# Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2015



County of Scott, Virginia

#### COUNTY OF SCOTT, VIRGINIA COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED JUNE 30, 2015

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#### COUNTY OF SCOTT, VIRGINIA

#### BOARD OF SUPERVISORS

Danny P. Mann, Chairman

Darrel Jeter K. Landon Odle Beryl E. Maness D. Joe Horton Joe W. Herron Chad E. Hood

#### COUNTY SCHOOL BOARD

William R. Quillen, Jr., Chairman

H. Kelly Spivey, Jr.L. Stephen Sallee, Jr.

Gail L. McConnell Jeffrey A. Kegley

James K. Jessee

#### COUNTY WELFARE BOARD

Joe Horton, Chairman

Beulah Herron

Cindy Coates

#### OTHER OFFICIALS

Chief Magistrate
Clerk of the Circuit Court
Commonwealth's Attorney
Commissioner of the Revenue
Treasurer
Sheriff
Superintendent of Schools
Director of Social Services
County Administrator

Hon. Jonathan Robbins
Mark "Bo" Taylor
Marcus McClung
Gary Baker
Mitzi Owens
John Puckett
John Ferguson
Luanne McMurray
Kathie Noe

RONALD C. BOSTIC, CPA GREGORY D. TUCKER, CPA P.O. Box 505, Lebanon, VA 24266 (276) 889-3103 Fax: (276) 889-0229 www.bthcpa.com

#### INDEPENDENT AUDITORS' REPORT

The Honorable Members of the Board of Supervisors County of Scott, Virginia:

#### Report on the Financial Statements

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 Scott, Virginia, as of June 30, 2015 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the Table of Contents.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

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

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

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

#### Opinions

In our opinion, based on our audit, 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 of Scott, Virginia as of June 30, 2015, 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.

#### Emphasis of Matter

As described in Note 10 to the financial statements, in 2015, the County adopted new accounting guidance GASB Statement No. 68, Accounting and Financial Reporting of Pensions. Our opinion is not modified with respect to this matter.

#### Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 13-22 and 93 and Schedule of Employer Contributions on page 118 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial We do not express an opinion or provide any assurance on statements. the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Other Information

Our audit was conducted for the purpose of forming an opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual non-major fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basis financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### Report on Other Legal and Regulatory Requirements

In accordance with Government Auditing Standards, we have also issued our report dated December 31, 2015, on our consideration of the County of Scott, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County of Scott, Virginia's internal control over financial reporting and compliance.

Bostic, Lucker & Company, PC

December 31, 2015 Lebanon, Virginia RONALD C. BOSTIC, CPA GREGORY D. TUCKER, CPA

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

The Honorable Members of the Board of Supervisors County of Scott, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, 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 Scott, Virginia as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County of Scott, Virginia's basic financial statements, and have issued our report thereon dated December 31, 2015.

#### Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or 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 of Scott, Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

#### Purpose of this Report

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

Bestic, Lucker & Company, PC

December 31, 2015 Lebanon, Virginia RONALD C. BOSTIC, CPA GREGORY D. TUCKER, CPA P.O. Box 505, Lebanon, VA 24266 (276) 889-3103 Fax: (276) 889-0229 www.bthcpa.com

December 31, 2015

To the Scott County Board of Supervisors County of Scott, Virginia

We have audited 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 Scott, Virginia for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, Governmental Auditing Standards and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 31, 2015. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County of Scott, Virginia are described in Note 1 to the financial statements. No new accounting policies were adopted and the application if existing policies was not changed during 2015. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the allowance for doubtful accounts of the primary government, as well as the component units, is based on historical revenues. We evaluated the key factors and assumptions used to develop the allowance in determining

that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of depreciation of property, plant, and equipment of the primary government, as well as the component units, is based on the estimated useful lives ranging from five to eighty years. We evaluated the key factors and assumptions used to develop the allowance in determining it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the Landfill Closure and Post-Closure Care Costs in Note 13 to the financial statements identifies state and federal laws requiring the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste. The county reports a portion of these closure and care costs as an operating expense in each period based on landfill capacity used at each balance sheet date. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. These estimated amounts are based on what it would cost to perform all closure and post closure care in

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 31, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

#### Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statement or to the financial statements themselves.

This information is intended solely for the use of the Scott County Board of Supervisors and management of the County of Scott, Virginia and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Bostic, Lucker & Company, PC

Bostic, Tucker and Company, P.C.

RONALD C. BOSTIC, CPA GREGORY D. TUCKER. CPA

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

The Honorable Members of the Board of Supervisors County of Scott, Virginia

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

We have audited the County of Scott, Virginia's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the County of Scott, Virginia's major federal programs for the year ended June 30, 2015. The County of Scott, Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

#### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County of Scott, Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Scott, Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County of Scott, Virginia's compliance.

#### Opinion on Each Major Federal Program

In our opinion, the County of Scott, Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

#### Report on Internal Control Over Compliance

Management of the County of Scott, Virginia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County of Scott, Virginia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 of Scott, Virginia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance and its operation that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Bestic, Lucker & Company, PC

December 31, 2015 Lebanon, Virginia DARREL W. JETER
D. JOE HORTON
K. LANDON ODLE
JOE W. HERRON
DANNY P. MANN
BERYL E. MANESS
CHAD E. HOOD

We're a Natural

#### SCOTT COUNTY BOARD OF SUPERVISORS

COUNTY ADMINISTRATOR KATHIE NOE

336 WATER STREET GATE CITY, VIRGINIA 24251 PHONE (276) 386-6521 FAX (276) 386-9198

EMAIL: knoe@scottcountyva.com www.scorrcountyva.com

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

To the Honorable Members of the Board of Supervisors To the Citizens of Scott County County of Scott, Virginia

As management of the County of Scott, Virginia we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County of the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with the basic audited financial statements.

#### Financial Highlights:

- The assets of the County exceeded it's liabilities at the close of the most recent fiscal year by \$4,943,950 (net position). Of this amount, \$(4,623,345) represents a deficit in unrestricted net position used to meet the government's ongoing obligation to citizens and creditors. This resulted from the implementation of GASB Statement Number 68 related to pension obligations. As a result, a prior period adjustment was recorded to reduce beginning unrestricted net assets by \$6,314,000.
- As of the close of the current fiscal year, the County's funds reported combined ending fund balances of \$4,342,204, a increase of \$958,678 in comparison with the prior year. Approximately 99% of this total amount, \$4,292,509 is available for spending for the various functions of the County as indicated.
- At the end of the current fiscal year, fund balance for the general fund was \$4,292,509, or 26% of total general fund expenditures.

## Overview of the Financial Statements:

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The Government-wide financial statements are designed to provide the readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, courts, police safety, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Scott, Virginia itself (known as the primary government), but also a legally separate school board (for which the County of Scott, Virginia is financially accountable), Public Service Authority and Economic Development Authority.

#### Overview of the Financial Statements (Continued):

Financial information for these component units are reported separately from the financial information presented for the primary government itself.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Scott, Virginia, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as Governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statement focus on near-term inflows and outflows of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains three individual governmental funds. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Law Library Fund, and Coal Road Improvement Fund, of which only the General Fund is considered to be a major fund.

The County adopts an annual appropriated budget for its Governmental funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Fiduciary funds - The County is the trustee, or fiduciary, for the County's agency funds and expendable trust fund. It is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are

#### Overview of the Financial Statements (Continued):

reported in a separate statement of fiduciary net position. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations. Agency funds and Expendable Trust funds are County custodial funds used to provide accountability of client or employee monies for which the County is custodian.

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

Other information - In addition to the basic financial statement and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and presentation of combining financial statements for the discretely presented component units. The School Board does not issue separate financial statements.

#### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County, assets exceed liabilities by \$4,943,950 at the close of the most recent fiscal year.

The largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

#### Government-wide Financial Analysis (Continued)

#### County of Scott, Virginia's Net Assets

	Governmental Activities					
		2015		2014		
Current and other assets	\$	18,716,177	\$	18,558,949		
Capital assets Deferred Outflows		9,030,211 750,270		9,099,783		
Total assets	\$	28,496,658	\$	27,658,732		
Long-term liabilities outstanding Current liabilities	\$	8,857,124 2,045,341	\$	2,866,803 2,734,839		
Deferred inflows		12,650,243		11,231,813		
Total liabilities	\$	23,552,708	<u>   \$                                 </u>	16,833,455		
Net assets:						
Investment in capital assets,						
net of related debt	\$	8,561,086	\$	8,861,872		
Restricted		1,006,209		1,015,187		
Unrestricted		(4,623,345)		948,218		
Total net assets	<u>\$</u>	4,943,950	\$	10,825,277		

At the end of the current fiscal year, the County is able to report positive balances in net position.

During the current fiscal year, the County's (including component unit's) net position increased by \$1,273,649.

## Government-wide Financial Analysis (Continued)

Governmental Activities - Governmental activities increased the County's net position by \$432,673. Key elements of this increase are as follows:

County of Scott, Virginia's Change in Net Position

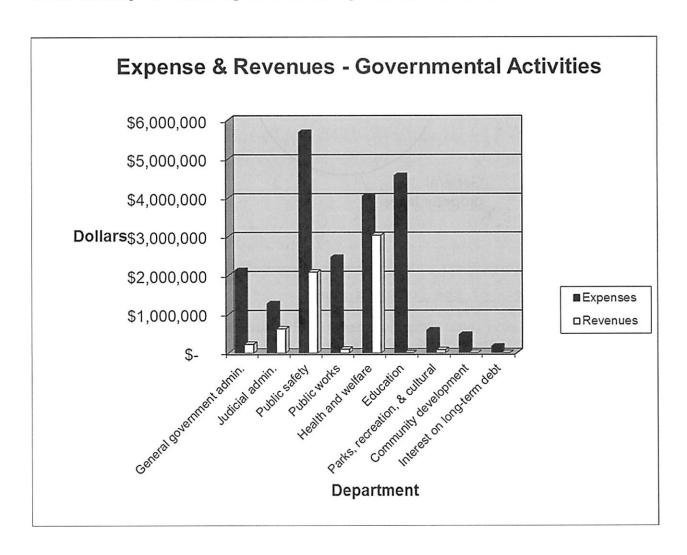
	Governmental Activities					
		2015		2014		
Revenues:						
Program revenues:						
Charges for services	\$	420,610	\$	470,279		
Operating grants and contributions		5,727,098		5,998,692		
General revenues:						
Property taxes		10,625,340		10,466,120		
Other local taxes		3,134,530		3,170,027		
Other		1,911,070		1,362,800		
Total revenues	\$	21,818,648	\$	21,467,918		
Expenses:						
General government	\$	2,130,214	\$	2,093,532		
Judicial administration		1,276,741		1,190,759		
Public safety		5,678,972		5,578,653		
Public works		2,462,624		2,384,278		
Health and welfare		4,044,983		4,291,851		
Education		4,570,655		5,455,266		
Parks, recreation and culture		586,106		642,754		
Community development		469,393		568,690		
Interest		166,287		96,706		
Total expenses	<u>    \$                                </u>	21,385,975	\$	22,302,489		
Increase in net assets	\$	432,673	\$	(834,571)		
Net assets - beginning, as						
previously reported		10,825,277		11,659,848		
Prior period adjustment		(6,314,000)				
Net assets - beginning, as restated		4,511,277		11,659,848		
Net assets - ending	\$	4,943,950	\$ 	10,825,277		

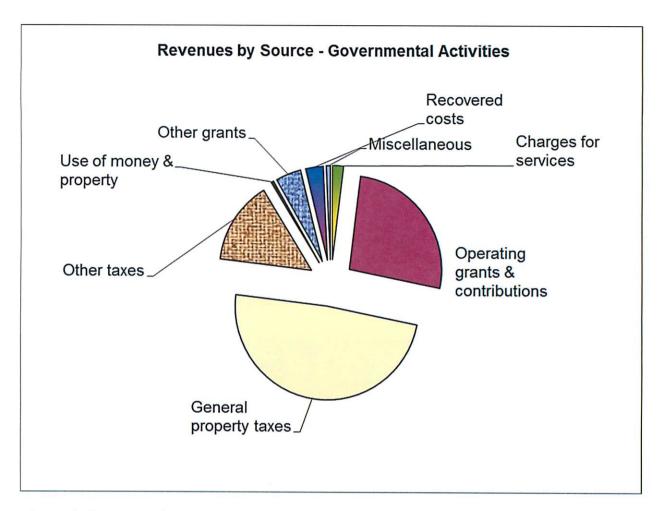
#### Government-wide Financial Analysis (Continued)

Charges for services and operating grants and contributions decreased \$(49,669) and \$(271,594), respectively during the year while property tax revenue increased \$159,220.

Expenditures for judicial administration, public safety and public works increased \$85,982, \$100,319 and \$78,346, respectively while health and welfare and education showed decreases of \$(246,868) and \$(884,611), respectively.

The following graphs illustrate expense and program revenues for each of the functional areas of governmental activities as well as illustrating revenues by source for governmental activities:





#### Financial Analysis of the County's Funds

As noted earlier, the County used fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$4,342,204 an increase of \$958,678 in comparison with the prior year. Approximately 99% of this total amount, \$4,292,509 constitutes fund balance which is available for spending by the County for the various functions as indicated.

#### Financial Analysis of the County's Funds (Continued)

The general fund is the operating fund of the County. At the end of the current fiscal year fund balance of the general fund was \$4,292,509. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 26% of total general fund expenditures.

The general fund balance increased \$957,162 during the current year.

The special revenue funds have a total fund balance of \$49,695, all of which is restricted. The fund balance increased \$1,516 during the current year.

#### General Fund Budgetary Highlights

During the 2015 fiscal year, the County had amendments which increased its original budgeted revenues \$ 834,374 and expenditures \$834,374.

#### Capital Assets and Debt Administration

<u>Capital assets</u> - The County's investment in capital assets for its governmental funds as of June 30, 2015 amounts to \$9,030,211 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment. The total decrease in the County's investment in capital assets for the current fiscal year was \$(69,572).

County of Scott, Virginia's Net Assets

	Governmental Activities				
		2015		2014	
Land	\$	1,105,829	\$	1,105,829	
Buildings and improvements		8,199,935		8,165,570	
Equipment		8,921,510		8,689,850	
Tenancy in common					
Total capital assets	\$	18,227,274	_\$	17,961,249	
Less: accumulated depreciation		9,197,063		8,861,466	
Net capital assets	\$	9,030,211	\$	9,099,783	

Additional Information on the County's capital assets can be found in Note 5.

<u>Long-term debt</u> - At the end of the current fiscal year, all bonded debt of the County had been retired.

During the fiscal year, the County's total debt increased by \$232,214.

Additional information on the County of Scott, Virginia's long-term debt can be found in Note 6 of this report.

Net pension liability - The County implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions during the year. As a result, the long term pension liability increased \$5,479,000.

#### Economic Factors and Next Year's Budgets and Rates

- The June 2015 unemployment rate for the County of Scott, Virginia was 4.9%, which is a decrease from a rate of 6.7% in June 2014. This exceeds the state's average unemployment rate by 0.1% and is below the national average rate by 0.4%.
- Inflationary trends in the region compare equally to national indices.

These factors were considered in preparing the County's budget for the 2015 fiscal year.

#### Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the County Administrator, 112 Water Street, Gate City, Virginia 24251.

		Compor	nent Units
Accept	Primary Government Governmental Activities	School Board	Other Component Units
Assets: Current Assets			
Cash & cash equivalents	\$ 5,014,696	\$ 1,244,714	\$ 5,971,171
Receivables (net of allowance):			
Property taxes	12,406,174	•	-
Consumer utility taxes	-	-	-
Accounts receivable Prepaid Expenses	251,610 24,941	-	442,164
Due from component unit	24,541	1,300,785	•
Inventory	-	-	82,931
Other current assets	-	1,081,753	270,180
Due from other governments	1,018,756	598,876	225,414
Total current assets	18,716,177	4,226,128	6,991,860
Noncurrent assets			
Capital assets:			
Land	1,105,829	1,597,912	8,281,455
Buildings & equipment, net of depreciation	7,924,382	34,078,111	61,315,472
Total noncurrent assets	9,030,211	35,676,023	69,596,927
Other assets:			
Restricted cash in bank	-	-	180,883
Notes receivable			160,647
Total other assets	•		341,530
Total assets	\$ 27,746,388	\$ 39,902,151	\$ 76,930,317
Deferred outflows of resources:  Deferred pensions	750 270	2 075 260	60.400
Total outflows of resources	750,270 750,270	2,875,269 2,875,269	62,483 62,483
	100,210	2,070,200	02,400
Liabilities:			
Current Liabilities	502 627	92.050	470 440
Accounts payable & accrued expenses Salaries payable	583,627	83,058 2,905,836	479,418
Health insurance payable	•	-	•
Due to other government Primary government	_		_
Due to component unit	1,300,785	•	-
Current portion of long-term obligations	159,146	237,000	1,840,640
Total current liabilities	2,043,558	3,225,894	2,320,058
Noncurrent liabilities			
Accrued leave Amounts held for others	497,964	619,610	161,549
Landfill closure	1,006,209	-	192,154
Other Post - Employment Benefits	1,565,755	2,296,183	315,862
Net pension liability, long-term	5,479,000	31,597,000	141,758
Noncurrent portion of			
long-term obligations Total noncurrent liabilities	309,979 8,858,907	3,780,345 38,293,138	23,979,883
Total Holicalitetit Rabilities	0,030,307	30,293,130	24,791,206
Total liabilities	\$ 10,902,465	\$ 41,519,032	\$ 27,111,264
Deferred Inflows of Resources			
Unavailable revenue - property taxes	11,332,243		
Deferred pensions	1,318,000	5,471,000	104,000
Total deferred inflows of resources	12,650,243	5,471,000	104,000
Net Position			
Invested in capital assets,			
net of related debt	8,561,086	31,658,678	43,776,404
Restricted for: Landfill closure	4.000.000		
Other purposes	1,006,209	-	- 174,242
Unrestricted (deficit)	(4,623,345)	(35,871,290)	5,826,890
Total net position	4,943,950	(4,212,612)	49,777,536
Total lightities 9			
Total liabilities & net position	\$ 28,496,658	\$ 42,777,420	\$ 76,992,800
st producti	w 20,430,030	¥ 72,111,42U	\$ 76,992,800

Net (Expense) Revenue
Program Revenues and Changes in Net Position

		Program Revenues				N and	et (Ex Chan	(pense) Revenu Iges in Net Posi	e lion				
Functions/Programs	Expenses	Charg for Service	es	Operatin Grants & Contribution	g &	G	Capital Grants & Intributions	Primary Government Government Activities			School Board		Discretely Presented Component Units
Primary Government:													
Governmental activities:													
General government administration	\$ 2,130,214		3,349		3,006	\$	-	\$	(1,903,859)	\$	-	\$	•
Judicial administration	1,276,741		3,076		2,080		-		(651,585)		-		-
Public safety	5,678,972		8,572	1,850	0,334		-		(3,590,066)		-		-
Public works	2,462,624	9	5,939		-		-		(2,366,685)		-		-
Health and welfare	4,044,983		-	3,029	9,678		-		(1,015,305)		-		-
Education	4,570,655		-		-		-		(4,570,655)		•		-
Parks, recreation, and cultural	586,106	7	9,674		-		-		(506,432)		•		-
Community development	469,393		-	2	2,000		•		(467,393)		-		-
Interest on long-term debt	166,287		<u> </u>				<u> </u>		(166,287)				· · ·
Total government activities	21,385,975	42	0,610	5,727	7,098				(15,238,267)				•
Total primary government	\$ 21,385,975	\$ 42	0,610	5,727	7,098	_\$	•	\$	(15,238,267)	_\$_	<u> </u>		
Component units:													
School board	\$ 40,524,328	\$ 4.61	5,220	30,923	3 709	\$	-	\$	-	\$	(4,985,399)	\$	•
Other component units	5,157,235		3,489	1,677		•	759,495	•	_	•	•	•	683,415
Total component units	\$ 45,681,563		8,709			\$	759,495	\$	•	\$	(4,985,399)	\$	683,415
Total								\$	(15,238,267)	\$	(4,985,399)	\$	683,415
	General Revenues												
	General Property								10,625,340		-		•
	Other local taxes Unrestricted reve		no of						3,134,530		-		-
	money and prop		SE UI						96,357		1.685		15,767
	Miscellaneous	<i>E</i> ity							162,528		734,246		26,468
	Recovered costs								677,818		36,069		-
	Grants and contri		petricted						0,7,0,0		00,000		
	to specific prog		Coulcied						974,367		_		-
	County contribution		Roard						-		4,328,725		-
	Change in net ass		D00.0						432,673	_	115,326		725,650
	Net position - begin	nnina se sa	wiouely sos	vorted					10,825,277		30,298,062		49,257,644
	Prior period adjust		wiousiy iet	N, IEU					(6,314,000)		(34,626,000)		(205,758)
										_			
	Net position - begin	nning, as res	tated						4,511,277		(4,327,938)		49,051,886
	Net position - endi	ng							4,943,950		(4,212,612)		49,777,536

COUNTY OF SCOTT, VIRGINIA BALANCE SHEET GOVERNMENTAL FUNDS June 30, 2015

		General Fund	Gov	Other ernmental Funds		Total
Assets:				<del></del>		
Cash & cash equivalents	\$	4,964,854	\$	49,842	\$	5,014,696
Receivables (net of allowance):		40 400 474				40 400 474
Property taxes Consumer utility taxes		12,406,174		-		12,406,174
Accounts receivable		251,507		103		251,610
Prepaid expenses		24,941		-		24,941
Due from other funds				-		
Due from other governments		1,018,756		-		1,018,756
Total assets		18,666,232	\$	49,945	\$	18,716,177
Liabilities: Accounts payable & accrued expenses	\$	583,377	S	250	\$	583,627
Due to other funds	Ψ	303,377	Ψ	250	Ψ	303,027
Component unit		1,300,785		-		1,300,785
Total liabilities		1,884,162		250		1,884,412
Deferred Inflows of Resources Unavailable revenue - property taxes		12,489,561		-		12,489,561
Total deferred inflows of resources		12,489,561		_		12,489,561
Fund Balance:		12,409,501				12,409,501
Designated for landfill closurer						
and postclosure care		<u>.</u>		<del>.</del>		-
Restricted		221,005		49,695		270,700
Assigned		243,604		-		243,604
Unassigned		3,827,900		<del></del>		3,827,900
Total fund balances		4,292,509		49,695		4,342,204
Total liabilities, deferred inflows						
of resources & fund balances	\$	18,666,232	\$	49,945		
Detailed explanation of adjustments from fund statemed government-wide statement of net position:	ents to					
Capital assets used in governmental activities are not						
financial resources and therefore, are not reported	in the					0.000.044
governmental funds						9,030,211
Other long-term assets are not available to pay for cur period expenditures and, therefore, are deferred in		ds				1,157,318
Deferred outflows of resources reported in the statement net position	ent of					750,270
Other liabilities are not required to be paid out of currer financial resources and, therefore, are not reported the governmental funds						(3,229,074)
Long-term liabilities are not due and payable in the cur period and, therefore, are not reported in the govern funds		1				(5,788,979)
Deferred inflows of resources reported in the statemen	nt of					·
net position	•.					(1,318,000)
Fund balance of General Government Activities					\$	4,943,950

For the Year Ended June 30, 2015

	Governmental Fund Types					
		General		Other Funds	G(	Total overnmental Funds
Revenues:						
General property taxes	\$	10,768,184	\$	-	\$	10,768,184
Other local taxes		3,131,490		3,040		3,134,530
Permits, privilege fees &						
regulatory licenses		61,121		-		61,121
Fines and forfeitures		202,900		-		202,900
Revenue from use of						
money & property		96,357		-		96,357
Charges for services		153,513		3,076		156,589
Miscellaneous		162,528		-		162,528
Recovered costs		677,818		-		677,818
Intergovernmental:						
Commonwealth		5,111,088		-		5,111,088
Federal		1,590,377		<del></del>		1,590,377
Total revenues		21,955,376		6,116		21,961,492
Expenditures: Current:						
General government administration		1,755,280		_		1,755,280
Judicial administration		1,298,955		3,080		1,302,035
Public safety		5,675,137		3,000		5,675,137
Public safety Public works		2,226,127		1,520		2,227,647
				1,520		
Health and welfare		4,109,408		-		4,109,408
Education		27,930		-		27,930
Parks, recreation, and cultural		531,985		-		531,985
Community development		441,873		-		441,873
Debt service:		400 507				400 507
Principal retirement		436,507		-		436,507
Interest and other fiscal charges		166,287		-		166,287
Total expenditures		16,669,489		4,600		16,674,089
Excess (deficiency) of revenues		5 005 00 <del>7</del>		4 540		r 007 400
over (under) expenditures		5,285,887		1,516		5,287,403
Other financing sources (uses):						
Operating transfers in		-		-		-
Operating transfers out		(4,328,725)		-		(4,328,725)
S Proceeds from debt				-		
Total other financing sources (uses)		(4,328,725)				(4,328,725)
Net changes in fund balances		957,162		1,516		958,678
Fund balances at beginning of year		3,335,347		48,179		3,383,526
Fund balances at end of year		4,292,509	\$	49,695		4,342,204

EXHIBIT 5

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2015

	Governmental Funds	
Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	\$	958,678
Governmental funds report capital outlays as expenditures.  However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceed depreciation in the		(500,000)
current period.		(523,293)
Revenues on the Statement of Activities that do not provide current financial resources are not reported as revenues		
in the funds.		(142,844)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the issuance of long-term debt and		
related items.		489,777
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.		(349,645)
•		
Change in net position of governmental activities	<u>\$</u>	432,673

COUNTY OF SCOTT, VIRGINIA

STATEMENT OF NET POSITION PROPRIETARY FUND - DISCRETELY PRESENTED COMPONENT UNITS
June 30, 2015

June 30, 2015	Discretely Presented Component Units
Assets:	
Current assets	0 5074.474
Cash and cash equivalents	\$ 5,971,171
Receivables (net of allowance for uncollectibles):	
Accounts receivable	442,164
Inventory	82,931
Other current assets	270,180
Due from other governments	225,414
Due nom other governments	
Total current assets	6,991,860
Management and the	
Noncurrent assets	
Capital assets:	
Land	8,281,455
Buildings and equipment, net of depreciation	61,315,472
Total noncurrent assets	69,596,927
Other assets:	
Restricted cash in bank	180,883
	•
Notes receivable	160,647
Total other assets	341,530
Total assets	76,930,317
Deferred Outflows of Resources:	
Deferred pensions	62,483
belefied pendions	
Total deferred outflows of resources	62,483
1.1-1.199	
Liabilities:	
Current liabilities	
Accounts payable and accrued expenses	479,418
Current portion of	·
long-term obligations	1,840,640
iong-term obligations	1,040,040
	0.000.050
Total current liabilities	2,320,058
Noncurrent liabilities	
Compensated absences	161,549
Other post employement benefits	315,862
	· · · · · · · · · · · · · · · · · · ·
Amounts held for others	192,154
Net pension liability, long-term	141,758
Noncurrent portion of long-term obligations	23,979,883
Total noncurrent liabilities	24,791,206_
Total liabilities	27,111,264
Deferred inflows of Resources:	
Deferred pensions	104,000
Deletted perisions	104,000
Total deferred inflows of resources	104,000
Net position:	
Invested in capital assets, net of related debt	43,776,404
Restricted for other purposes	174,242
Unrestricted assets	5,826,890
Omeanicien 922612	3,020,090
Total net position	49,777,536_
Total liabilities and net position	<u>\$ 76,992,800</u>
	<del></del>

	Discretely Presented Component Units	
Operating revenues:		
Charges for services	\$ 3,403,489	
Rental income	322,591	
Grants	1,217,325	
Miscellaneous	137,750	
Total operating revenue	5,081,155	
Operating expenses:		
Employee benefits	1,421,180	
Materials and supplies	3,411,493	
Total operating expense	4,832,673	
Operating income (loss)	248,482	
Nonoperating revenues (expenses):		
Interest earned	15,767	
Connection fees	26,468	
Other nonoperating revenues/(expenses)	-	
Interest expense	(324,562)	
Total nonoperating		
revenues (expenses)	(282,327)	
Capital contributions	759,495	
Increase (decrease) in net		
position	725,650	
Net position at beginning of year, as previously reported	49,257,644	
Prior period adjustment	(205,758)	
Net position at beginning of year, as restated	49,051,886	
Net position at end of year	\$ 49,777,536	
• • • • • • • • • • • • • • • • • • • •	<del> </del>	

## PROPRIETARY FUND - DISCRETELY PRESENTED COMPONENT UNITS For the Year Ended June 30, 2015

	Discretely Presented Component Units	
Cash flows from operating activities:		
Receipts from customers & users	\$	5,067,897
Payments to suppliers		(1,446,784)
Payments to employees		(1,321,687)
Net cash provided(used) by operating activities		2,299,426
Cash flows from capital & related financing activities:		
Connection fee		26,468
Other nonoperating revenues		-
Loans to industries		(77,000)
Purchase of fixed assets		(2,843,900)
Principal on debt		(3,595,402)
Proceeds from indebtness		6,289,347
Interest on debt		(205,479)
Proceeds from grants		818,214
Net cash used in capital & related financing activities		412,248
Cash flows from investing activities:		
Interest earned		6,789
Net cash provided by investing activities		6,789
Increase in cash & cash equivalents		2,718,463
Cash & cash equivalents at beginning of year		3,607,151
Cash & cash equivalents at end of year	<u>\$</u>	6,325,614
Reconciliation of operating income to net cash provided		
(used) by operating activities:		
Operating income	\$	157,091
Adjustments to reconcile net income to net cash provided		
by operations:		
Depreciation		2,134,476
Imputed interest		75,737
Donations		-
Gain on debt refinance		
Post employment benefits		44,622
Net pension obligation		(22,483)
Changes in operating assets & liabilities:		(00.000)
Accounts receivable		(30,885)
Inventory		69,051
Other assets		- (171,655)
Accounts payable		(171,655)
Customer deposits Accrued leave & benefits		43,461
Acqued leave a pelicilis		75,701
Total adjustments		2,142,335
Net cash provided (used) by operating activities	\$	2,299,426

	Agency Funds	
Assets: Cash and cash equivalents Due from other government units Amount due from others Investments	\$ 55,069 270,623 6,283 2,870,951	
Total assets	\$ 3,202,926	
Liabilities: Due to primary government Amounts due to others Amounts held for others	\$ 249,487 6,283 2,947,156	
Total liabilities	\$ 3,202,926	

COUNTY OF SCOTT, VIRGINIA NOTES TO FINANCIAL STATEMENTS June 30, 2015

Note 1 - Summary of Significant Accounting Policies

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

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

#### Financial Statement Presentation

In June 1999, GASB issued Statement No. 34, Basic Financial Statements - and Management's Discussion & Analysis - for State & Local Governments. This statement, known as the "Reporting Model", affects the way the County prepares and presents financial information.

GASB Statement No. 34 establishes new requirements and reporting model for the annual financial reports of state and local governments. The statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions.

Management's Discussion and Analysis - GASB Statement No. 34 requires the financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis" (MD&A).

#### Government-wide and Fund Financial Statements

Government-wide financial statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt).

Note 1 - Summary of Significant Accounting Policies (Continued)

# Government-wide and Fund Financial Statements (Continued) Government-wide financial statements (Continued)

The government-wide financial statement (i.e. the statement of net position and the statement of changes in net position) reports information on all of the nonfiduciary activities of the primary government and its component units. For the most part, effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Statement of net position - The Statement of Net Position is designed to display financial position of the primary government (government and business-type activities) and it's discretely presented component units. Governments will report all capital assets, in the government-wide Statement of Net Position, and will report depreciation expense - the cost of "using up" capital assets - in the Statements of Activities. The net position of a government will be broken down into three categories - 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

Statement of activities - The government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

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

Note 1 - Summary of Significant Accounting Policies (Continued)

#### Statement of activities (continued)

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the governmental-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Budgetary comparison schedules - Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the reporting model, governments will continue to provide budgetary comparison information in their annual reports. An important change, however, is a requirement to add the government's original budget to the current comparison of final budget and actual results.

#### A. Financial Reporting Entity

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

Note 1 - Summary of Significant Accounting Policies (Continued)

#### B. <u>Individual Component Unit Disclosures (Continued)</u>

Blended Component Units - The County has no blended component units.

Discretely Presented Component Units - The School Board members are elected by the voters and are responsible for the operations of the County's School System. The School Board is fiscally dependent on the County. The County has the ability to approve its budget and any amendments. The primary funding is from the General Fund of the County. The School Fund does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2015.

The Scott County Public Service Authority was created by the Board of Supervisors of Scott County to acquire, finance and operate water and sewer systems throughout the County. The Board of Directors of the Service Authority are appointed by the Scott County Board of Supervisors and there currently exists a financial benefit/burden relationship between the Service Authority and the County.

The Scott County Economic Development Authority promotes industrial development in the County. The Authority is financially dependent upon the County. In addition, the Authority's Board is appointed by the County's Board.

Other Related Organizations Included in the County's Comprehensive Annual Financial Report

None

# C. <u>Measurement Focus, Basis of Accounting and Financial Statement Presentation</u>

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

Note 1 - Summary of Significant Accounting Policies (Continued)

## C. <u>Measurement Focus, Basis of Accounting and Financial Statement</u> Presentation (Continued)

The County applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before July 1, 2002, unless these pronouncements conflict with or contradict GASB pronouncements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Grants and similar items are recognized as revenue as soon as all eliqibility requirements imposed by the provider have been met.

The government-wide statement of activities reflects both the gross and net cost per functional category (public safety, public works, health and welfare, etc.) which are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety, public works, health and welfare, etc.) or a business-type activity.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Revenues are recognized as soon as they are both measurable and available. Revenues are to pay liabilities of the current period. For this purpose, government considers revenues to be available if they collected within 60 days of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual However, debt service expenditures as well as accounting. expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Note 1 - Summary of Significant Accounting Policies (Continued)

# C. <u>Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)</u>

The County's fiduciary funds are presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The government reports the following major governmental funds.

#### General Fund:

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

Additionally, Scott County reports the following fund types:

Fiduciary Funds (Trust and Agency Funds) account for assets held by the County unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include Agency Funds. These funds utilize the modified accrual basis of accounting described in the Governmental Fund Presentation. Fiduciary funds are not included in the government-wide financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

#### D. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

#### E. Budget and Budgetary Accounting

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

- 1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
- 2. Public hearings are conducted to obtain citizen comments.
- 3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
- 4. The Appropriations Resolution places legal restrictions on expenditures at the departmental level. The appropriation for each department or category can be revised only by the The County Administrator of Supervisors. Board authorized to transfer budgeted amounts within general government departments. However, the School Board authorized to transfer budgeted amounts within the school system's categories.
- 5. Formal budgetary integration is employed as a management control device during the year for the General Fund, School Fund, and the Capital Projects Fund.
- 6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- 7. Appropriations lapse on June 30, for all County units. Several supplemental appropriations were necessary during the year and at year-end.

Note 1 - Summary of Significant Accounting Policies (Continued)

#### E. <u>Budgets and Budgetary Accounting</u> (Continued)

8. All budget data presented in the accompanying financial statements is the original to the current comparison of the final budget and actual results.

#### F. Cash and Cash Equivalents

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

State statues authorize the County government and the School Board to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the Local Government Investment Pool.

Investments for the government, as well as for its component units, are reported at fair value. The local Government Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

#### G. Investments

Investments are stated at fair value, which approximates market; no investments are valued at cost. Certificates of deposit and short-term repurchase agreements are reported in the accompanying financial statements as cash and cash equivalents. Investments consist of assets held by a trustee.

#### H. Receivable and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds".

All trade and property tax receivables are shown net of an allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$303,742 at June 30, 2015, and is composed solely of property taxes.

Note 1 - Summary of Significant Accounting Policies (Continued)

#### H. Receivable and payables (Continued)

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable November  $20^{\rm th}$ . The County bills and collects its own property taxes.

#### I. Capital Assets

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

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Interest attributed to capitalized assets as of June 30, 2015 was immaterial.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	80
Building improvements	40-80
Vehicles	5
Office & computer equipment	7
Buses	12

Note 1 - Summary of Significant Accounting Policies (Continued)

#### J. Compensated Absences

Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the statement of activities and a long-term obligation in the Statement of Net Position.

#### K. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statement, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### L. Net Position

Net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is classified as net investment in capital assets, restricted or unrestricted. Net investment in capital assets consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consist of assets that are restricted by the County's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors. Unrestricted net position consists of all other net position reported in this category.

Note 1 - Summary of Significant Accounting Policies (Continued)

#### M. Fund Balances

Government fund equity is classified as fund balance. Fund balance is further classified as nonspendable, committed, or assigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the Board of Supervisors through approval of resolution. Assigned fund balance is a limitation imposed by a designee of the Board of Supervisors. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four fund balance in Negative unassigned categories. governmental funds represents excess expenditures incurred over the amount restricted, committed, or assigned to those purposes. Proprietary fund equity is classified the same as in the government-wide statements.

When both restricted and unrestricted fund balances are available for use, it is the County's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balance are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for the purposes for which amounts in any of those unrestricted fund balance classification can be used.

# N. Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, Statement No. 63 of the Governmental Accounting Standards Board

The County implemented the financial reporting provisions of the above Statement for the fiscal year ended June 30, 2013. This Statement provides guidance for reporting deferred inflows and outflows of resources. The requirement of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on the entity's net position. With the implementation of this Statement, certain terminology has changes and financial statement descriptions have changes from "net assets" to "net position". The net equity reported in the financial statements was not changes as a result of implementing the Statement and no restatement of prior balances is required.

Note 1 - Summary of Significant Accounting Policies (Continued)

# O. <u>Items Previously Reported as Assets and Liabilities, Statement No. 65 of the Governmental Accounting Standards Board</u>

The County implemented the financial reporting provisions of the above Statement for the fiscal year ended June 30, 2013. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

#### P. Retirement Plan

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

#### Q. Use of Estimates

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

#### R. Jointly Governed Organizations

The County and the Counties of Wise and Lee, along with the City of Norton, participate in supporting the Planning District One Community Service Board. The governing body of this organization is supported by the respective governing bodies of the participating jurisdictions. For the year ended June 30, 2015, the County contributed \$1,320.

The County and the Counties of Wise, Dickenson, and Lee, along with the Towns of Wise, Big Stone Gap, Coeburn, St. Paul and the City of Norton participate in supporting the Lonesome Pine Regional Library. For the year ended June 30, 2015, the County contributed \$209,330.

Note 1 - Summary of Significant Accounting Policies (Continued)

#### R. Jointly Governed Organizations (Continued)

The County and the Counties of Lee, Wise, Washington, Russell, Smyth, Buchanan, Dickenson, Tazewell, along with the City of Norton participate in supporting the Southwest Virginia Regional Jail Authority. For the year ended June 30, 2015, the County Contributed \$1,336,983.

#### S. Pensions

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 Town's Retirement Plan and the additions to/deductions from the Town's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### T. New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

Statement No. 68 "Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27" - The provisions of this statement are effective for financial statements for fiscal years beginning after June 15, 2014.

Statement No. 69 "Government Combinations and Disposals of Government Operations" - The provisions of this statement are effective for financial statements for fiscal years beginning after June 15, 2013.

Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68" - The provisions of this statement are effective for financial statements for fiscal years beginning after June 15, 2014.

#### Note 2 - Deposits and Investments

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

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

Note 3 - Due To/From Primary Government/Component Units:

Fund	Due To Component Unit School Board	Due From Primary Government		
General	\$ 1,300,785	\$		
School	-	1,300,785		
Totals	\$ 1,300,785	\$ 1,300,785		

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Note 4 - Due From Other Governmental Units

At June 30, 2015, the County and School Board had receivables from other governments as follows:

		Primary Government	Discretely Presented Component Unit School Board		Other Component Units
Local Governments:		<del></del>	-	_	
Other Misc. Funds	\$	_	\$ -	\$	225,414
Commonwealth of Virginia:					
State sales taxes		-	562,850		_
Local sales taxes		249,487	_		_
Social service		74,532	_		-
CMPT		92,418	-		_
Shared expenses		475,756	-		-
Other		19,350	35,711		-
Federal Government:					
School funds		-	225		_
Social service	_	107,213			
Total	<u>\$</u>	1,018,756	\$ 598,876		\$ 225,414

#### Note 5 - Capital Assets

The following is a summary of changes in capital assets for the fiscal year ending June 30, 2015.

#### General Government:

deneral develiment.	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
Land & land improvements Buildings &	\$ 1,105,829	\$ -	\$ -	\$ 1,105,829
improvements	8,111,583	9,900	20,520	8,100,963
Equipment	8,689,850	710,846	479,186	8,921,510
Construction	53,987	<u>120,936</u>	75,951	98,972
Totals	\$17,961,249	\$ 841,682	\$ 575,657	\$18,227,274
Accumulated Depreciation	( <u>8,861,466</u> )	(672,330)	336,733	(9,197,063)
Net capital assets primary governmen	ıt <u>\$ 9,099,783</u>			<u>\$ 9,030,211</u>

Note 5 - Capital Assets (Continued)

#### Component Unit School Board:

Less: Accumulated

Totals

Depreciation

	Balance July 1, 2		ns <u>Deletions</u>	Balance June 30, 2015
Land & land improvements Buildings &	\$ 1,597,93	·	- \$ -	\$ 1,597,912
<pre>improvements Equipment Construction Totals</pre>	49,508,09 21,798,80 4,779,94 \$77,684,82	66 251,32 44 <u>1,517,45</u>	21 – 51 <u>183,654</u>	49,735,672 22,050,187 6,113,741 \$79,497,512
Accumulated depreciation	•	14) (1,424,27		(_43,821,489)
Net capital assets School Board	<u>\$35,287,60</u>	<u>06</u>		<u>\$35,676,023</u>
Proprietary Funds:		Public Service Authority	Economic Development <u>Authority</u>	<u>Total</u>
Land & Improvements Building & Water Li Equipment & Vehicle Construction in Pro	nes (	486,753 54,716,745 1,407,091 2,567,867	\$ 5,226,835 14,121,210 1,236,101 1,523,502	\$ 5,713,588 78,837,955 2,643,192 4,091,369
Total	6	59,178,456	22,107,648	91,286,104

(18,612,446)

(3,076,731) (21,689,177)

<u>\$ 50,566,010</u> <u>\$19,030,917</u> <u>\$ 69,596,927</u>

Note 5 - Capital Assets (Continued)

Depreciation expenses were charged to functions/programs of the primary government as follows:

	Amount	
Governmental activities:		
General government	\$ 62 <b>,</b> 589	
Judicial administration	10,464	
Public safety	262,131	
Public works	254,895	
Health and welfare	14,684	
Parks, recreation and cultural	62,966	
Community development	4,601	
Total	\$ 672,330	
Component Unit School Board:		
Education	<u>\$ 1,424,275</u>	

Depreciation expenses for the year ending June 30, 2015, for the Economic Development Authority amounted to \$511,083.

Depreciation expenses for the year ending June 30, 2015, for the Public Service Authority amounted to \$1,623,393.

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Note 6 - Long-term Obligations

The following is a summary of changes in long-term obligations for the fiscal year ending June 30, 2015:

#### Primary Government:

General Long-term Obligations: Obligation payable at July 1, 2014		Amount \$ 2,958,194
Retirements:		
Line of credit	\$ -	
Decrease in compensated absence Decrease in landfill closure	10,301	
postclosure monitoring estimates	8,978	
Payments on capital lease	222,507	
Total retirements	<del></del>	( 241,786)
Additions:		. ,
Line of credit draws	_	
Capital lease purchases	453,722	
Increase in compensated absences	16,930	
Increase in other post-employee benefits	351,993	
Total additions		822,645
Long-term Obligations payable at June 30,	2015	\$ 3,539,053

Annual requirements to amortize long-term debt and related interest are as follows:

Year Ending June 30,	Capital <u>Principal</u>	Lease <u>Interest</u>
2016 2017 2018 2019 2020	\$ 159,146 109,116 108,236 91,491 1,136	\$ 11,720 7,916 4,903 2,136
Total	<u>\$ 469,125</u>	<u>\$ 26,679</u>

Note 6 - Long-term Obligations (Continued)

	Amount standing
Capital Leases:	
\$82,999 capital lease issued April 1, 2015 for the purchase of a 2015 International Roll Off Truck, due in monthly installments of \$1,525.52, principal and interest through June 13, 2016, interest payable at 3.05%.	\$ 16,456
\$190,041 capital lease issued April 28, 2015 for the purchase of a 2015 Mack Refuse Packer, due in monthly installments of \$3,419.01, principal and interest through May 28, 2016, interest payable at 3.00%.	37,042
\$50,190 capital lease issued September 14, 2012 for the purchase of a 2012 Fairway mower, due in monthly installments of \$805.11, principal and interest through August 12, 2017, interest payable at 5.01%.	28,239
\$25,123 capital lease issued November 15, 2014 for Purchase of a 2015 Ford Explorer, due in monthly installments of \$555.95, principal and interest through November 15, 2017, interest payable at 2.99%.	15,016
\$26,164 capital lease issued November 10, 2014 for the purchase of a 2014 Ford F150, due in monthly installments of \$570.37, principal and interest through November 10, 2018, interest payable at 2.40%.	22,492
\$21,535 capital lease issued September 5, 2014 for the purchase of a 2015 Ford Explorer, due in monthly installments of \$379.85, principal and interest through September 10, 2019, interest payable at 2.24%.	18,462
\$53,728 capital lease issued January 26, 2015 for the purchase of 2 2014 Dodge Chargers, due in monthly installments of \$1,172.30, principal and interest through February 10, 2019, interest payable at	40 477
2.24%.	49,477

Note 6 - Long-term Obligations (Continued)

	Amount Outstanding
\$147,186 capital lease issued June 27, 2014 for the purchase of a 911 Communication System, due in annual installments of \$32,415.88, principal and interest through March 1, 2019, interest payable at 3.70%.	\$ 118,528
\$205,108 capital lease issued December 2, 2014 for the purchase of a garbage truck, due in annual installments of \$42,811.61, principal and interest through March 15, 2019, interest payable at	
1.90%.	163,413
Total Capital Leases	469,125
Less: Current Maturities	(159,146)
Long-term Capital Leases	\$ 309 <b>,</b> 979
Drimany Correspond	
Primary Government: Accrued compensated absences	<u>\$ 497,964</u>
Landfill closure and post-closure care	\$ 1,006,209
Other post employee benefits	<u>\$ 1,565,755</u>
Net pension liability	\$ 5,479,000
Net pension liability	\$ 8,858,907

General obligation bonds are direct obligations and pledge the full faith and credit of the County.

Note 6 - Long-term Obligations (Continued)

Component Unit School Board

The following is a summary of changes in long-term obligations for the fiscal year ending June 30, 2015:

				Amount
Obligation payable at July 1, 2014			\$	7,202,769
Retirements:				
Capital lease payments	\$	214,000		
Amortization of debt issue costs		(6,897)		
Decrease in other post employee benefits		22,907		
Decrease in compensated absences	_	39,621		
Total retirements			_	(269,631)
Long-term Obligations payable at June 30,	20	15	<u>\$</u>	6,933,138

Annual requirements to amortize capital lease, related interest and amortization of debt issue costs are as follows:

ieai					
Ending		Capital	Le	ease	
<u>June 30,</u>		Principal		<u>Interest</u>	Debt Issue Cost
0016		007.000		101 005	A ( C 007)
2016	\$	237,000	\$	131,835	\$ ( 6 <b>,</b> 897)
2017		245,000		124,227	( 6,897)
2018		252,000		116,362	( 6,897)
2019		260,000		108,273	( 6,897)
2020		269,000		99,927	( 6,897)
2021-2028	_	2,844,000		473,994	(55,170)
Total	5	\$4,107,000	<u>\$1</u>	L,054,618	<u>\$ (89,655)</u>

Note 6 - Long-term Obligations (Continued)

Amount Outstanding

#### Capital Leases:

\$4,321,000 capital lease issued December 20, 2014 for the purchase of a 2015 International Roll Off Truck, due in semi-annual installments, principal and interest through December 20, 2028, interest payable at 3.21%.

\$ 4,107,000

Total Capital Leases

\$ 4,107,000

#### Component Unit School Board:

Capital lease, net of debt issue costs	\$ 4,017,345
Accrued compensated absences	<u>\$ 619,610</u>
Other post employee benefits	<u>\$ 2,296,183</u>
Total long-term obligations	<u>\$ 6,933,138</u>

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Note 7 - Proprietary Debt

Component Unit - Public Service Authority

Annual requirements to amortize long-term debt and related interest are as follows:

Details of Long-term indebtedness:

Year Ending		
June 30,	Principal	Interest
2016	\$ 904,370	\$ 245,262
2017	918,847	234,212
2018	901,127	223,702
2019	942,976	213,109
2020	952 <b>,</b> 908	201,827
2021-2025	4,934,541	829,031
2026-2030	4,936,545	468,167
2031-2035	2,823,194	302,956
2036-2040	1,649,208	187,399
2041-2045	820,956	63,627
2046-2050	122,394	8,499
2051-2055	14,188	148
Total	\$19,921,254	\$ 2,977,939

Changes in Long-term obligations:

	Amount
Long-term obligations at July 1, 2014	\$19,590,265
Issuance of Revenue Bonds and Notes	1,189,347
Retirement of Revenue Bonds and Notes	( 858,358)
Long-term debt payable at June 30, 2015	\$19,921,254

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Note 7 - Proprietary Debt (Continued)

#### Description of Long Term Debt

	Interest Rate	Issue Date	Final Maturity Date	Amount of Original Issue	Balance 6/30/2015	Amount Due Within One Year
Line of Credit	5.20%	9/25/2002	Open	\$ 2,000,000	\$ -	\$ -
Revenue Bond	0.00%	7/10/2003	8/1/2034	1,083,923	704,550	36,131
Revenue Bond	0.00%	8/9/2002	5/1/2033	444,154	266,492	14,805
Revenue Bond	0.00%	8/9/2002	4/1/2033	182,410	109,410	6,078
Revenue Bond	0.00%	12/21/2001	8/1/2033	399,237	232,888	13,308
Revenue Bond	0.00%	9/20/2001	7/1/2031	116,431	62,096	3,881
Revenue Bond	0.00%	10/22/2004	9/1/2034	96,391	62,654	3,213
Revenue Bond	0.00%	8/11/2004	9/1/2035	323,904	221,334	10,797
Revenue Bond	0.00%	2/24/2006	11/1/2036	1,010,816	724,196	33,694
Revenue Bond	0.00%	5/18/2007	11/1/2037	648,886	486,664	21,630
Revenue Bond	0.00%	9/27/2006	7/1/2033	2,637,350	1,898,892	105,494
Revenue Bond	0.00%	7/19/2007	2/1/2038	375,408	287,813	12,514
Revenue Bond	0.00%	9/14/2007	12/1/2037	554,730	400,628	17,806
Revenue Bond	0.00%	1/25/2008	2/2/2038	365,822	280,463	12,194
Revenue Bond	0.00%	6/1/2008	9/1/2038	334,252	261,831	11,142
Revenue Bond	0.00%	1/25/2008	6/1/2038	280,446	215,009	9,348
Revenue Bond	0.00%	2/10/2005	12/1/2035	542,227	370,522	18,074
Revenue Bond	0.00%	9/30/2009	8/1/2040	416,062	353,653	13,869
Revenue Bond	0.00%	9/30/2009	6/1/2040	267,510	133,889	5,356
Revenue Bond	0.00%	12/13/2010	9/1/2041	457,129	403,797	15,238
Revenue Bond	0.00%	12/9/2010	9/1/2041	1,586,490	1,401,399	52,883
Revenue Bond	0.00%	12/9/2010	3/1/2042	209,259	169,308	6,975
Revenue Bond	2.625%	4/13/2011	4/13/2051	480,000	463,068	7,931
Revenue Bond	0.00%	11/30/2011	6/1/2032	616,151	516,513	30,808
Revenue Bond	3.00%	10/27/2011	10/1/2042	752,464	635,562	15,311
Revenue Bond	2.62%	12/9/2011	6/30/2026	2,679,000	1,875,000	232,000
Revenue Bond	3.00%	10/18/2012	7/2/2042	1,161,033	1,078,020	26,323
Revenue Bond	0.00%	3/1/2013	4/1/2033	1,395,243	1,255,243	70,000
Revenue Bond	2.64%	9/25/2013	8/1/2027	2,930,000	2,910,000	10,000
Revenue Bond	3.00%	7/9/2013	8/1/2044	846,143	737,557	15,795
Revenue Bond	2.50%	5/8/2014	1/1/2046	1,125,999	971,482	21,514
Revenue Bond	2.50%	5/8/2014	1/1/2046	957,532	341,125	7,554
Note Payable	3.20%	8/28/2013	7/28/2017	168,329	90,196	42,705
-					\$ 19,921,254	\$ 904,371

Note 7 - Proprietary Debt (Continued)

Component Unit - Economic Development Authority

#### Revenue Note:

\$830,000 Loan Agreement with Virginia Coalfield Economic Development Authority, issued May 14, 2004 principal due and payable in full on May 14, 2015. There is no interest payable with this loan. Imputed interest was calculated at 4.50%

\$ 799,269

\$5,100,000 Lease Revenue Refunding Bond 2015 series, issued February 24, 2015, annual principal and semiannual interest payments beginning October 1, 2015 through October 1, 2034, interest payable at 3.52%

5,100,000

Total Revenue Note

\$5,899,269

Component Unit - Economic Development Authority

Annual requirements to amortize long-term debt and related interest are as follows:

<u>Year</u> <u>Payments</u> <u>Payments</u> <u>Toto</u> 2016 \$ 137,000 \$ 195,559 \$ 332	al
2016 \$ 137,000 \$ 195,550 \$ 332	
2016 \$ 137,000 \$ 195,559 \$ 332	,559
2017 161,000 171,864 332	,864
2018 167,000 166,091 333	,091
2019 173,000 160,107 333	,107
2020 179,000 153,912 332	,912
2021-2025 995,000 668,713 1,663	,713
2026-2030 1,499,000 450,543 1,949	,543
2031-2035 1,798,000 161,972 1,950	,972
Totals \$5,100,000 \$2,128,761 \$7,228	<u>,761</u>

Note 8 - Claims, Judgments, and Compensated Absences

In accordance with GASB 16, the County has accrued liabilities arising from outstanding claims, judgments and compensated absences.

County employees earn annual leave at various rates. Accumulated vacation up to thirty days is paid upon termination. Sick leave is paid at 25% of accrued sick leave at the rate of pay upon termination, up to a maximum of \$2,500. The County primary government has outstanding accrued vacation and sick pay totaling \$497,964.

Component Unit School Board employees earn business and sick leave at various rates. The Component Unit School Board has an outstanding business and sick leave pay totaling \$619,610.

Component Unit Public Service Authority employees earn annual leave at the rate of ½ day per month during the first year of employment and 1 day per month after one year of service. Employees may accumulate up to 30 days of annual leave. Total accrued leave for the year ended June 30, 2015 amounted to \$138,915.

Component Unit Economic Development Authority employees earn leave at various rates. The Component Unit Economic Development Authority has outstanding leave pay totaling \$22,634.

Note 9 - Unavailable Revenue

Unavailable revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Unavailable revenue totaling \$11,332,243 is comprised of property tax revenue of \$11,175,861 and prepaid taxes of \$156,382 representing uncollected tax billings not available for funding current expenditures.

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Note 10 - Defined Benefit Pension Plan

#### A. Plan Description

All full-time, salaried permanent employees of the County and public school divisions are automatically covered by 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 pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria a defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

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

	RETIREMENT PLAN PROVISION	HYBRID
PLAN 1	PLAN 2	RETIREMENT PLAN
About Plan 1	About Plan 2	About the Hybrid
Plan 1 is a defined	Plan 2 is a defined	Retirement Plan
benefit plan. The	benefit plan. The	The Hybrid Retirement
retirement benefit is	retirement benefit is	Plan combines the
based on a member's	based on a member's	features of a defined
age, creditable	age, creditable	benefit plan and a
service and average	service and average	defined contribution
final compensation at	final compensation at	plan. Most members
retirement using a	retirement using a	hired on or after
formula.	formula. Employees are	January 1, 2014 are in
Employees are eligible	eligible for Plan 2 if	this plan, as well as
for Plan 1 if their	their membership date	Plan 1 and Plan 2
membership date is	is on or after July 1,	members who were
before July 1, 2010,	2010, or their	eligible and opted
and they were vested	membership date is	into the plan during a
as of January 1, 2013.	before July 1, 2010,	special election
20 02 04.14429 1, 2010.	and they were not	window. (See "Eligible
	vested as of January	Members")
	1, 2013.	Hembers
	1, 2013.	

Second an amember's age, creditable service 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.   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 contributions.   In addition to the monthly benefit payment payable from the defined contributions, investment gains or losses, and any required fees.			• The defined benefit
age, creditable service 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.  • 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 contribution account, reflecting the contributions, investment gains or losses, and any required fees.  Eligible Members Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, or their membership date is before July 1, 2010, or their membership date is before July 1, 2010, or their membership date is before July 1, 2010, or their membership date is on or after July 1, 2010, or their membership date is on or after July 1, 2010, or their membership date is on or after July 1, 2013.  Eligible Members Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is on or after July 1, 2010, or their membership date is on or after July 1, 2013.  *Eligible Members Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is on or after July 1, 2014.  The benefit from the defined contributions comployees *  • 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			
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Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.  Eligible Members 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.  Eligible Members Employees are in Plan 2 if their membership date is on or after January 1, 2014. This includes:  Political subdivision 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			contribution account,
Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.  Eligible Members 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.  Eligible Members Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is on or after January 1, 2014. This includes:  • Political subdivision 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			reflecting the
Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.  Eligible Members 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.  Eligible Members Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes: Political subdivision 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			contributions,
Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.  Eligible Members 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.  Eligible Members Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:  Political subdivision 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			investment gains or
Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.  Eligible Members 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.  Eligible Members Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes: Political subdivision 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			losses, and any
Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.  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.  Employees are in Plan 2 if their membership date is on or after January 1, 2014. This includes: Political subdivision 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			required fees.
1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.  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.  4 Political subdivision 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	_	Eligible Members	Eligible Members
date is before July 1, 2010, and they were vested as of January 1, 2013.  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.  date is on or after January 1, 2014. This includes: Political subdivision 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		_ <del>_</del>	Employees are in the
July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2014.  1, 2013.  July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2014.  This includes:  Political subdivision 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	_		Hybrid Retirement Plan
vested as of January 1, 2013.  membership date is before July 1, 2010, and they were not vested as of January 1, 2013.  membership date is before July 1, 2010, and they were not vested as of January 1, 2013.  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			if their membership
before July 1, 2010, and they were not vested as of January 1, 2013.  This includes: Political subdivision 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	<u> </u>		
and they were not vested as of January 1, 2013.  • Political subdivision 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		_	
vested as of January  1, 2013.  subdivision 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	1, 2013.	- ·	
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		<u> </u>	
• 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		<u>-</u>	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		1, 2013.	[
to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members			
during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members			
window held January 1-April 30, 2014; the plan's effective date for opt-in members			
1-April 30, 2014; the plan's effective date for opt-in members			
plan's effective date for opt-in members			
for opt-in members			_
was July 1, 2014			
		<u> </u>	was July 1, 2014

#### Hybrid Opt-In Election

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.

#### Retirement Contributions

Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by

#### Hybrid Opt-In Election

Eligible 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.

#### \*Non-Eligible Members 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.

#### Retirement Contributions

Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions elected to phase in the required 5% member contribution but all employees will be paying the full 5% by

#### Retirement Contributions

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

July 1, 2016. Member	July 1, 2016.	of the employee's
contributions are tax-		creditable
deferred until they		compensation and are
are withdrawn as part		required from both the
of a retirement		member and the
benefit or as a		employer.
refund. The employer		Additionally, members
makes a separate		may choose to make
actuarially determined		voluntary
contribution to VRS		contributions to the
for all covered	İ	defined contribution
employees. VRS invests		component of the plan,
both member and		and the employer is
employer contributions		required to match
to provide funding for		those voluntary
the future benefit		contributions
payment.		1
1. 1		according to specified
Creditable Service	Creditable Service	percentages.  Creditable Service
Creditable service	Same as Plan 1.	Defined Benefit
includes active	Jame as IIan I.	Component:
service. Members earn		Under the defined
creditable service for		
each month they are		benefit component of
employed in a covered		the plan, creditable
position. It also may		service includes
include credit for		active service.
prior service the		Members earn
member has purchased		creditable service for
or additional		each month they are
creditable service the		employed in a covered
member was granted. A		position. It also may
member's total		include credit for
creditable service is		prior service the
one of the factors		member has purchased
used to determine		or additional
their eligibility for		creditable service the
retirement and to		member was granted. A
calculate their		member's total
retirement benefit. It		creditable service is
1		one of the factors
also may count toward		used to determine
eligibility for the		their eligibility for
health insurance		retirement and to
credit in retirement,		calculate their
if the employer offers		retirement benefit. It
the health insurance		also may count toward
credit.		eligibility for the
		health insurance
		credit in retirement,
		if the employer offers

the health insurance

credit.
Defined Contributions
Component:
Under the defined

Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.

#### Vesting

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 creditable service. 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.

#### Vesting

Same as Plan 1.

# Vesting Defined Benefit Component:

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 creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.

## Defined Contributions Component:

Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.

Members are always 100% vested in the contributions that 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 emplover contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. Distribution is not required by law until age 70½. Calculating the Calculating the Calculating the Benefit Benefit Benefit The Basic Benefit is See definition under Defined Benefit calculated based on a Plan 1. Component: formula using the See definition under member's average final Plan 1 compensation, a retirement multiplier Defined Contribution and total service Component: credit at retirement. The benefit is based It is one of the on contributions made benefit payout options by the member and any available to a member matching contributions at retirement. made by the employer, plus net investment

		<del></del>
An early retirement		earnings on those
reduction factor is		contributions.
applied to the Basic		
Benefit if the member		
retires with a reduced		
retirement benefit or		
selects a benefit		
payout option other		
than the Basic		
Benefit.		
Average Final	Average Final	Average Final
Compensation	Compensation	Compensation
A member's average	A member's average	Same as Plan 2. It is
final compensation is	final compensation is	used in the retirement
the average of the 36	the average of their	formula for the
consecutive months of	60 consecutive months	defined benefit
highest compensation	of highest	component of the plan.
as a covered employee.	compensation as a	
	covered employee.	
Service Retirement	Service Retirement	Service Retirement
Multiplier	Multiplier	Multiplier
VRS: The retirement	VRS: Same as Plan1 for	Defined Benefit
multiplier is a factor	service earned,	Component:
used in the formula to	purchased or granted	VRS: The retirement
determine a final	prior to January 1,	multiplier for the
retirement benefit.	2013. For non-	defined benefit
The retirement	hazardous duty members	component is 1.00%.
multiplier for non-	the retirement	
hazardous duty members	multiplier is 1.65%	For members who opted
is 1.70%.	for creditable service	into the Hybrid
	earned, purchased or	Retirement Plan from
	granted on or after	Plan 1 or Plan 2, the
	January 1, 2013.	applicable multipliers
		for those plans will
		be used to calculate
		the retirement benefit
		for service credited
		in those plans.
Sheriffs and regional	Sheriffs and regional	
jail superintendents:	jail superintendents:	Sheriffs and regional
The retirement	Same as Plan 1.	jail superintendents:
multiplier for		Not applicable.
sheriffs and regional		
jail superintendents	Political subdivision	
is 1.85%	hazardous duty	
	employees: Same as	Political subdivision
Political subdivision	Plan 1.	hazardous duty
hazardous duty		employees: Not
employees: The		applicable.
retirement multiplier		
of eligible political		

aubdini si an bannadana		
subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.		Defined Contribution Component: Not applicable.
Normal Retirement Age VRS: Age 65.  Political subdivisions	Normal Retirement Age VRS: Normal Social Security retirement age.	Normal Retirement Age Defined Benefit Component: VRS: Same as Plan 2.
hazardous duty employees: Age 60.	Political subdivisions hazardous duty employees: Same as Plan 1.	Political subdivisions hazardous duty employees: Not applicable.
		Defined Contribution Component: Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Earliest Unreduced Retirement Eligibility VRS: Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service.	Earliest Unreduced Retirement Eligibility VRS: Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90.	Earliest Unreduced Retirement Eligibility Defined Benefit Component: VRS: Normal Social Security retirement age and have at least five years (60 months) of creditable service or when their age and
Political subdivisions hazardous duty employees: Age 60 with at least five years of creditable service or age 50 with at least 25 years of creditable service.	Political subdivisions hazardous duty employees: Same as Plan 1.	Political subdivisions hazardous duty employees: Not applicable.  Defined Contribution Component:
		Members are eligible to receive distributions upon leaving employment,

	T	Caraba a a bara a cara
		subject to
		restrictions.
Earliest Reduced	Earliest Reduced	Earliest Reduced
Retirement Eligibility	Retirement Eligibility	Retirement Eligibility
VRS: Age 55 with at	VRS: Age 60 with at	Defined Benefit
least five years (60	least five years (60	Component:
months) of creditable	months) of creditable	VRS: Age Members may
service or age 50 with	service.	retire with a reduced
at least 10 years of		benefit as early as
creditable service.		age 60 with at least
		five years (60 months)
	Political subdivisions	of creditable service.
Political subdivisions	hazardous duty	or eredreable betvice.
hazardous duty	employees: Same as	Political subdivision
employees: 50 with at	Plan 1.	hazardous duty
	Plan 1.	,
least five years of		employees: Not
creditable service.		applicable.
		Defined Contribution
		Component:
		Members are eligible
		to receive
		distributions upon
		leaving employment,
		subject to
		restrictions.
Cost-of-Living	Cost-of-Living	Cost-of-Living
Adjustment (COLA) in	Adjustment (COLA) in	Adjustment (COLA) in
Retirement	Retirement	Retirement
The Cost-of-Living	The Cost-of-Living	Defined Benefit
Adjustment (COLA)	Adjustment (COLA)	Component:
matches the first 3%	matches the first 2%	Same as Plan 2.
increase in the	increase in the CPI-U	
Consumer Price Index	and half of any	Defined Contribution
for all Urban	additional increase	Component:
Consumers (CPI-U) and	(up to 2%), for a	Not applicable.
half of any additional	maximum COLA of 3%.	Not applicable.
increase (up to 4%) up	maximum cola oi 5%.	
to a maximum COLA of		
5%.		
Eligibility:	   Eligibility:	Eligibility:
For members who retire	Same as Plan 1	Same as Plan 1 and
with an unreduced		Plan 2.
benefit or with a		Liuii 2.
reduced benefit with		
at least 20 years of		
creditable service,		
the COLA will go into effect on July 1 after		
	1	1

one full calendar year from the retirement date.

For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.

### Exceptions to COLA Effective Dates:

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 five years of qualifying for an unreduced retirement benefit as of January 1, 2013.
- The member retires on disability.
- The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP).
- 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.

# Exceptions to COLA Effective Dates:

Same as Plan 1

# Exceptions to COLA Effective Dates:

Same as Plan 1 and Plan 2.

		,
• 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		
1		
effect on July 1		
following one full		
calendar year		
(January 1 to		
December 31) from the		
date the monthly		
benefit begins.		
Disability Coverage	Disability Coverage	Disability Coverage
Members who are	Members who are	Employees of political
eligible to be	eligible to be	subdivisions
considered for	considered for	(including Plan 1 and
disability retirement	disability retirement	Plan 2 opt-ins)
and retire on	and retire on	participate in the
disability, the	disability, the	Virginia Local
retirement multiplier	retirement multiplier	Disability Program
is 1.7% on all	is 1.65% on all	(VLDP) unless their
service, regardless of	service, regardless of	local governing body
when it was earned,	when it was earned,	provides an employer-
1	1	-
purchased or granted.	purchased or granted.	paid comparable
	MCDD members and	program for its
HODD was also as a second	VSDP members are	members.
VSDP members are	subject to a one-year	. , , , ,
subject to a one-year	waiting period before	Hybrid members
waiting period before	becoming eligible for	(including Plan 1 and
becoming eligible for	non-work related	Plan 2 opt-ins)
non-work related	disability benefits.	covered under VLDP are
disability benefits.		subject to a one-year
		waiting period before
		becoming eligible for
		non-work related
		disability benefits.
Purchase of Prior	Purchase of Prior	Purchase of Prior
Service	Service	Service
Members may be	Same as Plan 1.	Defined Benefit
eligible to purchase		Component:
service from previous		Same as Plan 1, with
public employment,		the following
active duty military		exceptions:
service, an eligible		Hybrid Retirement
period of leave or VRS		Plan members are
refunded service as		ineligible for ported
creditable service in		service.
their plan. Prior		
CHOIL PIGHT. FILOI		• The cost for

creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.	purchasing refunded service is the higher of 4% of creditable compensation or average final compensation.  • Plan members have one year from their date of hire or return from leave to purchase all but refunded prior service at approximate normal cost. After that one year period, the rate for most categories of service will change to actuarial cost.  Defined Contribution Component: Not applicable.
	Not applicable.

# Employees Covered by Benefit Terms

As of the June 30, 2013 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

		lumber
	County	School-
Inactive members or their beneficiaries		Non-Professional
currently receiving benefits	87	65
Inactive members:		
Vested inactive members	9	2
Non-vested Inactive members	19	15
Inactive members active elsewhere in VRS	30	88
Total inactive members	<b>5</b> 8	25
Active members	129	89
Total covered employees	274	179

Note 10 - Defined Benefit Pension Plan (Continued)

#### Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. 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 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal in employee-paid member amount of the increase the the contribution.

The County's contractually required contribution rate for the year ended June 30, 2015 was 14.42% for general government covered employee compensation and 8.72% for school board-non professional employees. These rates were based on actuarially determined rates from actuarial valuations as of June 30, 2013.

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 general government were \$750,270 and \$802,000 for the years ended June 30, 2015 and June 30, 2014, respectively and for the school board \$199,237 and \$227,000 for the years ended June 30, 2015 and June 30, 2014, respectively.

### Net Pension Liability

The County's net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2013, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Note 10 - Defined Benefit Pension Plan (Continued)

# Actuarial Assumptions - General Employees

The total pension liability for General Employees in the Political Subdivision's Retirement Plan was based on an actuarial valuation as of June 30, 2013, 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, 2014.

Inflation 2.5 percent

Salary increases, including inflation

3.5 percent - 5.35 percent

Investment rate of return

7.0 percent, net of pension plan
 investment expense,
 including inflation\*

\* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% 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 7.0% to simplify preparation of pension liabilities.

Mortality rates: 14% of deaths are assumed to be service related

Largest 10 - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females were set back 2 years.

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year.

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

Note 10 - Defined Benefit Pension Plan (Continued)

All Others (Non 10 Largest) - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females were set back 2 years.

#### Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year.

### Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

### Actuarial Assumptions - Public Safety Employees

The total pension liability for Public Safety employees in the Political Subdivision Retirement Plan was based on an actuarial valuation as of June 30, 2013, 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, 2014.

Inflation 2.5 percent

Salary increases, including inflation 3.5 percent - 4.75 percent

Note 10 - Defined Benefit Pension Plan (Continued)

\* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% 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 7.0% to simplify preparation of pension liabilities.

Mortality rates: 60% of deaths are assumed to be service related

### Largest 10 - LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years.

## Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year.

## Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

# All Others (Non 10 Largest) - LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years.

### Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year.

## Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

Note 10 - Defined Benefit Pension Plan (Continued)

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 - LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) - LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

### 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:

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Note 10 - Defined Benefit Pension Plan (Continued)

		Arithmetic Long-Term Expected	Weighted Average Long-Term
	Target	Rate of	Expected Rate
Asset Class (Strategy)	Allocation	Return	of Return
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
	100.00%		5.83%
	Inflation		2.50%
* Expected arithmetic nom	inal return		8.33%

<sup>\*</sup> Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons, the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

## Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that system member contributions will be made per the VRS statutes and the employer contributions will be made in accordance

Note 10 - Defined Benefit Pension Plan (Continued)

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, 2018, the rate contributed by the employer for the Political Subdivision Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 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.

### Changes in Net Pension Liability

_	Increase (Decrease)				
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability		
General Government	(a)	(b)	(a) - (b)		
Balance at June 30, 2013	\$ 25,861,763	\$ 18,746,030	\$ 7,115,733		
Changes for the year:					
Service Cost	600,671	_	600,671		
Interest	1,765,556	_	1,765,556		
Differences between expected	_	-	-		
and actual experience	-	-	-		
Contributions - employer	_	802,383	(802,383)		
Contributions - employee	-	265,190	(265,190)		
Net investment income	-	2,951,572	(2,951,572)		
Benefit payments, including	_	-	-		
of employee contributions	(1,279,074)	(1,279,074)	-		
Administrative expenses	_	(15,914)	15,914		
Other changes		156	(156)		
Net changes	1,087,153	2,724,313	(1,637,160)		
Balance at June 30, 2014	\$ 26,948,916	\$ 21,470,343	\$ 5,478,573		

Note 10 - Defined Benefit Pension Plan (Continued)

## Changes in Net Pension Liability (Continued)

	Increase (Decrease)				
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability		
School-non professional	(a)	(b)	(a) - (b)		
Balance at June 30, 2013	\$ 8,334,236	\$ 7,010,441	\$ 1,323,795		
Changes for the year:					
Service Cost	224,506	-	224,506		
Interest	569,005		569,005		
Differences between expected	-	_	-		
and actual experience	-	-	-		
Contributions - employer	-	226,613	(226,613)		
Contributions - employee	-	106,179	(106,179)		
Net investment income	-	1,102,402	(1,102,402)		
Benefit payments, including	_	-	_		
of employee contributions	(411,190)	(411,190)	-		
Administrative expenses	_	(5,951)	5,951		
Other changes		59	(59)		
Net changes	382,321	1,018,112	(635,791)		
Balance at June 30, 2014	\$ 8,716,557	\$ 8,028,553	\$ 688,004		

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

The following presents the net pension liability of the political subdivision using the discount rate of 7.00%, as well as what the political subdivision's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	 (6.00%)	Rate (7.00%)	(8.00%)
General Government			
Net Pension Liability	\$ 9,061,502	\$ 5,478,573	\$ 2,506,426

Note 10 - Defined Benefit Pension Plan (Continued)

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

School-non professional	(6.00%)	Rate (7.00%)	(8.00%)
General Government			
Net Pension Liability	\$ 1,763,078	\$ 8,004	\$ (215,538)

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

For the year ended June 30, 2015, the County's general government recognized pension expense of \$(267,270). At June 30, 2015, the County's general government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Out	flows of	Defe	rred Inflows	
	Resources		of Resources		
Differences between expected and actual experience	\$	<del>-</del>	\$	-	
Change in assumptions		-		-	
Net difference between projected and actual earnings on pension plan investments		-		1,318,000	
Employer contributions subsequent to the measurement date		750,270		-	
Total	\$	750,270	\$	1,318,000	

Note 10 - Defined Benefit Pension Plan (Continued)

# Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$750,270 reported as deferred outflows of resources related to pensions resulting from the County's general government contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

#### Year ended June 30

2016	\$ (3	329,500)
2017	(:	329,500)
2018	(:	329,500)
2019	(:	329,500)
Thereafter		
	\$ (1,3	318,000)

For the year ended June 30, 2015, the School Board recognized pension expense of \$(433,269) for non-professional employees. At June 30, 2015, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions for non-professional employees from the following sources:

	Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	\$	-	\$	-
Change in assumptions		-		-
Net difference between projected and actual earnings on pension plan investments		-		491,697
Employer contributions subsequent to the measurement date		199,237		-
Total	\$	199,237	\$	491,697

Note 10 - Defined Benefit Pension Plan (Continued)

# Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$199,237 reported as deferred outflows of resources related to pensions resulting from the school board's contributions subsequent to the measurement date for nonprofessional employees will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

#### Year ended June 30

2016	\$ (122,924)
2017	(122,924)
2018	(122,924)
2019	(122,925)
Thereafter	 
	\$ (491,697)

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Note 10 - Defined Benefit Pension Plan (Continued)

# REQUIRED SUPPLEMENTARY INFORMATION

# Schedule of Changes in the Political Subdivision's Net Pension Liability and Related Ratios

General government	2014
Total pension liability	
Service cost	\$ 600,671
Interest	1,765,556
Changes of benefit terms	_
Differences between expected and actual experience	_
Changes in assumptions	_
Benefit Payments, including refunds of employee contributions	(1,279,074)
Net change in total pension liability	1,087,153
Total pension liability - beginning	 25,861,763
Total pension liability - ending (a)	\$ 26,948,916
Plan fiduciary net position	
Contributions - employer	\$ 802,383
Contributions - employee	265,190
Net investment income	2,951,572
Benefit Payments, including refunds of employee contributions	(1,279,074)
Administrative expense	(15,914)
Other	156
Net change in plan fiduciary net position	2,724,313
Plan fiduciary net position - beginning	 18,746,030
Plan fiduciary net position - ending (b)	\$ 21,470,343
Political subdivision's net pension liability-ending (a) - (b)	\$ 5,478,573
Plan fiduciary net position as a percentage of the total	
Pension liability	79.67%
	75.078
Covered-employee payroll	\$ 5,479,756
Political subdivision's net pension liability as a percentage	
of covered-employee payroll	99.98%

Note 10 - Defined Benefit Pension Plan (Continued)

# REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

School-non professional	2014
Total pension liability	
Service cost	\$ 224,506
Interest	569,005
Changes of benefit terms	_
Differences between expected and actual experience	_
Changes in assumptions	-
Benefit Payments, including refunds of employee contributions	 (411,190)
Net change in total pension liability	382,321
Total pension liability - beginning	 8,334,236
Total pension liability - ending (a)	\$ 8,716,557
Plan fiduciary net position	
Contributions - employer	\$ 226,613
Contributions - employee	106,179
Net investment income	1,102,402
Benefit Payments, including refunds of employee contributions	(411,190)
Administrative expense	(5,951)
Other	 59
Net change in plan fiduciary net position	1,018,112
Plan fiduciary net position - beginning	7,010,441
Plan fiduciary net position - ending (b)	\$ 8,028,553
Political subdivision's net pension liability-ending (a) - (b)	\$ 688,004
Plan fiduciary net position as a percentage of the total	
Pension liability	92.11%
Covered-employee payroll	\$ 2,321,227
Political subdivision's net pension liability as a percentage	
of covered-employee payroll	29.64%

Note 10 - Defined Benefit Pension Plan (Continued)

# REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

# Schedule of Employer Contributions For the Year Ended June 30, 2015

Genera	1 Go	vernment (	Contr	cibutions i	n				Contributions
			Re	lation to			Employer's		as of % of
	Con	tractually	Con	tractually	Contribu	tion	Covered		Covered
	F	Required	F	Required	Deficie	ncy	Employee		Employee
	Cor	tribution	Con	tribution	(Exces	s)	Payrol1		Payroll
Date	•	(1)	•	(2)	(3)	•	(4)	•	(5)
2015	\$	750,270	\$	750,270	\$	_	\$ 5,479,756		13.69%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

# Schedule of Employer Contributions For the Year Ended June 30, 2015

261001	-non	(	contr	ibutions i	n				Contributions
prof	essio	nal	Rel	lation to				Employer's	as of % of
	Cont	ractually	Cont	ractually	Cont	ributio	n	Covered	Covered
	Re	equired	R	equired	Def	iciency	•	Employee	Employee
	Cont	ribution		tribution	(E	xcess)		Payroll	Payroll
Date		(1)	7	(2)	•	(3)	•	(4)	(5)
2015	\$	199,237	\$	199,237	\$	_	\$	2,321,227	8.58%

Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

## For Reference Only:

School-non

Column 1 - Employer contribution rate multiplied by the employer's covered employee payroll

Column 2 - Actual employer contribution remitted to VRS

Company than the second

Column 3 - Employer's covered employee payroll amount for the fiscal year ended June 30, 2015.

Note 10 - Defined Benefit Pension Plan (Continued)

## Notes to Required Supplemental Information For the Year Ended June 30, 2015

Changes of benefit terms - There have been no significant changes to the System benefit provisions since the prior actuarial valuation. A hybrid plan with changes to the defined benefit plan structure and a new defined contribution component were adopted in 2012. The hybrid plan applies to most new employees hired on or after January 1, 2014 and not covered by enhanced hazardous duty benefits. The liabilities presented do not reflect the hybrid plan since it covers new members joining the System after the valuation date of June 30, 2013 and the impact on the liabilities as of the measurement date of June 30, 2014 are minimal.

Changes of assumptions - The following changes in actuarial assumptions were made effective June 30, 2013 based on the most recent experience study of the System for the four year period ending June 30, 2012:

Largest 10 - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

Largest 10 - LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) - LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

# Note 11 - Other Post-Employment Benefits

The Governmental Accounting Standards Board ("GASB") Statement No. 45, Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans, establishes standards for the measurement, recognition and display of other post-employment benefits ("OPEB") expense and related liabilities in the financial statements. The cost of post-employment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future years when it will be paid. The County and Schools prospectively adopted the requirements of GASB Statement No. 45 during the year ended June 30, 2009. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Annual Other Post-Employment Benefit Cost and Net OPEB Obligation

For the fiscal year ended June 30, 2015, the County and School Board's annual OPEB costs of \$351,993 and \$360,316, respectively, were equal to the Annual Required Contribution (ARC).

	Primary Government	School Board
Interest on net OPEB obligation Adjustment to annual required	\$ 351,466 527	\$ 396,507 92,764
contribution		(128,955)
Annual OPEB cost Contributions made	351 <b>,</b> 993 -	360,316 (383,223)
Increase in net OPEB obligation Net OPEB obligation-beginning of year	351,993 1,213,762	(22,907) 2,319,090
Net OPEB obligation-end of year	\$ 1,565,755	\$ 2,296,183

Note 11 - Other Post-Employment Benefits (Continued)

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows. The County's first year for implementing GASB No. 45 was June 30, 2009.

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2015	\$ 351,993	0.0%	\$ 1,565,755
June 30, 2014	\$ 351,993	0.0%	\$ 1,213,762
June 30, 2013	\$ 351,993	0.0%	\$ 861,769

The School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows. The School Board's first year for implementing GASB No. 45 was June 30, 2009.

Fiscal Year Ending	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net-OPEB Obligation		
June 30, 2015	\$ 360,316	100.6%	\$ 2,296,183		
June 30, 2014	\$ 409,239	0.0%	\$ 2,319,090		
June 30, 2013	\$ 396,507	0.0%	\$ 1,909,851		

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Note 11 - Other Post-Employment Benefits (Continued)

Funding Status and Funding Progress

The funding status of the plan as of July 1, 2014 was as follows:

	Primary Government	School Board
Actuarial Accrued Liability (AAL) Actuarial Value of Plan Assets Unfunded Actuarial Accrued Liability (UAAL)	\$2,627,420 \$: - 2,627,420	4,518,789 - 4,518,789
Funded Ratio (Actuarial Value of Plan Assets/AAL) Covered Payroll (Active Plan Members)	•	0% 22,509,776
UAAL as a Percentage of Covered Payroll	56.06%	20.07%

Actuarial valuations of an ongoing plan involve estimates of the value reported amounts and assumptions about the probability occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

### Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Note 11 - Other Post-Employment Benefits (Continued)

In the July 1, 2015 actuarial valuation, the entry age normal cost method was used to determine liabilities. Under this method, the actuarial present value of projected benefits of every active participant as if the plan's provisions on the valuation date had always been in effect, is determined as a level percentage of expected annual earnings for each future year of expected service. Under this method, inactive participants have no normal cost, and their actuarial liability is the present value of the plan benefits to which they and their beneficiaries are entitled. The actuarial assumptions used a 4% discount rate and assumed retiree contributions would increase in future years at the healthcare cost trend rate. The unfunded accrued liability is being amortized over 30 years. The remaining amortization period at June 30, 2015 is 24 years.

### Funding Policy

The County and Schools currently fund post-employment health care benefits on a pay-as-you-go basis. During fiscal year 2015, the Schools made contributions of \$383,223 for the OPEB liability.

### Plan Description

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

A retiree, eligible for post-retirement medical coverage, is defined as a full-time employee who retires directly from the County or Schools and is eligible to receive an early or regular retirement benefit from the VRS. Employees applying for early or regular retirement are eligible to continue participation in the Retiree Health Plans sponsored by the County and Schools. Employees at the County are allowed to stay on the plan until death of the employee and employees at the School Board are allowed to stay on the plan until death of the employee or eligibility for Medicare coverage. The employee pays 100% of the required premium.

Note 11 - Other Post-Employment Benefits (Continued)

The number of participants at June 30, 2015 was as follows:

	Primary Government	School Board
Retirees currently receiving benefits Active employees	9 110	67 353
Total	119	420

## Note 12 - Contingent Liabilities

Federal programs in which the County and its component units participate were audited in accordance with the provisions of U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable While no matters of noncompliance were disclosed by requirements. audit, the Federal Government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

# Note 13 - Landfill Closure and Postclosure Care Cost

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used at each balance sheet date. The \$1,006,209 reported as landfill closure and post closure care liability at June 30, 2015, represents the cumulative amount reported. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County expects closure on the landfill in the next few years. These estimated amounts are based on what it would cost to perform all closure and post closure care in 2015.

### Note 14 - Risk Management

The County and its Component Unit School Board are exposed to various risk of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural its Component Unit School disasters. The County and participates with other localities in a public entity risk pool, the Virginia Association of Counties Self Insurance, for all types of The Component Unit School Board participates with other insurance. localities in a public entity risk pool, the Virginia Municipal League, for all of its insurance coverage. The County and its Component Unit School Board pay an annual premium to these pools for their insurance coverage. The agreement for the formation of the pools provides that the pools will be self-sustaining through member The County continues to carry commercial insurance for all For the three previous fiscal years, settled other risks of losses. claims from these risks have not exceeded commercial coverage.

### NOTE 15 - Self-Funded Insurance

The Scott County School Board established a limited risk management program for health insurance in 1992. Premiums are paid into the School Health Insurance Fund by school employees and are available to pay claims, claim reserves and administrative costs of the program. During fiscal year 2015 a total of \$4,444,854 was paid in benefits and administrative costs. The risk assumed by the School Board is \$100,000 per person with a maximum attachment point of \$4,444,854. Inter-fund premiums are based primarily upon the insured funds claims experience and are reported as quasi-external interfund transactions. The fund had \$0 health insurance claims payable at June 30, 2015.

### Note 16 - Interfund Transfers

Interfund transfers for the year ended June 30, 2015, consisted of the following:

Fund	<u>Transfers In</u>	<u>Transfers Out</u>						
Primary Government: General Fund School Fund	\$ - 4,328,725	\$ 4,328,725 -						
Total	\$ 4,328,725	\$ 4,328,725						

# Note 17 - Surety Bonds

	Amount
Fidelity and Deposits Company of Maryland - Surety	·
Mark A. "BO" Taylor, Clerk of the Circuit Court	\$200,000
Mitzi Owens, Treasurer	400,000
Gary Baker, Commissioner of the Revenue	10,000
John Puckett, Sheriff	30,000
VACO Risk Management Programs	
All School Board employees - blanket	250,000
VACorp - Surety	•
Kathie Noe, County Administrator	100,000
All General Government employees - blanket	100,000
All Social Service employees - blanket	100,000

## Note 18 - Fund Balances

Note 18 - Fund Balances								
		General		School		Other		
		Fund_		_Fund_		Funds		Total
Fund balances:				<del> </del>				
Restricted for:								
Federal Seizure	\$	7,509		\$ -	\$	_	\$	7,509
Inmates		_		_		-		-
Courthouse Security		20,668		_		-		20,668
E-911		192,828		_		-		192,828
Coal and Roads		_		-		37,199		37,199
Law Library		_		-		12,496		12,496
Assigned for:								
Commonwealth Attorney		117,778		_		_		117,778
Weapons Permits		45,637		-		-		45,637
Courthouse Maintenance		42,224		_		_		42,224
Technology		37,965		_		-		37,965
Cafeteria		-		223,462		_		223,462
Insurance		-		926,131		_		926,131
Unassigned		3,827,900	_	87,641	_		_3	,915,541
Total fund balances	\$4	4,292,509	\$	1,237,234	\$	49,695	\$5	,579,438

### NOTE 19- PRIOR PERIOD ADJUSTMENT

The County implemented the financial reporting provisions of the Statements described in Note 10 for the fiscal year ended June 30, 2015. These Statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditures relating to pensions. Note disclosure and required supplementary information requirements about pensions are also addressed. The requirements of this Statement will improve financial reporting by improving accounting and financial reporting by state and local governments for pensions. The implementation of these Statements resulted in the following restatement of net position:

		Discretely
		Presented
General	School	Component
Government	Board	Units
\$ 10,825,277	\$ 30,298,062	\$ 49,257,644
(6,314,000)	(34,626,000)	(205,758)
\$ 4,511,277	\$ (4,327,938)	\$ 49,051,886
	\$ 10,825,277 (6,314,000)	Government Board  \$ 10,825,277  \$ 30,298,062  (6,314,000)  (34,626,000)

REQUIRED SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended June 30, 2015

	General Fund								
Revenues:		Original Budget		Budget As Amended Actual				Variance With Amended Budget Positive (Negative)	
General property taxes	\$	10,689,500	\$	10,689,500	\$	10,768,184	\$	78,684	
Other local taxes	Ψ	3,265,000	Ψ	3,265,000	Ψ	3,131,490	Ψ	(133,510)	
Permits, privilege fees		0,200,000		0,200,000		0,101,400		(100,010)	
& regulatory licenses		34,900		34,900		61,121		26,221	
Fines and forfeitures		79,406		79,406		202,900		123,494	
Revenue from use of		,		,				0,	
money & porperty		97.000		97,000		96,357		(643)	
Charges for services		176,500		176,500		153,513		(22,987)	
Miscellaneous		216,118		223,746		162,528		(61,218)	
Recovered costs		251,114		663,163		677,818		14,655	
Intergovernmental:		,		,				,	
Commonwealth		5,188,036		5,571,495		5,111,088		(460,407)	
Federal		1,955,529		1,986,767		1,590,377		(396,390)	
Total revenues		21,953,103		22,787,477		21,955,376		(832,101)	
Expenditures:									
Current:									
General government administration		1,943,504		1,945,478		1,755,280		190,198	
Judicial administration		1,328,111		1,373,829		1,298,955		74,874	
Public safety		5,738,699		6,183,547		5,675,137		508,410	
Public works		1,891,812		2,229,216		2,226,127		3,089	
Health and welfare		5,189,917		5,189,917		4,109,408		1,080,509	
Education		27,930		27,930		27,930		-	
Parks, recreation, & cultural		592,499		596,929		531,985		64,944	
Community development		433,315		433,315		441,873		(8,558)	
Debt service:									
Principal retirement		436,507		436,507		436,507		-	
Interest & other fiscal charges		166,287	_	166,287		166,287		-	
Total expenditures		17,748,581		18,582,955		16,669,489		1,913,466	
Excess (deficiency) of									
revenues over expenditures		4,204,522		4,204,522		5,285,887		1,081,365	
Other financing sources (uses):									
Operating transfers in		-		-		-		-	
Operating transfers out Transfers from primary government		(5,654,918) -		(5,654,918) -		(4,328,725) -		1,326,193 -	
Total other financing sources (uses)		(5,654,918)		(5,654,918)	-	(4,328,725)	-	1,326,193	
. Other carrier invarious december (many)		(3,00.,010)		(0,00.,010)		(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		.,,,,,,,,,,,	
Excess (deficiency) of revenues & other									
sources over expenditures & other uses		(1,450,396)		(1,450,396)		957,162		2,407,558	
Fund balances at beginning of year		<u>.</u>		<u> </u>		3,335,347		3,335,347	
Fund balances at end of year	\$	(1,450,396)	_\$_	(1,450,396)	\$	4,292,509	_\$_	5,742,905	

Expendable Agency Funds Trust Deferred Payroll Local Withholding Sales Tax Special Comp Fund Welfare Fund Fund **Totals** Assets: Cash and cash equivalents \$ 55,069 \$ \$ 55,069 Cash with sheriff Due from other government 270,623 units 270,623 6,283 6,283 Amount due from others 2,870,951 2,870,951 Investments Total assets 2,870,951 55,069 \$ 6,283 270,623 \$ 3,202,926 Liabilities: Due to primary government \$ \$ \$ 249,487 \$ 249,487 Due to other government units Amounts due to others 6,283 6,283 Amounts held for others 2,870,951 55,069 21,136 2,947,156 **Total liabilities** 2,870,951 55,069 6,283 270,623 \$ 3,202,926 \$

DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD

		Governmental Fund Types							roprietary und Type		
	School School Food Operating Service Fund Fund		Service		School Debt Fund		Scott County Head Start	h	School nsurance Fund	Totals	
Assets: Cash & cash equivalents Cash with head start	\$	4,914 -	\$	226,028	\$	87,641	\$	-	\$	926,131	\$ 1,244,714
Other current assets  Due from other governmental		1,060,092		-				21,661		-	1,081,753
units  Due from primary government		598,560 1,300,785						91 		<u> </u>	 598,876 1,300,785
Total Assets		2,964,351	\$	226,253	\$	87,641	\$	21,752		926,131	 4,226,128
Liabilities:											
Accounts payable Accrued salaries Health insurance payable	\$	58,515 2,905,836	\$	2,791 - -	\$	- -	\$	21,752 - -	\$	- -	\$ 83,058 2,905,836 -
Total Liabilities		2,964,351		2,791		<u>-</u>	_	21,752		-	 2,988,894
Fund balance: Assigned Unassigned		<u>.</u>		223,462		87,641 		<u>.</u>		926,131	 1,237,234
Total Fund Balance		<u> </u>	_\$_	223,462		87,641				926,131	1,237,234
Total Liabilities & Fund Balance	\$	2,964,351	\$	226,253	<u>\$</u>	87,641	\$	21,752	\$	926,131	

Detailed explanation of adjustments from fund statements to government-wide statement of net assets:

When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the locality as a whole.

38,551,292

Long-term liabilities applicable to the locality's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets.

(44,001,138)

Net assets of General Government Activities

\$ (4,212,612)

COUNTY OF SCOTT, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD

For the Year Ended June 30, 2015

		Governmenta	Proprietary Fund Type			
	School Operating Fund	School Food Service Fund	School Debt Service	Scott County Head Start	School Insurance Fund	 Totals
Revenues:						
Revenue from use of money		_	4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4			4.005
a and property	\$ -	\$ -	\$ 1,685	\$ -	\$ - 4,012,891	\$ 1,685 4,615,220
Charges for services	34,798	567,531	•	352,927	4,012,091	734,246
Miscellaneous	381,319	•	•	352,921	•	734,246 36,069
Recovered costs	36,069	-	•	•	-	30,009
Intergovernmental: Commonwealth	26,165,827	32,731	_	_	•	26,198,558
Federal	2,012,345	1,202,873	_	1,509,933	_	4,725,151
Cuciai	2,012,040	1,202,010		1,000,000		 1,1,20,101
Total revenues	28,630,358	1,803,135	1,685	1,862,860	4,012,891	 36,310,929
Expenditures: Current						
Education	32,984,083	1,939,122	1,445,159	1,862,860	3,384,421	 41,615,645
Total expenditures	32,984,083	1,939,122	1,445,159	1,862,860	3,384,421	 41,615,645
Excess (deficiency) of revenues						
over(under) expenditures	(4,353,725)	(135,987)	(1,443,474)	-	628,470	(5,304,716)
Other financing sources (uses):						
Operating transfers in	4,353,725	-	•	•	•	4,353,725
Operating transfers out	•	(25,000)	-	-	•	(25,000)
Proceeds from indebtness	•	-	•	•	•	•
Transfer from/(to) primary debt	•			<u> </u>	-	 
Total other financing sources	4,353,725	(25,000)				 4,328,725
Excess (deficiency) of revenues &						
other sources over expenditure & other uses		(160.007)	(1 442 474)		628,470	(975,991)
& outer uses	•	(160,987)	(1,443,474)	-	020,470	(913,991)
Fund balances at beginning of year		384,449	1,531,115		297,661	 2,213,225
Fund balances at end of year	<u> </u>	\$ 223,462	\$ 87,641	<u>\$</u> -	\$ 926,131	\$ 1,237,234
Amount reported for governmental activities in are different because:	the statement of activition	es				
Net changes in fund balances - total governme	ntal funds					\$ (975,991)
Some expenses reported in the statement of a current financial resources and, therefore, are						
governmental activities.						702,900
Governmental funds report capital outlays as e statement of activities the cost of those assets estimated useful lives and reported as depreci	is allocated over their					
amount by which depreciation exceeded capita	l outlays in the current p	eriod.				 388,417
Change in net position of governmental activiti	es					\$ 115,326

	School Operating Fund								
	Original Budget			udget As ended	Actual		ariance From mended Positive egative)		
Devenues									
Revenues:  Revenue from use of money									
a and property	\$	5.000	\$	5,000	\$		\$	(5,000)	
Charges for services	•	35,000	•	35,000	•	34,798	•	(202)	
Miscellaneous		436,815		436,815		381,319		(55,496)	
Recovered costs		12,000		12,000		36,069		24,069	
Intergovernmental:		,		•		•		•	
Commonwealth	2	6,748,776	26	,748,776	2	6,165,827		(582,949)	
Federal		2,067,441		,067,441		2,012,345		(55,096)	
Total revenues	2	9,305,032	29	,305,032	2	8,630,358		(674,674)	
Expenditures:									
Current									
Education	3	4,422,583	34	,422,583	3	2,984,083		1,438,500	
Education		4,422,303		,422,303		2,304,003		1,430,300	
Total expenditures	3	4,422,583	34	,422,583	3	2,984,083		1,438,500	
Excess (deficiency) of revenues									
over(under) expenditures	(	5,117,551)	(5	,117,551)	(	4,353,725)		763,826	
Other financing sources (uses):									
Operating transfers in		5,486,053	5	,486,053		4,353,725	(	1,132,328)	
Operating transfers out		-		-		-		-	
Proceeds from indebtness		<b>-</b>		<b>.</b>		-		·	
Transfer from/(to) primary debt		(368,502)		(368,502)		<u> </u>		368,502	
Total other financing sources		5,117,551	5	,117,551		4,353,725		(763,826)	
Excess (deficiency) of revenues &									
other sources over expenditure									
& other uses		-		-		-		-	
Fund balances at beginning of year		•				-		-	
Fund balances at end of year		-	\$		\$		\$		

	School Food Service Fund										
	Original Budget			idget As ended		Actual	A	fariance From mended Positive legative)			
B											
Revenues:  Revenue from use of money											
a and property	\$			_	_	\$		\$	_	\$	_
Charges for services		678,461	-	678,461	Ψ	567,531	Ψ	(110,930)			
Miscellaneous		1,500		1,500		-		(1,500)			
Recovered costs		1,500		1,500		_		(1,500)			
Intergovernmental:		-		-		_		_			
Commonwealth		44,000		44,000		32,731		(11,269)			
Federal	1	,370,615	1	370,615		1,202,873		(167,742)			
i Gaciai		010,010		070,010		1,202,070		(107,742)			
Total revenues	2,094,576		2,094,576 1,803,		1,803,135 (2		(291,441)				
Expenditures:											
Current											
Education	2	,094,576	2	094,576		1,939,122		155,454			
Total expenditures	2	,094,576	2	094,576		1,939,122		155,454			
Excess (deficiency) of revenues											
over(under) expenditures		-		-		(135,987)		(135,987)			
Other financing sources (uses):											
Operating transfers in		-		-		-		-			
Operating transfers out		-		-		(25,000)		(25,000)			
Proceeds from indebtness		•		-		-		-			
Transfer from/(to) primary debt				-		-		-			
Total other financing sources						(25,000)		(25,000)			
Excess (deficiency) of revenues & other sources over expenditure											
& other uses		-		-		(160,987)		(160,987)			
Fund balances at beginning of year				-		384,449		384,449			
Fund balances at end of year	\$		\$		_\$	223,462	\$	223,462			

	School Debt Service									
	Original Budget			iget is nded		Actual	Ar P	ariance From nended ositive egative)		
Revenues:										
Revenue from use of money										
a and property	\$	-	\$	-	\$	1,685	\$	1,685		
Charges for services		-		-		-		•		
Miscellaneous		-		-		-		-		
Recovered costs		-		-		-		-		
Intergovernmental:						-				
Commonwealth		-		-		-		-		
Federal		<u> </u>				-	-			
Total revenues				_		1,685		1,685		
Expenditures:										
Current										
Education				-		1,445,159	(	<u>1,445,159)</u>		
Total expenditures			<del></del>	<u> </u>		1,445,159	(	1,445,159)		
Excess (deficiency) of revenues										
over(under) expenditures		-		-	1	(1,443,474)	(	1,443,474)		
Other financing sources (uses):										
Operating transfers in								-		
Operating transfers out		-		-		-		-		
Proceeds from indebtness		-		-		-		•		
Transfer from/(to) primary debt		-		-				<del></del>		
Total other financing sources		-		-				<del>-</del>		
Excess (deficiency) of revenues &										
other sources over expenditure										
& other uses		-		-		(1,443,474)	(	1,443,474)		
Fund balances at beginning of year				<u> </u>		1,531,115		1,531,115		
Fund balances at end of year	\$		\$		\$	87,641	\$	87,641		

	Scott County Head Start								
		Original Budget	В	udget As ended		Actual	An P	ariance From nended ositive egative)	
Boundary									
Revenues:									
Revenue from use of money	\$		\$		æ		\$		
a and property Charges for services	Ф	•	Ð	-	\$ -		Φ	•	
Miscellaneous		•		•		352,927		352,927	
Recovered costs		-		•		352,921		352,921	
		-		•		-		-	
Intergovernmental: Commonwealth									
Federal		4 257 240		257 240		4 500 022		252 504	
rederal	_	1,257,349		,257,349		1,509,933		252,584	
Total revenues		1,257,349	1	,257,349		1,862,860	605,51		
Expenditures:									
Current									
Education		1,257,349	1	,257,349		1,862,860		(605,511)	
<del></del>		.,		10011010				<u> </u>	
Total expenditures		1,257,349	1	,257,349		1,862,860		(605,511)	
Excess (deficiency) of revenues									
over(under) expenditures		-		-		-		-	
Other financing sources (uses):									
Operating transfers in		-		-		-		-	
Operating transfers out		-		-		-		-	
Proceeds from indebtness		-		-		-		-	
Transfer from/(to) primary debt		-				-		-	
Total other financing sources		-		-				-	
Excess (deficiency) of revenues & other sources over expenditure & other uses		-		-		-		-	
Fund balances at beginning of year		•		-					
Fund balances at end of year	\$		\$	<del>-</del>	\$		\$	•	

		School Insurance Fund								
		Original Budget	Budget As Amended	Actual	Variance From Amended Positive (Negative)					
Revenues:										
Revenue from use of money										
a and property	\$	_	<b>s</b> -	<b>s</b> -	\$ -					
Charges for services	Ψ	_	Ψ - -	4,012,891	4,012,891					
Miscellaneous		-	_	4,012,031	4,012,031					
Recovered costs		_	_	_	-					
Intergovernmental:		_	_							
Commonwealth		_	_	_	_					
Federal		_	_	_	_					
i euciai				<del></del>						
Total revenues		-		4,012,891	4,012,891					
Expenditures:										
Current										
Education		<u> </u>	-	3,384,421	(3,384,421)					
Total expenditures		•		3,384,421	(3,384,421)					
Excess (deficiency) of revenues										
over(under) expenditures		-	-	628,470	628,470					
Other financing sources (uses):										
Operating transfers in		-	-	-	•					
Operating transfers out		-	-	-	-					
Proceeds from indebtness		-	-	-	-					
Transfer from/(to) primary debt		-	-		-					
Total other financing sources				<u> </u>	<u>-</u>					
Excess (deficiency) of revenues &										
other sources over expenditure										
& other uses		-	•	628,470	628,470					
Fund balances at beginning of year		-	<u> </u>	297,661	297,661					
Fund balances at end of year	<u>\$</u>	-	\$ -	\$ 926,131	\$ 926,131					

PROPRIETARY FUND - DISCRETELY PRESENTED COMPONENT UNIT

# COUNTY OF SCOTT, VIRGINIA STATEMENT OF NET POSITION PROPRIETARY FUND - DISCRETELY PRESENTED COMPONENT UNITS June 30, 2015

	Discontal	D. D	
		y Presented Compon	ent Units
	Economic	Public	
	Development	Service	
	Authority	Authority	Total
Assets:			
Current assets:		<b>6</b> 4 000 000	
Cash and cash equivalents	\$ 4,644,551	\$ 1,326,620	\$ 5,971,171
Receivables (net of allowance)	0.000	400 404	440.404
Accounts receivable	6,000	436,164	442,164
Inventory	00 000	82,931	82,931
Other current assets  Due from other governments	96,620	173,560	270,180
Due from other governments	109,228	116,186	225,414
Total current assets	4,856,399	2,135,461	6,991,860
Total Culterit assets	4,000,000	2,100,401	0,991,000
Noncurrent assets:			
Capital assets:			
Land	5,226,835	3,054,620	8,281,455
Buildings & equipment,	3,220,033	3,034,020	0,201,400
net of depreciation	13,804,082	47,511,390	61,315,472
net of depredation	13,004,002	47,311,390	01,313,472
Total noncurrent assets	19,030,917	50,566,010	69,596,927
Total Honourent assets	13,000,317		- 00,000,027
Other assets:			
Restricted cash in bank	6,641	174,242	180,883
Notes receivable	160,647	174,242	160,647
Unamortized bond costs	100,047	•	100,047
Orialifortized boild costs		<u>_</u>	<u>-</u>
Total other assets	167,288	174,242	341,530
Total other assets	107,200	177,272	
Total assets	\$ 24,054,604	\$ 52,875,713	\$ 76,930,317
Total about	<u> </u>	02,010,710	<u> </u>
Deferred Outflows of Resources:			
Deferred pensions		62,483	62,483
Deletied perisions		02,463	02,403
Total Deferred Outflows of Resources		62,483	62,483
Total Deletted Outliows of Nesodices		02,403	02,403
Liabilities:			
Current liabilities:			
Accounts payable &			
, ,	\$ 177,063	\$ 302,355	\$ 479,418
accrued expenses Current portion of	\$ 177,063	\$ 302,355	\$ 479,418
long-term obligations	936,269	904,371	1 940 640
iong-term obligations	930,208	504,371	1,840,640
Total current liabilities	1,113,332	1,206,726	2,320,058
Total current habilities	1,110,002	1,200,720	2,320,030
Noncurrent liabilities:			
Compensated absences	22,634	138,915	161,549
Amounts held for others	4,074	188,080	192,154
Other post employment benefits	-,0,4	315,862	315,862
Net pension liability, long-term	_	141,758	141,758
Noncurrent portion of	•	141,700	141,700
long-term obligations	4,963,000	19,016,883	23,979,883
iong-torm congations	4,550,550	10,010,000	20,010,000
Total noncurrent liabilities	4,989,708	19,801,498	24,791,206
	1,000,100		
Total liabilities	6,103,040	21,008,224	27,111,264
Deferred Inflows of Resources:			
Deferred pensions	-	104,000	104,000
Total Deferred Inflows of Resources	•	104,000	104,000
Net position:			
Invested in capital assets,			
net of related debt	13,131,648	30,644,756	43,776,404
Restricted for other purposes	•	174,242	174,242
Unrestricted	4,819,916	1,006,974	5,826,890
Total net position	17,951,564	31,825,972	49,777,536
·			
Total liabilities & net position	\$ 24,054,604	\$ 52,938,196	\$ 76,992,800

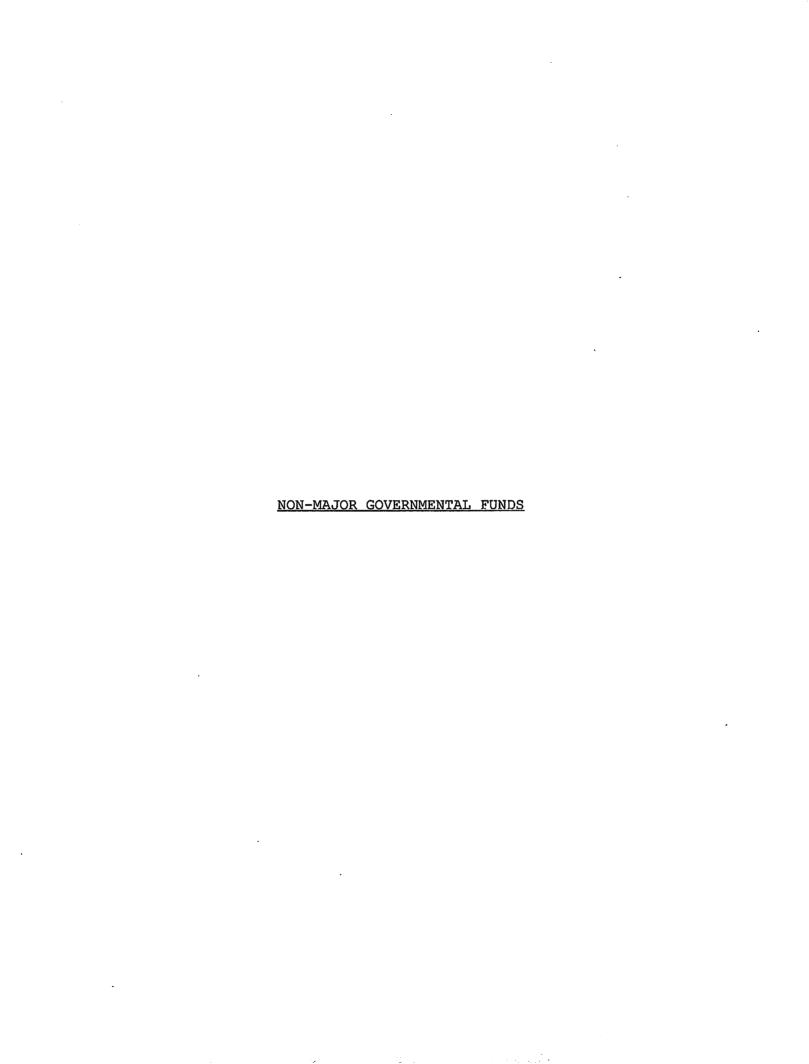
COUNTY OF SCOTT, VIRGINIA STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -PROPRIETARY FUND - DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2015

For the Year Ended June 30, 2015
----------------------------------

	Discretel	ent Uni	its		
	Economic		Public		
	evelopment		Service		
	 Authority		Authority		Total
Operating revenues:					
Charges for services	\$ -	\$	3,403,489	\$	3,403,489
Rental income	322,591		-		322,591
Grants	1,217,325		-		1,217,325
Miscellaneous	 65,088		72,662		137,750
Total operating revenue	 1,605,004		3,476,151		5,081,155
Operating expenses:					
Wages and benefits	175,737		1,245,443		1,421,180
Other operating expenses	 847,222		2,564,271		3,411,493
Total operating expense	 1,022,959		3,809,714		4,832,673
Operating income (loss)	582,045		(333,563)		248,482
Nonoperating revenues (expenses):					
Interest earned	8,978		6,789		15,767
Connection fees	-		26,468		26,468
Other non operating revenues/expense	-		-		-
Interest expense	 (100,369)		(224,193)		(324,562)
Total nonoperating					
revenues (expenses)	(91,391)		(190,936)		(282,327)
Capital contributions	 		759,495		759,495
Increase (decrease) in net					
position	490,654		234,996		725,650
Prior Period Adjustment	-		(205,758)		(205,758)
Net position at beginning of year	 17,460,910		31,796,734		49,257,644
Net position at end of year	\$ 17,951,564	\$	31,825,972	\$	49,777,536

PROPRIETARY FUND - DISCRETELY PRESENTED COMPONENT UNITS For the Year Ended June 30, 2015

	Discretely	/ Presented Compor	nent Units
	Economic	Public	
	Development	Service	
	Authority	Authority	Total
	Authority	Authority	Total
Cash flows from operating activities:			
Receipts from customers & users	\$ 1,640,571	\$ 3,427,326	\$ 5,067,897
		• • • • • • • • • • • • • • • • • • • •	
Payments to suppliers	(497,731)	(949,053)	(1,446,784)
Payments to employees for services		(1,321,687)	(1,321,687)
Net cash provided(used) by operating activities	1,142,840	1,156,586	2,299,426
Cook Save from conital Sanlatad			
Cash flows from capital & related			
financing activities:			
Connection fee	•	26,468	26,468
Other nonoperating revenues	-	•	-
Loans to industries	(77,000)	-	(77,000)
Purchase of fixed assets	(870,844)	(1,973,056)	(2,843,900)
Principal on debt	(2,737,044)	(858,358)	(3,595,402)
Proceeds from indebtness	5,100,000	1,189,347	6,289,347
Interest on debt	-	(205,479)	(205,479)
	-		
Proceeds from loans & grants	<del></del>	818,214	818,214
Net cash used in capital & related financing activities	1,415,112	(1,002,864)	412,248
Cash flows from investing activities:			
Interest earned		6,789	6,789
Net cash provided by investing activities		6,789	6,789
lancaca (danasaa) in anab 0 anab anginalanta	0.557.050	400.544	0.740.400
Increase (decrease) in cash & cash equivalents	2,557,952	160,511	2,718,463
Cash & cash equivalents at beginning of year	2,093,240	1,513,911	3,607,151
Cash & cash equivalents at end of year	\$ 4,651,192	\$ 1,674,422	\$ 6,325,614
Reconciliation of operating income to net cash provided			
(used) by operating activities:			
	¢ 400.654	¢ (222 562)	¢ 157.001
Operating income (loss)	\$ 490,654	\$ (333,563)	\$ 157,091
Adjustments to reconcile net income (loss) to net cash			
provided by operations:			
	E44 002	4 600 000	2 424 476
Depreciation	511,083	1,623,393	2,134,476
Amortization	75,737	•	75,737
Bad debts	-	-	-
Gain on sale of assets	•	•	•
Post employment benefits	-	44,622	44,622
Net pension obligation	•	(22,483)	(22,483)
Changes in operating assets & liabilities:		• • •	, , ,
Accounts receivable	17,951	(48,836)	(30,885)
Inventory	17,001	69,051	69,051
•	•	1 60,60	09,001
Other assets	-	(470 474)	· // ** * ***
Accounts payable	516	(172,171)	(171,655)
Customer deposits	•	11	11
Accrued leave & benefits	46,899	(3,438)	43,461
Total adjustments	652,186	1,490,149	2,142,335
Net cash provided (used) by operating activities	\$ 1,142,840	\$ 1,156,586	\$ 2,299,426



COUNTY OF SCOTT, VIRGINIA NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET June 30, 2015

		Spe	ecial	Revenue F	unds		
	Coal Road Improvement Fund			Law Library Fund	Totals		
Assets:							
Cash & cash equivalents Accounts receivable	\$	37,199 <u>-</u>	\$	12,643 103	\$	49,842 103	
Total assets		37,199		12,746	\$	49,945	
Liabilities: Accounts payable Accrued expenses	\$	<u>.</u>	\$	250 	\$	250 -	
Total liabilities		-		250		250	
Fund balance:							
Restricted		37,199		12,496		49,695	
Total fund balance		37,199		12,496		49,695	
Total liabilities & fund balance	_\$	37,199	\$	12,746	\$	49,945	

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2015

	Special Revenue Funds							
	Coal Road Improvement Fund		Law Library Fund			Totals		
Revenues:								
Revenues from local sources: Other taxes Permits, privilege fees	\$	3,040	\$	-	\$	3,040		
& regulatory licenses Charges for services Intergovernmental		- -		- 3,076		3,076		
mergovernmental			_					
Total revenues		3,040		3,076		6,116		
Expenditures: Judicial administration		-		3,080		3,080		
Public safety		-		-		-		
Public works		1,520		-		1,520		
Total expenditures		1,520		3,080		4,600		
Excess (deficiency) of revenues over expenditures		1,520		(4)		1,516		
Other financing sources (uses):  Operating transfers in  Operating transfers out		<u>-</u>		-		<u>-</u>		
Total other financing sources		•		-				
Excess (deficiency) of revenues & other sources over expenditure								
& other uses		1,520		(4)		1,516		
Fund balance at beginning of year		35,679		12,500		48,179		
Fund balance at end of year	\$	37,199	\$	12,496	\$	49,695		
<b>,</b>			<u></u>					

COUNTY OF SCOTT, VIRGINIA
NON-MAJOR GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

		ent Fund					
	Original Budget	В	Budget As nended	get			ariance From nended ositive egative)
Revenues:							
Revenues from local sources:	•	•		•	0.040	•	0.040
Other taxes	\$ -	\$	•	\$	3,040	\$	3,040
Permits, privilege fees							
& regulatory licenses Charges for services	•		-		-		-
Intergovernmental	-		-		-		-
intergovernmental					<del></del> -		<del>-</del> _
Total revenues	<u> </u>				3,040		3,040
Expenditures:							
Judicial administration	_		-		-		-
Public safety	-		_		_		-
Public works	35,70	10	35,700		1,520		34,180
, <b>35</b> ,10		<del></del>			.,,		
Total expenditures	35,70	0	35,700		1,520		34,180
Excess (deficiency) of							
revenues over expenditures	(35,70	0)	(35,700)		1,520		37,220
Other financing sources (uses):							
Operating transfers in	-		-		•		•
Operating transfers out							
Total other financing sources			<u>-</u>				-
Excess (deficiency) of revenues &							
other sources over expenditure							
& other uses	(35,70	00)	(35,700)		1,520		37,220
Fund balances at beginning							
of year			<del></del>		35,679		35,679
Fund balance at end							
of year	\$ (35,70	00) \$	(35,700)	\$	37,199	\$	72,899

COUNTY OF SCOTT, VIRGINIA
NON-MAJOR GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Original Budget		Budget As Amended Actual			F Am Po	riance rom ended esitive gative)
Revenues:  Revenues from local sources:							
Other taxes	\$ -	\$	•	\$ -		\$	-
Permits, privilege fees	•	•		*		*	
& regulatory licenses	-		-	-	,		-
Charges for services	-		-	3,0	76		3,076
Intergovernmental			-		·		
Total revenues			-	3,0	76		3,076
Expenditures:							
Judicial administration	12,36	<b>39</b>	12,369	3,0	80		9,289
Public safety	-		-	-	•		-
Public works					<u> </u>		-
Total expenditures	12,36	<u> </u>	12,369	3,0	80		9,289
Excess (deficiency) of							
revenues over expenditures	(12,36	§9)	(12,369)		(4)		12,365
Other financing sources (uses): Operating transfers in Operating transfers out	-		<u>-</u>	<u>-</u>			
Total other financing sources					<u>.                                    </u>		
Excess (deficiency) of revenues & other sources over expenditure & other uses	(12,36	59)	(12,369)		(4)		12,365
Fund balances at beginning of year				12,5	<u> </u>		12,500
Fund balance at end of year	\$ (12,36	<u> </u>	(12,369)	\$ 12 <u>,4</u>	96_	_\$	24,865

SUPPORTING SCHEDULES

Fund, Major and Minor Revenue Source		Original Budget		Budget As Amended		Actual		Variance From Amended Positive (Negative)
Talle, Major and Miller Novella Course			_	7 411011000		7101001		(tioga.ive)
Primary Government:								
General Fund: Revenue from local sources:								
General property taxes:								
Real property taxes	\$	8,312,500	\$	8,312,500	\$	8,038,687	s	(273,813)
Real & personal public service	Ψ	0,312,300	Ψ	0,512,500	Ψ	0,030,007	Ψ	(273,013)
corporation property taxes		745,000		745,000		871,011		126,011
Personal property taxes		990,000		990,000		1,059,428		69,428
Machinery and tools taxes		185,000		185,000		205,818		20,818
Merchants capital		201,000		201,000		220,844		19,844
Mobile home taxes		81,000		81,000		88,189		7,189
Penalties		100,000		100,000		143,301		43,301
Interest		75,000		75,000		140,906		65,906
i ito ost		70,000		70,000		140,000		00,000
TOTAL GENERAL PROPERTY TAXES		10,689,500	_	10,689,500		10,768,184		78,684
Other local taxes:								
Local sales & use taxes		1,525,000		1,525,000		1,394,168		(130,832)
Consumer utility tax		405,000		405,000		403,302		(1,698)
Local cell phone tax		800,000		800,000		773,083		(26,917)
Gross receipts - utility		75,000		75,000		72.771		(2,229)
Motor vehicle licenses		400,000		400,000		380,010		(19,990)
Bank franchise taxes		8,000		8,000		26,711		18,711
Transient lodging tax		3,000		3,000		3,148		148
Tax on wills		5,000		5,000		4,098		(902)
Recordation tax		40,000		40,000		68,120		28,120
Coal severance tax		4,000		4,000		6,079		2,079
TOTAL OTHER LOCAL TAXES		3,265,000		3,265,000		3,131,490		(133,510)
Permits, privilege fees &								
regulatory license:		4.000		4.000		0.050		(4.050)
Animal licenses		4,000		4,000		2,350		(1,650)
Transfer fees		1,000		1,000		873		(127)
Building and related permits		24,950		24,950		22,226		(2,724)
Weapons permits		4.050		4.050		11,780		11,780
Permits and other licenses		4,950		4,950	-	23,892		18,942
TOTAL PERMITS, PRIVILEGE FEES								
& REGULATORY LICENSES		34,900		34,900		61,121		26,221
Fines and forfeitures:								
Court fines and forfeitures		79,406		79,406		202,900		123,494
TOTAL FINES & FORFEITURES		79,406		79,406		202,900		123,494
TOTAL TIMES & FOR ENOUGH		70,100		70,400		202,000		120,404
Revenue from use of money & property:								
Revenue from use of money		1,000		1,000		504		(496)
Revenue from use of property		96,000		96,000		95,853		(147)
TOTAL DEVENUE EDOM HOE OF					-			
TOTAL REVENUE FROM USE OF		07.000		07.000		00.057		10.40
MONEY & PROPERTY		97,000		97,000		96,357		(643)
Charges for services:			_	<del></del>	_	<del></del>		
Charges for recreation		101,000		101,000		79,669		(21,331)
Charges for NARF collections		•		•		5		5
Charges for waste								
collection & disposal		75,000		75,000		73,713		(1,287)
Charges for Commonwealth Attorney								•
Room and board animals		500		500		126		(374)
Excess fees of health department		•		•		•		•
TOTAL CHARGES FOR SERVICES		176,500	_	176,500		153,513		(22,987)
		,				,		,,_,,

# COUNTY OF SCOTT, VIRGINIA GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS STATEMENT OF REVENUES - BUDGET AND ACTUAL

Miscellaneous revenue: Miscellaneous programs in leu of taxes for enterprise activities Peyments in lieu of taxes for enterprise activities TOTAL MISCELLANEOUS REVENUE PROGRAMS STATE	Fund, Major and Minor Revenue Source		Original Budget		Budget As Amended		Actual		Variance From Amended Positive (Negative)
Miscellaneous   S   132,097   S   139,725   S   43,189   S   (91,536)     Payments in lieu of taxes for enterprise activities   84,021   84,021   114,339   30,318     TOTAL MISCELLANEOUS REVENUE   216,118   223,746   162,528   (61,218)     Recovered costs:	Miscellaneous revenue.								
Payments in lieu of taxes for enterprise activities		s	132.097	\$	139.725	\$	48.189	s	(91,536)
Recovered costs   21,114		•		•	,,,,,,,,	•	.5,.55	•	(0.,000)
Recovered costs			84,021		84,021		114,339		30,318
Recovered costs	TOTAL MISSELL ANEQUE DEVENUE		046 440		222 746		460 E00		(64.049)
Other recovered cost   251,114   663,163   677,818   14,655	TOTAL MISCELLANEOUS REVENUE		210,110		223,740	_	102,320		(01,210)
TOTAL RECOVERED COSTS  251,114 663,163 677,818 114,655  TOTAL REVENUE FROM LOCAL SOURCES 14,809,538 15,229,215 15,253,911 24,696  Revenue from the Commonwealth: Noncategorical sid: Mobile home tilting taxes 14,000 14,000 140,000 15,485 1,485 Rolling stock tax 142,000 142,000 142,547 Personal properly tax relief 734,026 734,0	Recovered costs:								
TOTAL REVENUE FROM LOCAL SOURCES  Revenue from the Commonwealth:  Noncategorical aid:  Mobile home titling taxes 65,000 65,000 82,309 17,309 Tax on deeds 14,000 14,000 15,485 1,485 Rolling stock tax 142,000 142,000 142,407 547 Personal property tax relief 734,028 734,028 734,028 - Aid to locality reduction  TOTAL NONCATAGORICAL AID 955,026 955,026 974,367 19,341  Categorical aid: Shared expenses:  Commonwealth's attorney 280,722 280,722 288,582 7,860 Sheriff 13,006,983 1,311,754 1,308,855 (2,899) Treasurer 101,973 101,973 100,523 (1,450) Modical examiner  Clerk of the Circuit Court 278,380 321,185 333,498 12,313 Registratification and sasistance 4,000 37,000 22,322 (14,678) Office of emergency services 6,000 6,000 - (6,000) Four for fife - 19,808 21,200 1,392  TOTAL SHARED EXPENSES 2,111,120 2,176,504 2,175,141 (3,363)  Other categorical aid: Welfare administration and assistance 1,332,707 1,332,707,0000 1,061,475 (271,232) Domestic Violance 20,000 52,050 60,000 7,560 Victim witness grant 44,221 46,151 45,548 (603) Local law enforcement - 20,080 23,328 2,648 Rehabilitation grant - 1,194 2,782 888 Operation safe school - 57,271 100,750 51,479 Universe size of the control of	Other recovered cost		251,114		663,163		677,818		14,655
Revenue from the Commonwealth:   Noncategorical elic:   Hobbie from the Commonwealth:   Section   Sectio	TOTAL RECOVERED COSTS		251,114		663,163		677,818		14,655
Noncategorical aid:   Mobile home titling taxes			14,809,538		15,229,215		15,253,911		24,696
Mobile home titling taxes									
Tax on deeds			65.000		65.000		82.309		17.309
Rolling stock tax Personal property tax relief Aid to locality reduction  TOTAL NONCATAGORICAL AID  955,026  955,026  974,367  19,341  Categorical aid: Shared expenses: Commonwealth's attorney 280,722 280,722 288,582 7,860 Sheriff 1,306,983 1,311,754 1,308,855 (2,899) Commissioner of the Revenue 100,062 100,161 99 Treasurer 101,973 101,973 101,973 100,523 (11,450) Medical examiner Clerk of the Circuit Court 276,380 321,185 333,498 12,213 Registrar/electoral board 37,000 37,000 22,322 (14,678) Office of emergency services 6,000 6,000 Four for life - 19,808 21,200 1,392  TOTAL SHARED EXPENSES 2,111,120 2,178,504 2,175,141 (3,363)  Other categorical aid: Welfare administration and assistance 1,332,707 1,332,707,0000 1,061,475 (271,232) CMPT 656,962 656,962 994,082 (264,880) Domestic Violance 20,000 52,050 60,000 7,950 Victim witness grant 44,221 44,151 45,548 (603) Local taw enforcement - 20,680 23,328 2,648 Rehabilitation grant - 1 1,000 11,000 11,069 869 Fire programs 55,000 67,188 60,004 (7,184) VAW Wireless E911 grant - 1 1,000 11,000 11,069 Asset forfeiture grant - 1,914 2,782 868 Operation safes school - 1,014,748) TOTAL CATEGORICAL AID 2,121,890 2,437,965 1,961,580 (476,385) TOTAL REVENUE FROM THE	<del>_</del>				•				
Aid to locality reduction  TOTAL NONCATAGORICAL AID  955,026  955,026  974,367  19,341  Categorical aid: Shared expenses: Commonwealth's attorney 280,722 280,722 280,722 288,582 7,860 Shariff 1,308,983 1,311,754 1,308,855 (2,899) Commissioner of the Revenue 100,062 100,062 100,161 99 Treasurer 101,973 101,973 100,523 (1,450) Medical examiner Clark of the Circuit Court 276,380 37,000 37,000 22,322 (14,678) Office of emergency services 6,000 6,000 Four for life - 19,908 21,200 1,392  TOTAL SHARED EXPENSES 2,111,120 2,178,504 2,175,141 (3,363)  Other categorical aid: Welfare administration and assistance 1,332,707 658,962 658,962 058,962 059,962 000 7,950  Victim witness grant 44,221 46,151 45,548 (603) Local law enforcement - 20,000 52,050 60,000 7,950 Victim witness grant 44,221 46,151 45,548 (603) Local law enforcement - 20,680 23,328 2,648 Rehabilitation grant - Liter control 11,000 11,000 11,090 869 Fire programs 55,000 67,188 60,004 (7,184) VAW Wireless E911 grant - 1,914 2,782 868 Operation safe school - 57,271 108,750 1,961,580 (476,385) TOTAL CATEGORICAL AID 4,233,010 4,816,469 4,136,721 (479,748) TOTAL REVENUE FROM THE									•
TOTAL NONCATAGORICAL AID         955,026         955,026         974,367         19,341           Categorical aid:         Shared expenses:         280,722         280,722         288,582         7,860           Commonwealth's attorney         280,722         280,722         288,582         7,860           Sheriff         1,308,983         1,311,754         1,308,855         (2,899)           Commissioner of the Revenue         100,062         100,062         100,161         98           Tressurer         101,973         101,973         100,523         (1,450)           Medical examiner         -         -         -         -           Clark of the Circuit Court         276,380         321,185         333,498         12,313         Registrar/electoral board         37,000         37,000         22,322         (14,678)         (6,000)         -         (6,000)         -         (6,000)         -         -         (6,000)         -         -         (6,000)         -         -         (6,000)         -         -         (7,000)         -         -         (7,000)         -         -         (7,000)         1,061,475         (271,232)         -         -         -         -         -         -			734,026		734,026		734,026		•
Categorical aid: Shared expenses: Commonwealth's attorney Sheriff 1,306,983 1,311,754 1,308,855 (2,899) Commissioner of the Revenue 100,062 100,062 100,062 100,161 99 Treasurer 101,973 101,973 101,973 100,523 (1,450) Medical examiner Clerk of the Circuit Court 276,380 321,185 333,498 12,313 Registrar/electoral board 37,000 37,000 22,322 (14,678) Office of emergency services 6,000 Four for life - 19,808 21,200 1,392  TOTAL SHARED EXPENSES 2,111,120 2,178,504 2,175,141 3,363)  Other categorical aid: Welfare administration and assistance 1,332,707 1,332,707,0000 1,061,475 (271,232) CMPT 658,962 658,962 394,062 CMPT 658,962 658,962 594,062 CMPT 658,962 658,962 594,062 CMPT 658,962 CMPT 658	Aid to locality reduction					_	<del></del>		·
Shared expenses:   Commonwealth's attorney   280,722   280,722   288,582   7,860   Sheriff   1,306,983   1,311,754   1,308,855   (2,899)   Commissioner of the Revenue   100,062   100,062   100,161   99   Treasurer   101,973   101,973   100,523   (1,450)   Medical examiner   278,380   321,185   333,498   12,313   Registrar/electoral board   37,000   27,000   22,322   (14,678)   (6,000)   Four for life   - 19,808   21,200   1,392   TOTAL SHARED EXPENSES   2,111,120   2,178,504   2,175,141   (3,363)   Coller categorical aid:   Welfare administration and assistance   1,332,707   1,332,707,0000   1,061,475   (271,232)   CMPT   658,962   658,962   394,082   (264,880)   Domestic Violance   20,000   52,050   60,000   7,950   Victim witness grant   44,221   44,151   45,548   (603)   Local taw enforcement   - 20,680   23,328   2,648   Rehabilitation grant	TOTAL NONCATAGORICAL AID		955,026		955,026		974,367		19,341
Commonwealth's attorney   280,722   280,722   288,582   7,860   Sheriff   1,308,983   1,311,754   1,308,855   (2,899)   Commissioner of the Revenue   100,062   100,062   100,161   99   Treasurer   101,973   101,973   100,523   (1,450)   Medical examiner	•								
Sheriff	•								
Commissioner of the Revenue	•								•
Treasurer 101,973 101,973 100,523 (1,450) Medical examiner Clerk of the Circuit Court 276,380 321,185 333,498 12,313 Registrar/electoral board 37,000 37,000 22,322 (14,678) Office of emergency services 6,000 6,000 - (6,000) Four for life - 19,808 21,200 1,392 TOTAL SHARED EXPENSES 2,111,120 2,178,504 2,175,141 (3,363) Other categorical aid: Welfare administration and assistance 1,332,707 1,332,707.0000 1,061,475 (271,232) CMPT 658,662 658,962 394,082 (264,880) Domestic Violance 20,000 52,050 60,000 7,950 Victim witness grant 44,221 46,151 45,548 (603) Local law enforcement - 20,680 23,328 2,648 Rehabilitation grant									• • •
Medical examiner         278,380         321,185         333,498         12,313           Registrar/lectoral board         37,000         37,000         22,322         (14,678)           Office of emergency services         6,000         6,000         -         (6,000)           Four for life         -         19,808         21,200         1,382           TOTAL SHARED EXPENSES         2,111,120         2,178,504         2,175,141         (3,363)           Other categorical aid:           Welfare administration and assistance         1,332,707         1,332,707,0000         1,061,475         (271,232)           CMPT         658,962         658,962         394,082         (284,880)           Domestic Violance         20,000         52,050         60,000         7,950           Victim witness grant         44,221         46,151         45,548         (603)           Local law enforcement         -         20,680         23,328         2,648           Rehabilitation grant         -         -         -         -           DMV rural traffic safety grant         -         -         -         -           Liter control         11,000         11,000         11,869					•		•		
Clerk of the Circuit Court			101,973		101,973		100,525		(1,450)
Registrar/electoral board   37,000   37,000   22,322   (14,678)   Office of emergency services   6,000   6,000   - (6,000)   Four for life   - 19,808   21,200   1,392			278.380		321,185		333,498		12.313
Office of emergency services Four for life         6,000 - 19,808 - 21,200 - 1,392         6,000 - 19,808 - 21,200 - 1,392           TOTAL SHARED EXPENSES         2,111,120 - 2,178,504 - 2,175,141 - 2,175,141 - 2,175,141         (3,363)           Other categorical aid: Welfare administration and assistance			•				•		•
Four for life         -         19,808         21,200         1,392           TOTAL SHARED EXPENSES         2,111,120         2,178,504         2,175,141         (3,363)           Other categorical aid:           Welfare administration and assistance         1,332,707         1,332,707.0000         1,081,475         (271,232)           CMPT         658,962         658,962         394,082         (264,880)           Domestic Violance         20,000         52,050         60,000         7,950           Victim witness grant         44,221         46,151         45,548         (603)           Local law enforcement         -         20,680         23,328         2,648           Rehabilitation grant         -         -         -         -           DMV rural traffic safety grant         -         -         -         -           Liter control         11,000         11,000         11,869         869           Fire programs         55,000         67,188         60,004         (7,184)           VAW         -         190,042         193,742         3,700           CDBG         -         1,914         2,782         868           Operation safe school	<u> </u>						•		
Other categorical aid: Welfare administration and assistance 1,332,707 1,332,707.0000 1,081,475 (271,232) CMPT 658,962 658,962 394,082 (264,880) Domestic Violance 20,000 52,050 60,000 7,950 Victim witness grant 44,221 46,151 45,548 (603) Local law enforcement - 20,680 23,328 2,648 Rehabilitation grant DMV rural traffic safety grant Liter control 11,000 11,000 11,869 869 Fire programs 55,000 67,188 60,004 (7,184) VAW Wireless E911 grant - 190,042 193,742 3,700 CDBG Asset forfeiture grant - 1,914 2,782 868 Operation safe school - 57,271 108,750 51,479 Other aid	- · · · · · · · · · · · · · · · · · · ·		·		19,808		21,200		
Welfare administration and assistance         1,332,707         1,332,707,0000         1,061,475         (271,232)           CMPT         658,962         658,962         394,082         (264,880)           Domestic Violance         20,000         52,050         60,000         7,950           Victim witness grant         44,221         46,151         45,548         (603)           Local law enforcement         -         20,680         23,328         2,648           Rehabilitation grant         -         -         -         -           DMV rural traffic safety grant         -         -         -         -           Liter control         11,000         11,000         11,869         869           Fire programs         55,000         67,188         60,004         (7,184)           VAW         -         -         -           Wireless E911 grant         -         190,042         193,742         3,700           CDBG         -         -         -         -           Asset forfeiture grant         -         1,914         2,782         868           Operation safe school         -         57,271         108,750         51,479           TOTAL OTHER CATEGORIC	TOTAL SHARED EXPENSES		2,111,120		2,178,504		2,175,141		(3,363)
assistance         1,332,707         1,332,707.0000         1,061,475         (271,232)           CMPT         658,962         658,962         394,082         (264,880)           Domestic Violance         20,000         52,050         60,000         7,950           Victim witness grant         44,221         46,151         45,548         (603)           Local law enforcement         -         20,680         23,328         2,648           Rehabilitation grant         -         -         -         -           DMV rural traffic safety grant         -         -         -         -           Liter control         11,000         11,000         11,869         869           Fire programs         55,000         67,188         60,004         (7,184)           VAW         -         -         -         -           Wireless E911 grant         -         190,042         193,742         3,700           CDBG         -         -         1,914         2,782         868           Operation safe school         -         57,271         108,750         51,479           Other aid         -         -         -         -         -           TOTA	Other categorical aid:								
CMPT         658,962         658,962         394,082         (264,880)           Domestic Violance         20,000         52,050         60,000         7,950           Victim witness grant         44,221         46,151         45,548         (603)           Local law enforcement         -         20,680         23,328         2,648           Rehabilitation grant         -         -         -         -           DMV rural traffic safety grant         -         -         -         -           Liter control         11,000         11,000         11,869         869           Fire programs         55,000         67,188         60,004         (7,184)           VAW         -         190,042         193,742         3,700           CDBG         -         1,914         2,782         868           Operation safe school         -         57,271         108,750         51,479           Other aid         -         -         -         -           TOTAL OTHER CATEGORICAL AID         2,121,890         2,437,965         1,961,580         (476,385)           TOTAL CATEGORICAL AID         4,233,010         4,616,469         4,136,721         (479,748)	Welfare administration and								
Domestic Violance         20,000         52,050         60,000         7,950           Victim witness grant         44,221         46,151         45,548         (603)           Local law enforcement         -         20,680         23,328         2,648           Rehabilitation grant         -         -         -         -         -           DMV rural traffic safety grant         -				1.					
Victim witness grant         44,221         46,151         45,548         (603)           Local law enforcement         -         20,680         23,328         2,648           Rehabilitation grant         -         -         -         -           DMV rural traffic safety grant         -         -         -         -           Liter control         11,000         11,000         11,869         869           Fire programs         55,000         67,188         60,004         (7,184)           VAW         -         -         -         -           Wireless E911 grant         -         190,042         193,742         3,700           CDBG         -         -         1,914         2,782         868           Operation safe school         -         57,271         108,750         51,479           Other aid         -         -         -         -         -           TOTAL OTHER CATEGORICAL AID         2,121,890         2,437,965         1,961,580         (476,385)           TOTAL CATEGORICAL AID         4,233,010         4,616,469         4,136,721         (479,748)							-		
Local law enforcement         -         20,680         23,328         2,648           Rehabilitation grant         -					•				
Rehabilitation grant       -			44,221						
DMV rural traffic safety grant  Liter control 11,000 11,000 11,869 869 Fire programs 55,000 67,188 60,004 (7,184) VAW  Wireless E911 grant - 190,042 193,742 3,700 CDBG - 1,914 2,782 868 Operation safe school - 57,271 108,750 51,479 Other aid - 57,271 108,750 51,479  TOTAL OTHER CATEGORICAL AID 2,121,890 2,437,965 1,961,580 (476,385)  TOTAL CATEGORICAL AID 4,233,010 4,616,469 4,136,721 (479,748)  TOTAL REVENUE FROM THE			-		20,680		23,320		2,040
Liter control       11,000       11,000       11,869       869         Fire programs       55,000       67,188       60,004       (7,184)         VAW       -			-		_		•		_
Fire programs 55,000 67,188 60,004 (7,184) VAW  Wireless E911 grant - 190,042 193,742 3,700 CDBG  Asset forfeiture grant - 1,914 2,782 868 Operation safe school - 57,271 108,750 51,479 Other aid  TOTAL OTHER CATEGORICAL AID 2,121,890 2,437,965 1,961,580 (476,385)  TOTAL CATEGORICAL AID 4,233,010 4,616,469 4,136,721 (479,748)  TOTAL REVENUE FROM THE	· -		11 000		11 000		11.869		869
VAW Wireless E911 grant - 190,042 193,742 3,700 CDBG Asset forfeiture grant - 1,914 2,782 868 Operation safe school - 57,271 108,750 51,479 Other aid					•		· ·		
CDBG Asset forfeiture grant - 1,914 2,782 868 Operation safe school - 57,271 108,750 51,479 Other aid	• •				•		·		
Asset forfeiture grant - 1,914 2,782 868 Operation safe school - 57,271 108,750 51,479 Other aid			•		190,042		193,742		3,700
Operation safe school         -         57,271         108,750         51,479           Other aid         -         -         -         -         -           TOTAL OTHER CATEGORICAL AID         2,121,890         2,437,965         1,961,580         (476,385)           TOTAL CATEGORICAL AID         4,233,010         4,616,469         4,136,721         (479,748)           TOTAL REVENUE FROM THE			-		1.914		2.782		868
Other aid         -	<del>-</del>		•				•		
TOTAL CATEGORICAL AID 4,233,010 4,616,469 4,136,721 (479,748)  TOTAL REVENUE FROM THE	· · · · · · · · · · · · · · · · · · ·						<u> </u>		
TOTAL REVENUE FROM THE	TOTAL OTHER CATEGORICAL AID		2,121,890	_	2,437,965	_	1,961,580		(476,385)
	TOTAL CATEGORICAL AID		4,233,010		4,616,469		4,136,721		(479,748)
	TOTAL REVENUE FROM THE								
			5,188,036		5,571,495		5,111,088		(460,407)

SCHEDULE 1 Page 3 of 5

Fund, Major and Minor Revenue Source		Original Budget		Budget As Amended		Actual		Variance From Amended Positive (Negative)
Revenue from the Federal Government: Categorical aid:								
Welfare public assistance Homeland Security & Terrorism	\$	1,941,757	\$	1,941,757	\$	1,552,921	\$	(388,836)
VAW  Law enforcement grant		13,772		38,516 6,494		27,544 6,675		(10,972)
Forestry reimbursement		-		-		1,237		181 1,237
Community Development Block Grant		-				2,000		2,000
TOTAL CATEGORICAL AID		1,955,529		1,986,767	_	1,590,377		(396,390)
TOTAL REVENUE FROM FEDERAL GOVERNMENT		1,955,529		1,986,767		1,590,377		(396,390)
TOTAL GENERAL FUND	_\$_	21,953,103	_\$_	22,787,477	_\$_	21,955,376	_\$_	(832,101)
Special Revenue Fund: Law Library Revenue from local sources:								
Charges for services Law library fees	_\$_	-	_\$_	-	\$	3,076	\$	3,076
Coal Road Improvement Fund Revenue from local sources: Other taxes								
Coal road tax	\$	-	<u>\$</u>			3,040		3,040
TOTAL SPECIAL REVENUE FUNDS	\$		_\$_	-	\$	6,116		6,116
GRAND TOTAL REVENUES, ALL PRIMARY GOVERNMENTAL FUNDS	_\$_	21,953,103	\$	22,787,477	<u>\$</u>	21,961,492	\$	(825,985)
Component Unit - School Board: Special Revenue Funds: School Operating Fund: Revenue from local sources: Revenue from use of money & property:								
Revenue from use of money & property.  Revenue from use of property	\$	5,000	\$	5,000	\$		\$	(5,000)
Charges for services:								
Transportation		35,000		35,000		34,798		(202)
Miscellaneous revenue: Miscellaneous		436,815		436,815		381,319		(55,496)
Recovered costs: Other		12,000		12,000	_	36,069		24,069
TOTAL REVENUE FROM LOCAL SOURCES		488,815		488,815		452,186		(36,629)

## COUNTY OF SCOTT, VIRGINIA GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS STATEMENT OF REVENUES - BUDGET AND ACTUAL

Fund, Major and Minor Revenue Source		Original Budget	Budget As Amended	Actual	 Variance From Amended Positive (Negative)
Revenue from the Commonwealth:					
Categorical aid:					
Share of state sales tax	\$	3,143,261	\$ 3,143,261	\$ 3,164,946	\$ 21,685
Basic school aid	·	14,473,656	14,473,656	14,175,191	(298,465)
Primary class size		506,031	506,031	465,543	(40,488)
Medicaid		354,506	354,506	303,940	(50,566)
GED funding		7,859	7,859	7,859	-
Foster care		15,777	15,777	6,147	(9,630)
Early intervention		112,446	112,446	99,668	(12,778)
Gifted & talented children		138,269	138,269	135,874	(2,395)
SOL		70,798	70,798	65,687	(5,111)
At - risk		600,244	600,244	589,907	(10,337)
Special education		2,182,768	2,182,768	2,146,090	(36,678)
English second language		8,535	8,535	8,535	(00,010)
Preschool initiative		150,000	150,000	149,916	(84)
Vocational education		453,805	453,805	441,390	(12,415)
Fringe benefits		2,750,677	2,750,677	2,703,033	(47,644)
Remedial education/summer school		604,627	604,627	586,284	(18,343)
Textbooks		110,616	110,616	139,821	29,205
VTSF grant		110,010	110,010	100,021	29,203
VPSA technology grant		414,000	414,000	445,331	31,331
Alternative education		322,016	322,016	379,740	57,724
VA preschool initiative		152,286	152,286	3/5,/40	(152,286)
Textbook lottery		172,454	172,454	138,346	(34,108)
Other revenue		4,145	4,145	12,579	8,434
Other revenue		4,145	 4,145	 12,579	 0,434
TOTAL REVENUE FROM THE					
COMMONWEALTH		26,748,776	 26,748,776	26,165,827	(582,949)
Revenue from the federal government:					
Categorical aid:					
Title I		963,239	963,239	856,070	(107,169)
Title II		178,976	178,976	139,798	(39,178)
Title VI - B		778,976	778,976	778,976	(00,170)
Academic Achieve		-	770,570	4,316	4,316
Preschool handicapped allocation		30,183	30,183	30,183	4,010
Vocational education		60,669	60,669	66,700	6,031
Forest reserve		55,298	55,298	54,084	(1,214)
Title IV - B		33,230	33,290	82,218	82,218
Other revenue		100	100	02,210	(100)
Other revenue		100	100	 	 (100)
TOTAL REVENUE FROM THE FEDERAL					
GOVERNMENT		2,067,441	 2,067,441	 2,012,345	 (55,096)
TOTAL SCHOOL OPERATING FUND	\$	29,305,032	\$ 29,305,032	\$ 28,630,358	\$ (674,674)

SCHEDULE 1 Page 5 of 5

	Variance From Amended Positive (Negative)	
School Food Service Fund:		
Revenue from local sources:		
Revenue from use of money & property:		
Revenue from use of money \$ - \$ - \$	<del></del>	
Charges for services:		
Cafeteria sales 678,461 678,461 567,531	(110,930)	
Miscellaneous revenue:		
Miscellaneous revenue1,500	(1,500)	
TOTAL REVENUE FROM LOCAL		
SOURCES 679,961 679,961 567,531	(112,430)	
<u> </u>	(112,400)	
Revenue from the government:		
Categorical aid:		
Federal funds \$ 1,370,615 \$ 1,370,615 \$ 1,202,873 \$	(167,742)	
State funds <u>44,000</u> 44,000 32,731	(11,269)	
TOTAL REVENUE FROM THE		
GOVERNMENT 1,414,615 1,414,615 1,235,604	(179,011)	
GOVERNIMENT 1,414,010 1,414,010 1,200,004	(179,011)	
TOTAL SCHOOL FOOD SERVICE FUND <u>\$ 2,094,576</u> <u>\$ 2,094,576</u> <u>\$ 1,803,135</u> <u>\$</u>	(291,441)	
School Insurance Fund:		
Charges for services:		
Insurance premiums \$ - \$ - \$ 4,012,891 \$	4,012,891	
Scott County Headstart:		
Revenue from local sources:  Miscellaneous \$ - \$ 352,927 \$	252 027	
WilsCellatieous <u>\$ - \$ - \$ 552,927</u> \$	352,927	
Revenue from the federal government:		
Categorical aid:		
Headstart grant \$ 1,257,349 \$ 1,509,933 \$	252,584	
TOTAL SPECIAL REVENUE FUNDS <u>\$ 1,257,349</u> <u>\$ 1,257,349</u> <u>\$ 1,862,860</u> <u>\$</u>	605,511	
School Debt Fund:		
Revenue from use of money & property:		
Revenue from use of money \$ - \$ - \$ 1,685 \$	1,685	
GRAND TOTAL REVENUES - COMPONENT UNIT -		
SCHOOL BOARD <u>\$ 32,656,957</u> <u>\$ 32,656,957</u> <u>\$ 36,310,929</u> <u>\$</u>	3,653,972	

# COUNTY OF SCOTT, VIRGINIA GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Positive (Negative)
Primary Covernments				
Primary Government: General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 423,283	\$ 425,257	\$ 408,032	17,225
General & financial administration:				
County administrator	173,174	173,174	174,533	(1,359)
Legal services & assessment	196,335	196,335	147,796	48,539
Independent auditors report	45,000	45,000	41,000	4,000
Commissioner of revenue	211,532	211,532	205,337	6,195
Treasurer	203,779	203,779	200,700	3,079
Info Systems Manager	136,696	136,696	143,846	(7,150)
Central accounting	135,761	135,761	134,798	963
General assessment	150,000	150,000	63,525	86,475
Purchasing	105,232	105,232	104,737	495
TOTAL GENERAL & FINANCIAL				
ADMINISTRATION	1,357,509	1,357,509	1,216,272	141,237
Board of elections:				
Electoral board & officials	162,712	162,712	130,976	31,736
TOTAL GENERAL GOVERNMENT				
ADMINISTRATION	1,943,504	1,945,478	1,755,280	190,198
Judicial administration:				
Courts:				
Clerk of the circuit court	424,332	454,553	437,924	16,629
Circuit court	65,789	66,789	66,861	(72)
General district court	9,822	9,822	7,962	1,860
Magistrate	1,920	1,920	1,707	213
IT funds from comp board	24,048	36,631	17,584	19,047
Juvenile & domestic relations	322,709	322,709	323,542	(833)
TOTAL COURTS	848,620	892,424	855,580	36,844
Commonwealth's attorney:				
Commonwealth's attorney	479,491	481,405	443,375	38,030
TOTAL JUDICIAL ADMINISTRATION	1,328,111	1,373,829	1,298,955	74,874
Public safety:				
Law enforcement & traffic control:				
Sheriff	2,131,182	2,161,828	2,085,032	76,796
VAW outreach	15,171	39,915	31,078	8,837
Criminal investigation	21,565	22,147	27,211	(5,064)
Mental Health Transport	6,295	6,295	4,682	1,613
Victim witness	47,096	49,026	48,926	100
Wireless continuation of service	-	150,000	150,000	-
Class Action on VA Laws	128,593	128,593	124,407	4,186
E-911 grant	60,558	100,043	65,555	34,488
Selective enforcement grant	-		13,488	(13,488)
Selective enforcement alcohol		6,494	6,494	-
Domestic violence grant	20,000	52,050	44,501 45,762	7,549
Asset forfeiture grant	80,000	80,000	45,762	34,238
Byrne grant	•	- E7 074	1,546 57,720	(1,546) (458)
Operation safe school Central dispatcher	655,709	57,271 658,166	57,729 590,959	(458) 67,207
TOTAL LAW ENFORCEMENT &		· <del></del>		
TRAFFIC CONTROL	3,166,169	3,511,828	3,297,370	214,458

Fund, Function, Activities and Elements		Original Budget		Budget As Amended		Actual		Variance From Amended Positive (Negative)	
Fire & rescue services:									
Volunteer fire department	\$	406,500	\$	418,688	\$	472,498	\$	(53,810)	
Ambulance & rescue services	•	200,000	•	219,818	Ψ.	232,309	•	(12,491)	
Southwest Virginia EMS, Inc.		3,203		3,203		3,203		(12, 101)	
Forest fire service		18,700		18,700		18,659		41	
TOTAL FIRE & RESCUE SERVICES		628,403		660,409		726,669		(66,260)	
Correction and detention: Sheriff - jail		1,649,500		1,649,500		1,336,983		312,517	
Inspections:									
Board of building appeals		89,583		91,111		85,261		5,850	
Other protection:									
Emergency services		22,925		22,925		21,733		1,192	
Medical examiner		260		260		420		(160)	
Concealed weapon		49,183		49,183		15,305		33,878	
Litter control		51,830		51,891		48,165		3,726	
Animal control		80,846		146,440		143,231		3,209	
TOTAL OTHER PROTECTION		205,044		270,699		228,854		41,845	
TOTAL PUBLIC SAFETY		5,738,699		6,183,547		5,675,137		508,410	
Public works:  Maintenance of highways, streets,  Bridges and sidewalks:  Road administration		<u>-</u>		<u>.</u>		<u>-</u>		<u>-</u>	
Sanitation & waste removal:									
Refuse collection		408,250		682,721		581,268		101,453	
Refuse disposal		770,757		772,205		708,177		64,028	
Manned solid waste sites		267,496		267,496		225,241		42,255	
TOTAL SANITATION & WASTE									
REMOVAL		1,446,503	_	1,722,422		1,514,686		207,736	
Maintenance of general buildings & grounds:									
General properties		445,309		506,794		711,394		(204,600)	
Community service building		-		-		47		(47)	
TOTAL MAINTENANCE OF GENERAL									
PROPERTIES & GROUNDS		445,309		506,794		711,441		(204,647)	
TOTAL PUBLIC WORKS		1,891,812		2,229,216		2,226,127		3,089	
Health & welfare: Health:									
Supplement of local health									
department		245,878	_	245,878		202,781		43,097	
Mental health & mental retardation: Chapter X board		91,000		91,000		91,483		(483)	
Shaptor A bound		01,000		31,000		51,703		(400)	

COUNTY OF SCOTT, VIRGINIA
GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Fund, Function, Activities and Elements	Original Budget	Budget As Amended	Actual	Variance From Amended Positive (Negative)	
State & local hospitalization:					
Older American program	\$ 50,000	\$ 50,000	\$ 50,000		
TOTAL OTATE 0 LOCAL					
TOTAL STATE & LOCAL HOSPITALIZATION	50,000	50,000	50,000	-	
Welfare:					
Welfare administration Public assistance	2,106,600 1,701,189	2,106,600 1,701,189	1,960,780 1,041,392	145,820 659,797	
Community service act	-	005.050	33,854	(33,854)	
CMPT Other social services	985,250 10,000	985,250 10,000	719,118 10,000	266,132 -	
<b>3.1.3. 3.3.1. 3.3. 1.1.</b>					
TOTAL WELFARE	4,803,039	4,803,039	3,765,144	1,037,895	
TOTAL HEALTH & WELFARE	5,189,917	5,189,917	4,109,408	1,080,509	
Education: Community colleges:					
Contributions to community					
colleges	27,930	27,930	27,930	-	
Parks, recreation & cultural: Parks & recreation:					
Recreation centers & playgrounds	223,407	223,407	215,194	8,213	
Non-park recreation	159,762	164,192	107,461	56,731	
TOTAL PARKS & RECREATION	383,169	387,599	322,655	64,944	
Library:					
Lonesome Pine Regional Library	209,330	209,330	209,330	-	
TOTAL PARK, RECREATION & CULTURAL	592,499	596,929	531,985	64,944	
Community development: Planning & community development:					
LENOWISCO	38,424	38,424	38,424	<u>-</u>	
Planning district commission	2,600	2,600	1,320	1,280	
Economic Development Authority Chamber of commerce	232,412 3,650	232,412 3,650	255,948 3,474	(23,536) 176	
Tourism	57,084	57,084	52,362	4,722	
TOTAL BLANKING & COMMUNITY					
TOTAL PLANNING & COMMUNITY DEVELOPMENT	334,170	334,170	351,528	(17,358)	
Environmental management:					
Soil and water conservation district	32,960	32,960	32,960	-	
Cooperative extension program:					
VPI extension	66,185	66,185	57,385	8,800	
TOTAL COMMUNITY DEVELOPMENT	433,315	433,315	441,873	(8,558)	

# COUNTY OF SCOTT, VIRGINIA GOVERNMENTAL FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL For the Year Ended June 30, 2015

Fund, Function, Activities and Elements	• ••••••	Original Budget		Budget As Amended		Actual		Variance From Amended Positive (Negative)
Debt service:								
Principal retirement Interest & fiscal charges	\$	436,507 166,287	\$ ——	436,507 166,287	\$	436,507 166,287	\$ 	-
TOTAL DEBT SERVICE		602,794		602,794		602,794		-
TOTAL GENERAL FUND	_\$_	17,748,581		18,582,955	_\$_	16,669,489	<u>\$</u>	1,913,466
Special Revenue Fund:  Law Library Fund:  Judicial administration:  Courts:  Law tibrary	\$	12,369	\$	12,369	\$	3,080	\$	9,289
·								· · · · · · · · · · · · · · · · · · ·
Coal Road Improvement Fund: Public works Maintenance of highways, streets, bridges & sidewalks:								
Coal road		35,700	<u>\$</u>	35,700	\$	1,520		34,180
TOTAL SPECIAL REVENUE FUND		48,069		48,069	\$	4,600	<u>\$</u>	43,469
GRAND TOTAL EXPENDITURES, ALL PRIMARY GOVERNMENTAL FUNDS	_\$	17,796,650	_\$_	18,631,024	\$	16,674,089	_\$_	1,956,935
Component unit - school board Special revenue funds: School Operating Fund: Education:								
Administration & health services	\$	1,447,417	\$	1,447,417	_\$_	1,271,888	\$	175,529
Instruction costs: Instructional costs		27,019,235		27,019,235		26,331,232		688,003
Operating costs:								
Pupil transportation Operation & maintenance of		1,804,641		1,804,641		1,815,903		(11,262)
school plant		4,151,290	_	4,151,290		3,565,060		586,230
TOTAL OPERATING COSTS		5,955,931		5,955,931		5,380,963		574,968
TOTAL SCHOOL OPERATING FUND	_\$_	34,422,583	_\$_	34,422,583	_\$_	32,984,083	_\$_	1,438,500
School Food Service Fund: Education								
Cafeteria operation	_\$	2,094,576		2,094,576	_\$_	1,939,122		155,454
School Debt Fund: Education								
Construction	_\$_			-		1,445,159	<u>\$</u>	(1,445,159)
School Health Insurance: Education								
Insurance cost	_\$_	-		-	\$	3,384,421		(3,384,421)
Scott County Headstart Fund:								
Education Instruction costs		1,257,349	_\$_	1,257,349	_\$_	1,862,860	\$	(605,511)
GRAND TOTAL EXPENDITURES - COMPONENT UNIT - SCHOOL BOARD	_\$_	37,774,508	<u>\$</u>	37,774,508	<u>\$</u>	41,615,645	_\$_	(3,841,137)

Year Re		ntractually Required ontribution	uired Required			ibution iency / cess)	Employer's Covered Employee Payroll	Contributions as of % of Covered Employee Payroll
General Gove	ernmer	<u>nt:</u>						
6/30/2015	\$	750,270	\$	750,270	\$	-	\$ 5,479,756	13.69%
School Non-p	rofess	ional:						
6/30/2015	\$	199,237	\$	199,237	\$	-	\$ 2,321,227	8.58%

### Notes to Schedule:

 Schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. Additional years will be included as they become available.

Federal Granting Agency / Recipient State Agency / Grant Program / Grant Number	Federal Catalogue Number		Expenditures		
Grant Program / Grant Number	Number	-		penditures	
DEPARTMENT OF AGRICULTURE:					
Direct Payments:					
Child and Adult Care Food Program	10.558		\$	132,284	
Pass Through Payments:					
Virginia Resources Authority Grant/Loan:					
Capitalization Grants for Drinking Water State Revolving Fund	66.468			489,298	
Capitalization Grants for Drinking Water State Revolving Fund (Loan)	66.468	*		1,161,509	
Pass Through Payments:					
State Department of Agriculture:					
Child Nutrition Cluster:					
Food Distribution - Schools	10.555			118,820	
Fresh Fruit and Vegetables	10.582			40,123	
Department of Social Services:					
Administrative Grant for Food Stamps	10.561			254,177	
Department of Environmental Quailty:					
Forestry Reimbursements	10.000			1,237	
Department of Education:					
Child Nutrition Cluster:					
National School Lunch Program (SL-11)	10.555	*		874,965	
National School Breakfast Program (SL-4) Forest Reserve Funds	10.553 10.665			287,785 54,084	
TOTAL DEPARTMENT OF AGRICULTURE			\$	3,414,282	
DEPARTMENT OF HEALTH & HUMAN SERVICES:					
Direct Payments:					
Administration to Children, Youth and Families					
Head Start	93.600	*	\$	1,377,649	
Pass Through Payments:					
Department of Social Services:					
Independent Living	93.674			5,491	
Social Service Block Grant	93.667			195,397	
Foster Care - Title IV - E	93.658			166,908	
Temporary Assistance to Needy Families	93.558			331,095	
Adoption Assistance	93.659			211,634	
Child Care and Development Fund	93.596			43,519	
Child Welfare Services	93.645			2,058	
State Children's Insurance Program	93.767			8,749	
Chafee Education & Training	93.599			4,913	
Family Preservation	93.556			786_	
Pass Through Payments:					
State Administered Program:			_		
Low - Income Home Energy Assistance	93.568		\$	33,266	
Refugee and Entrant Assistance	93.566			441	
Medicaid Assistance	93.778			294,487	
Corporation for National & Community Services: Vista's	94.006				
TOTAL DEPARTMENT OF HEALTH & HUMAN SERVICES:			e	2 676 202	
TOTAL DEPARTMENT OF REALTH & HUMAN SERVICES:			_\$	2,676,393	

Federal Granting Agency / Recipient State Agency / Grant Program / Grant Number	Federal Catalogue Number		Expenditures		
DEPARTMENT OF HOUSING & URBAN DEVELOPMENT Pass Through Payments: Virginia Department of Housing & Community Development: Community Development Block Grant	14.228		\$	2,000	
DEPARTMENT OF EDUCATION:  Pass Through Payments:  Department of Education:  Title I:					
Educationally Deprived Children's - LEA Improving the Academic Achievement of the Disadvantaged	84.010 84.010	*	\$	856,070 4,316	
Improving Teacher Quality Title VI-B:	84.367			139,798	
Assistance to States for Education of Handicapped Children:					
Handicapped State Grants (5-E002581) (6-E002585) Safe & Drug Free Schools and Communities Title VI-D:	84.027 84.186	*		778,976	
Vocational Education:					
Basic Grant to States	84.048			66,700	
Preschool Handicapped	84.173			30,183	
Twenty-First Century Community Learning Center	84.287			82,218	
TOTAL DEPARTMENT OF EDUCATION			\$	1,958,261	
U.S DEPARTMENT OF JUSTICE Pass Through Payments: Department of Criminal Justice Services:	40.500		•	07.544	
Violence Against Woman Grant	16.588			27,544	
DEPARTMENT OF TRANSPORTATION Pass Through Payments: Department of Motor Vehiles:					
State and Coummunity Safety	20.601			6,675	
TOTAL FEDERAL FINANCIAL ASSISTANCE			\$	8,085,155	

#### Notes to Schedule:

- 1) \* Denotes major program
- 2) Basis of Accounting Federal Programs are accounted for using the accrual basis of accounting.
- Reporting Entity The Schedule of Expenditures of Federal Awards includes all grants awarded to the County of Scott, Virginia. The reporting entity is defined in Note 1 of the County's basic financial statements.

\$500,000

Yes

#### Financial Statements:

Type of auditor's opinion issued:	Unqualif	ied
Internal control over financial reporting:		
Material weakness(es) identified?		No
Significant deficiencies in internal control were disclosed by the audit of the financial statements:		No
Noncompliance material to financial statements noted?		No
Federal Awards		
Internal control over major programs:		
Material weakness(es) identified?		No
Significant deficiencies in internal control were disclosed by the audit of the financial statements:		No
Type of auditor's opinion issued on compliance for major programs:	Unqualif	ied
Any findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?		No
Major programs identified:	CFDA	
Capitalization Grants for Drinking Water State Revolving Fund National School Lunch Program Administration to Children, Youth, and Families Head Start	66.468 10.555 93.600	
Head Start Educationally Deprived Children's - LEA Handicapped State Grants	84.010 84.027	

## Section II - Financial Statement Findings:

Dollar threshold used to distinguish between Type A

None Reported

and Type B programs:

Auditee qualified as low risk?

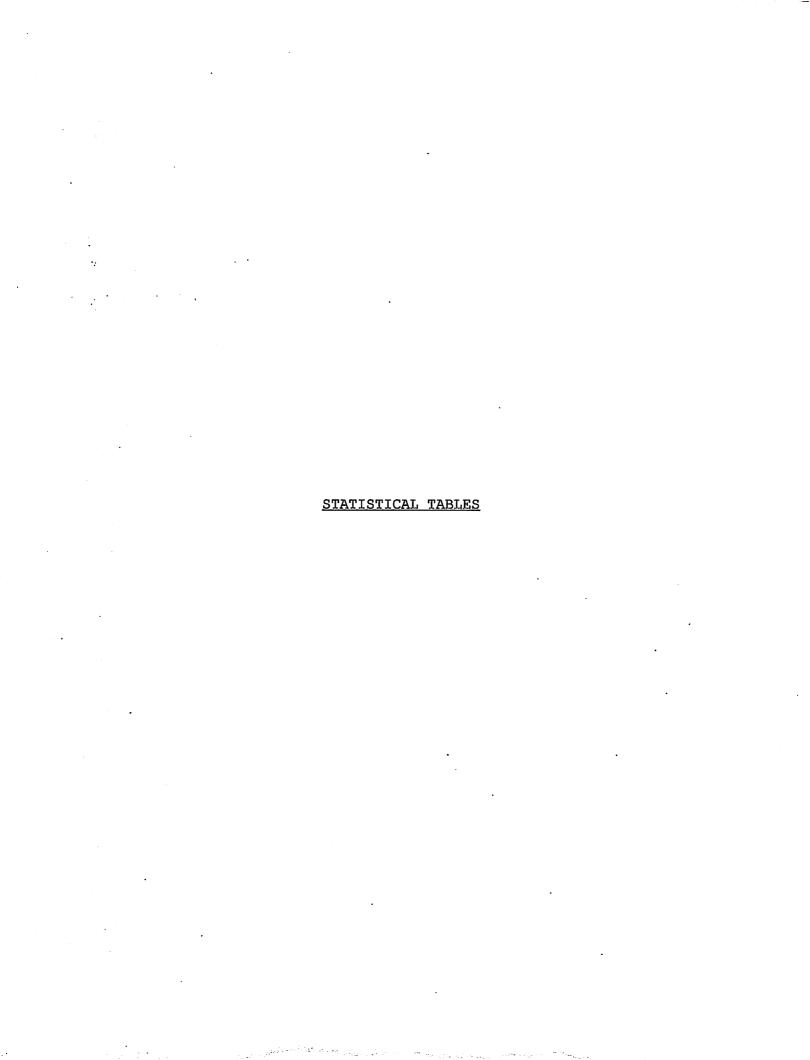
(CONTINUED)

### Section III - Federal Award Findings and Questioned Costs

None Reported

### Prior Year Findings:

None Reported



Fiscal Year	General Adminis- tration	Judicial Adminis- tration	Public Safety	Public Works	Health and Welfare	Education	Recreation and Cultural	Community Develop- ment	Capital Project	Debt Service	Total
2005-06	1,276,067	818,881	4,665,028	1,608,541	3,705,025	34,978,514	626,166	329,769	-	420,035	48,428,026
2006-07	1,411,505	1,062,366	4,053,538	2,003,468	3,819,479	40,193,389	575,524	633,755	-	372,209	54,125,233
2007-08	1,688,423	1,215,016	4,218,258	2,596,794	4,445,892	42,568,404	567,446	1,192,484	-	278,804	58,771,521
2008-09	1,715,417	1,232,552	4,505,877	2,771,975	4,541,706	43,518,037	648,707	876,362	-	243,244	60,053,877
2009-10	1,896,713	1,144,923	4,784,534	2,432,311	4,333,286	42,923,626	604,540	420,441	-	176,520	58,716,894
2010-11	1,720,085	1,142,159	5,074,851	2,288,840	4,559,638	40,642,270	603,510	424,745	-	67,875	56,523,973
2011-12	1,528,028	1,145,352	4,980,802	2,448,139	4,518,977	39,867,234	594,934	498,724	-	15,800	55,597,990
2012-13	1,582,006	1,142,076	5,509,866	2,403,108	4,301,356	41,270,451	646,309	1,135,319	-	-	57,990,491
2013-14	1,648,455	1,163,964	5,503,599	2,239,556	4,291,851	43,611,343	576,080	601,965	-	96,706	59,733,519
2014-15	1.755.280	1.302.035	5.675.137	2.227.647	4.109.408	41.643.575	531.985	441.873	-	602.794	58,289,734

<sup>(1)</sup> Includes general, special revenue funds and capital project funds of the primary government and its discretely presented component units.

Fiscal Year	General Property Taxes	Other Local Taxes	Permit Privilege Fees & Regulatory Licenses	Fines & Forfei- tures	Revenues from the Use of Money & Property	Charges for Services	Miscell- aneous	Recovered Costs	Inter- govern- mental	Total
2005-06	7,870,574	3,272,318	51,517	39,128	363,072	2,295,623	485,503	150,254	33,346,999	47,874,988
2006-07	8.134.460	3.093,915	54,294	38,346	440,081	4,086,299	467,481	151,539	38,121,547	54,587,962
2007-08	8,186,961	3,332,751	57,903	85,077	289,442	3,912,939	481,535	199,766	39,401,408	55,947,782
2008-09	9,021,659	3,061,724	66,006	119,118	136,711	4,254,414	967,403	290,161	40,881,401	58,798,597
2009-10	7.845.243	3,119,899	48,642	185,820	101,279	5,323,624	297,840	350,720	40,596,723	57,869,790
2010-11	10,048,135	3,190,210	57,986	139,181	104,685	4,390,092	513,576	145,582	37,484,945	56,074,392
2011-12	10,385,555	3,158,479	71,233	122,300	101,870	4,927,846	777,389	201,067	36,941,261	56,687,000
2012-13	10.328.263	3.237,175	85,239	193,027	104,025	5,861,257	800,162	207,854	37,236,030	58,053,032
2013-14	10,484,330	3,170,027	71,939	207,646	100,348	5,096,716	609,109	201,090	36,849,405	56,790,610
2014-15	10.768.184	3.134.530	61,121	202,900	98,042	4,771,809	896,774	713,887	37,625,174	58,272,421

<sup>(1)</sup> Includes general, special revenue funds and capital project funds of the primary government and its discretely presented component units.

				Delinquent		Percent of	Outstanding	Percent of
		Current	Percent	-1	Total	Total Tax	(1,3)	Delinquent
Fiscal	Total (1)	Tax (1)(4)	of Levy	Tax (2)	Tax	Collections	Delinquent	Taxes to
Year	Tax Levy	Collections	Collected	Collections	Collections	to Tax Levy	Taxes	Tax Levy
2005-06	8,995,810	8,496,294	94.45%	296,178	8,792,472	97.74%	859,105	9.55%
2006-07	9,087,515	8,615,034	94.80%	359,802	8,974,836	98.76%	839,089	9.23%
2007-08	9,125,956	7,758,586	85.02%	428,375	8,186,961	89.71%	902,641	9.89%
2008-09	9,181,540	8,521,892	92.82%	499,767	9,021,659	98.26%	1,007,824	10.98%
2009-10	9,347,822	8,745,340	93.55%	835,563	9,580,903	102.49%	1,124,013	12.02%
2010-11	10,021,408	9,463,614	94.43%	342,130	9,805,744	97.85%	781,142	7.79%
2011-12	10,835,570	9,646,437	89.03%	484,311	10,130,748	93.50%	1,078,013	9.95%
2012-13	11,030,367	9,557,872	86.65%	549,373	10,107,245	91.63%	1,170,192	10.61%
2013-14	11,157,307	9,809,688	87.92%	464,866	10,274,554	92.09%	1,149,449	10.30%
2014-15	11.071.423	9,994,974	90.28%	489.003	10.483.977	94.69%	1.200.771	10.85%

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

<sup>(2)</sup> Does not include land redemptions.

<sup>(3)</sup> Includes three years taxes.

<sup>(4)</sup> Includes revenue from the commonwealth for personal property tax relief act.

	Real Estate		Public Service		
Fiscal Year		Personal Property	Real Estate	Personal Property	Total
2005-06	916,916,750	192,747,069	82,425,959	425,141	1,192,514,919
2006-07	926,449,800	196,166,314	73,554,085	363,789	1,196,533,988
2007-08	932,487,800	196,487,615	73,554,085	363,789	1,202,893,289
2008-09	945,918,300	188,842,338	76,153,851	273,600	1,211,188,089
2009-10	963,334,181	182,691,109	78,556,795	267,229	1,224,849,314
2010-11	1,158,959,900	151,617,277	101,854,725	408,747	1,412,840,649
2011-12	1.169.659.723	179,697,295	103,281,813	433,082	1,453,071,913
2012-13	1,180,192,223	190,142,164	101,691,872	507,706	1,472,533,965
2013-14	1,186,258,823	190,246,489	114,327,136	807,472	1,491,639,920
2014-15	1,193,119,123	197,694,447	84,131,357	907,258	1,475,852,185

<sup>(1) 100%</sup> fair market value.

<sup>(2)</sup> Assessed values are established by the State Corporation Commission.

	Real Estate		Machinery			
Fiscal Year		Personal Property	Mobile Homes	and Tools	Merchants' Capital	
1001	Lotato	1 Toporty	11011100	10010	Сарна	
2005-06	0.69	1.40	0.69	0.72	0.72	
2006-07	0.69	1.40	0.69	0.72	0.72	
2007-08	0.72	1.40	0.69	0.72	0.72	
2008-09	0.72	1.40	0.69	0.72	0.72	
2009-10	0.69	1.40	0.69	0.72	0.72	
2010-11	0.69	1.40	0.69	0.72	0.72	
2011-12	0.69	1.40	0.69	0.72	0.72	
2012-13	0.69	1.40	0.69	0.72	0.72	
2013-14	0.69	1.40	0.69	0.72	0.72	
2014-15	0.69	1.40	0.69	0.72	0.72	

<sup>(1)</sup> Per \$100 of assessed value.

Fiscal <u>Year</u>	Popula- tion (1)	Assessed Value (in thousands) (2)	Gross Bonded Debt (3)	Ratio of Net General Obligation Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2005-06	23,403	1,192,514,919	1,024,960	0.09%	43.80
2006-07	23,403	1,202,893,289	707,165	0.06%	30.22
2007-08	23,403	1,211,188,089	463,165	0.04%	19.79
2008-09	23,403	1,211,188,089	247,816	0.02%	10.59
2009-10	23,403	1,224,849,314	80,000	0.01%	3.42
2010-11	23,177	1,412,840,649	15,000	0.00%	0.65
2011-12	23,177	1,453,071,913	•	0.00%	-
2012-13	23,177	1,472,533,965	•	-	-
2013-14	23,177	1,491,639,920	-	•	-
2014-15	23,177	1,475,852,185	-	-	-

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

<sup>(2)</sup> From Table 4.

<sup>(3)</sup> Includes all long-term general obligation bonded debt, and Literary
Fund Loans. Excludes revenue bonds, capital leases, and compensated absences.