\$ 3,729,073</u>	<u>\$ 8,819,052</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2022

	<u>Yorktown Operations</u>	<u>York Sanitary District</u>	<u>Upper County Utility</u>	<u>Water Utility</u>	<u>Sanitary District No. 2</u>	<u>Regional Radio System</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	\$ 109,863	\$ -	\$ -	\$ 315,142	\$ -	\$ 2,950,372	\$ 3,375,377
Other receipts	5,900	-	-	-	-	12,827	18,727
Payments to suppliers for goods and services	(109,121)	-	-	(304,157)	-	(3,359,834)	(3,773,112)
Payments to employees for services	(102,801)	-	-	-	-	-	(102,801)
Payments for interfund activity	(50,000)	-	-	-	-	-	(50,000)
Net cash provided by (used in) operating activities	(146,159)	-	-	10,985	-	(396,635)	(531,809)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers in	-	10	-	-	-	1,196,654	1,196,664
Net cash provided by noncapital financing activities	-	10	-	-	-	1,196,654	1,196,664
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition and construction of capital assets	-	-	-	(412,889)	-	-	(412,889)
Other local taxes to support capital projects	-	-	-	152,820	-	-	152,820
Net cash provided by capital and related financing activities	-	-	-	(260,069)	-	-	(260,069)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest income	25	-	-	73	-	494	592
Net cash provided by investing activities	25	-	-	73	-	494	592
Net increase (decrease) in cash and cash equivalents	(146,134)	10	-	(249,011)	-	800,513	405,378
Cash and cash equivalents, beginning of year	158,605	322	-	287,025	-	1,026,709	1,472,661
Cash and cash equivalents, end of year	\$ 12,471	\$ 332	\$ -	\$ 38,014	\$ -	\$ 1,827,222	\$ 1,878,039
Reconciliation of cash and cash equivalents to the Statement of Net Position:							
Cash and investments	\$ 12,471	\$ 332	\$ -	\$ 38,014	\$ -	\$ 1,827,222	\$ 1,878,039
Cash and cash equivalents, end of year	\$ 12,471	\$ 332	\$ -	\$ 38,014	\$ -	\$ 1,827,222	\$ 1,878,039
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ 44,075	\$ (31,733)	\$ (14,745)	\$ (2,702)	\$ (370,660)	\$ (1,352,974)	\$ (1,728,739)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	-	31,733	14,745	5,586	370,660	291,930	714,654
(Increase) decrease in:							
Receivables	3,923	-	-	1,692	-	665,728	671,343
Due from/to component unit - EDA	(158,031)	-	-	-	-	-	(158,031)
Increase (decrease) in:							
Accounts payable	(166)	-	-	9	-	(1,319)	(1,476)
Salaries, taxes and benefits payable	2,757	-	-	-	-	-	2,757
Unearned revenues	(1)	-	-	6,400	-	-	6,399
Net OPEB liability and related outflows/inflows	(505)	-	-	-	-	-	(505)
Net pension liability and related outflows/inflows	(1,114)	-	-	-	-	-	(1,114)
Compensated absences	12,903	-	-	-	-	-	12,903
Advance from other fund	(50,000)	-	-	-	-	-	(50,000)
Net cash provided by (used in) operating activities	\$ (146,159)	\$ -	\$ -	\$ 10,985	\$ -	\$ (396,635)	\$ (531,809)

INTERNAL SERVICE FUNDS

To account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost-reimbursement basis. An internal service fund may also be used to account for all or a portion of a government's risk financing activities.

Vehicle Maintenance Fund - accounts for the operations of the vehicle maintenance and replacement services provided to County departments.

Health and Dental Insurance Fund – accounts for the claims and related expenses for health and dental benefits of County employees and retirees.

Workers' Compensation Fund – accounts for the claims and related expenses for workers' compensation.

Information Technology Fund – accounts for the costs of computer hardware and software, computer technical support, software support, internet and telecommunications services to county departments.

COUNTY OF YORK, VIRGINIA
Combining Statement of Net Position
Internal Service Funds
June 30, 2022

	Vehicle Maintenance Fund	Health and Dental Insurance Fund	Workers' Compensation Fund	Information Technology Fund	Total
ASSETS					
Current assets:					
Cash and investments	\$ 3,035,313	\$ 5,347,577	\$ 816,359	\$ 879,089	\$ 10,078,338
Receivable, net	35,776	136,439	-	-	172,215
Prepaid expenses	-	377,000	-	41,531	418,531
Total current assets	<u>3,071,089</u>	<u>5,861,016</u>	<u>816,359</u>	<u>920,620</u>	<u>10,669,084</u>
Noncurrent assets:					
Nondepreciable capital assets:					
Construction in progress	14,370	-	-	-	14,370
Depreciable capital assets:					
Intangibles	239,907	-	-	-	239,907
Land improvements	1,312,152	-	-	-	1,312,152
Equipment	1,613,295	-	-	401,185	2,014,480
Vehicles	7,798,775	-	-	-	7,798,775
Less accumulated depreciation	(6,180,845)	-	-	(107,567)	(6,288,412)
Less accumulated amortization	(118,044)	-	-	-	(118,044)
Total noncurrent assets	<u>4,679,610</u>	<u>-</u>	<u>-</u>	<u>293,618</u>	<u>4,973,228</u>
Deferred outflows of resources					
Deferred outflows related to OPEB costs	221,681	-	1,203	13,467	236,351
Deferred outflows related to pension costs	248,792	-	17,875	17,061	283,728
Total deferred outflows of resources	<u>470,473</u>	<u>-</u>	<u>19,078</u>	<u>30,528</u>	<u>520,079</u>
Total assets	<u>\$ 8,221,172</u>	<u>\$ 5,861,016</u>	<u>\$ 835,437</u>	<u>\$ 1,244,766</u>	<u>\$ 16,162,391</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 439,723	\$ 197,350	\$ 24,937	\$ 97,512	\$ 759,522
Salaries, taxes and benefits payable	51,122	333	3,341	-	54,796
Claims payable	-	1,287,000	-	-	1,287,000
Compensated absences - current	6,000	-	-	-	6,000
Total current liabilities	<u>496,845</u>	<u>1,484,683</u>	<u>28,278</u>	<u>97,512</u>	<u>2,107,318</u>
Noncurrent liabilities:					
Compensated absences - net current	134,874	-	-	-	134,874
Net OPEB liability	211,145	-	3,717	13,281	228,143
Net pension liability	127,831	-	8,839	8,159	144,829
Total noncurrent liabilities	<u>473,850</u>	<u>-</u>	<u>12,556</u>	<u>21,440</u>	<u>507,846</u>
Total liabilities	<u>970,695</u>	<u>1,484,683</u>	<u>40,834</u>	<u>118,952</u>	<u>2,615,164</u>
Deferred inflows of resources					
Deferred inflows related to OPEB costs	159,048	-	1,701	9,811	170,560
Deferred inflows related to pension costs	529,024	-	36,581	33,768	599,373
	<u>688,072</u>	<u>-</u>	<u>38,282</u>	<u>43,579</u>	<u>769,933</u>
NET POSITION					
Net investment in capital assets	4,679,610	-	-	293,618	4,973,228
Unrestricted	<u>1,882,795</u>	<u>4,376,333</u>	<u>756,321</u>	<u>788,617</u>	<u>7,804,066</u>
Total net position	<u>6,562,405</u>	<u>4,376,333</u>	<u>756,321</u>	<u>1,082,235</u>	<u>12,777,294</u>
Total liabilities and net position	<u>\$ 8,221,172</u>	<u>\$ 5,861,016</u>	<u>\$ 835,437</u>	<u>\$ 1,244,766</u>	<u>\$ 16,162,391</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2022

	Vehicle Maintenance Fund	Health and Dental Insurance Fund	Workers' Compensation Fund	Information Technology Fund	Total
Operating Revenues					
Charges for services	\$ 5,206,715	\$ 12,386,073	\$ -	\$ 1,657,814	\$ 19,250,602
Miscellaneous	65,977	-	1,607	-	67,584
Total operating revenues	<u>5,272,692</u>	<u>12,386,073</u>	<u>1,607</u>	<u>1,657,814</u>	<u>19,318,186</u>
Operating Expenses					
Personal services	1,249,162	1,393,275	70,690	82,486	2,795,613
Contractual services	668,124	13,974,242	274,878	1,027,105	15,944,349
Materials and supplies	2,619,592	-	-	353,884	2,973,476
Depreciation and amortization	651,628	-	-	50,100	701,728
Total operating expenses	<u>5,188,506</u>	<u>15,367,517</u>	<u>345,568</u>	<u>1,513,575</u>	<u>22,415,166</u>
Operating income (loss)	<u>84,186</u>	<u>(2,981,444)</u>	<u>(343,961)</u>	<u>144,239</u>	<u>(3,096,980)</u>
Nonoperating Revenues (Expenses)					
Grant income	113,400	-	-	-	113,400
Interest income	991	1,232	282	385	2,890
Loss on disposal of capital assets	(9,367)	-	-	(13,669)	(23,036)
Total nonoperating revenues, net	<u>105,024</u>	<u>1,232</u>	<u>282</u>	<u>(13,284)</u>	<u>93,254</u>
Income before transfers	189,210	(2,980,212)	(343,679)	130,955	(3,003,726)
Capital Contributions	26,775	-	-	-	26,775
Transfers In	<u>10,000</u>	<u>750,000</u>	<u>100,000</u>	<u>-</u>	<u>860,000</u>
Change in net position	225,985	(2,230,212)	(243,679)	130,955	(2,116,951)
Total net position, beginning of year	<u>6,336,420</u>	<u>6,606,545</u>	<u>1,000,000</u>	<u>951,280</u>	<u>14,894,245</u>
Total net position, end of year	<u>\$ 6,562,405</u>	<u>\$ 4,376,333</u>	<u>\$ 756,321</u>	<u>\$ 1,082,235</u>	<u>\$ 12,777,294</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2022

	Vehicle Maintenance Fund	Health and Dental Insurance Fund	Workers' Compensation Fund	Information Technology Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 5,188,425	\$ 13,116,812	\$ -	\$ 1,657,814	\$ 19,963,051
Other receipts	65,977	-	1,607	-	67,584
Payments to suppliers for goods and services	(3,196,425)	(13,575,098)	(288,937)	(1,305,236)	(18,365,696)
Payments to employees for services	(1,221,137)	(1,393,407)	(75,461)	(83,768)	(2,773,773)
Net cash provided by (used in) operating activities	<u>836,840</u>	<u>(1,851,693)</u>	<u>(362,791)</u>	<u>268,810</u>	<u>(1,108,834)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	750,000	100,000	-	850,000
Net cash provided by noncapital financing activities	<u>-</u>	<u>750,000</u>	<u>100,000</u>	<u>-</u>	<u>850,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Grant income	113,400	-	-	-	113,400
Acquisition and construction of capital assets	(1,911,963)	-	-	(39,446)	(1,951,409)
Net proceeds from the disposal of capital assets	35,774	-	-	-	35,774
Net cash used in capital and related financing activities	<u>(1,762,789)</u>	<u>-</u>	<u>-</u>	<u>(39,446)</u>	<u>(1,802,235)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income	991	1,232	282	385	2,890
Net cash provided by investing activities	<u>991</u>	<u>1,232</u>	<u>282</u>	<u>385</u>	<u>2,890</u>
Net increase in cash and cash equivalents	(924,958)	(1,100,461)	(262,509)	229,749	(2,058,179)
Cash and cash equivalents, beginning of year	3,960,271	6,448,038	1,078,868	649,340	12,136,517
Cash and cash equivalents, end of year	<u>\$ 3,035,313</u>	<u>\$ 5,347,577</u>	<u>\$ 816,359</u>	<u>\$ 879,089</u>	<u>\$ 10,078,338</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Cash and investments	<u>\$ 3,035,313</u>	<u>\$ 5,347,577</u>	<u>\$ 816,359</u>	<u>\$ 879,089</u>	<u>\$ 10,078,338</u>
Cash and cash equivalents, end of year	<u>\$ 3,035,313</u>	<u>\$ 5,347,577</u>	<u>\$ 816,359</u>	<u>\$ 879,089</u>	<u>\$ 10,078,338</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 84,186	\$ (2,981,444)	\$ (343,961)	\$ 144,239	\$ (3,096,980)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	651,628	-	-	50,100	701,728
Decrease (increase) in:					
Receivables	(18,290)	730,739	-	-	712,449
Prepaid expenses	-	-	-	(2,328)	(2,328)
Increase (decrease) in:					
Accounts payable	101,377	177,144	(14,059)	78,081	342,543
Retainage payable	(10,086)	-	-	-	(10,086)
Salaries, taxes and benefits payable	14,943	(132)	398	(3,205)	12,004
Claims payable	-	222,000	-	-	222,000
Compensated absences	12,500	-	-	-	12,500
Net OPEB liability and related outflows/inflows	3,076	-	(274)	2,966	5,768
Net pension liability and related outflows/inflows	(2,494)	-	(4,895)	(1,043)	(8,432)
Net cash provided by (used in) operating activities	<u>\$ 836,840</u>	<u>\$ (1,851,693)</u>	<u>\$ (362,791)</u>	<u>\$ 268,810</u>	<u>\$ (1,108,834)</u>
Noncash investing, capital, and financing activities:					
Contributions of capital assets	\$ 26,775	\$ -	\$ -	\$ -	\$ 26,775
Transfer in of capital assets	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000

CUSTODIAL FUNDS

Custodial funds are a type of Fiduciary Fund. Custodial funds are maintained to account for funds held by the County on behalf of individuals, private organizations or other governments, as follows:

Colonial Behavioral Health - accounts for fiscal custodial funds held for the Colonial Behavioral Health.

Colonial Group Home Commission - accounts for monies received for and expenditures made for the Commission.

Special Welfare Fund - accounts for monies received for and expenditures made on behalf of social service clients.

Regional Projects - accounts for monies received for and expenditures made on behalf of other agencies for regional projects.

Other Funds - the following funds are included in "Other Funds:"

Peninsula Public Sports Facility Authority - accounts for fiscal custodial funds held for the Peninsula Public Sports Facility Authority.

Darby-Firby Neighborhood Corporation Fund - accounts for fiscal custodial funds held for the Darby-Firby Neighborhood Corporation.

COUNTY OF YORK, VIRGINIA
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2022

	Colonial Behavioral Health	Colonial Group Home Commission	Special Welfare	Regional Projects	Other Funds	Total
ASSETS						
Cash and investments	\$ 6,378,086	\$ 562,422	\$ 52,170	\$ -	\$ 12,139	\$ 7,004,817
Accounts receivable	14,081	250	-	191,127	-	205,458
Total assets	<u>6,392,167</u>	<u>562,672</u>	<u>52,170</u>	<u>191,127</u>	<u>12,139</u>	<u>7,210,275</u>
LIABILITIES						
Accounts payable	467,195	14,226	14	384,387	-	865,822
Salaries, taxes and benefits payable	73,583	26,024	-	-	-	99,607
Deferred revenue	198,475	-	-	-	-	198,475
Total liabilities	<u>739,253</u>	<u>40,250</u>	<u>14</u>	<u>384,387</u>	<u>-</u>	<u>1,163,904</u>
NET POSITION						
Restricted for:						
Individuals, organizations and other governments	<u>5,652,914</u>	<u>522,422</u>	<u>52,156</u>	<u>(193,260)</u>	<u>12,139</u>	<u>6,046,371</u>
Total net position	<u>\$ 5,652,914</u>	<u>\$ 522,422</u>	<u>\$ 52,156</u>	<u>\$ (193,260)</u>	<u>\$ 12,139</u>	<u>\$ 6,046,371</u>

COUNTY OF YORK, VIRGINIA
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
June 30, 2022

	Colonial Behavioral Health	Colonial Group Home Commission	Special Welfare	Regional Projects	Other Funds	Total
ADDITIONS						
Federal receipts for other agencies & individuals	\$ 1,714,065	\$ -	\$ 4,456	\$ -	\$ -	\$ 1,718,521
State receipts for other agencies & individuals	8,016,279	-	-	-	-	8,016,279
Payments from other governments, agencies & local sources	9,149,768	582,933	26,083	423,143	-	10,181,927
Interest earned on cash balances	-	188	-	-	4	192
Total additions	<u>18,880,112</u>	<u>583,121</u>	<u>30,539</u>	<u>423,143</u>	<u>4</u>	<u>19,916,919</u>
DEDUCTIONS						
Payments to other governments, agencies & individuals	<u>17,479,184</u>	<u>824,869</u>	<u>42,608</u>	<u>626,847</u>	<u>25</u>	<u>18,973,533</u>
Total deductions	<u>17,479,184</u>	<u>824,869</u>	<u>42,608</u>	<u>626,847</u>	<u>25</u>	<u>18,973,533</u>
Change in net position	<u>1,400,928</u>	<u>(241,748)</u>	<u>(12,069)</u>	<u>(203,704)</u>	<u>(21)</u>	<u>943,386</u>
Net position, beginning, as restated	<u>4,251,986</u>	<u>764,170</u>	<u>64,225</u>	<u>10,444</u>	<u>12,160</u>	<u>5,102,985</u>
Net position, end of year	<u>\$ 5,652,914</u>	<u>\$ 522,422</u>	<u>\$ 52,156</u>	<u>\$ (193,260)</u>	<u>\$ 12,139</u>	<u>\$ 6,046,371</u>

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STATISTICAL SECTION

This part of the County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the County's overall financial health.

Contents:

Financial Trends (pages L-3, L-4, L-5, L-6, L-7 and L-8)

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity (pages L-9, L-10, L-11 and L-12)

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity (pages L-13 and L-14)

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information (pages L-15 and L-16)

These schedules offer demographic and economic indicators to help the reader understand how the environment within which the County's financial activities take place.

Operating Information (pages L-17, L-18 and L-19)

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

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COUNTY OF YORK, VIRGINIA
Net Position By Component - Accrual Basis of Accounting
Last Ten Fiscal Years

	<u>2022</u>	<u>2021 (3)</u>	<u>2020</u>	<u>2019</u>	<u>2018 (2)</u>	<u>Restated 2017</u>	<u>2016</u>	<u>2015 (1)</u>	<u>2014</u>	<u>2013</u>
Governmental Activities:										
Net investment in capital assets	\$ 44,619,015	\$ 67,685,243	\$ 63,819,651	\$ 61,388,220	\$ 54,032,029	\$ 59,070,221	\$ 57,048,477	\$ 55,705,954	\$ 55,437,501	\$ 57,401,484
Restricted	31,721,148	8,951,725	3,484,204	3,846,463	8,608,459	1,979,403	2,245,562	1,901,161	1,476,281	1,520,094
Unrestricted (deficit)	<u>(2,148,460)</u>	<u>(27,748,736)</u>	<u>(31,674,855)</u>	<u>(25,736,045)</u>	<u>(26,289,614)</u>	<u>(28,390,677)</u>	<u>(16,790,034)</u>	<u>(9,934,965)</u>	<u>21,674,899</u>	<u>13,599,525</u>
Total governmental activities net position	<u>\$ 74,191,703</u>	<u>\$ 48,888,232</u>	<u>\$ 35,629,000</u>	<u>\$ 39,498,638</u>	<u>\$ 36,350,874</u>	<u>\$ 32,658,947</u>	<u>\$ 42,504,005</u>	<u>\$ 47,672,150</u>	<u>\$ 78,588,681</u>	<u>\$ 72,521,103</u>
Business-type Activities:										
Net investment in capital assets	\$ 110,911,421	\$ 110,749,120	\$ 110,685,466	\$ 110,543,036	\$ 114,520,731	\$ 108,482,250	\$ 105,211,098	\$ 103,815,937	\$ 102,477,564	\$ 97,496,807
Restricted	-	-	-	122,713	117,043	105,906	141,802	177,154	177,139	174,935
Unrestricted	<u>17,317,074</u>	<u>13,274,713</u>	<u>10,859,105</u>	<u>9,390,118</u>	<u>6,112,669</u>	<u>7,905,567</u>	<u>8,314,320</u>	<u>6,630,921</u>	<u>5,817,374</u>	<u>7,734,278</u>
Total business-type activities net position	<u>\$ 128,228,495</u>	<u>\$ 124,023,833</u>	<u>\$ 121,544,571</u>	<u>\$ 120,055,867</u>	<u>\$ 120,750,443</u>	<u>\$ 116,493,723</u>	<u>\$ 113,667,220</u>	<u>\$ 110,624,012</u>	<u>\$ 108,472,077</u>	<u>\$ 105,406,020</u>
Primary Government:										
Net investment in capital assets	\$ 155,530,436	\$ 178,434,363	\$ 174,505,117	\$ 171,931,256	\$ 168,552,760	\$ 167,552,471	\$ 162,259,575	\$ 159,521,891	\$ 157,915,065	\$ 154,898,291
Restricted	31,721,148	8,951,725	3,484,204	3,969,176	8,725,502	2,085,309	2,387,364	2,078,315	1,653,420	1,695,029
Unrestricted (deficit)	<u>15,168,614</u>	<u>(14,474,023)</u>	<u>(20,815,750)</u>	<u>(16,345,927)</u>	<u>(20,176,945)</u>	<u>(20,485,110)</u>	<u>(8,475,714)</u>	<u>(3,304,044)</u>	<u>27,492,273</u>	<u>21,333,803</u>
Total Primary Government net position	<u>\$ 202,420,198</u>	<u>\$ 172,912,065</u>	<u>\$ 157,173,571</u>	<u>\$ 159,554,505</u>	<u>\$ 157,101,317</u>	<u>\$ 149,152,670</u>	<u>\$ 156,171,225</u>	<u>\$ 158,296,162</u>	<u>\$ 187,060,758</u>	<u>\$ 177,927,123</u>

(1) Implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date."

(2) Implemented GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

(3) Implemented GASB Statement No. 84, "Fiduciary Activities."

COUNTY OF YORK, VIRGINIA
Governmental Activities Tax Revenues By Source - Accrual Basis of Accounting
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Property tax	\$ 103,616,113	\$ 96,141,095	\$ 93,017,827	\$ 91,611,559	\$ 90,382,404	\$ 88,210,050	\$ 85,362,882	\$ 81,767,345	\$ 80,907,792	\$ 79,711,885
Local sales and use tax	19,333,835	17,389,034	16,525,293	14,921,971	10,266,194	10,236,341	10,146,625	9,759,880	9,475,836	9,380,393
Hotel and motel room taxes	6,028,261	3,549,512	3,793,734	5,241,150	5,142,868	5,071,633	4,994,074	4,643,484	4,323,868	4,268,312
Restaurant food taxes	5,329,793	5,338,091	4,501,921	5,258,588	4,436,519	6,387,418	6,047,842	5,818,598	5,607,884	5,550,391
Cigarette tax (2)	1,544,370	-	-	-	-	-	-	-	-	-
Business license taxes	8,805,867	7,513,546	7,633,724	7,330,820	6,952,681	6,603,695	6,187,990	6,240,330	6,410,146	5,720,592
Motor vehicle licenses	1,689,691	1,647,098	1,602,643	1,623,247	1,624,520	1,600,973	1,591,953	1,558,331	1,582,332	1,596,403
Taxes on recordation and wills	2,097,909	2,207,395	1,777,073	1,601,992	1,796,928	1,470,205	1,477,446	1,391,389	1,545,219	1,587,812
Other local taxes	1,792,428	1,909,367	1,744,306	1,893,226	1,921,574	1,935,553	1,938,974	1,925,269	1,956,544	1,966,816
Total	<u>\$ 150,238,267</u>	<u>\$ 135,695,138</u>	<u>\$ 130,596,521</u>	<u>\$ 129,482,553</u>	<u>\$ 122,523,688</u>	<u>\$ 121,515,868</u>	<u>\$ 117,747,786</u>	<u>\$ 113,104,626</u>	<u>\$ 111,809,621</u>	<u>\$ 109,782,604</u>

(1) Beginning in fiscal year 2019, local sales and use tax includes the historic triangle sales tax as established by Senate Bill 942.

(2) Beginning November 2021, a new cigarette tax of \$0.40 per pack was assessed which was allowed for counties by the prior year's General Assembly action.

COUNTY OF YORK, VIRGINIA
Fund Balances of Governmental Funds - Modified Accrual Basis of Accounting
Last Ten Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund										
Nonspendable	\$ 5,841,716	\$ 6,396,239	\$ 6,452,931	\$ 6,518,691	\$ 7,191,310	\$ 7,787,380	\$ 8,750,971	\$ 9,743,740	\$ 9,808,279	\$ 10,518,258
Restricted	-	13,104	13,872	11,645	948,861	1,069,702	1,106,571	991,058	940,152	843,439
Committed	5,699,023	1,252,245	1,109,003	3,327,357	11,567,875	12,479,603	12,027,362	13,315,169	12,664,460	12,520,518
Assigned	22,014,398	18,728,526	7,560,552	5,786,348	9,880,308	11,296,640	11,275,325	13,262,008	18,505,878	14,064,015
Unassigned	<u>20,898,594</u>	<u>18,240,000</u>	<u>17,570,640</u>	<u>17,570,640</u>	<u>17,040,240</u>	<u>17,026,740</u>	<u>16,270,680</u>	<u>16,126,447</u>	<u>19,747,802</u>	<u>15,612,469</u>
Total General Fund	<u>\$ 54,453,731</u>	<u>\$ 44,630,114</u>	<u>\$ 32,706,998</u>	<u>\$ 33,214,681</u>	<u>\$ 46,628,594</u>	<u>\$ 49,660,065</u>	<u>\$ 49,430,909</u>	<u>\$ 53,438,422</u>	<u>\$ 61,666,571</u>	<u>\$ 53,558,699</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 107,390	\$ -	\$ -	\$ -	\$ -	\$ 138,671
Restricted	31,687,038	8,915,607	3,434,488	3,834,818	7,659,598	909,701	1,138,991	910,103	536,129	676,655
Committed	18,005,315	16,118,614	16,582,668	16,071,516	7,521,642	5,396,429	6,213,357	4,052,604	5,653,220	9,937,427
Assigned	26,743,170	17,759,447	19,559,701	20,059,989	13,384,755	14,777,136	12,844,980	11,745,879	11,931,032	12,203,643
Unassigned	<u>(3,003,377)</u>	<u>(3,509,294)</u>	<u>(3,516,318)</u>	<u>(3,278,362)</u>	<u>(3,947,179)</u>	<u>(4,736,725)</u>	<u>(5,638,008)</u>	<u>(6,637,510)</u>	<u>(6,716,787)</u>	<u>(7,285,908)</u>
Total all other governmental funds	<u>\$ 73,432,146</u>	<u>\$ 39,284,374</u>	<u>\$ 36,060,539</u>	<u>\$ 36,687,961</u>	<u>\$ 24,726,206</u>	<u>\$ 16,346,541</u>	<u>\$ 14,559,320</u>	<u>\$ 10,071,076</u>	<u>\$ 11,403,594</u>	<u>\$ 15,670,488</u>

COUNTY OF YORK, VIRGINIA
Changes in Fund Balances of Governmental Funds - Modified Accrual Basis of Accounting
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Revenues										
General property taxes	\$ 102,934,410	\$ 96,233,428	\$ 91,924,860	\$ 91,174,219	\$ 90,544,105	\$ 88,434,572	\$ 85,368,220	\$ 81,977,556	\$ 81,125,127	\$ 80,071,914
Other local taxes	46,492,446	39,399,616	37,544,954	37,842,737	32,189,944	33,181,367	32,343,857	31,318,061	30,891,414	30,012,365
Intergovernmental	32,387,266	38,537,852	26,052,098	22,896,708	20,513,452	20,157,138	19,884,521	19,612,174	19,413,247	20,114,231
Permits, fees and licenses	1,253,374	968,829	999,687	1,104,298	1,037,354	680,369	779,390	882,569	818,221	659,658
Fines and forfeitures	325,485	268,429	380,930	433,857	345,783	332,090	308,039	277,108	298,754	335,974
Use of money and property	140,826	329,466	1,165,293	1,748,352	1,006,387	604,377	912,391	523,982	547,159	393,980
Charges for services	4,930,343	3,923,794	3,827,605	4,507,835	4,100,646	3,985,157	3,841,821	3,659,811	3,802,981	3,821,047
Miscellaneous	457,856	724,913	731,463	561,346	2,300,983	428,328	566,588	360,608	1,013,034	251,048
Recovered costs	2,837,612	2,227,790	2,205,724	2,152,453	2,133,591	2,074,403	2,547,682	2,343,291	2,732,928	2,527,853
Total revenues	<u>191,759,618</u>	<u>182,614,117</u>	<u>164,832,614</u>	<u>162,421,805</u>	<u>154,172,245</u>	<u>149,877,801</u>	<u>146,552,509</u>	<u>140,955,160</u>	<u>140,642,865</u>	<u>138,188,070</u>
Expenditures (2)										
General administration	3,225,635	3,177,263	2,861,717	2,860,531	4,571,362	4,266,942	4,125,373	2,117,469	2,203,303	2,056,291
Judicial services	2,969,179	3,100,864	3,199,581	3,008,038	2,909,235	2,753,613	2,607,584	2,788,807	2,741,134	2,576,351
Public safety	40,047,119	39,099,612	36,222,021	34,948,693	33,363,370	35,979,369	30,245,518	29,524,373	29,096,722	28,296,119
Environmental and development services	-	-	-	-	-	-	-	3,420,823	3,668,780	3,512,884
Finance and planning	-	-	-	-	-	-	-	8,687,984	9,613,082	8,305,316
Management services	9,989,290	11,081,821	9,779,528	9,619,413	10,798,169	10,180,894	8,863,808	-	-	-
Education	58,664,899	70,098,663	68,528,167	65,763,188	66,371,103	63,460,252	68,240,885	65,747,918	49,386,779	50,780,591
Human services	10,065,375	9,535,864	9,492,564	9,892,383	9,698,743	9,166,051	8,611,086	7,958,815	7,839,768	7,663,060
Public works	9,685,392	8,980,041	8,780,738	8,677,408	8,431,491	8,541,683	8,623,135	-	-	-
General services	-	-	-	-	-	-	-	6,640,288	6,323,547	6,086,730
Community development	2,616,737	2,503,557	2,534,211	4,030,153	-	-	-	-	-	-
Community services	8,885,580	6,429,786	5,428,488	5,818,632	5,769,126	5,572,438	5,151,517	5,089,962	4,796,824	4,758,072
Non-departmental	3,273,167	2,687,023	2,483,031	2,537,255	2,713,097	2,495,321	1,693,556	1,925,791	1,615,921	2,267,011
Capital outlay	20,828,669	4,842,230	15,313,579	11,083,627	6,128,438	4,635,455	5,988,334	6,955,577	7,784,015	4,646,213
Debt service:										
Principal	8,065,591	7,796,757	6,821,895	7,091,646	8,649,276	7,143,707	5,425,023	6,882,404	7,182,911	6,550,894
Interest and fiscal charges	3,875,570	3,888,464	3,837,070	3,841,150	3,611,114	3,363,409	3,507,961	3,336,339	3,652,774	3,959,671
Lease financing (3)	8,211,802	-	-	-	-	-	-	-	-	-
Other costs of debt issuance	514,776	75,918	98,183	45,918	153,611	63,044	180,516	25,822	188,219	-
Total expenditures	<u>190,918,781</u>	<u>173,297,863</u>	<u>175,380,773</u>	<u>169,218,035</u>	<u>163,168,135</u>	<u>157,622,178</u>	<u>153,264,296</u>	<u>151,102,372</u>	<u>136,093,779</u>	<u>131,459,203</u>
Excess (deficiency) of revenues over (under) expenditures	<u>840,837</u>	<u>9,316,254</u>	<u>(10,548,159)</u>	<u>(6,796,230)</u>	<u>(8,995,890)</u>	<u>(7,744,377)</u>	<u>(6,711,787)</u>	<u>(10,147,212)</u>	<u>4,549,086</u>	<u>6,728,867</u>
Other Financing Sources (Uses)										
Insurance recovery	94,346	279,619	27,734	54,673	19,705	13,163	78,234	19,749	21,459	23,596
Bonds issued	32,165,000	8,580,000	10,185,000	7,765,000	15,405,000	11,135,000	21,950,000	21,125,000	9,865,000	-
Premium on bonds issued	2,308,689	1,209,822	491,419	879,737	1,178,493	606,063	3,312,073	974,672	827,791	-
Direct financing lease/Capital leases	2,587,369	336,000	-	-	-	4,736,044	-	-	300,376	-
Lease financing (3)	8,211,802	-	-	-	-	-	-	-	-	-
Transfers In	31,375,909	18,282,420	23,710,598	25,975,972	26,722,915	19,253,176	20,304,143	17,065,038	13,989,217	19,188,067
Deposits for refunding	-	-	-	-	-	(3,035,000)	(12,598,700)	(12,595,000)	(10,500,116)	-
Transfers Out	(33,612,563)	(22,857,164)	(25,001,697)	(27,839,661)	(28,982,029)	(22,947,692)	(24,082,571)	(22,139,715)	(18,879,173)	(24,243,220)
Total other financing sources (uses), net	<u>43,130,552</u>	<u>5,830,697</u>	<u>9,413,054</u>	<u>6,835,721</u>	<u>14,344,084</u>	<u>9,760,754</u>	<u>8,963,179</u>	<u>4,449,744</u>	<u>(4,375,446)</u>	<u>(5,031,557)</u>
Net change in fund balances	<u>\$ 43,971,389</u>	<u>\$ 15,146,951</u>	<u>\$ (1,135,105)</u>	<u>\$ 39,491</u>	<u>\$ 5,348,194</u>	<u>\$ 2,016,377</u>	<u>\$ 2,251,392</u>	<u>\$ (5,697,468)</u>	<u>\$ 173,640</u>	<u>\$ 1,697,310</u>
Debt service as a percentage of noncapital expenditures (1)	<u>6.82%</u>	<u>7.02%</u>	<u>6.35%</u>	<u>6.81%</u>	<u>7.75%</u>	<u>7.05%</u>	<u>6.01%</u>	<u>6.95%</u>	<u>8.11%</u>	<u>8.27%</u>

(1) Noncapital expenditures = total expenditures less amounts for capitalized assets on the Government-Wide Statement of Net Assets.

(2) Expenditure categories were reclassified in FY2016. "Finance and planning" became "Management services" and "Environmental and development services" and "General services" were combined into "Public works" except for building regulations and development and compliance expenditures were moved from "Environmental and development services" to "General government." In FY2019, planning and planning commission were moved from "Management services" to "Community development." Also in FY2019, building regulations and development services were moved from "General administration" to "Community development."

(3) In FY2022, the County implemented GASB 87 - Leases.

COUNTY OF YORK, VIRGINIA
General Government Tax Revenues By Source - Modified Accrual Basis of Accounting
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Property tax	\$ 102,934,410	\$ 96,233,428	\$ 91,924,860	\$ 91,174,219	\$ 90,544,105	\$ 88,434,572	\$ 85,368,220	\$ 81,977,556	\$ 81,125,127	\$ 80,071,914
Local sales and use tax	19,333,835	17,389,034	16,525,293	14,921,971	10,266,194	10,236,341	10,146,625	9,759,880	9,475,836	9,380,393
Hotel and motel room taxes	6,017,165	3,562,342	3,757,890	5,241,150	5,171,984	5,058,976	4,977,615	4,643,484	4,323,868	4,302,250
Restaurant food taxes	5,309,260	5,333,750	4,497,970	5,272,635	4,488,226	6,332,930	6,060,974	5,814,040	5,631,472	5,563,010
Cigarette tax	1,544,370	-	-	-	-	-	-	-	-	-
Business license taxes	8,805,867	7,513,546	7,633,724	7,330,820	6,952,681	6,603,695	6,187,990	6,240,330	6,410,146	5,720,592
Communications sales tax	939,749	968,207	1,090,046	1,115,481	1,202,410	1,241,212	1,272,490	1,311,310	1,322,868	1,345,767
Motor vehicle licenses	1,664,712	1,599,783	1,648,997	1,621,817	1,627,449	1,582,337	1,590,308	1,574,559	1,586,865	1,525,026
Franchise taxes	4,077	4,464	4,713	4,403	4,295	3,808	2,876	1,267	1,247	1,028
Taxes on recordation and wills	2,097,909	2,207,395	1,777,073	1,601,992	1,796,928	1,470,205	1,477,446	1,391,389	1,545,219	1,587,812
Other local taxes	775,502	821,095	609,248	732,468	679,777	651,863	627,533	581,802	593,893	586,487
Total	<u>\$ 149,426,856</u>	<u>\$ 135,633,044</u>	<u>\$ 129,469,814</u>	<u>\$ 129,016,956</u>	<u>\$ 122,734,049</u>	<u>\$ 121,615,939</u>	<u>\$ 117,712,077</u>	<u>\$ 113,295,617</u>	<u>\$ 112,016,541</u>	<u>\$ 110,084,279</u>

COUNTY OF YORK, VIRGINIA
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

<u>Year</u>	<u>Real Property</u>		<u>Personal Property</u>	<u>Mobile Home</u>	<u>Public Utility</u>		<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
	<u>Residential</u>	<u>Commercial</u>			<u>Real Estate</u>	<u>Personal Property</u>		
2022	\$ 8,864,205,200	\$ 1,577,136,800	\$ 913,081,510	\$ 3,322,900	\$ 421,182,483	\$ 36,863	\$ 11,778,965,756	\$ 1.0296
2021	8,111,896,200	1,550,401,900	688,651,850	3,196,500	420,403,508	39,455	10,774,589,413	0.9999
2020	7,977,730,200	1,536,027,800	621,368,315	3,218,000	323,164,444	39,455	10,461,548,214	0.9854
2019	7,747,444,900	1,465,593,000	612,318,755	3,302,000	453,482,644	50,142	10,282,191,441	0.9859
2018	7,686,020,670	1,417,754,500	595,105,775	3,294,500	459,070,808	55,504	10,161,301,757	0.9827
2017	7,588,190,700	1,516,028,900	582,157,745	3,568,200	459,191,601	82,826	10,149,219,972	0.9789
2016	7,425,810,400	1,574,952,300	593,894,890	3,512,600	442,369,715	104,756	10,040,644,661	0.9437
2015	7,307,361,300	1,491,507,600	561,880,260	3,939,500	430,748,916	127,592	9,795,565,168	0.9379
2014	7,243,259,500	1,491,310,000	552,552,935	3,780,000	425,978,786	148,514	9,717,029,735	0.9363
2013	7,321,920,900	1,368,970,400	531,217,905	3,912,100	420,994,403	186,019	9,647,201,727	0.9304

Source: County Commissioner of Revenue.

Note: Values are net of tax exempt property. Property in the County is reassessed every two years. Property is assessed on a calendar year basis and at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$100 of assessed value. Calendar year 2017 included a change to the boat tax in that all boats are taxed at \$.000000001/\$100; previously boats less than 5 tons were taxed in the same class as personal property.

COUNTY OF YORK, VIRGINIA

Property Tax Rates Last Ten Fiscal Years

Fiscal Year	Real Estate (1) (2) (3)	Personal Property (1) (4)	Mobile Home (1) (3)	Boats > 5 Tons (1) (5)	Total Direct Tax Rate
2022	\$ 0.780	\$ 4.00	\$ 0.7800	\$ 0.000000001	\$ 1.0296
2021	0.795	4.00	0.7950	0.000000001	0.9999
2020	0.795	4.00	0.7950	0.000000001	0.9854
2019	0.795	4.00	0.7950	0.000000001	0.9859
2018	0.795	4.00	0.7950	0.000000001	0.9827
2017	0.7515/0.795	4.00	0.7515/0.795	1.00/0.000000001	0.9789
2016	0.7515	4.00	0.7515	1.00	0.9437
2015	0.7515	4.00	0.7515	1.00	0.9379
2014	0.7515	4.00	0.7515	1.00	0.9363
2013	0.7415/0.7515	4.00	0.7415/0.7515	1.00	0.9304

(1) Tax rate per \$100 of assessed valuation.

(2) The amount designated for school operating is \$0.57 per \$100 of valuation for fiscal year 2022.

(3) The tax rate, 1st half/2nd half, if different.

(4) The tax rate per \$100 of assessed valuation for Disabled American Veterans has been \$1.00 since 2008.

(5) Effective for calendar year 2017, all boats are taxed at \$.000000001/\$100. The boat tax rate has been effectively eliminated on all classes of boats.

Note: The County has no overlapping taxes with other governments.

COUNTY OF YORK, VIRGINIA
Principal Property Taxpayers
Calendar Year 2021 and Nine Years Prior*

<u>Taxpayer</u>	<u>Description</u>	<u>2021 Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>2012 Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Virginia Power Company	Generating plant	\$ 324,641,826	1	2.99%	\$ 338,845,802	1	3.52%
Lawyers Title/Fairfield Resorts/Wyndham	Timeshare condominiums	184,874,905	2	1.71%	178,964,075	2	1.86%
City of Newport News **	Water system	134,899,500	3	1.24%	76,446,255	5	0.79%
GWR OP Lessee VA LLC (Great Wolf Lodge)	Hotel and water park	116,823,885	4	1.08%	80,246,685	4	0.83%
BP/Western Refining/Plains Marketing	Former Refinery	87,770,960	5	0.81%	157,730,005	3	1.64%
Kings Creek Plantation	Timeshare condominiums	87,523,965	6	0.81%	74,007,185	6	0.77%
Moyork LLC (Commonwealth Apartments)	Apartment complex	49,743,200	7	0.46%	-		0.00%
Busch Entertainment/Water Country USA	Water Park	42,828,495	8	0.40%	45,110,845	7	0.47%
Walmart	Retail sales	39,921,615	9	0.37%	36,116,895	9	0.38%
Holiday Inn Club Vacations	Timeshare condominiums	36,180,200	10	0.33%	-		0.00%
U.S. Smokeless Tobacco Products	Manufacturer	-		0.00%	16,899,645	10	0.18%
1991 Ashe Partnership	Apartment complex	-		<u>0.00%</u>	<u>39,957,531</u>	8	<u>0.42%</u>
Total		<u>\$ 1,105,208,551</u>		<u>10.20%</u>	<u>\$ 1,044,324,923</u>		<u>10.86%</u>

*The County's assessment cycle is on a calendar year basis.

** City of Newport News is the third largest taxpayer based on assessed value. However, the city pays a tax to the County according to a formula set out in the Code of Virginia section 58.1-3663, based on the proportion of its total revenues derived from outside York County. The applicable taxable percentage is approximately 56%.
Source: Commissioner of the Revenue of the County of York, Virginia.

COUNTY OF YORK, VIRGINIA
Property Tax Levies and Collections
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Collections in Subsequent Year</u>	<u>Total Collections to Date</u>	
					<u>Amount</u>	<u>Percentage of Levy</u>
2022	\$ 103,326,263	\$ 98,607,357	95.43%	\$ -	\$ 98,607,357	95.43%
2021	95,712,249	91,357,773	95.45%	3,377,862	94,735,635	98.98%
2020	92,019,828	88,843,578	96.55%	2,616,143	91,459,721	99.39%
2019	90,196,473	87,055,100	96.52%	2,632,249	89,687,349	99.44%
2018	89,691,238	87,216,407	97.24%	1,904,677	89,121,084	99.36%
2017	87,536,065	84,909,975	97.00%	2,134,765	87,044,740	99.44%
2016	84,110,482	81,503,407	96.90%	2,064,984	83,568,391	99.36%
2015	80,716,523	77,929,910	96.55%	2,538,786	80,468,696	99.69%
2014	79,831,923	77,513,973	97.10%	1,969,213	79,483,186	99.56%
2013	78,390,079	75,580,443	96.42%	2,379,237	77,959,680	99.45%

Source: Commissioner of the Revenue and Treasurer, County of York, Virginia.

COUNTY OF YORK, VIRGINIA
Ratio of Outstanding Debt By Type (1)
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Business-type Activities			Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Literary Loans	Leases (3)	Direct Financing/ Capital Leases	Lease Revenue Bonds	Note Payable	General Obligation Bonds	Revenue Bonds	Capital Leases			
2022	\$ 76,941,376	\$ -	\$ 7,768,211	\$ 3,454,792	\$ 55,122,798	\$ -	\$ -	\$ 17,801,109	\$ -	\$ 161,088,286	N/A	\$ 2,276
2021	82,529,933	-	-	919,423	23,287,473	-	-	18,768,007	-	125,504,836	N/A	1,785
2020	77,733,259	-	-	1,515,179	25,756,218	-	-	19,604,905	-	124,609,561	0.02442	1,785
2019	74,271,325	-	-	1,997,074	25,446,020	-	-	19,963,073	-	121,677,492	2.51%	1,753
2018	69,812,399	-	-	3,423,720	28,136,579	-	-	20,616,187	-	121,988,885	2.62%	1,775
2017	66,330,054	-	-	5,722,996	21,308,937	-	-	21,254,301	-	114,616,288	2.51%	1,664
2016	61,906,639	-	-	2,420,659	23,247,569	-	-	21,169,120	-	108,743,987	2.44%	1,586
2015	53,270,668	-	-	2,860,682	23,544,723	-	-	21,696,428	325,301	101,697,802	2.34%	1,464
2014	49,619,991	-	-	3,113,086	24,847,309	-	-	22,207,989	638,542	100,426,917	2.38%	1,490
2013	54,961,398	-	-	2,862,880	26,059,652	372,740	-	22,141,530	940,170	107,338,370	2.64%	1,603

N/A - This information is not available.

(1) Bonds are shown at net of related premiums and/or discounts and deferred amounts on refundings for 2013. Beginning in FY2014, bonds are shown at net of related premiums and/or discounts.

(2) See Population and Personal Income on Demographic and Economic Statistics table, page L-16.

(3) In FY2022, the County implemented GASB 87 - Leases.

COUNTY OF YORK, VIRGINIA
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value of Property (1)</u>	<u>Per Capita (2)</u>
2022	\$ 76,941,376	\$ -	\$ 76,941,376	0.65%	1,087
2021	82,529,933	-	82,529,933	0.77%	1,174
2020	77,733,259	-	77,733,259	0.74%	1,114
2019	74,271,325	-	74,271,325	0.72%	1,070
2018	69,812,399	-	69,812,399	0.69%	1,016
2017	66,330,054	-	66,330,054	0.65%	963
2016	61,906,639	-	61,906,639	0.62%	903
2015	53,270,668	-	53,270,668	0.54%	767
2014	49,619,991	-	49,619,991	0.51%	736
2013	54,961,398	-	54,961,398	0.57%	821

(1) See Assessed Value table, page L-9.

(2) See Population on Demographic and Economic Statistics table, page L-16.

COUNTY OF YORK, VIRGINIA
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (Thousands) (2)	Per Capita Income (2)	Median Age (3)	Education Level In Years of Formal Schooling (4)	Student Average Daily Membership (5)	Unemployment Rate (6)
2022	70,769	N/A	N/A	39.60	13.20	12,609	2.80%
2021	70,319	N/A	N/A	39.60	13.20	12,244	3.30%
2020	69,792	\$ 5,102,836	\$ 62,645	41.30	13.20	12,914	5.50%
2019	69,407	4,839,691	59,892	39.20	13.20	12,756	2.60%
2018	68,725	4,665,483	58,119	39.30	13.20	12,610	2.80%
2017	68,890	4,574,749	57,072	39.50	13.20	12,584	3.50%
2016	68,585	4,453,737	55,773	39.30	13.20	12,522	3.80%
2015	69,466	4,349,518	54,425	40.10	13.20	12,519	4.20%
2014	67,396	4,225,333	53,749	39.20	13.20	12,333	4.90%
2013	66,955	4,059,619	51,954	38.60	13.20	12,226	5.30%

N/A - This information is not available.

Source:

(1) Weldon Cooper Center for Public Service; 2022 estimate derived from previous years' data.

(2) Bureau of Economic Analysis combined amount for York County/Poquoson.

(3) Median Age from U.S. Census Bureau

(4) Educational Attainment derived from data published by the U.S. Census Bureau.

(5) County School Division.

(6) Virginia Employment Commission; 2022 estimate per County Planning Division.

COUNTY OF YORK, VIRGINIA

Principal Employers
Current and Nine Years Prior

<u>Employer</u>	<u>2022</u>			<u>2013</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Naval Weapons Station/ Cheatham Annex	2,699	1	11.94%	2,907	1	13.06%
York County School Division	1,890	2	8.36%	1,731	2	7.78%
U.S. Coast Guard Station	1,273	3	5.63%	1,408	3	6.33%
York County Government	814	4	3.60%	718	6	3.23%
Sentara Williamsburg Regional Medical Center	810	5	3.58%	704	7	3.16%
Walmart	769	6	3.40%	811	4	3.64%
Water Country	683	7	3.02%	719	5	3.23%
Great Wolf Lodge of Williamsburg, LLC	439	8	1.94%	515	8	2.31%
YCMA	296	9	1.31%	481	9	2.16%
Kroger	291	10	1.29%			
Wyndham Vacation Ownership				283	10	1.27%
Total	<u>9,964</u>		<u>44.07%</u>	<u>10,277</u>		<u>46.17%</u>

Source: County Office of Economic Development.

Source: York County School Division Annual Comprehensive Financial Report.

COUNTY OF YORK, VIRGINIA
Full-time Equivalent County Employees By Function
Last Ten Fiscal Years

Function (1)	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General government	24.50	22.00	23.00	24.00	46.00	44.00	46.00	20.00	19.00	18.00
Judicial services	34.75	33.00	32.00	32.00	32.00	31.00	31.50	32.50	32.50	32.50
Public safety	352.00	333.50	323.00	323.00	313.50	307.00	302.00	300.00	300.00	300.00
Environmental and development services	-	-	-	-	-	-	-	54.50	54.50	54.25
Management services	101.00	97.50	99.50	97.50	97.50	95.75	95.25	-	-	-
Finance and planning	-	-	-	-	-	-	-	92.25	91.25	91.25
Education (Library)	33.50	32.50	32.50	32.50	32.50	32.00	33.00	33.00	33.00	33.00
Public works	188.00	180.00	174.00	176.00	177.00	173.00	171.00	-	-	-
General services	-	-	-	-	-	-	-	72.00	72.00	71.00
Community development	27.00	26.00	26.00	26.00	-	-	-	-	-	-
Community services	53.20	53.70	53.20	51.40	51.40	50.20	50.20	50.20	50.20	50.20
Sewer (Public Works)	-	-	-	-	-	-	-	56.00	57.00	56.00
Solid Waste (Public Works)	-	-	-	-	-	-	-	12.00	12.00	12.00
	<u>813.95</u>	<u>778.20</u>	<u>763.20</u>	<u>762.40</u>	<u>749.90</u>	<u>732.95</u>	<u>728.95</u>	<u>722.45</u>	<u>721.45</u>	<u>718.20</u>

Source: County Human Resources. Includes full-time and part-time positions; excludes work-as-required staff.

(1) Functional categories were reclassified in FY2016. "Finance and planning" became "Management services" and Environmental and development services" and "General services" were combined into "Public works" except for building regulations and development and compliance were reclassified from "Environmental and development services" to "General government." In FY2019, "Community Development" was created and includes building, development, and planning services.

COUNTY OF YORK, VIRGINIA
Operating Indicators By Function
Last Ten Years

Function	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Government										
Elections - Registered voters	50,094	49,009	46,553	45,274	45,757	45,134	44,361	43,007	44,840	45,165
Building Permits Issued	5,333	5,287	4,077	4,774	4,380	3,570	3,648	4,175	4,822	4,043
Building Permit Value	\$ 302,107,370	\$ 137,491,800	\$ 91,355,798	\$ 171,001,866	\$ 153,764,229	\$ 64,886,424	\$ 68,300,485	\$ 91,568,396	\$ 78,778,858	\$ 74,340,412
Judicial Services (Clerk of Court)										
Criminal and civil cases filed	3,489	4,414	3,127	4,674	4,137	3,307	3,361	2,886	2,501	1,651
Land records filed	24,016	26,360	22,157	21,242	24,273	25,576	22,857	22,821	23,023	26,117
Sheriff										
Physical arrests	1,172	951	1,414	1,851	1,768	1,596	1,685	1,547	1,673	1,655
Parking violations	117	111	100	112	62	72	106	83	103	71
Traffic violations	3,712	2,209	3,900	5,095	3,965	3,565	3,768	2,675	2,126	2,476
Fire and Life Safety										
Number of calls	12,072	11,266	10,942	11,558	11,464	10,919	9,969	9,707	9,550	9,289
Fire dispatches	4,661	4,284	4,411	4,971	4,992	4,743	4,117	4,076	4,007	3,567
Rescue dispatches	7,411	6,982	6,531	6,587	6,472	6,176	5,852	5,631	5,543	5,722
Education										
Library book circulation	433,600	365,523	451,753	557,764	509,704	514,824	527,047	534,923	524,847	529,718
Library registered patrons	47,112	44,770	43,149	52,592	48,530	44,022	64,436	63,248	69,860	65,057
School Division cost per pupil	\$ 13,134	\$ 12,449	\$ 10,960	\$ 10,847	\$ 10,662	\$ 10,204	\$ 10,081	\$ 10,177	\$ 9,584	\$ 9,743
Community services										
Recreation program participation (1)	27,824	22,307	110,683	151,048	160,280	131,205	105,032	121,587	100,542	108,590
Sewer										
New connections	267	318	250	316	273	109	170	401	277	339
Solid Waste										
Refuse collections (tons)	88,098	91,437	100,164	95,735	83,094	68,714	83,000	83,996	78,352	82,774
Recyclables collected (tons)	18,687	24,853	28,190	35,686	27,997	27,814	32,005	37,651	28,702	23,970

Source: Various County departments

(1) Recreation program participant numbers decreased in FY2021 due to the impacts of COVID-19.

COUNTY OF YORK, VIRGINIA
Capital Asset Statistics By Function
Last Ten Years

Function	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Sheriff										
Patrol units	59	58	59	56	55	56	51	55	61	57
Fire and Life Safety										
Stations	6	6	6	6	6	6	6	6	6	6
Fire and rescue apparatus	27	27	27	27	27	27	26	26	26	26
Community services										
Park acreage	786	786	786	786	786	786	786	786	786	786
Parks	11	11	11	11	11	11	11	11	11	11
Tennis courts	34	36	36	36	36	36	36	36	36	36
Basketball courts	33	38	38	38	38	38	38	38	38	38
Volleyball courts	1	1	1	1	1	1	1	1	1	1
Athletic fields	73	73	73	73	73	73	73	73	73	73
Kayak launches	1	1	1	1	-	-	-	-	-	-
Education										
School facilities	19	19	19	19	19	19	19	19	19	19
Sewer										
Sanitary sewer (miles)	415	406	393	390	389	384	381	377	367	362

Source: Various County departments.

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

To the Honorable Members of the Board of Supervisors
County of York, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Specifications for Audits of Counties, Cities, and Towns* issued by the Auditor of Public Accounts of the Commonwealth of Virginia (the “Specifications”), 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 York, Virginia (the “County”), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated November 29, 2022.

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. 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 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 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* or the Specifications.

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.

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The script is cursive and fluid, with the letters "Cherry" and "Bekaert" written in a connected style, and "LLP" in a slightly more formal, upright script.

Virginia Beach, Virginia
November 29, 2022

Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Honorable Members of the Board of Supervisors
County of York, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of York, Virginia's (the "County") compliance with the types of compliance requirements described 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, 2022. 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, 2022.

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 relating 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 determination 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 Responsibility 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 risks 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.

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 were not 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.

Cherry Bekaert LLP

Virginia Beach, Virginia
November 29, 2022

COUNTY OF YORK, VIRGINIA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

<u>Federal Granting Agency/Recipient State Agency/Grant Program/Grant Number</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
Department of Agriculture:		
Direct payments: Child and Adult Care Food Program	10.558	\$ 86,533
Pass-through payments:		
Department of Social Services:		
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (765-460-03; 765-460-010)	10.561	1,005,444
Department of Agriculture:		
Pandemic EBT Administrative Costs	10.649	3,063
Department of Agriculture:		
National School Lunch Program (Donated Foods)	10.555	358,166
Department of Education:		
National School Lunch Program (197-179-01)	10.555	6,070,886
Subtotal Donated Foods and National School Lunch Program	10.555	6,429,052
School Breakfast Program (197-179-01)	10.553	2,160,203
Total Child Nutrition Cluster		8,589,255
Department of Defense:		
Direct payments:		
Naval Junior ROTC Program	12.UNK	132,828
National Defense Authorization Act	12.UNK	1,147,208
Competitive Grants: Promoting K-12 Student Achievement at Military-Connected Schools	12.556	153,769
Department of Housing and Urban Development:		
Pass-through payments:		
Department of Housing and Urban Development		
Community Development Block Grants/State's Program (165-533-05)	14.228	3,297,806
Home Investment Partnerships Program (IPR)	14.239	40,445
Virginia Housing Development Authority:		
Section 8 Housing Choice Vouchers	14.871	135,774
Department of Justice:		
Direct payments:		
Bulletproof Vest Partnership Program	16.607	9,468
Equitable Sharing Program	16.922	28,143
Pass-through payments:		
Department of Criminal Justice Services:		
Crime Victim Assistance (140-390-01)	16.575	93,237
Violence Against Women Formula Grants (140-390-01)	16.588	29,871
Department of Transportation:		
Pass-through payments:		
Department of Motor Vehicles:		
State and Community Highway Safety (530-605-07)	20.600	13,593
Total Highway Safety Cluster		13,593
Alcohol Open Container Requirements	20.607	9,091
Department of the Treasury:		
Pass-through payments:		
Coronavirus Relief Fund	21.019	26,763
Coronavirus State and Local Fiscal Recovery Fund (ARPA)	21.027	6,958,422
ARPA Emergency Housing Vouchers	21.UNK	23,635
Federal Communications Commission:		
Direct payments:		
Universal Service Fund - Schools and Libraries (E-rate)	32.004	8,288
Emergency Connectivity Fund	32.009	1,310
The Institute of Museum and Library Services		
Grants to States	45.310	22,416
Department of Education:		
Direct payments:		
Impact Aid	84.041	8,497,678
Pass-through payments:		
Department of Education (197-179-01):		
Title I Grants to Local Educational Agencies	84.010	949,612

(continued)

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF YORK, VIRGINIA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

<u>Federal Granting Agency/Recipient State Agency/Grant Program/Grant Number</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
Department of Education:		
Special Education and Rehabilitative Services:		
Special Education Grants to States	84.027	2,075,219
Special Education Preschool Grants	84.173	<u>55,517</u>
Total Special Education Cluster (IDEA)		2,130,736
Department of Education:		
Pass-through payments:		
Department of Education (197-179-01):		
Student Support and Academic Enrichment Program	84.424	39,719
Vocational and Adult Education:		
Career and Technical Education - Basic Grants to States	84.048	118,414
English Language Acquisition State Grants	84.365	3,163
Supporting Effective Instruction State Grants	84.367	185,534
Education Stabilization Fund	84.425	4,705,850
Department of Health and Human Services:		
Direct payments:		
Administration for Children, Youth and Families:		
Guardianship Assistance	93.090	122
Head Start	93.600	<u>1,276,529</u>
Total Head Start Cluster		1,276,529
Title IV-E Prevention Program	93.472	6,838
Pass-through payments:		
Department of Health and Human Services:		
MaryLee Allen Promoting Safe and Stable Families Program (765-460-10; 765-469-02)	93.556	28,639
Temporary Assistance for Needy Families (765-452-12; 765-452-01; 765-460-10)	93.558	333,140
Refugee and Entrant Assistance State/Replacement Designee Administered Programs (765-460-10; 765-491-02)	93.566	6,962
Low-Income Home Energy Assistance (765-460-10)	93.568	49,837
Child Care and Development Block Grant (765-452-15)	93.575	(158)
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (765-452-14; 765-452-15; 765-460-10)	93.596	<u>73,366</u>
Total Child Care and Development Fund Cluster		73,208
Chafee Education and Training Vouchers Program (ETV) (765-469-02)	93.599	5,740
Stephanie Tubbs Jones Child Welfare Services Program (765-460-10)	93.645	802
Foster Care - Title IV-E (765-460-10; 765-469-01; 765-469-02)	93.658	258,834
Adoption Assistance (765-460-03; 765-460-10; 765-469-03)	93.659	109,763
Social Services Block Grant (765-460-10; 765-468-02; 765-469-02; 765-469-03)	93.667	321,635
John H.Chafee Foster Care Program for Successful Transition to Adulthood (765-460-10; 765-469-02)	93.674	14,447
Elder Abuse Prevention Interventions Program	93.747	12,565
Children's Health Insurance Program (765-460-10)	93.767	5,175
Medical Assistance Program (765-460-03; 765-460-10)	93.778	<u>537,836</u>
Total Medicaid Cluster		537,836
National Institutes of Health:		
21st Century Cures Act - Precision Medicine Initiative	93.368	25,187
Department of Homeland Security:		
Direct payments:		
Assistance to Firefighters Grant	97.044	9,564
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	301,110
Pass-through payments:		
Department of Homeland Security:		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	107,352
Emergency Management Performance Grants (127-775-01)	97.042	50,335
Homeland Security Grant Program (127-775-01)	97.067	<u>255,287</u>
Total		\$ 42,237,975

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF YORK, VIRGINIA
Notes to Schedule of Expenditures of Federal Awards
June 30, 2022

1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal awards of the County. The County's reporting entity is defined in Note 1 to the basic financial statements. All amounts expended directly from federal agencies as well as monies passed through other government agencies are included on the Schedule.

2. BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements.

3. SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, the County provided no federal awards to a subrecipient during the year ended June 30, 2022.

4. UNIFORM GRANT GUIDANCE

The Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards, which is effective for new grants, issued after December 26, 2014, included changes to how indirect costs are awarded. In an effort to relieve administrative burden, the Office of Management and Budget (OMB) specified that non-federal entities that have never received a negotiated indirect cost rate may elect to charge a de minimis cost rate of 10 percent of modified total direct costs, which may be used indefinitely. The County elected not to apply the de minimis rate for fiscal year 2022.

COUNTY OF YORK, VIRGINIA
Schedule of Findings and Questioned Costs

Year Ended June 30, 2022

A. Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued on the financial statements:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	No
Significant deficiencies identified:	None reported
Noncompliance material to the financial statements noted?	No

Federal Awards:

Type of auditor's report issued on compliance for major programs:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	No
Significant deficiencies identified:	None reported
Noncompliance material to federal awards noted?	No
Any audit findings disclosed that are required to be reported in Accordance with Section 200.516(a) of the Uniform Guidance?	No

Identification of major federal programs:

<u>Name of Program</u>	<u>Assistance Listing #</u>
Department of the Treasury:	
Coronavirus State and Local Fiscal Recovery Fund	21.027
Department of Education:	
Impact Aid	84.041
Education Stabilization Fund	84.425D
Department of Health and Human Services:	
Head Start Cluster	93.600

Dollar threshold to distinguish between Types A and B Programs:	\$1,267,139
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The County of York was qualified as a low risk auditee in? Accordance with Section 200.520 of the Uniform Guidance?	Yes
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B. Findings – Financial Statement Audit	None
C. Findings and Questioned Costs – Major Federal Awards	None
D. Findings and Questioned Costs – State Compliance	None
E. Resolution of Prior Year's Findings	Not applicable

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