

# COUNTY OF PAGE, VIRGINIA



ANNUAL COMPREHENSIVE FINANCIAL REPORT  
YEAR ENDED  
JUNE 30, 2023

**COUNTY OF PAGE, VIRGINIA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**YEAR ENDED JUNE 30, 2023**

Prepared by  
Finance Department  
Page County, Virginia

**COUNTY OF PAGE, VIRGINIA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2023**

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## **INTRODUCTORY SECTION**



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December 8, 2023

To the Honorable Chairman, Members of the Board of Supervisors, and Citizens of the County of Page, Virginia:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the County of Page (County) for the fiscal year ended 2023. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the County. All disclosures necessary to enable the reader to gain an understanding of the County's activities have been included.

The accounting firm of Robinson, Farmer, Cox Associates, Certified Public Accountants, has audited the County's financial statements. The goal of the independent audit is to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and evaluating the overall financial statement presentation. This examination was conducted using guidelines set forth by the Government Auditing Standards Board and the Specification for Audits of Counties, Cities, and Towns, issued by the Auditor of Public Accounts. Based upon this audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

The financial reporting entity (the County) includes all funds of the primary government (i.e., the County of Page, as legally defined), as well as all of its component units. The County provides a full range of services, including police and rescue services, sanitation services, recreational activities, cultural events, and welfare services.

Component units are legally separate entities for which the primary government is financially accountable. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations and cash flows, from those of the primary government. The discretely presented component unit included in this report is the Page County School Board.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion

and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County of Page's MD&A can be found immediately following the report of the independent auditors.

## The Reporting Entity and Economic Outlook

The County of Page (County), located in Virginia's Shenandoah Valley, was created in 1831 from sections of Shenandoah and Rockingham Counties. It was named for John Page, who was the thirteenth Governor of Virginia from 1802 to 1805. The County covers a total area of 314 square miles (810 square kilometers), of which 3 square miles is water, which is mostly known as the South Fork Shenandoah River.

The Town of Luray is the County seat and the County's largest town. It was founded in 1812 by William Staige Marye, whose family was from Luray, France. The County also includes the Towns of Shenandoah and Stanley, both of which have a small-town charm and a quaint downtown district.

Originally, the Shenandoah Valley had been used by Native Americans who hunted and camped along the river banks. According to most historians, settling of the area began as early as 1726. The earliest settlers were German and Swiss, who traveled through the games of the Blue Ridge Mountains into what is now known as Massanutten. Mennonite families and Germans from Pennsylvania arrived using paths used by Native Americans. Numerous Scotch-Irish also traveled to the area, populating the small towns. For many years, agriculture and manufacturing were staples of the County's economy. During the 1900s, the population grew to over 23,000 people.

Today, Page County has become a destination spot for tourists who enjoy its picturesque scenery, mountain views, and outdoor activities. People travel to the area for its nationally recognized Luray Cavers and Shenandoah National Park, which is Virginia's only National Park. Currently, as of the 2020 U.S. Census, the County has a population of 23,709.

The County has an elected Board of Supervisors (Board), which establishes policies for the administration of the County. The Board consists of a chair and five members, who represent the five magisterial districts. The Chair of the Board is elected in a county-wide election. The Board appoints a County Administrator to carry out the policies established by the Board and oversee the daily administration of the County.

The Commonwealth of Virginia provides the construction and maintenance of highways, streets, and infrastructure located within the County. In addition to employee-performed emergency medical services (EMS) duties within the County, local volunteer fire and rescue companies provide protection for citizens. The County provides support through cash contributions for operations and capital expenditures.

According to the United States Census Bureau, the County has 9,355 households. The average household size was 2.52 people. The population has collectively become older during the past decade. In 2014, the median age was about 44.4 years, and it has risen to 45.3 years in 2023. 19.7% of the population is under 18 years old, and 21.8% is 65 and older.

Near the beginning of the coronavirus pandemic, in April 2020, the County's unemployment rate spiked up to 14.1%. It has since declined to 3.0% by the end of the FY 2022 and has remained at that level since. The County's economy has rebounded strongly after the pandemic.

In FY 2023, the General Fund's fund balance increased by over \$3 million. For multiple revenues, the actual amount received exceeded the budgeted estimate. The combined revenue for real estate, personal property, sales, and transient occupancy taxes (TOT) was \$2.2 million more than the estimate. The majority of this overage was from delinquent property tax revenue. The recent construction of short-term rental properties and houses has also helped boost property tax revenue. The fact that sales tax and TOT revenue have consistently increased over the recent years is a signal that the County's economy and tourism industry will remain strong in the near future.

The County's extra revenue has helped bolster its fund balance, or savings. This has allowed the County to make substantial investments in much needed capital projects without raising taxes. In FY 2023, the County spent \$1 million in additional excavation to prepare for future cell construction at Battle Creek Landfill. This was completed while Cell 11 was being constructed and equipment was already on site. This decision will result in savings on future equipment mobilization costs. In FY 2024 and 2025, nearly \$4.2 million of the fund balance will be invested in a broadband infrastructure project that will bring stable Internet connections to underserved and unserved areas within the County. The County's healthy fund balance has given the County financial flexibility and the ability to make these investments without placing the financial burden on taxpayers.

## Major Initiatives and Goals

The Mission Statement of Page County is as follows:

*To provide our citizens and businesses with a superior quality of life by delivering county services and programs in a fiscally prudent and responsible manner.*

One of the County's main goals has been to strengthen its non-property tax revenue streams so that expansion costs are not incurred by taxpayers. In FY 2022, the County's Battle Creek Landfill (BCLF) attracted new customers so that the County could afford the construction of BCLF's Cell 11 without raising taxes. In FY 2023, the County acquired \$6.87 million of additional debt for Cell 11, which the County will pay back over ten years with the new customers' tipping fees. In FY 2023, landfill tipping fee revenue increased by nearly 20 percent. This additional revenue will be used to pay the debt service. Since BCLF has become self-sufficient, the County removed all landfill tipping charges on residential household waste in an effort to cut costs for citizens.

Additionally, the County has focused on its tourism industry to generate additional revenue without placing more burden on its citizens. In 2023, the County launched a new tourism website to attract more tourists, which boosted transient occupancy tax (TOT) revenue. The County collected over 26 percent more TOT in FY 2023 compared to the prior year, and it exceeded the budgeted estimate by over \$376,000. Although three-fifths of TOT revenue must be used for tourism-related purposes, the remaining portion can be used at the government's discretion. As more TOT is collected, general expenses can be offset with this revenue that is not collected from County citizens.

As always, the County strives to be fiscally prudent and uses non-taxpayer money whenever possible. With the help of funding provided by the Federal government's American Rescue Plan Act (ARPA), the County and School Board have been able to pay for substantial expansions and repairs without the need for taxpayer money. The County spent over \$3.3 million of these Federal funds on its broadband infrastructure project, and the School Board used a substantial amount of its ARPA funds for HVAC updates and repairs to its aging buildings.

In FY 2023, another priority was constructing the Next Generation 9-1-1 radio system. The radio project began in FY 2021 and was completed in FY 2023. This system greatly reduced dead zones and increased communication capabilities for County, fire, rescue, law enforcement, and school system employees. Although this project's debt service will be paid using local taxpayer funds, the County was diligent in making smart financial decisions throughout the construction. Originally, the project was expected to cost nearly \$7 million; however, by taking on some of the contracting responsibilities, the County saved about \$1 million.

## **Financial Information**

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

### **Single Audit**

As a recipient of federal and state financial assistance, the County is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management.

As a part of the County's single audit, described earlier, tests are made to determine the adequacy of the system of internal control, including the portion related to federal financial assistance programs. The single audit also determines whether the government has complied with applicable laws and regulations. The results of the County's single audit for the fiscal year ended June 30, 2023 provided no instances of material weaknesses in the system of internal control and no violations of applicable laws and regulations.

### **Budgeting Controls**

Budgets are adopted on a basis consistent with general accepted accounting principles. Governmental funds utilize the current financial resources measurement focus and the modified accrual basis of accounting. Revenues and related assets are recorded when measurable and available to finance operations during the year. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available

if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County. Expenditures generally are recorded when a liability is incurred, as under accrual accounting; however, debt service expenditures as well as expenditures related to compensated absences, claims, and judgments are recorded only when payment is due. Proprietary and Fiduciary Funds use the accrual basis of accounting, which recognizes revenues when earned and expenses when incurred.

The appropriations resolution places legal restrictions on expenditures at the activity level within each department. Formal budgets are legally adopted for the governmental funds, which include the General, Virginia Public Assistance, Children's Services Act, Capital Projects, Parks and Recreation, Juvenile Community Crime Control, Victim Witness Protection, Water Quality, and Airport Hangar funds of the primary government and the component unit, the Page County School Board. Budgetary integration is employed as a management control device during the year, and budgets are monitored and reported to the Board of Supervisors on a monthly basis.

Demonstrating compliance with the adopted budget is an important component of the County's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets, and have a keen interest in following the actual financial progress over the course of the year. The County, like many other localities, revises their original budgets throughout the year for a variety of reasons. Under the GASB 34 reporting model, governments provide budgetary comparison information in their annual reports, including the original budget, final budget, and actual results.

The County Administrator is authorized to transfer budgeted amounts within general government activities; however, the component unit, School Board, is authorized to transfer budget amounts within the school system's categories.

Appropriations lapse on June 30 for all County departments. Supplemental appropriations are made as necessary throughout the year. Encumbrances and reserved fund balances outstanding at June 30 are re-appropriated in the succeeding year on a case-by-case basis.

## **Relevant Financial Policies**

The County of Page has adopted a comprehensive set of financial policies. The County has a policy that requires the adoption of a balanced annual operating budget (i.e., estimated revenues equal appropriations and transfers to other funds). For Fiscal Year 2023, no carryover funds were utilized to balance the adopted budget. Several supplemental appropriations involved re-appropriating carryover funds, but none were required to balance the budget. The County also has a policy in place to maintain a 15% fund balance in order to meet our debt covenants and remain agile and adaptive in the current economic climate.

## **Other Information**

### **Independent Audit**

State statutes require an annual audit by independent certified public accountants. The accounting firm of Robinson, Farmer, Cox Associates, CPAs, was selected by the County. In addition to meeting the requirements

set forth in state statutes, the audit was also was designed to meet the requirement of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The auditors' report on the basic financial statements and combining individual fund statements and schedules is included in the Financial Section of this report. The auditors' report related specifically to the single audit is included in the Compliance Section.

### **Certificate of Achievement**

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Page, Virginia for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the sixth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

### **Acknowledgements**

The preparation of this annual financial report could not have been accomplished without the dedicated effort of Amity Moler (County Administrator), Penny Gray (Treasurer), the School Board, and members of their staff. We would like to express our appreciation to all members of those departments who assisted and contributed to the preparation of this report.

Moreover, without the leadership and support of the Board of Supervisors, preparation of this report would not have been possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Tyler Olsen". The signature is written in a cursive, flowing style.

Tyler Olsen  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**County of Page  
Virginia**

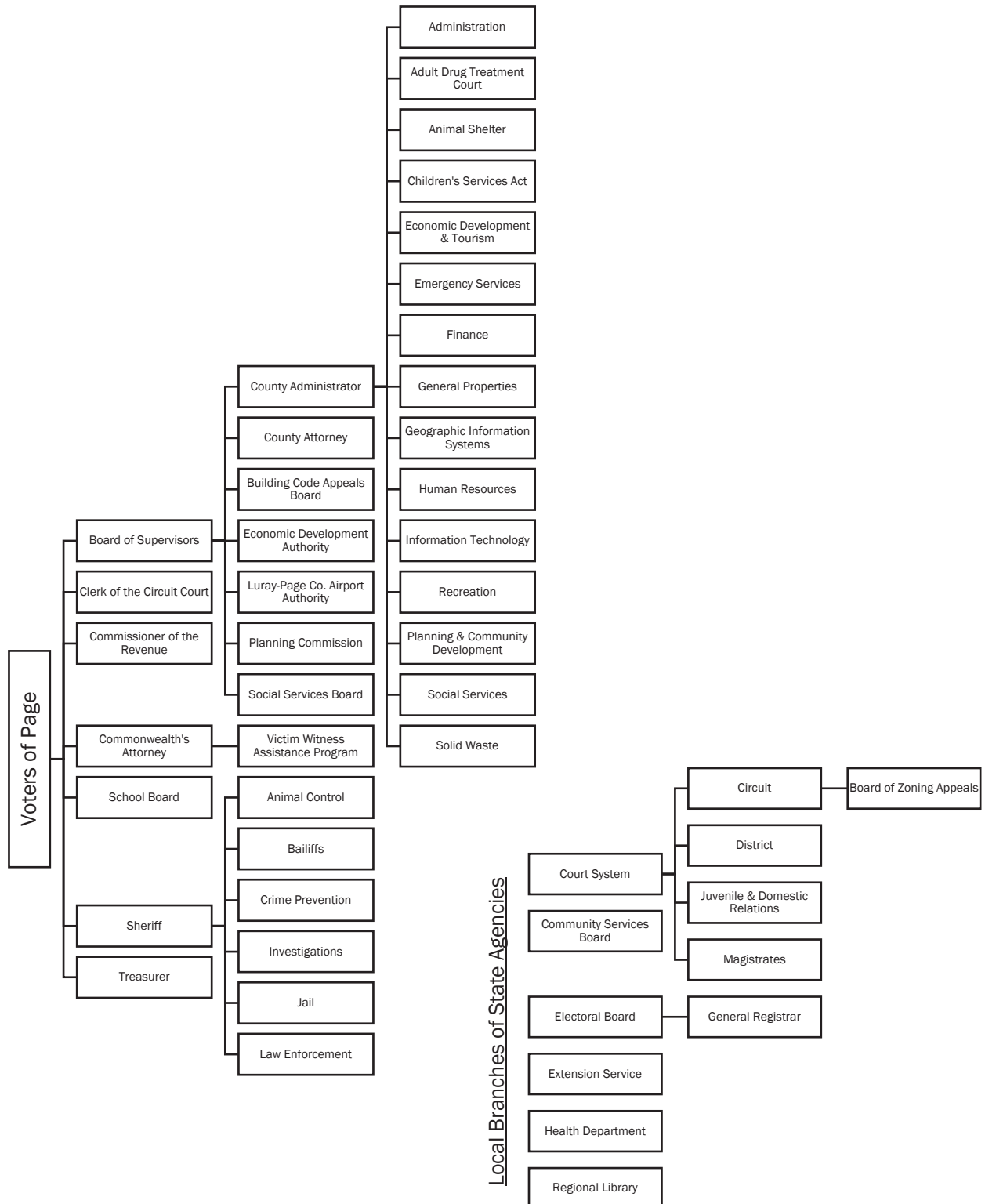
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morrell*

Executive Director/CEO

# ORGANIZATIONAL CHART





## COUNTY OF PAGE, VIRGINIA

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### BOARD OF SUPERVISORS

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D. Keith Guzy, Jr.	Keith Weakley, Chair At-Large	Larry Foltz
Allen Louderback		Jeff Vaughan
Mark Stroupe		
	Amity Moler, County Administrator	

### OFFICIALS

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Judge of the Circuit Court.....	Clark Andrew Ritchie
Judge of the General District Court.....	John Stanley Hart, Jr.
Judge of the Juvenile and Domestic Relations District Court.....	Chad A. Logan
Clerk of the Circuit Court.....	C. Grayson Markowitz
Commonwealth's Attorney.....	Bryan Cave
Commissioner of the Revenue.....	Rebecca Smith
Treasurer.....	Penny Gray
Sheriff.....	Chad Cubbage
Superintendent of Schools.....	Dr. Antonia Fox
Director of Department of Social Services.....	Kurt Emmerling

### SCHOOL BOARD

---

	Megan Gordon, Chair At-Large	
	Jackie Sullivan-Smoot, Vice Chair	
Taylor Alger		Dr. Amy Painter
Rolf Gubler		Duane Painter
	Linda Breeden-Wallace, Clerk	

### BOARD OF SOCIAL SERVICES

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Beth Ancell	Darris Ritenour
Chris Ponn	Del Price

## **FINANCIAL SECTION**



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**Independent Auditors' Report**

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**TO THE HONORABLE MEMBERS OF THE BOARD OF SUPERVISORS  
COUNTY OF PAGE, VIRGINIA**

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

**Opinions**

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the County of Page, Virginia, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Page, Virginia, as of and for the year ended June 30, 2023, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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

***Restatement of Beginning Balances***

As described in Note 22 to the financial statements, in 2023, the County restated beginning balances to correct a prior period error. Our opinions are not modified with respect to this matter.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County of Page, Virginia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Specifications for Audits of Counties, Cities, and Towns*, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules related to pension and OPEB funding as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

## **Supplementary Information**

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

## **Other Information**

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

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2023, on our consideration of County of Page, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County of Page, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Page, Virginia's internal control over financial reporting and compliance.

*Robinson, Farnen, Cox Associates*

Staunton, Virginia  
December 8, 2023

## **Management's Discussion and Analysis**

The following is a narrative overview and analysis of the financial activities of County of Page, Virginia for the fiscal year ended June 30, 2023.

### **Financial Highlights**

The assets and deferred outflows of resources of County of Page, Virginia exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$16,568,664. Of this amount, \$7,470,914 was unrestricted. The School Board's net position was \$19,563,898 of which \$(25,904,232) is unrestricted.

As of the close of the fiscal year, the County's governmental funds reported a combined ending fund balance of \$30,327,407, an increase of \$2,770,132 in comparison to the prior year. The unassigned fund balance is \$23,584,585 and is available for spending at the government's discretion.

### **Overview of the Financial Statements**

Management's discussion and analysis is intended to serve as an introduction to the County's basic financial statements. These statements are comprised of three components: 1) government wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Local governmental accounting and financial reporting originally focused on funds that were designed to enhance and demonstrate fiscal accountability, as these statements are now accompanied by government-wide financial statements, the objective of operational accountability will also be met. These objectives will provide financial statements users with both justification from the government that public monies have been used to comply with public decisions and as to whether operating objectives have been met efficiently and effectively and can continue to be met in the future.

### **Government-wide Financial Statements**

Government-wide financial statements provide financial statement users with a general overview of County finances. The statements include all assets and liabilities using the accrual basis of accounting. All current year revenue and expenses are taken into account regardless of when cash is received or paid. Both the financial overview and accrual accounting factors are used in the reporting of a private-sector business. Two financial statements are used to present this information: 1) the statement of net position and 2) the statement of activities.

The statement of net position presents all of the County's permanent accounts, or assets, liabilities deferred inflows/outflows of resources and net position. The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Other non-financial factors will also need to be considered to determine the overall financial position of the County.

The statement of activities presents information showing how the government's net position changed during the fiscal year. The statement is focused on the gross and net cost of various governmental functions that are supported by general tax and other revenue. The statement of activities presents expenses before revenues, emphasizing that in government revenues are generated for the express purpose of providing services and not as an end unto itself.

Both government-wide financial statements separate governmental activities and business-type activities of the County. Taxes and intergovernmental revenues principally support governmental activities. They include general government administration; judicial administration; public safety; public works; health and welfare; parks, recreation and cultural; and community development. Business-type activities recover all or a significant portion of their costs through user fees and charges. The County currently shows no business-type activities.

The government-wide financial statements comprise the primary government and three component units, which include the Page County School Board, the Page County Economic Development Authority, and the Luray-Page County Airport Authority. Although the component units are legally separate entities, the County is financially accountable for them. A primary government is accountable for an organization if the primary government appoints a majority of the organization's governing body. Additionally, a primary government is financially accountable if either the government is able to impose its will on the organization or the organization is capable of imposing specific financial burdens on the primary government.

For example, the primary government may approve debt issuance, rate structure, and provide significant funding for operations of the component unit.

### **Fund Financial Statements**

The fund financial statements will be more familiar to most financial statement users. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance related legal requirements. The County's funds can be divided into three categories: governmental, proprietary, and fiduciary.

#### **Governmental Funds**

Governmental funds are used to account for essentially the same functions, or services, reported as governmental activities in the government-wide financial statements. Whereas the government-wide financial statements are prepared on the accrual basis of accounting, the governmental fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements, a reconciliation of the two methods is provided in Exhibits 4 and 6 in this report.

#### **Proprietary Funds**

There are two types of proprietary funds. The first type, enterprise funds, are established to account for the delivery of goods and services to the general public. The second type, internal service funds, accounts for the delivery of goods and services to other departments or agencies of the government. Proprietary funds use the accrual basis of accounting, similar to private sector business.

Previously, the County of Page had one internal service fund, the Health Insurance Fund which was retained for purposes of the School Board component unit. The Health Insurance Fund accounted for insurance premiums paid by the School Board for all departments. In November 2019, the School Board terminated the Health Insurance Fund.

#### **Fiduciary Funds**

Fiduciary funds account for assets held by the government as a trustee or agent for another organization or individual. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Fiduciary funds are not reflected in the government-wide financial statement because the funds are not available to support the County's own activities.

#### **Notes to the Financial Statements**

The notes provide additional information that is needed to fully understand the data provided in the government-wide and fund financial statements.

### **Government-wide Financial Analysis**

As previously noted, net position may serve as a useful indicator of a government's financial position. In FY 2023, the County greatly increased its net position. A large contributing factor was the increase in capital assets, which increased 25.9% to \$56,167,525. Capital assets significantly increased due to the County's investments in the Next Generation 9-1-1 radio system, Battle Creek Landfill's Cell 11 construction, and a last-mile broadband infrastructure project.

The County's net position is divided into three categories: (1) net investment in capital assets; (2) restricted; and (3) unrestricted.

**County of Page, Virginia Primary Government's Net Position**

		<b>2023</b>	<b>2022</b>
Current and Other Assets	\$	53,530,457	\$ 53,896,230
Capital Assets		56,167,525	44,606,313
Total Assets	\$	<b>109,697,982</b>	<b>\$ 98,502,543</b>
Pension Related Items	\$	1,599,647	\$ 2,190,711
OPEB Related Items		460,189	533,908
Total Deferred Outflows	\$	<b>2,059,836</b>	<b>\$ 2,724,619</b>
Long-Term Liabilities	\$	72,372,977	\$ 70,049,603
Other Liabilities		5,950,020	8,033,427
Total Liabilities	\$	<b>78,322,997</b>	<b>\$ 78,083,030</b>
Deferred Revenue-Property Taxes	\$	13,443,959	\$ 13,112,821
Items Related to Net Pension Liability		2,065,550	4,973,745
OPEB Related Items		1,337,972	1,173,779
Lease Related Items		18,676	29,908
Total Deferred Inflows	\$	<b>16,866,157</b>	<b>\$ 19,290,253</b>
Net Investment in Capital Assets	\$	8,596,501	\$ 1,773,590
Restricted		501,249	1,880,914
Unrestricted		7,470,914	199,375
Total Net Position	\$	<b>16,568,664</b>	<b>\$ 3,853,879</b>

Since capital assets are used to provide services to citizens, 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 are needed for governmental operations, they cannot be liquidated to repay these liabilities.

Restricted net position represents resources that are subject to external restrictions on how they may be used. As of FY 2023, restricted amount represents the saved revenue from the National Opioid Settlement. These funds are to be spent according to the Opioid Abatement Authority's Gold Standard.



## Governmental Activities

Governmental activities have increased the County's net position by \$12,714,785. Revenues have increased in the past year by 20.5%. As shown below, there were substantial increases in operating and capital grants. The State and Federal governments provided more funding for Children's Services Act (CSA) and the Department of Social Services (DSS). The American Rescue Plan Act (ARPA) provided Federal funds that were spent on the County's broadband project and the School Board's HVAC updates and various building repairs.

Expenditures, on the other hand, increased by less than 1%. Although the total changed very little from the prior year, it is important to note the increases in Public Safety and Health and Welfare. The County and the State Compensation Board gave compression raises to the sworn officers of the Sheriff's Office. CSA and DSS have had an increase in their caseloads, which has resulted in additional expenses. If the caseload amount stays elevated, expenses will remain higher in future years.

<b>Revenues:</b>		<b>2023</b>		<b>2022</b>
Program Revenues:				
Charges for Services	\$	5,537,855	\$	4,704,216
Operating Grants and Contributions		10,992,295		8,514,890
Capital Grants and Contributions		7,967,035		2,202,026
General Revenues:				
General Property Taxes		27,611,917		26,892,415
Other Local Taxes		6,148,539		5,490,818
Use of Money and Property		785,741		31,257
Miscellaneous		613,531		928,145
Grants and Cont. Not Restricted		2,277,173		2,633,556
Total Revenues	\$	<b>61,934,086</b>	\$	<b>51,397,323</b>
<b>Expenses:</b>				
General Government	\$	3,359,114	\$	4,025,737
Judicial Administration		1,682,527		1,592,641
Public Safety		12,686,177		11,541,249
Public Works		3,205,638		3,223,497
Health and Welfare		6,101,735		4,537,147
Education		16,542,445		18,256,733
Parks, Recreation, and Cultural		385,023		353,237
Community Development		3,175,758		3,143,191
Interest on Long-Term Debt		2,080,884		2,179,821
Total Expenses	\$	<b>49,219,301</b>	\$	<b>48,853,253</b>
Changes in Net Position	\$	12,714,785	\$	2,544,070
Net Position, Beginning		3,853,879		1,309,809
Net Position, Ending	\$	<b>16,568,664</b>	\$	<b>3,853,879</b>

As expected, in FY 2023, expenditures remained about \$5 million higher than normal due to the spending of the County's and School Board's ARPA funds. This will likely continue in FY 2024 as the remaining portion of these funds are spent. In later years, without these funds, there will be a reduction of capital grants and related expenses.

## **Financial Analysis of the Government's Funds**

As mentioned earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

### **Governmental Funds**

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

At the year end, the County's governmental funds reported a combined ending fund balance of \$30,327,407, which is an increase of \$2,770,132 over the prior year. The unassigned fund balance increased \$2,573,722 over the period measured.

The general fund is the chief operating fund of the County. As of June 30, 2023, the total fund balance was \$25,699,141, of which \$23,584,585 was unassigned. The fund balance has grown to a sizeable amount over the past few years, and this allows the County to acquire debt on more favorable terms.

### **General Fund Budgetary Highlights**

Actual revenues received exceeded the original budget by \$5,649,761 mainly due to a carryover appropriation of ARPA funds and increases in real estate taxes, personal property taxes, local sales taxes, and transient occupancy taxes (TOT). Real estate taxes were impacted by new construction of short-term rentals and houses. Delinquent real estate and personal property taxes also increased substantially. Sales taxes and TOT continued their growth as the economy has rebounded from the pandemic.

Actual expenditures exceeded the original expenditure budget by \$1,639,426. This was partially caused by the landfill's drastic increase in fuel costs and mid-year compression raises for the Sheriff's Office's sworn officers.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

The County's investments in capital assets have been made in five different categories: land, buildings, machinery and equipment, lease equipment, and construction in progress. In FY 2023, the County's largest capital purchases were associated with its NG9-1-1 radio project, Battle Creek Landfill's Cell 11, and the last-mile broadband project.

#### **County of Page, Virginia Capital Assets for Governmental Activities (Net of Depreciation)**

<b>Governmental Activities</b>	<b>2023</b>	<b>2022</b>
Land	\$ 2,630,064	\$ 2,630,064
Buildings	32,528,600	34,181,078
Machinery and Equipment	5,104,149	2,692,070
Leased Equipment	392,693	208,340
Construction in Progress	15,512,019	4,901,809
<b>Totals</b>	<b>\$ 56,167,525</b>	<b>\$ 44,613,361</b>

Additional information on the County's assets can be found in the notes (Note 8) to the financial statements.

### Long-term debt

The County carried several liabilities that are classified as long-term debt. Two of these liabilities are General Obligation Bonds and Revenue Bonds, which have financed large scale projects for the County. Included in Revenue Bonds are the Lease Revenue Bonds, a bond secured by payment of lease payments by the party securing the bond. In FY 2023, the County issued a new lease revenue bond to finance the construction of Battle Creek Landfill's Cell 11. Premiums related to the issuance of the County's existing bonds continue to decrease as the County has not had any new bond premiums added in relation to debt issuance. The Refunding Bonds are a type of Lease Revenue Bond. When the County refinanced a portion of its revenue bonds, it assumed the School Board's equipment lease. This resulted in additional debt on the County's books; however, the County no longer has to transfer local funds to the School Board to pay for the equipment lease. The refinancing will result in savings of over \$1 million during the life of the debt.

Substantial amounts of debt are related to landfill closure and post-closure activities, a liability that is required to be tracked and updated by the County. Loans payable and lease liabilities are a useful tool for managing cash flow through (often smaller) debt instruments, and the County held a combined \$6,691,001 of these at the end of the fiscal year. The County continues to see the impact of GASB Statement No. 68, the pension reporting standards, as part of its long-term debt. Additionally, GASB 75 has increased the display of OPEB Obligations as a share of outstanding debt. Lastly, the County has the balance of compensated absences, which is eligible for a financial payment as employees leave employment with the County. At fiscal year end, the County had the following outstanding debt:

#### **County of Page, Virginia's Outstanding Debt For the Year Ended June 30, 2023**

<b>Governmental Activities</b>	<b>2023</b>	<b>2022</b>
General Obligation Bonds	\$ 29,355,087	\$ 31,748,185
Revenue Bonds	7,540,084	1,584,000
Refunding Bonds	15,662,000	16,642,000
Premiums on Bond Issuance	322,992	360,195
Loans Payable	6,285,720	6,854,093
Lease Liabilities	405,281	210,888
Landfill Closure/Post-Closure	9,146,453	8,890,380
Net Pension Liability	187,270	-
Net OPEB Obligation	2,596,031	2,981,209
Compensated Absences	872,059	784,900
<b>Total Outstanding Debt</b>	<b>\$ 72,372,977</b>	<b>\$ 70,055,850</b>

Additional information on the County's long-term debt can be found in the notes (Note 14) to the financial statements.

### **Economic Factors and Next Year's Budget**

As of the end of this reporting period, Page County's unemployment rate was unchanged from a year ago at 3.0%. The County's unemployment rate was close to the State's rate of 2.7%, and both are below the national rate of 3.6%. Although the economy has stayed fairly strong since the pandemic, high inflation has caused a spike in operational costs. Fortunately, the County has experienced an increase in tax revenue due to new construction. This has helped cover the rising costs of fuel, personnel costs that were formally funded by ARPA and other grants, and IT costs increases. If inflation stays high, the County will need to focus on generating additional revenue from its tourists and landfill customers to avoid raising taxes.

### **Requests for Information**

This financial report is designed to provide readers with a general overview of the County of Page's finances. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to: Finance Department, 103 South Court Street, Suite F, Luray, Virginia, 22835.

## **BASIC FINANCIAL STATEMENTS**

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

Statement of Net Position  
June 30, 2023

	Primary Government	Component Unit	Component Unit	Component Unit
	Governmental Activities	School Board	Economic Development Authority	Lurray-Page Airport Authority
<b>ASSETS</b>				
Cash and cash equivalents	\$ 31,179,282	\$ 2,125,517	\$ 272,100	\$ 1,112,288
Receivables (net of allowance for uncollectibles):				
Taxes receivable	17,075,901	-	-	-
Accounts receivable	1,222,494	2,436	-	120,858
Leases receivable	20,064	8,989		322,155
Notes receivable	-	-	80,572	-
Due from primary government	-	2,009,006	-	-
Due from other governmental units	2,650,040	1,456,036	-	587,153
Inventories	-	99,276	-	54,906
Prepaid items	81,868	128,377	-	-
Restricted assets:				
Cash and cash equivalents	1,300,808	-	-	-
Capital assets (net of accumulated depreciation):				
Land	2,630,064	977,491	2,751,000	1,936,386
Buildings and improvements	32,528,600	35,714,936	-	11,384,711
Machinery and equipment	5,104,149	3,824,836	-	74,440
Construction in progress	15,512,019	4,949,669	-	2,884,082
Lease assets:				
Machinery and equipment	392,693	153,508	-	-
Total assets	\$ 109,697,982	\$ 51,450,077	\$ 3,103,672	\$ 18,476,979
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related items	\$ 1,599,647	\$ 5,581,307	\$ -	\$ -
OPEB related items	460,189	1,018,535	-	-
Total deferred outflows of resources	\$ 2,059,836	\$ 6,599,842	\$ -	\$ -
<b>LIABILITIES</b>				
Accounts payable	\$ 1,314,496	\$ 263,379	\$ 2,173	\$ 5,647
Accrued liabilities	569,289	3,440,757	-	-
Contracts payable	980,332	-	-	1,154,498
Customers' deposits	-	-	-	74,020
Accrued interest payable	751,972	1,787	-	-
Due to component unit	2,009,006	-	-	-
Unearned revenue	324,925	-	-	-
Long-term liabilities:				
Due within one year	4,745,751	204,140	10,301	-
Due in more than one year	67,627,226	27,064,676	70,271	3,063,457
Total liabilities	\$ 78,322,997	\$ 30,974,739	\$ 82,745	\$ 4,297,622
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue-property taxes	\$ 13,443,959	\$ -	\$ -	\$ -
Pension related items	2,065,550	5,329,252	-	-
OPEB related items	1,337,972	2,173,209	-	-
Lease related	18,676	8,821	-	313,809
Total deferred inflows of resources	\$ 16,866,157	\$ 7,511,282	\$ -	\$ 313,809
<b>NET POSITION</b>				
Net investment in capital assets	\$ 8,596,501	\$ 45,468,130	\$ 2,751,000	\$ 14,370,660
Restricted:				
Opioid settlement	501,249	-	-	-
Unrestricted	7,470,914	(25,904,232)	269,927	(505,112)
Total net position	\$ 16,568,664	\$ 19,563,898	\$ 3,020,927	\$ 13,865,548

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

**COUNTY OF PAGE, VIRGINIA**

Statement of Activities  
Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ 3,359,114	\$ 8,161	\$ 430,038	\$ -
Judicial administration	1,682,527	95,440	839,657	-
Public safety	12,686,177	1,208,460	3,827,435	2,048
Public works	3,205,638	4,175,534	19,024	-
Health and welfare	6,101,735	6,995	4,076,659	-
Education	16,542,445	-	-	4,083,990
Parks, recreation, and cultural	385,023	37,660	3,825	-
Community development	3,175,758	5,605	1,795,657	3,880,997
Interest on long-term debt	2,080,884	-	-	-
Total governmental activities	<u>\$ 49,219,301</u>	<u>\$ 5,537,855</u>	<u>\$ 10,992,295</u>	<u>\$ 7,967,035</u>
COMPONENT UNITS:				
School Board	\$ 39,012,545	\$ 234,617	\$ 34,388,812	\$ -
Economic Development Authority	30,870	-	11,500	-
Luray-Page Airport Authority	922,787	474,045	-	1,359,692
Total component units	<u>\$ 39,966,202</u>	<u>\$ 708,662</u>	<u>\$ 34,400,312</u>	<u>\$ 1,359,692</u>
General revenues:				
General property taxes				
Local sales tax				
Motor vehicle licenses				
Transient occupancy taxes				
Meals tax				
Business licenses				
Tax on recordation and wills				
Other local taxes				
Unrestricted revenues from use of money				
Miscellaneous				
Grants and contributions not restricted to specific programs				
Total general revenues				
Change in net position				
Net position - beginning				
Net position - ending				

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

Net (Expense) Revenue and Changes in Net Position				
Primary Government	Component Unit	Component Unit	Component Unit	
Governmental		Economic Development	Luray-Page Airport	
Activities	School Board	Authority	Authority	
\$ (2,920,915)	\$ -	\$ -	\$ -	
(747,430)	-	-	-	
(7,648,234)	-	-	-	
988,920	-	-	-	
(2,018,081)	-	-	-	
(12,458,455)	-	-	-	
(343,538)	-	-	-	
2,506,501	-	-	-	
(2,080,884)	-	-	-	
<u>\$ (24,722,116)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
-				
\$ -	\$ (4,389,116)	\$ -	\$ -	
-	-	(19,370)	-	
-	-	-	910,950	
<u>\$ -</u>	<u>\$ (4,389,116)</u>	<u>\$ (19,370)</u>	<u>\$ 910,950</u>	
\$ 27,611,917	\$ -	\$ -	\$ -	
2,628,625	-	-	-	
510,277	-	-	-	
1,976,505	-	-	-	
370,578	-	-	-	
249,784	-	-	-	
325,280	-	-	-	
87,490	-	-	-	
785,741	71,356	2,217	4,101	
613,531	1,669,750	-	5,105	
2,277,173	11,153,810	-	-	
<u>\$ 37,436,901</u>	<u>\$ 12,894,916</u>	<u>\$ 2,217</u>	<u>\$ 9,206</u>	
\$ 12,714,785	\$ 8,505,800	\$ (17,153)	\$ 920,156	
3,853,879	11,058,098	3,038,080	12,945,392	
<u>\$ 16,568,664</u>	<u>\$ 19,563,898</u>	<u>\$ 3,020,927</u>	<u>\$ 13,865,548</u>	



## **FUND FINANCIAL STATEMENTS**

Balance Sheet  
Governmental Funds  
June 30, 2023

	General Fund	Capital Projects Fund	Other Governmental Funds	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 26,797,931	\$ 4,212,737	\$ 168,614	\$ 31,179,282
Receivables (net of allowance for uncollectibles):				
Taxes receivable	17,075,901	-	-	17,075,901
Accounts receivable	1,209,232	-	13,262	1,222,494
Leases receivable	20,064	-	-	20,064
Due from other funds	860,218	-	-	860,218
Due from other governmental units	1,399,942	-	1,250,098	2,650,040
Prepaid items	40,525	41,343	-	81,868
Restricted assets:				
Cash and cash equivalents	-	1,300,808	-	1,300,808
Total assets	<u>\$ 47,403,813</u>	<u>\$ 5,554,888</u>	<u>\$ 1,431,974</u>	<u>\$ 54,390,675</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 798,216	\$ 114,649	\$ 401,631	\$ 1,314,496
Accrued liabilities	567,523	-	1,766	569,289
Contracts payable	-	980,332	-	980,332
Due to other funds	-	-	860,218	860,218
Due to component unit	2,009,006	-	-	2,009,006
Unearned revenue	324,925	-	-	324,925
Total liabilities	<u>\$ 3,699,670</u>	<u>\$ 1,094,981</u>	<u>\$ 1,263,615</u>	<u>\$ 6,058,266</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue-property taxes	\$ 17,607,292	\$ -	\$ -	\$ 17,607,292
Unavailable revenue-Opioid settlement	379,034	-	-	379,034
Lease related	18,676	-	-	18,676
Total deferred inflows of resources	<u>\$ 18,005,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,005,002</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid items	\$ 40,525	\$ 41,343	\$ -	\$ 81,868
Restricted:				
Capital projects	-	1,300,808	-	1,300,808
Opioid settlement	501,249	-	-	501,249
Committed:				
Parks and recreation	-	-	167,715	167,715
Assigned:				
Local DARE	2,469	-	-	2,469
Crime victim witness	27,467	-	-	27,467
Department of Justice VJCAA	131	-	-	131
Water quality	27,467	-	-	27,467
Tourism	1,515,248	-	-	1,515,248
Emergency services	-	-	644	644
Capital projects	-	3,117,756	-	3,117,756
Unassigned	<u>23,584,585</u>	<u>-</u>	<u>-</u>	<u>23,584,585</u>
Total fund balances	<u>\$ 25,699,141</u>	<u>\$ 4,459,907</u>	<u>\$ 168,359</u>	<u>\$ 30,327,407</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 47,403,813</u>	<u>\$ 5,554,888</u>	<u>\$ 1,431,974</u>	<u>\$ 54,390,675</u>

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

Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
June 30, 2023

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$	30,327,407
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Land	\$	2,630,064	
Buildings and improvements		32,528,600	
Machinery and equipment		5,104,149	
Construction in progress		15,512,019	
Lease machinery and equipment		<u>392,693</u>	56,167,525

Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable revenue in the funds.

Unavailable revenue - property taxes	\$	4,163,333	
Unavailable revenue - Opioid settlement		<u>379,034</u>	4,542,367

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

Pension related items	\$	1,599,647	
OPEB related items		<u>460,189</u>	2,059,836

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued interest	\$	(751,972)	
General obligation bonds		(29,355,087)	
Bond premium		(322,992)	
Revenue bonds		(7,540,084)	
Refunding bonds		(15,662,000)	
Leases liabilities		(405,281)	
Loans payable		(6,285,720)	
Landfill closure and post-closure care costs		(9,146,453)	
Compensated absences		(872,059)	
Net pension liability		(187,270)	
Net OPEB liabilities		<u>(2,596,031)</u>	(73,124,949)

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

Pension related items	\$	(2,065,550)	
OPEB related items		<u>(1,337,972)</u>	<u>(3,403,522)</u>

Net position of governmental activities	\$	<u><u>16,568,664</u></u>
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The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Other Governmental Funds	Total
<b>REVENUES</b>					
General property taxes	\$ 27,537,033	\$ -	\$ -	\$ -	\$ 27,537,033
Other local taxes	6,148,539	-	-	-	6,148,539
Permits, privilege fees, and regulatory licenses	415,519	-	-	-	415,519
Fines and forfeitures	87,688	-	-	-	87,688
Revenue from the use of money and property	650,691	-	135,050	-	785,741
Charges for services	4,989,993	-	-	44,655	5,034,648
Miscellaneous	703,198	-	200	-	703,398
Intergovernmental:					
Local government	-	-	36,180	-	36,180
Commonwealth	6,334,944	-	1,807,865	2,474,396	10,617,205
Federal	4,958,205	1,780,657	2,241,993	1,602,263	10,583,118
Total revenues	\$ 51,825,810	\$ 1,780,657	\$ 4,221,288	\$ 4,121,314	\$ 61,949,069
<b>EXPENDITURES</b>					
Current:					
General government administration	\$ 2,764,734	\$ -	\$ -	\$ -	\$ 2,764,734
Judicial administration	1,762,130	-	-	-	1,762,130
Public safety	12,809,912	-	-	-	12,809,912
Public works	2,756,750	-	-	-	2,756,750
Health and welfare	688,902	-	-	5,551,740	6,240,642
Education	11,215,373	-	-	-	11,215,373
Parks, recreation, and cultural	352,264	-	-	34,871	387,135
Community development	1,383,937	1,780,657	-	-	3,164,594
Nondepartmental	4,105,427	-	-	-	4,105,427
Capital projects	-	-	14,093,295	-	14,093,295
Debt service:					
Principal retirement	4,855,387	-	-	-	4,855,387
Interest and other fiscal charges	2,165,567	-	-	-	2,165,567
Total expenditures	\$ 44,860,383	\$ 1,780,657	\$ 14,093,295	\$ 5,586,611	\$ 66,320,946
Excess (deficiency) of revenues over (under) expenditures	\$ 6,965,427	\$ -	\$ (9,872,007)	\$ (1,465,297)	\$ (4,371,877)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	\$ -	\$ -	\$ 2,569,659	\$ 1,468,086	\$ 4,037,745
Transfers out	(4,037,745)	-	-	-	(4,037,745)
Issuance of revenue bonds	-	-	6,870,000	-	6,870,000
Issuance of leases	272,009	-	-	-	272,009
Total other financing sources (uses)	\$ (3,765,736)	\$ -	\$ 9,439,659	\$ 1,468,086	\$ 7,142,009
Net change in fund balances	\$ 3,199,691	\$ -	\$ (432,348)	\$ 2,789	\$ 2,770,132
Fund balances - beginning	22,499,450	-	4,892,255	165,570	27,557,275
Fund balances - ending	\$ 25,699,141	\$ -	\$ 4,459,907	\$ 168,359	\$ 30,327,407

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

Reconciliation of Statement of Revenues,  
Expenditures, and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds	\$	2,770,132
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period.

Capital outlays	\$	15,239,037	
Depreciation and amortization expense		(1,238,537)	
Allocation of debt financed school assets based on current year repayments		<u>(2,440,735)</u>	11,559,765

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

Loss on disposal of capital assets	\$	<u>(5,600)</u>	(5,600)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	\$	74,884	
Opioid settlement		<u>(84,267)</u>	(9,383)

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 premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of long-term debt	\$	(6,870,000)	
Principal repayments		4,855,387	
Leases issued		(272,009)	
Lease repayments		77,616	
Change in accrued interest		54,592	
Amortization of bond premium		37,203	
Change in landfill closure and post-closure care costs		<u>(256,073)</u>	(2,373,284)

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.

Change in compensated absences	\$	(87,159)	
Pension expense		712,249	
OPEB expense		<u>148,065</u>	<u>773,155</u>

Change in net position of governmental activities	\$	<u><u>12,714,785</u></u>
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The notes to the financial statements are an integral part of this statement.

Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2023

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	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ <u>108,859</u>
Total assets	\$ <u>108,859</u>
<b>NET POSITION</b>	
Restricted:	
Individuals, organizations, and governments	\$ 74,797
Bond funds	<u>34,062</u>
Total net position	\$ <u><u>108,859</u></u>

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

**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Year Ended June 30, 2023**

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	<b>Custodial Funds</b>
	<hr/>
<b>Additions</b>	
Miscellaneous	\$ 22,251
Inmate collections	137,240
	<hr/>
Total additions	\$ 159,491
	<hr/>
<b>Deductions</b>	
Inmate payments	\$ 108,205
Beneficiary payments to individuals	17,138
Payments of hangar rent to local governments	127
	<hr/>
Total deductions	\$ 125,470
	<hr/>
Net increase (decrease) in fiduciary net position	\$ 34,021
Net position	74,838
	<hr/>
Net position ending	\$ <u>108,859</u>

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

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023

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#### NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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##### A. Financial Reporting Entity

The County of Page, Virginia (government) is a municipal corporation governed by an elected five-member Board of Supervisors. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

**Blended component units.** The County has no blended component units.

**Discretely presented component units.** The Page County School Board (Board) is responsible for elementary and secondary education within the government's jurisdiction. The members of the Board's governing board are elected by the voters. However, the government is financially accountable for the Board because the government's council approves the Boards' budget, levies taxes (if necessary), and must approve any debt issuances. The Board is presented as a governmental fund type and does not issue separate financial statements.

The Economic Development Authority of Page County, Virginia is included as a component unit because the Authority's primary use of funds is to provide for economic development of the County, thereby benefiting the County even though it does not provide services directly to the County. The County is financially accountable for the Authority in that the County appoints the Authority's Board of Directors and has a financial indebtedness burden related to the Authority. The Economic Development Authority of Page County, Virginia does prepare separate financial statements. Complete financial statements for the Authority may be obtained at the Authority's administrative office at 440E Kenrick Lane, Front Royal, Virginia 22835.

The Luray-Page Airport Authority is included as a component unit because the Authority's primary use of funds is to provide for airport for the County of Page and County of Luray, VA, thereby benefiting the County even though it does not provide services directly to the County. The County is financially accountable for the Authority in that the County appoints the Authority's Board of Directors and has a financial indebtedness burden related to the Authority. The Luray-Page Airport Authority does prepare separate financial statements. Complete financial statements for the Authority may be obtained at the Authority's administrative offices at 270 Circle View Road, Luray, Virginia 22630.

##### B. Government-wide and fund financial statements

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



## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

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##### B. Government-wide and fund financial statements (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment 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*.

Statement of Net Position – The Statement of Net Position is designed to display the financial position of the primary government (governmental and business-type activities) and its 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 Statement of Activities. The net position of a government will be broken down into three categories – 1) net investment in capital assets; 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).

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

##### C. Related Organizations

The County’s officials are also responsible for appointing the members of the boards of other organizations, but the County’s accountability for these organizations does not extend beyond making the appointment.

##### D. Jointly Governed Organizations

A jointly governed organization is a multi-governmental arrangement that is governed by representatives from each of the governments that create the organization, but that is not a joint venture because the participants do not retain an ongoing financial interest or responsibility.

Rockingham Library Association — The County of Page, the County of Rockingham, and the City of Harrisonburg participate in the Rockingham County Library Association which provides library services to its participants. The Rockingham Library Association is governed by a Board of Trustees consisting of 19 members, who are elected at the annual meeting each year of the Rockingham Library Association. Each locality’s contribution is set by contractual agreement with the Rockingham Library Association. The County of Page contributed \$279,014 to the Association for operating purposes for the year ended June 30, 2023.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

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##### **D. Jointly Governed Organizations (continued)**

The County, in conjunction with other localities, has created the Northwestern Community Services Board. The School Board participates in the Page Valley Regional Program for Special Education. The governing bodies of these organizations are appointed by the respective governing bodies of the participating jurisdictions. During the year, the County contributed \$102,314 to the Northwestern Community Services Board and \$573,011 to the Shenandoah Valley Regional Program.

##### **E. Measurement focus, basis of accounting, and financial statement presentation**

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

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, other local taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

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##### E. Measurement focus, basis of accounting, and financial statement presentation (continued)

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for and reports all financial resources of the general government, except those required to be accounted for in another fund. The General Fund includes the activities of Department of Justice VJCCA, Community Development, Crime Victim Witness Program, Local DARE, Tourism and Water Quality Funds.

The *special revenue fund* accounts for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Workforce Investment Act fund is considered a major fund.

The *capital projects fund* accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for capital outlays. The County Capital Improvements Fund is considered a major fund.

Additionally, the government reports the following nonmajor fund types:

*Special revenue funds* account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Special revenue funds included Virginia Public Assistance, Comprehensive Services Act, E-911 and Parks and Recreation funds.

Fiduciary Funds account for assets held by governmental unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. Custodial funds account for assets held by the County as an agent or custodian for individuals, private organizations, other governmental units or other funds. The Special Welfare, Cash Bonds, Neutering/Spaying, Jail Inmate, and Luray/Page Airport Hangar are the County's custodial funds.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

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**F. Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance**

**1. Cash and cash equivalents**

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

**2. Receivables and payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans). All other outstanding balances between funds are reported as "advances to/from other funds" (i.e. the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**3. Property taxes**

Property is assessed at its value on January 1. Property taxes attached as an enforceable lien on property as of January 1. Taxes are due and collectible semi-annually on June 5<sup>th</sup> and December 5<sup>th</sup>. The County bills and collects its own property taxes.

**4. Allowance for uncollectible accounts**

The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$473,343 at June 30, 2023 and is comprised solely of property taxes. This allowance represents 2.79% of outstanding property taxes at June 30, 2023. Additionally, the County maintained an allowance for uncollectible landfill billings in the amount of \$21,368.

**5. Inventories and prepaid items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Quantities on hand at year-end are considered immaterial and have not been recorded, except in the School Cafeteria Fund where it can be easily measured. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**6. Capital assets**

Capital assets, are tangible or intangible 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 government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

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##### F. Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (continued)

###### 6. Capital assets (continued)

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

Land and construction in progress are not depreciated. The other tangible and intangible property, plant equipment, and lease assets of the primary government, as well as the component unit, are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
Vehicles	5
Office equipment	5
Leases- equipment	5

###### 7. Long-term obligations

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government- financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

###### 8. Fund equity

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (corpus of a permanent fund);
- Restricted fund balance – amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers;

**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

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**F. Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (continued)**

**8. Fund equity (continued)**

- Committed fund balance – amounts that can be used only for the specific purposes determined by the adoption of an ordinance committing fund balance for a specified purpose by the Board of Supervisors prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Board adopts another ordinance to remove or revise the limitation;
- Assigned fund balance – amounts a government intends to use for a specific purpose but do not meet the criteria to be classified as committed; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. Unlike commitments, assignments general only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are only reported in the general fund. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned

When fund balance resources are available for a specific purpose in more than one classification, it is the County's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

The County establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. This is typically done through adoption and amendment of the budget. A fund balance commitment which does not lapse, is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Supervisors through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

In the general fund, the County strives to maintain an unassigned fund balance to be used for unanticipated emergencies of approximately 15% of the actual GAAP basis expenditures and other financing sources and uses.

**9. Net position**

For government-wide reporting, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, leases, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

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##### **F. Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (continued)**

###### **9. Net position (continued)**

- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

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

###### **10. Reclassifications**

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

##### **G. Investments**

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

##### **H. 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.

##### **I. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The County has one item that qualifies for reporting in this category. This item is comprised of certain items related pension and OPEB. For more detailed information on these items, reference the related notes.

**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

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**I. Deferred Outflows/Inflows of Resources (continued)**

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has multiple items that qualify for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of uncollected property taxes due prior to June 30, 2nd half installments levied during the fiscal year but due after June 30th, and amounts prepaid on the 2nd half installments and is deferred and recognized as an inflow of resources in the period that the amount becomes available. Under the accrual basis, 2nd half installments levied during the fiscal year but due after June 30th and amounts prepaid on the 2nd half installments are reported as deferred inflows of resources. In addition, certain items related to pension, OPEB, Opioid settlement, and leases are reported as deferred inflows of resources. For more detailed information on these items, reference the related notes.

**J. 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 County's and School Board's Retirement Plan and the additions to/deductions from the County's and School Board'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.

**K. Other Postemployment Benefits (OPEB)**

***Group Life Insurance***

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

***Teacher Employee Health Insurance Credit Program***

The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) Program was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. The Teacher HIC Program is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. For purposes of measuring the net Teacher HIC OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Teacher HIC OPEB, and the related HIC OPEB expense, information about the fiduciary net position of the VRS Teacher Employee HIC Program; and the additions to/deductions from the VRS Teacher Employee HIC Program's net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

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**K. Other Postemployment Benefits (OPEB) (continued)**

***Medical, Dental, and Prescription Insurance – Pay as You Go Program***

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined based on an actuarial valuation. Benefit payments are recognized when due and payable in accordance with the benefit terms.

**L. Leases**

The County and Component Unit School Board has various lease assets requiring recognition. A lease is a contract that conveys control of the right to use another entity's nonfinancial asset. Lease recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases.

***Lessee***

The County and Component Unit School Board recognizes lease liabilities and intangible right-to-use lease assets (lease assets) with an initial value of \$5,000, individually or in the aggregate in the government-wide financial statements. At the commencement of the lease, the lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease liability is reduced by the principal portion of payments made. The lease asset is measured at the initial amount of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset.

***Lessor***

The County and Component Unit School Board recognizes leases receivable and deferred inflows of resources in the government-wide and governmental fund financial statements. At commencement of the lease, the lease receivable is measured at the present value of lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured at the initial amount of the lease receivable, less lease payments received from the lessee at or before the commencement of the lease term (less any lease incentives).

***Key Estimates and Judgments***

Lease accounting includes estimates and judgments for determining the (1) rate used to discount the expected lease to present value, (2) lease term, and (3) lease payments.

- The County and Component Unit School Board uses the interest rate stated in lease contracts. When the interest rate is not provided or the implicit rate cannot be readily determined, the County and Component Unit School Board uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms include the noncancellable period of the lease and certain periods covered by options to extend to reflect how long the lease is expected to be in effect, with terms and conditions varying by the type of underlying asset.
- Fixed and certain variable payments as well as lease incentives and certain other payments are included in the measurement of the lease receivable (lessor) and lease liability (lessee).

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

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##### L. Leases (continued)

The County and Component Unit School Board monitors changes in circumstances that would require a remeasurement or modification of its leases. The County and Component Unit School Board will remeasure the lease receivable and deferred inflows of resources (lessor), the lease asset and liability (lessee) if certain changes occur that are expected to significantly affect the amount of the lease receivable, or lease liability.

#### NOTE 2—STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

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##### Budgets and Budgetary Accounting

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

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution. The legally adopted budgets of the County include the General, Virginia Public Assistance, Comprehensive Services Act and Parks and Recreation funds. Additionally, the Discretely Presented Component Units, School Board and School Cafeteria, have legally adopted budgets.

The Appropriations Resolution places legal restrictions on expenditures at the activity level within each department. The appropriation for each department or activity can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government activities and the School Board is authorized to transfer budgeted amounts within the school system's categories. The legal level of control is at the activity level. Formal budgetary integration is employed as a management control device during the year for the General Fund. The School Fund and School Cafeteria Fund are integrated only at the level of legal adoption.

4. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Appropriations lapse on June 30 for all County units.
6. All budgetary data presented in the accompanying financial statements is the revised budget as of June 30.

##### Excess of expenditures over appropriations

The public works and health and welfare departments had expenditures in excess of appropriations of \$79,844 and \$295,281, respectively, at June 30, 2023.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 3—LEASES RECEIVABLE:

The County and Component Unit School Board recognized lease revenue of \$11,232, and \$35,709, respectively, and interest revenue of \$1,069 and \$459, respectively, during fiscal year 2023. Details of leases receivable at June 30, 2023 are as follows:

Lease Description	Start Date	End Date	Payment Frequency	Discount Rate	Ending Balance	Amount Due Within One Year
<b>General Fund:</b>						
Telecommunications equipment-Shen	2021	2025	Monthly	4.100%	\$ 20,064	\$ 11,775
<b>Component Unit School Board:</b>						
Building-Grove Hill HS	2021	2023	Monthly	0.750%	\$ 8,989	\$ 8,989

#### NOTE 4—DEPOSITS AND INVESTMENTS:

##### Deposits

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

##### Investments

Statutes authorize the County to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper that has received at least two of the following ratings: P-1 by Moody’s Investors Service, Inc.; A-1 by Standard & Poor’s; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool (LGIP).

##### Custodial Credit Risk (Investments)

The County of Page sets forth the following authorized investments to mitigate custodial credit risk. Whereas authorized investments for public funds are limited to those set forth in Chapter 18, Section 2.2-4501 of the Code of Virginia. Investment vehicles for the County of Page shall be further restricted in consideration of the size of the portfolio and the absence of professional investment personnel.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 4—DEPOSITS AND INVESTMENTS: (CONTINUED)

##### Credit Risk of Debt Securities

The County of Page may invest any and all funds belonging to it or in its control in the following:

1. U.S. Treasury Bills, Notes, Bonds and other direct obligations of the United States Government.
2. Obligations of Agencies of the Federal Government, including but not limited to the Federal Farm Credit Bank, Federal Home Loan Bank, Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and Student Loan Marketing Association.
3. Obligations of the Commonwealth of Virginia and of its local governments and public bodies, provided such obligations have a debt rating of at least "AA" or equivalent by Moody's and/or Standard & Poor's.
4. Repurchase Agreements executed through Federal Reserve Member Banks or Primary Dealers in U.S. Government securities, and collateralized by Treasury or Agency obligations the market value of which is at least 102% of the purchase price of the repo.
5. Certificates of deposit or other deposits of national banks located within the Commonwealth and state-chartered banks under Commonwealth supervision provided such deposits are insured or collateralized as provided by the Virginia Security for Public Deposits Act.
6. U.S. dollar denominated Bankers' Acceptances issued by a domestic bank or a foreign bank with an agency domiciled in the U.S., and rated by Thomson Bankwatch at least B/C (issuing bank)
7. and I (country of origin). Not more than 40% of the total funds available for investment may be invested in banker's acceptances.
8. U.S. dollar denominated Commercial Paper issued by an entity incorporated in the U.S. and rated at least A-1 by Standard & Poor's Corp. and P-1 by Moody's Investors Service. Not more than 35% of the total funds available for investment may be invested in commercial paper, and not more than 5% in the obligations of any one issuer.
9. The County's rated debt investments as of June 30, 2023 were rated by Moody and/or an equivalent national rating organization and the ratings are presented below using the Moody rating scale.

<b>County's Rated Debt Investments' Values</b>	
<b><u>Rated Debt Investments</u></b>	<b><u>Fair Quality Ratings</u></b>
	<b><u>AAAm</u></b>
Local Government	
Investment Pool	\$ 20,305,117
Total	<u><u>\$ 20,305,117</u></u>

# COUNTY OF PAGE, VIRGINIA

## Notes to the Financial Statements June 30, 2023 (Continued)

### NOTE 4—DEPOSITS AND INVESTMENTS: (CONTINUED)

#### Interest Rate Risk

All County investments must be in securities maturing within five years. Maturities of the County's investments are as follows:

#### Investment Maturities (in years)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>Greater Than 10 Years</u>
Local Government					
Investment Pool	\$ 20,305,117	\$ 20,305,117	\$ -	\$ -	\$ -
Total	\$ 20,305,117	\$ 20,305,117	\$ -	\$ -	\$ -

#### External Investment Pools

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

### NOTE 5—INTERFUND OBLIGATIONS:

<u>Fund</u>	<u>Due From Component Unit</u>	<u>Due To Component Unit</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Primary Government:				
General Fund	\$ -	\$ 2,009,006	\$ 860,218	\$ -
Virginia Public Assistance Fund	-	-	-	206,189
Comprehensive Services Act	-	-	-	654,029
Sub-total	\$ -	\$ 2,009,006	\$ 860,218	\$ 860,218
Discretely Presented Component Units:				
School Fund	\$ 2,009,006	\$ -	\$ -	\$ -
Total reporting entity	\$ 2,009,006	\$ 2,009,006	\$ 860,218	\$ 860,218

Balances due to/from component units resulted from the time lag between the dates that interfund goods and services were provided.

**COUNTY OF PAGE, VIRGINIA****Notes to the Financial Statements  
June 30, 2023 (Continued)****NOTE 6—INTERFUND TRANSFERS:**

Interfund transfers for the year ended June 30, 2023 consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Primary Government:		
General Fund	\$ -	\$ 4,037,745
Virginia Public Assistance Fund	624,828	-
Comprehensive Services Act	843,258	-
County Capital Projects Fund	2,569,659	-
Total reporting entity	<u>\$ 4,037,745</u>	<u>\$ 4,037,745</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgeting authorization.

**NOTE 7—DUE FROM OTHER GOVERNMENTAL UNITS:**

Due from other governments consists of payments due from federal, and state governmental units at June 30, 2023 as follows:

	<u>Primary Government</u>	<u>Component Unit School Board</u>	<u>Component Unit Luray-Page Airport Authority</u>
Commonwealth of Virginia:			
State sales taxes	\$ -	\$ 687,619	\$ -
Local sales taxes	605,109	-	-
Compensation board	308,136	-	-
Comprehensive Services Act funds	959,618	-	-
Public assistance and welfare	156,228	-	-
Other funds	131,207	84,732	316,575
Federal Government:			
Public assistance and welfare	134,252	-	-
Cares Act ESSERF	-	298,681	-
Other school funds	-	385,004	-
Other funds	355,490	-	270,578
Total	<u>\$ 2,650,040</u>	<u>\$ 1,456,036</u>	<u>\$ 587,153</u>

# COUNTY OF PAGE, VIRGINIA

## Notes to the Financial Statements June 30, 2023 (Continued)

### NOTE 8—CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2023 was as follows:

#### Primary Government

	Beginning Balance, as restated	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets not being depreciated				
Land	\$ 2,630,064	\$ -	\$ -	\$ 2,630,064
Construction in progress	4,901,809	12,306,938	(1,696,728)	15,512,019
Total capital assets not being depreciated	\$ 7,531,873	\$ 12,306,938	\$ (1,696,728)	\$ 18,142,083
Capital assets being depreciated				
Buildings	\$ 45,190,087	\$ 1,208,987	\$ (2,393,008)	\$ 44,006,066
Machinery and equipment	10,205,084	3,147,831	(399,605)	12,953,310
Total capital assets being depreciated	\$ 55,395,171	\$ 4,356,818	\$ (2,792,613)	\$ 56,959,376
Accumulated depreciation				
Buildings	\$ (11,009,009)	\$ (420,730)	\$ (47,727)	\$ (11,477,466)
Machinery and equipment	(7,513,014)	(730,151)	394,004	(7,849,161)
Total accumulated depreciation	\$ (18,522,023)	\$ (1,150,881)	\$ 346,277	\$ (19,326,627)
Total capital assets being depreciated, net	\$ 36,873,148	\$ 3,205,937	\$ (2,446,336)	\$ 37,632,749
Lease assets				
Equipment	\$ 245,671	\$ 272,009	\$ (19,393)	\$ 498,287
Accumulated amortization	(37,331)	(87,656)	19,393	(105,594)
Net lease assets	\$ 208,340	\$ 184,353	\$ -	\$ 392,693
Governmental activities capital assets, net	\$ 44,613,361	\$ 15,697,228	\$ (4,143,064)	\$ 56,167,525

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

#### Governmental activities:

General government administration	\$ 189,901
Judicial administration	18,363
Public safety	448,171
Public works	531,164
Health and welfare	6,598
Community Development	43,100
Parks and recreation	1,240
Total depreciation and amortization expense-governmental activities	\$ 1,238,537

Capital assets of the governmental activities in the amount of \$2,393,008 were transferred to the Component Unit School Board, additionally, a net transfer of \$47,727 was transferred in accumulated depreciation from the Component Unit School Board to the governmental activities, due to debt repayments made by the Primary Government for the year ended June 30, 2023 as required by the Code of Virginia.

**COUNTY OF PAGE, VIRGINIA****Notes to the Financial Statements  
June 30, 2023 (Continued)****NOTE 8—CAPITAL ASSETS: (CONTINUED)****Discretely Presented Component Unit-School Board:**

Activity for the School Board for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 977,491	\$ -	\$ -	\$ 977,491
Construction in progress	2,485,173	2,737,279	(272,783)	4,949,669
Total capital assets not being depreciated	\$ 3,462,664	\$ 2,737,279	\$ (272,783)	\$ 5,927,160
Capital assets being depreciated:				
Buildings and improvements	\$ 54,675,865	\$ 486,933	\$ 2,393,008	\$ 57,555,806
Machinery and equipment	9,530,644	1,179,512	(24,867)	10,685,289
Total capital assets being depreciated	\$ 64,206,509	\$ 1,666,445	\$ 2,368,141	\$ 68,241,095
Accumulated depreciation:				
Buildings and improvements	\$ (19,906,060)	\$ (1,982,537)	\$ 47,727	\$ (21,840,870)
Machinery and equipment	(6,175,216)	(710,104)	24,867	(6,860,453)
Total accumulated depreciation	\$ (26,081,276)	\$ (2,692,641)	\$ 72,594	\$ (28,701,323)
Total capital assets being depreciated, net	\$ 38,125,233	\$ (1,026,196)	\$ 2,440,735	\$ 39,539,772
Lease assets				
Equipment	\$ 309,658	\$ -	\$ -	\$ 309,658
Accumulated amortization	(78,075)	(78,075)	-	(156,150)
Net lease assets	\$ 231,583	\$ (78,075)	\$ -	\$ 153,508
School Board capital assets, net	\$ 41,819,480	\$ 1,633,008	\$ 2,167,952	\$ 45,620,440

Depreciation expense for the Component Unit School Board was \$2,692,641. Capital assets of the governmental activities in the amount of \$2,393,008 were transferred to the Component Unit School Board, additionally, a net transfer of \$47,727 was transferred in accumulated depreciation from the Component Unit School Board to the governmental activities, due to debt repayments made by the Primary Government for the year ended June 30, 2023 as required by the Code of Virginia.

**Discretely Presented Component Unit-Economic Development Authority of Page County:**

Activity for the Authority for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets				
Land	\$ 2,751,000	\$ -	\$ -	\$ 2,751,000
Capital assets, net	\$ 2,751,000	\$ -	\$ -	\$ 2,751,000



**COUNTY OF PAGE, VIRGINIA****Notes to the Financial Statements  
June 30, 2023 (Continued)****NOTE 8—CAPITAL ASSETS: (CONTINUED)****Discretely Presented Component Unit-Luray-Page County Airport Authority:**

Activity for the Authority for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,936,386	\$ -	\$ -	\$ 1,936,386
Construction in progress	149,814	2,734,268	-	2,884,082
Total capital assets not being depreciated	\$ 2,086,200	\$ 2,734,268	\$ -	\$ 4,820,468
Capital assets being depreciated:				
Buildings and improvements	\$ 16,085,598	\$ -	\$ -	\$ 16,085,598
Equipment	414,826	-	-	414,826
Total capital assets being depreciated	\$ 16,500,424	\$ -	\$ -	\$ 16,500,424
Accumulated depreciation:				
Buildings and improvements	\$ (4,300,331)	\$ (400,556)	\$ -	\$ (4,700,887)
Machinery and equipment	(312,195)	(28,191)	-	(340,386)
Total accumulated depreciation	\$ (4,612,526)	\$ (428,747)	\$ -	\$ (5,041,273)
Total capital assets being depreciated, net	\$ 11,887,898	\$ (428,747)	\$ -	\$ 11,459,151
Total capital assets, net	\$ 13,974,098	\$ 2,305,521	\$ -	\$ 16,279,619

**NOTE 9—PENSION PLANS:*****Plan Description***

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

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**NOTE 9—PENSION PLANS: (CONTINUED)**

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***Benefit Structures***

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

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

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 9—PENSION PLANS: (CONTINUED)

##### *Average Final Compensation and Service Retirement Multiplier*

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

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

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

##### *Employees Covered by Benefit Terms*

As of the June 30, 2021 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<b>Primary Government</b>	<b>Component Unit School Board Nonprofessional</b>
Inactive members or their beneficiaries currently receiving benefits	134	109
Inactive members:		
Vested inactive members	39	15
Non-vested inactive members	45	47
Inactive members active elsewhere in VRS	107	20
Total inactive members	191	82
Active members	179	97
Total covered employees	504	288

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

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NOTE 9—PENSION PLANS: (CONTINUED)

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**Contributions**

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The County’s contractually required employer contribution rate for the year ended June 30, 2023 was 11.17% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$1,070,555 and \$1,043,796 for the years ended June 30, 2023 and June 30, 2022, respectively.

The Component Unit School Board’s contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2023 was 8.00% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Component Unit School Board’s nonprofessional employees were \$152,967 and \$165,345 for the years ended June 30, 2023 and June 30, 2022, respectively.

**Net Pension Liability**

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer’s total pension liability determined in accordance with GASB Statement No. 68, less that employer’s fiduciary net position. The County’s and Component Unit School Board’s (nonprofessional) net pension liabilities were measured as of June 30, 2022. The total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022.

**Actuarial Assumptions – General Employees**

The total pension liability for General Employees in the County’s and Component Unit School Board’s (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2021, 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, 2022.

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

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 9—PENSION PLANS: (CONTINUED)

##### *Actuarial Assumptions – General Employees (continued)*

###### Mortality rates:

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

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

###### Post-Retirement:

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

###### Post-Disablement:

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

###### Beneficiaries and Survivors:

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

###### Mortality Improvement:

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

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 9—PENSION PLANS: (CONTINUED)

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##### ***Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits***

The total pension liability for Public Safety employees with Hazardous Duty Benefits in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2021, 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, 2022.

Inflation	2.5%
Salary increases, including inflation	3.5% – 4.75%
Investment rate of return	7.0%, net of pension plan investment expenses, including inflation*

##### Mortality rates:

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

##### Pre-Retirement:

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

##### Post-Retirement:

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

##### Post-Disablement:

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

##### Beneficiaries and Survivors:

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

##### Mortality Improvement:

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

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

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NOTE 9—PENSION PLANS: (CONTINUED)

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***Actuarial Assumptions – Public Safety Employees with Hazardous Duty Benefits (continued)***

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

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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**COUNTY OF PAGE, VIRGINIA****Notes to the Financial Statements  
June 30, 2023 (Continued)****NOTE 9—PENSION PLANS: (CONTINUED)*****Long-Term Expected Rate of Return***

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

<b>Asset Class (Strategy)</b>	<b>Long-Term Target Asset Allocation</b>	<b>Arithmetic Long-term Expected Rate of Return</b>	<b>Weighted Average Long-term Expected Rate of Return*</b>
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS - Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP - Private Investment Partnership	3.00%	6.55%	0.20%
Total	100.00%		5.33%
		Inflation	2.50%
		Expected arithmetic nominal return**	7.83%

\* The above allocation provides a one-year expected return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%.

\*\* On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75% which is roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.



COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the County and Component Unit School Board (nonprofessional) was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2021 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2022, the rate contributed by the school board for the VRS teacher retirement plan was subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2022 on, participating employers and school divisions are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2021	\$ 36,541,340	\$ 37,958,953	\$ (1,417,613)
Changes for the year:			
Service cost	\$ 986,226	\$ -	\$ 986,226
Interest	2,474,882	-	2,474,882
Changes of assumptions	292,208	-	292,208
Differences between expected and actual experience	(751,699)	-	(751,699)
Contributions - employer	-	1,044,436	(1,044,436)
Contributions - employee	-	423,807	(423,807)
Net investment income	-	(48,965)	48,965
Benefit payments, including refunds of employee contributions	(1,725,299)	(1,725,299)	-
Administrative expenses	-	(23,428)	23,428
Other changes	-	884	(884)
Net changes	\$ 1,276,318	\$ (328,565)	\$ 1,604,883
Balances at June 30, 2022	\$ 37,817,658	\$ 37,630,388	\$ 187,270

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

*Changes in Net Pension Liability (Asset)*

	Component School Board (nonprofessional)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2021	\$ 9,155,759	\$ 9,542,706	\$ (386,947)
Changes for the year:			
Service cost	\$ 143,632	\$ -	\$ 143,632
Interest	607,511	-	607,511
Changes of assumptions	-	-	-
Differences between expected and actual experience	(19,429)	-	(19,429)
Contributions - employer	-	164,186	(164,186)
Contributions - employee	-	85,610	(85,610)
Net investment income	-	(6,444)	6,444
Benefit payments, including refunds of employee contributions	(598,443)	(598,443)	-
Administrative expenses	-	(5,990)	5,990
Other changes	-	216	(216)
Net changes	\$ 133,271	\$ (360,865)	\$ 494,136
Balances at June 30, 2022	\$ 9,289,030	\$ 9,181,841	\$ 107,189

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COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

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

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
County			
Net Pension Liability (Asset)	\$ 5,573,333	\$ 187,270	\$ (4,162,467)
Component Unit School Board (nonprofessional)			
Net Pension Liability (Asset)	\$ 1,122,198	\$ 107,189	\$ (736,771)

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

For the year ended June 30, 2023, the County and Component Unit School Board (nonprofessional) recognized pension expense of \$358,766 and (\$138,655), respectively. At June 30, 2023, the County and Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government		Component Unit School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 33,605	\$ 1,015,717	\$ -	\$ 49,286
Changes of assumptions	495,487	-	26,921	-
Net difference between projected and actual earnings on pension plan investments	-	1,049,833	-	280,147
Employer contributions subsequent to the measurement date	1,070,555	-	152,967	-
Total	\$ 1,599,647	\$ 2,065,550	\$ 179,888	\$ 329,433

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 9—PENSION PLANS: (CONTINUED)

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

\$1,070,555 and \$152,967 reported as deferred outflows of resources related to pensions resulting from the County's and Component Unit School Board's (nonprofessional) contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	<u>Primary Government</u>	<u>Component Unit School Board (Nonprofessional)</u>
2024	\$ (602,891)	\$ (128,325)
2025	(657,426)	(114,140)
2026	(796,493)	(187,770)
2027	520,353	127,723
2028	-	-
Thereafter	-	-

##### ***Pension Plan Data***

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2022 Comprehensive Annual Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2022-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

##### **Component Unit School Board (Professional)**

###### ***Plan Description***

All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Retirement Plan upon employment. This is a cost-sharing multiple employer plan administered by the Virginia Retirement System (the system). Additional information regarding the plan description can be found in the first section of this note.

###### ***Contributions***

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 9—PENSION PLANS: (CONTINUED)

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##### **Component Unit School Board (Professional) (continued)**

###### ***Contributions (continued)***

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each School Division's contractually required employer contribution rate for the year ended June 30, 2023 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the school division were \$3,447,582 and \$3,137,693 for the years ended June 30, 2023 and June 30, 2022 respectively.

In June 2022, the Commonwealth made a special contribution of approximately \$442.4 million to the VRS Teacher Retirement Plan. This special payment was authorized by a budget amendment included in Chapter 1 of the 2022 Appropriation Act, and is classified as a non-employer contribution.

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

At June 30, 2023, the school division reported a liability of \$20,108,456 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2022 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The school division's proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the school division's proportion was .21121% as compared to .21265% at June 30, 2021.

For the year ended June 30, 2023, the school division recognized pension expense of \$414,772. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022 measurement date, the difference between expected and actual contributions is included with the pension expense calculation.

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## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 9—PENSION PLANS: (CONTINUED)

##### Component Unit School Board (Professional) (continued)

##### ***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)***

At June 30, 2023, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,386,558
Net difference between projected and actual earnings on pension plan investments	-	2,621,722
Changes of assumptions	1,895,822	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	58,015	991,539
Employer contributions subsequent to the measurement date	3,447,582	-
Total	\$ <u>5,401,419</u>	\$ <u>4,999,819</u>

\$3,447,582 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2024	\$ (1,143,958)
2025	(1,246,674)
2026	(1,810,526)
2027	1,155,176
2028	-
Thereafter	-

##### ***Actuarial Assumptions***

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2021, 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, 2022.

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

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 9—PENSION PLANS: (CONTINUED)

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##### Component Unit School Board (Professional) (continued)

##### *Actuarial Assumptions (continued)*

###### Mortality rates:

###### Pre-Retirement:

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

###### Post-Retirement:

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

###### Post-Disablement:

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

###### Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

###### Mortality Improvement:

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

**COUNTY OF PAGE, VIRGINIA****Notes to the Financial Statements  
June 30, 2023 (Continued)****NOTE 9—PENSION PLANS: (CONTINUED)****Component Unit School Board (Professional) (continued)*****Net Pension Liability***

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2022, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

		<b>Teacher Employee Retirement Plan</b>
Total Pension Liability	\$	54,732,329
Plan Fiduciary Net Position		45,211,731
Employers' Net Pension Liability (Asset)	\$	<u>9,520,598</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		82.61%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System's notes to the financial statements and required supplementary information.

The long-term expected rate of return and discount rate information previously described also apply to this plan.

***Sensitivity of the School Division's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

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

	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability	\$ 35,915,243	\$ 20,108,456	\$ 7,238,257



**COUNTY OF PAGE, VIRGINIA****Notes to the Financial Statements  
June 30, 2023 (Continued)****NOTE 9—PENSION PLANS: (CONTINUED)****Component Unit School Board (Professional) (continued)*****Pension Plan Fiduciary Net Position***

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2022 Comprehensive Annual Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2022-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

***Aggregate Pension Information***

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net Pension Liability (Asset)</u>	<u>Pension Expense</u>
VRS Pension Plans:				
Primary Government	\$ <u>1,599,647</u>	\$ <u>2,065,550</u>	\$ <u>187,270</u>	\$ <u>358,766</u>
School Board Nonprofessional	\$ 179,888	\$ 329,433	\$ 107,189	\$ (138,655)
School Board Professional	<u>5,401,419</u>	<u>4,999,819</u>	<u>20,108,456</u>	<u>414,772</u>
Total School Board	\$ <u>5,581,307</u>	\$ <u>5,329,252</u>	\$ <u>20,215,645</u>	\$ <u>276,117</u>

**NOTE 10—MEDICAL, DENTAL, AND PRESCRIPTION INSURANCE – PAY AS YOU GO (OPEB PLAN):*****Plan Description***

In addition to the pension benefits described in Note 9, the County administers a single-employer defined benefit healthcare plan, the County of Page OPEB Plan. The plan provides post-employment health care benefits to all eligible permanent employees who meet the requirements under the County's pension plans. The plan does not issue a publicly available financial report.

The School Board also administers a single-employer defined benefit healthcare plan, the Page County School Board OPEB Plan. Similar to the Page County OPEB Plan, this plan provides post-employment health care benefits to all eligible permanent employees who meet the requirements under the School Board's pension plans. The School Board plan does not issue a publicly available financial report.

***Benefits Provided***

Post-employment benefits are provided to eligible retirees include Medical, Dental, and Prescription insurance. The benefits that are provided for active employees are the same for eligible retirees, spouses and dependents of eligible retirees. All permanent employees of the County who meet eligibility requirements of the pension plan are eligible to receive post-employment health care benefits if they have at least 5 years of service with the County. All permanent employees of the School Board who meet eligibility requirements of the pension plan are eligible to receive post-employment health care benefits if they have at least 10 years of services with the School Board.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 10—MEDICAL, DENTAL, AND PRESCRIPTION INSURANCE – PAY AS YOU GO (OPEB PLAN): (CONTINUED)

##### ***Plan Membership***

At July 1, 2021 and 2022, respectively, (the valuation dates), the following employees were covered by the benefit terms:

	Primary Government	Component Unit School Board
Total active employees with coverage	90	23
Total retirees with coverage	143	485
Total	233	508

##### ***Contributions***

The County and School Board do not pre-fund benefits; therefore, no assets are accumulated in a trust fund. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The funding requirements are established and may be amended by the County or the School board for the respective plans. The amount paid by the County for OPEB as the benefits came due during the year ended June 30, 2023 was \$31,000.

The amount paid by the School Board for OPEB as the benefits came due during the year ended June 30, 2023 was \$149,300.

##### ***Total OPEB Liability***

The County's and School Board's total OPEB liabilities were measured as of July 1, 2022. The total OPEB liabilities were determined by actuarial valuations as of that date.

##### ***Actuarial Assumptions***

The total OPEB liability in the July 1, 2022 actuarial valuations for the County and for the School Board were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Salary Increases	2.5% per year for general salary inflations
Discount Rate	The discount rate has been set to equal 3.69% and represents the Municipal GO AA 20-year yield curve rate as of July 1, 2022
Investment Rate of Return	N/A

Mortality rates for Active employees and healthy retirees were based on a RP-2014 Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2021.

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

# COUNTY OF PAGE, VIRGINIA

## Notes to the Financial Statements June 30, 2023 (Continued)

### NOTE 10—MEDICAL, DENTAL, AND PRESCRIPTION INSURANCE – PAY AS YOU GO (OPEB PLAN): (CONTINUED)

#### Discount Rate

The discount rate used when OPEB plan investments are insufficient to pay for future benefit payments is selected from a range of 20-Year Municipal Bond Indices and include the Bond Buyer 11-Bond GO Index, the S&P Municipal Bond 20-Year High Grade Rate Index, and the Fidelity 20-Year GO Municipal Bond Index. The final equivalent single discount rate used for this year's valuation is 3.69% as of the end of the fiscal year with the expectation that the County and School Board will continue contributing the Actuarially Determined Contribution and paying the pay-go cost.

#### Changes in Total OPEB Liability

	<b>Primary Government Total OPEB Liability</b>	<b>Component Unit School Board Total OPEB Liability</b>
Balances at July 1, 2022	\$ 2,524,000	\$ 2,800,800
Changes for the year:		
Service cost	117,000	162,100
Interest	50,000	55,500
Difference between expected and actual experience	(85,000)	(184,400)
Changes in assumptions	(470,000)	(398,200)
Benefit payments	(31,000)	(149,300)
Net changes	(419,000)	(514,300)
Balances at June 30, 2023	\$ 2,105,000	\$ 2,286,500

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

The following amounts present the total OPEB liabilities of the County and School Board, as well as what the total OPEB liabilities would be if it were calculated using a discount rate that is one percentage point lower (2.69%) or one percentage point higher (4.69%) than the current discount rate:

	<b>1% Decrease (2.69%)</b>	<b>Rate Current Discount Rate (3.69%)</b>	<b>1% Increase (4.69%)</b>
<b>Primary Government</b>			
\$ 2,321,000	\$	2,105,000	\$ 1,919,000
<b>Component Unit School Board</b>			
\$ 2,473,500	\$	2,286,500	\$ 2,114,200

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

**NOTE 10—MEDICAL, DENTAL, AND PRESCRIPTION INSURANCE – PAY AS YOU GO (OPEB PLAN): (CONTINUED)**

***Sensitivity of the Total OPEB Liability to Changes in the Discount Rate (continued)***

The following presents the total OPEB liabilities of the County and School Board, as well as what the total OPEB liabilities would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

Rate			Rate		
Healthcare Cost			Healthcare Cost		
1% Decrease			Trend		1% Increase
<u>(9.40% decreasing to 4.00%)</u>			<u>(10.40% decreasing to 5.0%)</u>		<u>(11.40% decreasing to 6.00%)</u>
<b>Primary Government</b>					
\$	1,940,000	\$	2,105,000	\$	2,298,000
Rate			Rate		
Healthcare Cost			Healthcare Cost		
1% Decrease			Trend		1% Increase
<u>(5.25% decreasing to 4.00%)</u>			<u>(6.25% decreasing to 5.0%)</u>		<u>(7.25% decreasing to 6.00%)</u>
<b>Component Unit School Board</b>					
\$	2,063,700	\$	2,286,500	\$	2,545,100

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

For the year ended June 30, 2023, the Primary Government recognized OPEB expense in the amount of (\$63,000). The School Board recognized OPEB expense in the amount of (\$348,600). At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to the OPEB from the following sources:

	Primary Government		Component Unit School Board	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 817,000	\$ -	\$ 1,130,400
Changes in assumptions	282,000	421,000	195,100	438,300
Employer contributions subsequent to the measurement date	31,000	-	149,300	-
Total	<u>\$ 313,000</u>	<u>\$ 1,238,000</u>	<u>\$ 344,400</u>	<u>\$ 1,568,700</u>

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

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**NOTE 10—MEDICAL, DENTAL, AND PRESCRIPTION INSURANCE – PAY AS YOU GO (OPEB PLAN): (CONTINUED)**

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\$31,000 and \$149,300 reported as deferred outflows of resources related to the Pay as You Go OPEB Plan resulting from the County's and Component Unit School Board's contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability in the fiscal year ending June 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pay as You Go OPEB Plan will be recognized in the OPEB expense in future reporting periods as follows:

<u>Year Ended June 30,</u>	<u>Primary Government</u>	<u>Component Unit School Board</u>
2024	\$ (240,000)	\$ (572,500)
2025	(240,000)	(407,800)
2026	(239,000)	(233,200)
2027	(162,000)	(132,000)
2028	(75,000)	(28,100)
Thereafter	-	-

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

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**NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN):**

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***Plan Description***

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

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

***Eligible Employees***

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

***Benefit Amounts***

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, seat belt benefit, repatriation benefit, felonious assault benefit, and accelerated death benefit option. The benefit amounts are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. For covered members with at least 30 years of service credit, the minimum benefit payable was set at \$8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of-living adjustment. The minimum benefit adjusted for the COLA was \$8,984 as of June 30, 2023.

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## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

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##### ***Contributions***

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% x 60%) and the employer component was 0.54% (1.34% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2023 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. County contributions to the Group Life Insurance Plan from the entity were \$53,899 and \$47,907 for the years ended June 30, 2023 and June 30, 2022, respectively. The Component Unit School Board's contributions to the Group Life Insurance Plan for nonprofessional employees were \$11,569 and \$10,149 for the years ended June 30, 2023 and June 30, 2022 respectively. The Component Unit School Board's contributions to the Group Life Insurance Plan for professional employees were \$117,768 and \$106,288, for the years ended June 30, 2023 and June 30, 2022 respectively.

In June 2022, the Commonwealth made a special contribution of approximately \$30.4 million to the Group Life Insurance Plan. This special payment was authorized by a budget amendment included in Chapter 1 of the 2022 Appropriation Act, and is classified as a non-employer contribution.

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

At June 30, 2023, the County reported a liability of \$491,031 for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2022 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2022 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the participating employer's proportion was 0.04080% as compared to 0.03930% at June 30, 2021.

At June 30, 2023, the School Board reported liability of \$104,034 for nonprofessional employees and \$1,089,587 for professional employees for its proportionate share of the Net GLI OPEB Liability. At June 30, 2022 and June 30, 2021, the participating employer's proportion for nonprofessional employees was 0.00860% and .00840%, respectively. At June 30, 2022, the participating employer's proportion for School Board professional employees was 0.09050% as compared to 0.09110% at June 30, 2021.

For the year ended June 30, 2023, the County recognized GLI OPEB expense of \$24,046, while the School Board recognized GLI OPEB expense of (\$891), and \$7,415 for nonprofessional and professional employees, respectively. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

***GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the GLI Plan OPEB (continued)***

At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	Primary Government		Component Unit School Board Nonprofessional Employees		Component Unit School Board Professional Employees	
	Deferred	Deferred	Deferred	Deferred	Deferred	Deferred
	Outflows of	Inflows of	Outflows of	Inflows of	Outflows of	Inflows of
	Resources	Resources	Resources	Resources	Resources	Resources
Differences between expected and actual experience	\$ 38,883	\$ 19,699	\$ 8,238	\$ 4,174	\$ 86,282	\$ 43,712
Net difference between projected and actual earnings on GLI OPEB program investments	-	30,682	-	6,501	-	68,083
Change in assumptions	18,315	47,828	3,880	10,133	40,640	106,130
Changes in proportion	36,092	1,763	3,178	11,888	5,612	65,502
Employer contributions subsequent to the measurement date	53,899	-	11,569	-	117,768	-
Total	\$ 147,189	\$ 99,972	\$ 26,865	\$ 32,696	\$ 250,302	\$ 283,427

\$53,899, \$11,569, and \$117,768 for the County, Component Unit School Board-Nonprofessional and Component Unit School Board-Professional respectively, reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Primary Government		Component Unit School Board	
		Nonprofessional	Professional
Year Ended June 30,		Year Ended June 30,	Year Ended June 30,
2024	\$ 4	2024	\$ (5,296)
2025	442	2025	(4,639)
2026	(17,503)	2026	(7,752)
2027	10,544	2027	438
2028	(169)	2028	(151)
Thereafter	-	Thereafter	-



## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

##### **Actuarial Assumptions**

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2021 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, 2022. The assumptions include several employer groups as noted below. Mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS CAFR.

Inflation	2.5%
Salary increases, including inflation:	
Teachers	3.5%-5.95%
Locality - General employees	3.5%-5.35%
Locality - Hazardous Duty employees	3.5%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation

##### **Mortality Rates – Teachers**

###### Pre-Retirement:

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

###### Post-Retirement:

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

###### Post-Disablement:

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

###### Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

###### Mortality Improvement Scale:

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

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

###### Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years

###### Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year

###### Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years

###### Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally

###### Mortality Improvement Scale:

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

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

###### Pre-Retirement:

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

###### Post-Retirement:

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

###### Post-Disablement:

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

###### Beneficiaries and Survivors:

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

###### Mortality Improvement Scale:

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

**NET GLI OPEB Liability**

The net OPEB liability (NOL) for the Group Life Insurance Plan represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2021, NOL amounts for the Group Life Insurance Plan is as follows (amounts expressed in thousands):

		<b>Group Life Insurance OPEB Plan</b>
Total GLI OPEB Liability	\$	3,672,085
Plan Fiduciary Net Position		2,467,989
GLI Net OPEB Liability (Asset)	\$	1,204,096
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability		67.21%

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

**Long-Term Expected Rate of Return**

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

<b>Asset Class (Strategy)</b>	<b>Long-Term Target Asset Allocation</b>	<b>Arithmetic Long-term Expected Rate of Return</b>	<b>Weighted Average Long-term Expected Rate of Return*</b>
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS - Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP - Private Investment Partnership	3.00%	6.55%	0.20%
Total	100.00%		5.33%
		Inflation	2.50%
		Expected arithmetic nominal return**	7.83%

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 11—GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN): (CONTINUED)

##### *Long-Term Expected Rate of Return (continued)*

\* The above allocation provides a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%.

\*\* On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75%, which was roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 6.72%, including expected inflation of 2.50%.

##### *Discount Rate*

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy and 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, 2022, the rate contributed by the entity for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2022 on, employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

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

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

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Proportionate share of the Group Life Insurance Program Net OPEB Liability:			
County	\$ 714,507	\$ 491,031	\$ 310,431
School Board-nonprofessional employees	\$ 151,382	\$ 104,034	\$ 65,771
School Board-professional employees	\$ 1,585,476	\$ 1,089,587	\$ 688,840

##### *Group Life Insurance Plan Fiduciary Net Position*

Detailed information about the GLI Program's Fiduciary Net Position is available in the separately issued VRS 2022 Comprehensive Annual Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2022-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

**NOTE 12—HEALTH INSURANCE CREDIT (HIC) PLAN:**

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***Plan Description***

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

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

***Eligible Employees***

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

***Benefit Amounts***

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

***HIC Plan Notes***

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

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 12—HEALTH INSURANCE CREDIT (HIC) PLAN: (CONTINUED)

##### *Employees Covered by Benefit Terms*

As of the June 30, 2021 actuarial valuation, the following employees were covered by the benefit terms of the HIC OPEB plan:

	<b>Component Unit School Board Nonprofessional</b>
Inactive members or their beneficiaries currently receiving benefits	47
Inactive members:	
Vested inactive members	1
Total inactive members	1
Active members	97
Total covered employees	145

##### *Contributions*

The contribution requirements for active employees is governed by §51.1-1402(E) of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. The Component Unit School Board's contractually required employer contribution rate for the year ended June 30, 2023 was 1.39% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the Component Unit School Board to the Health Insurance Credit Plan were \$29,780 and \$21,239 for the years ended June 30, 2023 and June 30, 2022, respectively.

##### *Net HIC OPEB Liability*

The Component Unit School Board net Health Insurance Credit OPEB liability was measured as of June 30, 2022. The total Health Insurance Credit OPEB liability was determined by an actuarial valuation performed as of June 30, 2021 using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 12—HEALTH INSURANCE CREDIT (HIC) PLAN: (CONTINUED)

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##### **Actuarial Assumptions**

The total HIC OPEB liability was based on an actuarial valuation as of June 30, 2021, 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, 2022.

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

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

###### Pre-Retirement:

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

###### Post-Retirement:

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

###### Post-Disablement:

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

###### Beneficiaries and Survivors:

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

###### Mortality Improvement Scale:

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

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



COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 12—HEALTH INSURANCE CREDIT (HIC) PLAN: (CONTINUED)

*Actuarial Assumptions (continued)*

**Mortality Rates – Non-Largest Ten Locality Employers – General Employees (continued)**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

**Long-Term Expected Rate of Return**

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

<b>Asset Class (Strategy)</b>	<b>Long-term Target Asset Allocation</b>	<b>Arithmetic Long-term Expected Rate of Return</b>	<b>Weighted Average Long-term Expected Rate of Return*</b>
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS - Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP - Private Investment Partnership	3.00%	6.55%	0.20%
Total	100.00%		5.33%
		Inflation	2.50%
		Expected arithmetic nominal return**	7.83%

**COUNTY OF PAGE, VIRGINIA****Notes to the Financial Statements  
June 30, 2023 (Continued)****NOTE 12—HEALTH INSURANCE CREDIT (HIC) PLAN: (CONTINUED)*****Long-Term Expected Rate of Return (continued)***

\*The above allocation provides a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%.

\*\* On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75% which was roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

***Discount Rate***

The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ended June 30, 2022 the rate contributed by the entity for the HIC OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2022 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the HIC OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total HIC OPEB liability.

***Changes in Net HIC OPEB Liability (Asset)***

	<b>Liability</b>	<b>Net Position</b>	<b>Liability (Asset)</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
Balances at June 30, 2021	\$ 282,139	\$ 21,968	\$ 260,171
Changes for the year:			
Service cost	\$ 2,356	-	\$ 2,356
Interest	18,855	-	18,855
Differences between expected and actual experience	(10,631)	-	(10,631)
Assumption changes	25,142	-	25,142
Contributions - employer	-	21,239	(21,239)
Net investment income	-	(221)	221
Benefit payments	(10,327)	(10,327)	-
Administrative expenses	-	(58)	58
Net changes	\$ 25,395	\$ 10,633	\$ 14,762
Balances at June 30, 2022	\$ 307,534	\$ 32,601	\$ 274,933

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 12—HEALTH INSURANCE CREDIT (HIC) PLAN: (CONTINUED)

***Sensitivity of the Health Insurance Credit Net OPEB Liability (Asset) to Changes in the Discount Rate***

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

	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
Component Unit School Board (nonprofessional)			
Net HIC OPEB Liability	\$ 301,550	\$ 274,933	\$ 251,941

***Health Insurance Credit Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Health Insurance Credit Plan OPEB***

For the year ended June 30, 2023, the Component Unit School Board (nonprofessional) recognized Health Insurance Credit Plan OPEB expense of \$25,138. At June 30, 2023, the Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to the Component Unit school Board's Health Insurance Credit Plan from the following sources:

	Component Unit School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 8,106
Net difference between projected and actual earnings on HIC OPEB plan investments	536	-
Change in assumptions	24,297	-
Employer contributions subsequent to the measurement date	29,780	-
Total	\$ 54,613	\$ 8,106

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 12—HEALTH INSURANCE CREDIT (HIC) PLAN: (CONTINUED)

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##### *Health Insurance Credit Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Health Insurance Credit Plan OPEB (continued)*

\$29,780 reported as deferred outflows of resources related to the HIC OPEB resulting from the Component Unit School Board's (nonprofessional) contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

		<b>Component Unit School Board (nonprofessional)</b>
	<b>Year Ended June 30,</b>	
	2024	\$ 5,718
	2025	5,718
	2026	4,154
	2027	1,137
	2028	-
	Thereafter	-

##### **HIC Plan Data**

Information about the VRS Political Subdivision HIC Plan is available in the separately issued VRS 2022 Annual Comprehensive Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2022-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

#### NOTE 13—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN):

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##### **Plan Description**

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

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### **NOTE 13—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)**

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

##### ***Eligible Employees***

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

##### ***Benefit Amounts***

The Teacher Employee HIC Plan is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. For Teacher and other professional school employees who retire with at least 15 years of service credit, the monthly benefit is \$4.00 per year of service per month with no cap on the benefit amount. For Teacher and other professional school employees who retire on disability or go on long-term disability under the Virginia Local Disability Plan (VLDP), the monthly benefit is either: \$4.00 per month, multiplied by twice the amount of service credit, or \$4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.

##### ***HIC Plan Notes***

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

##### ***Contributions***

The contribution requirements for active employees is governed by §51.1-1401(E) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Each school division's contractually required employer contribution rate for the year ended June 30, 2023 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Program. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the school division to the VRS Teacher Employee Health Insurance Credit Plan were \$263,887 and \$238,164 for the years ended June 30, 2023 and June 30, 2022, respectively.

In June 2022, the Commonwealth made a special contribution of approximately \$12 million to the VRS Teacher HIC Plan. This special payment was authorized by a budget amendment included in Chapter 1 of the 2022 Appropriation Act, and is classified as a non-employer contribution.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

**NOTE 13—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN):  
(CONTINUED)**

***Teacher Employee Health Insurance Credit Plan OPEB Liabilities, Teacher Employee Health Insurance Credit Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee Health Insurance Credit Plan OPEB***

At June 30, 2023, the school division reported a liability of \$2,637,861 for its proportionate share of the VRS Teacher Employee Health Insurance Credit Plan Net OPEB Liability. The Net VRS Teacher Employee Health Insurance Credit Plan OPEB Liability was measured as of June 30, 2022 and the total VRS Teacher Employee Health Insurance Credit Plan OPEB liability used to calculate the Net VRS Teacher Employee Health Insurance Credit Plan OPEB Liability was determined by an actuarial valuation performed as of June 30, 2021 and rolled forward to the measurement date of June 30, 2022. The school division's proportion of the Net VRS Teacher Employee Health Insurance Credit Plan OPEB Liability was based on the school division's actuarially determined employer contributions to the VRS Teacher Employee Health Insurance Credit Plan OPEB plan for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2022, the school division's proportion of the VRS Teacher Employee Health Insurance Credit Plan was 0.21119% as compared to 0.21256% at June 30, 2021.

For the year ended June 30, 2023, the school division recognized VRS Teacher Employee Health Insurance Credit Plan OPEB expense of \$161,421 between measurement dates a portion of the VRS Teacher Employee HIC Plan Net OPEB expense was related to deferred amounts from changes in proportionate share and differences between actual and expected contributions.

At June 30, 2023, the school division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee Health Insurance Credit Plan OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 107,523
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	-	2,648
Change in assumptions	77,065	6,736
Changes in proportionate share and differences between actual and expected contributions	1,403	163,373
Employer contributions subsequent to the measurement date	<u>263,887</u>	<u>-</u>
Total	\$ <u><u>342,355</u></u>	\$ <u><u>280,280</u></u>

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 13—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN):  
(CONTINUED)

*Teacher Employee Health Insurance Credit Plan OPEB Liabilities, Teacher Employee Health Insurance Credit Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee Health Insurance Credit Plan OPEB: (continued)*

\$263,887 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30,</u>		
2024	\$	(57,442)
2025		(52,014)
2026		(40,775)
2027		(23,065)
2028		(16,375)
Thereafter		(12,141)

**Actuarial Assumptions**

The total Teacher Employee HIC OPEB liability for the VRS Teacher Employee Health Insurance Credit Plan was based on an actuarial valuation as of June 30, 2021, 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, 2022.

Inflation	2.5%
Salary increases, including inflation:	
Teacher employees	3.5%-5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation

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## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 13—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

##### Mortality Rates – Teachers

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change



COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

**NOTE 13—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN):  
(CONTINUED)**

***Net Teacher Employee HIC OPEB Liability***

The net OPEB liability (NOL) for the Teacher Employee Health Insurance Credit Plan represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2022, NOL amounts for the VRS Teacher Employee Health Insurance Credit Plan is as follows (amounts expressed in thousands):

		<b>Teacher Employee HIC OPEB Plan</b>
Total Teacher Employee HIC OPEB Liability	\$	1,470,891
Plan Fiduciary Net Position		221,845
Teacher Employee HIC OPEB Liability (Asset)	\$	1,249,046
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability		15.08%

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

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

The long-term expected rate of return on the VRS 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 VRS 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:

<b>Asset Class (Strategy)</b>	<b>Long-Term Target Asset Allocation</b>	<b>Arithmetic Long-term Expected Rate of Return</b>	<b>Weighted Average Long-term Expected Rate of Return*</b>
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS - Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP - Private Investment Partnership	3.00%	6.55%	0.20%
Total	100.00%		5.33%
		Inflation	2.50%
		Expected arithmetic nominal return**	7.83%

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

#### NOTE 13—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN): (CONTINUED)

##### *Long-Term Expected Rate of Return (continued)*

\*The above allocation provides a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%.

\*\* On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which was roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

##### *Discount Rate*

The discount rate used to measure the total Teacher Employee HIC OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2022, the rate contributed by each school division for the VRS Teacher Employee Health Insurance Credit Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2022 on, all agencies are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Teacher Employee HIC OPEB 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 Teacher Employee HIC OPEB liability.

##### *Sensitivity of the School Division's Proportionate Share of the Teacher Employee HIC Net OPEB Liability to Changes in the Discount Rate*

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

		Rate		
		1% Decrease	Current Discount	1% Increase
		(5.75%)	(6.75%)	(7.75%)
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan				
Net HIC OPEB Liability	\$	2,972,900	\$ 2,637,861	\$ 2,353,858

##### *Teacher Employee HIC OPEB Fiduciary Net Position*

Detailed information about the VRS Teacher Employee HIC Program's Fiduciary Net Position is available in the separately issued VRS 2022 Comprehensive Annual Financial Report (Annual Report). A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2022-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

**COUNTY OF PAGE, VIRGINIA****Notes to the Financial Statements  
June 30, 2023 (Continued)****NOTE 14—LONG-TERM OBLIGATIONS:****Primary Government Obligations****Changes in Long-Term Liabilities**

The following is a summary of long-term obligations transactions of the Primary Government for the year ended June 30, 2023:

	Balance July 1, 2022, as adjusted	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2023
<b>Direct Borrowings and Direct Placements:</b>				
Revenue bonds	\$ 1,584,000	\$ 6,870,000	\$ 913,916	\$ 7,540,084
Refunding bonds	16,642,000	-	980,000	15,662,000
General obligation bonds	31,748,185	-	2,393,098	29,355,087
Premiums on bond issue	360,195	-	37,203	322,992
Loans payable	6,854,093	-	568,373	6,285,720
Lease liabilities	210,888	272,009	77,616	405,281
Total direct borrowings and placements	<u>\$ 57,399,361</u>	<u>\$ 7,142,009</u>	<u>\$ 4,970,206</u>	<u>\$ 59,571,164</u>
<b>Other Long-term Obligations:</b>				
Landfill closure and post-closure care costs	\$ 8,890,380	\$ 256,073	\$ -	\$ 9,146,453
Net pension liability	-	2,408,096	2,220,826	187,270
Net OPEB liabilities	2,981,209	462,115	847,293	2,596,031
Compensated absences	784,900	675,834	588,675	872,059
Total	<u>\$ 70,055,850</u>	<u>\$ 10,944,127</u>	<u>\$ 8,627,000</u>	<u>\$ 72,372,977</u>

- (1) Note: Section 15.2-1800.1, Code of Virginia, 1950, as amended, was enacted during the year ended June 30, 2002, which affected the reporting of local school capital assets and related debt for financial statement purposes. All debt historically reported by the Discretely Presented Component Unit - School Board, has been assumed by the Primary Government as a result of this legislation.

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COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 14—LONG-TERM OBLIGATIONS: (CONTINUED)

Primary Government Obligations: (continued)

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

Year Ending June 30,	Governmental Activities			
	Loans Payable		Leases Liability	
	Principal	Interest	Principal	Interest
2024	\$ 535,040	\$ 135,530	\$ 96,184	\$ 13,059
2025	537,884	124,207	86,753	9,783
2026	522,977	113,172	72,657	7,132
2027	474,676	102,444	51,370	4,909
2028	455,312	92,294	28,475	3,417
2029	465,614	81,992	13,270	1,164
2030	476,150	71,457	13,968	1,225
2031	486,923	60,683	14,318	1,256
2032	497,941	49,666	14,667	1,286
2033	509,207	38,399	13,619	1,194
2034	520,729	26,877	-	-
2035	532,511	15,095	-	-
2036	270,756	3,046	-	-
Totals	\$ 6,285,720	\$ 914,862	\$ 405,281	\$ 44,424

Direct Borrowings and Direct Placements:

Year Ending June 30,	Governmental Activities			
	Refunding/Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2024	\$ 1,366,000	\$ 465,064	\$ 2,493,308	\$ 1,283,571
2025	2,029,249	513,675	2,594,473	1,166,747
2026	2,094,965	465,718	2,701,836	1,043,735
2027	2,164,250	416,207	2,815,470	914,200
2028	2,490,122	360,698	2,175,000	798,650
2029	2,466,598	300,010	2,270,000	699,090
2030	2,547,697	238,379	2,375,000	596,536
2031	1,835,438	182,746	2,485,000	488,088
2032	1,883,841	133,426	2,600,000	373,473
2033	1,934,924	82,769	2,720,000	252,310
2034	1,181,000	42,984	750,000	172,500
2035	1,208,000	14,436	785,000	137,195
2036	-	-	825,000	100,165
2037	-	-	860,000	61,410
2038	-	-	905,000	20,815
Totals	\$ 23,202,084	\$ 3,216,112	\$ 29,355,087	\$ 8,108,485

# COUNTY OF PAGE, VIRGINIA

## Notes to the Financial Statements June 30, 2023 (Continued)

### NOTE 14—LONG-TERM OBLIGATIONS: (CONTINUED)

#### Primary Government Obligations: (continued)

Type/ Project	Issue Date/ Term	Amount of Original Issue	Interest Rates	Amount of Principal Installments	Final Maturity Date	Balance	Amount Due Within One Year
<b>Primary Government:</b>							
Governmental activities:							
Lease revenue bonds:							
Battlecreek Landfill	8/31/2016	\$ 3,027,000	1.820%	SA \$310,000-\$332,000	8/1/2026	\$ 1,279,000	\$ 310,000
Landfill Series 2022	7/22/2022	6,870,000	3.042%	SA \$104,293-\$796,533	7/1/2032	6,261,084	-
Total lease revenue bonds						\$ 7,540,084	\$ 310,000
Refunding bonds:							
County refunding bonds 2022A	3/25/2022	\$ 9,886,000	2.39%	SA \$194,000-\$1,208,000	11/1/2034	\$ 9,719,000	\$ 194,000
County refunding bonds 2022B	3/25/2022	6,756,000	2.00%	SA \$862,000-\$978,000	11/1/2029	5,943,000	862,000
Total refunding bonds						\$ 15,662,000	\$ 1,056,000
General obligation school bonds:							
School bonds VPSA 2006B	11/9/2006	\$ 30,695,000	6.10%-6.40%	SA \$1,340,000-\$2,005,000	11/19/2032	\$ 16,520,000	\$ 1,340,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	82,760	16,552
School bonds VPSA 2006A	11/19/2006	\$ 12,019,506	6.10%-6.40%	SA \$673,098-\$740,471	11/19/2032	2,855,087	688,308
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	122,232	12,223
School bonds VPSA 2008	5/2/2008	\$ 13,790,000	4.60%-5.10%	SA \$465,000-\$784,600	7/15/2037	9,980,000	465,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	118,000	8,429
Net general obligation school bonds						\$ 29,678,079	\$ 2,530,512
Loans payable:							
Landfill equipment	4/2/2020	\$ 161,680	2.45%	M \$34,416 (P&I)	4/2/2025	\$ 58,880	\$ 30,521
Radio Equipment	8/27/2020	6,950,000	2.25%	SA \$547,606 (P&I)	8/1/2035	5,937,855	416,333
Landfill equipment	9/30/2021	429,067	1.22%	M \$88,548 (P&I)	9/30/2027	288,985	88,186
Net loans payable						\$ 6,285,720	\$ 535,040
Lease liabilities:							
Tanners Ridge ECC Tower	9/23/2021	\$ 123,834	4.10%	M \$1,000 (P&I)	9/22/2033	\$ 128,902	\$ 11,734
Kibler Hill Tower	9/1/2022	40,997	2.70%	M 900 (P&I)	8/1/2026	32,743	10,040
Big Mountain Tower	9/1/2022	54,663	2.70%	M \$1,200 (P&I)	8/1/2026	43,658	13,386
Copiers, various departments	Various	123,153	3.1%-4.1%	M \$134-\$628 (P&I)	4/1/2025-9/30/27	65,772	24,846
GPS Units-landfill	12/8/2022	61,086	3.90%	M \$953 (P&I)	11/28/2028	55,755	9,427
Simpleview Tourism Website	4/1/2022	45,247	4.10%	M \$1,333 (P&I)	3/1/2025	26,975	15,177
Tasers-Sheriff	9/1/22 & 10/1/22	60,757	2.8%-3.8%	M \$1,093 (P&I)	8/1/27 - 9/1/27	51,476	11,574
Total lease liabilities						\$ 405,281	\$ 96,184
Other obligations:							
Landfill closure and post-closure care costs						\$ 9,146,453	\$ -
Net OPEB liability (payable from general fund)						2,596,031	-
Net pension liability (payable from general fund)						187,270	-
Compensated absences (payable from general fund)						872,059	218,015
Total other obligations						\$ 12,801,813	\$ 218,015
Total long-term obligations from governmental activities						\$ 72,372,977	\$ 4,745,751
A = annual installments M = monthly installments SA = semi-annual installments							

**COUNTY OF PAGE, VIRGINIA**

**Notes to the Financial Statements  
June 30, 2023 (Continued)**

**NOTE 14—LONG-TERM OBLIGATIONS: (CONTINUED)**

**Component Unit Obligations:**

Change in Component Unit-School Board Long-Term Obligations

The following is a summary of long-term obligations transactions of the Component Unit School Board for the year ended June 30, 2023:

	Balance July 1, 2022,	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2023
Lease liabilities	\$ 230,385	\$ -	\$ 76,620	\$ 153,765
Net pension liability	16,508,226	16,011,134	12,303,715	20,215,645
Compensated absences	282,181	393,619	169,309	506,491
Net OPEB liabilities	6,946,845	1,494,666	2,048,596	6,392,915
Total	<u>\$ 23,707,466</u>	<u>\$ 17,899,419</u>	<u>\$ 14,598,240</u>	<u>\$ 27,268,816</u>

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

Year Ending June 30,	Governmental Activities	
	Lease Liabilities	
	Principal	Interest
2024	\$ 77,517	\$ 1,795
2025	76,248	896
Totals	<u>\$ 153,765</u>	<u>\$ 2,691</u>

**Component Unit School Board:**

Type/ Project	Issue Date/ Term	Amount of Original Issue	Interest Rates	Amount of Principal Installments	Final Maturity Date	Balance	Amount Due Within One Year
Lease liabilities:							
Copiers		\$ 309,658	6.00%	\$79,312 (P&I)	M/A 2024-2025	\$ 153,765	\$ 77,517
Other Obligations:							
Net pension liabilities (payable from school operating fund)						\$ 20,215,645	\$ -
Net OPEB liabilities (payable from school operating fund)						6,392,915	-
Compensated absences (payable from school operating fund)						506,491	126,623
Total Other Obligations						<u>\$ 27,115,051</u>	<u>\$ 126,623</u>
Total long-term obligations, Component Unit School Board						<u>\$ 27,268,816</u>	<u>\$ 204,140</u>

A = annual installments

M = monthly installments

SA = semi-annual installments

# COUNTY OF PAGE, VIRGINIA

## Notes to the Financial Statements June 30, 2023 (Continued)

### NOTE 14—LONG-TERM OBLIGATIONS: (CONTINUED)

#### Component Unit Obligations: (continued)

#### Details of Long-Term Liabilities Component Unit – Economic Development Authority of Page County, Virginia

The following is a summary of long-term obligations for the Authority for the year ended June 30, 2023:

	Balance July 1, 2022	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2023
Direct Borrowings and Direct Placements				
Note payable	\$ 49,863	\$ 40,000	\$ 9,291	\$ 80,572
Total	<u>\$ 49,863</u>	<u>\$ 40,000</u>	<u>\$ 9,291</u>	<u>\$ 80,572</u>

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

Direct Borrowings and Direct Placements:

Year Ending June 30,	Note Payable	
	Principal	Interest
2024	\$ 10,301	\$ 1,698
2025	50,015	1,651
2026	7,356	644
2027	7,641	359
2028	5,259	76
Total	<u>\$ 80,572</u>	<u>\$ 4,428</u>

#### Details of Component Unit-Economic Development Authority of Page County, Virginia Long-Term Obligations

	Total Amount Outstanding	Amount Due Within One Year
<b>Direct Borrowings and Direct Placements</b>		
<u>Notes Payable:</u>		
\$60,000 loan with Pioneer bank issued on May 20, 2020 at 0% interest imputed at 1.15%, with monthly payments of \$333 through April 20, 2025, with a balloon payment of \$40,334 on May 20, 2025	\$ 46,419	\$ 3,485
\$40,000 loan with Pioneer bank issued on February 6, 2023 at 0% interest imputed at 3.81%, with monthly payments of \$666 through February 6, 2028	<u>34,153</u>	<u>6,816</u>
Total Long-term obligations, net of current portion	<u>\$ 80,572</u>	<u>\$ 10,301</u>

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements  
June 30, 2023 (Continued)

NOTE 14—LONG-TERM OBLIGATIONS: (CONTINUED)

**Component Unit Obligations: (continued)**

Details of Long-Term Liabilities Component Unit – Luray-Page Airport Authority

The following is a summary of long-term obligations for the Authority for the year ended June 30, 2023:

	Balance July 1, 2022	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2023
Direct Borrowings and Direct Placements:				
Note payable	\$ 1,448,550	\$ 1,614,907	\$ -	\$ 3,063,457
Total	\$ 1,448,550	\$ 1,614,907	\$ -	\$ 3,063,457

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

Direct Borrowings and Direct Placements:

Year Ending June 30,	Direct Borrowings and Placements	
	Note Payable	
	Principal	Interest
2024	\$ -	\$ 28,826
2025	-	264,679
2026	-	146,752
2027	3,063,457	146,752
Total	\$ 3,063,457	\$ 587,009

Details of Long-Term Liabilities:

	Total Amount Outstanding	Amount Due Within One Year
<b>Direct Borrowings and Direct Placements</b>		
<u>Note Payable</u>		
\$1,448,550 Series 2022 Revenue Note loan with Bank of the James bank issued on March 29, 2022 at 1.99% interest imputed at 1.15%, with monthly payments of \$2,402 February 28, 2027, with a balloon payment of \$1,448,550 on March 27, 2027.	\$ 1,448,550	\$ -
\$2,816,150 Series 2022 Revenue Note loan with Bank of Clarke County issued on December 1, 2022 at 4.1875% interest, with a balloon payment due on December 1, 2027. \$1,614,907 drawn down at June 30, 2023, there is no principal or interest until completion of project.	1,614,907	-
Total Long-term obligations, net of current portion	\$ 3,063,457	\$ -



## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 15—CONTINGENT LIABILITIES:

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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 Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements. 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 16—RISK MANAGEMENT:

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The County is a member of the Virginia Municipal Group Self Insurance Association for workers' compensation. The County is also a member of the Virginia Association of Counties Risk Pool for general property liability insurance. These programs are administered by servicing contractors that furnish claims review and processing.

Each Association member jointly and severally agrees to assume, pay and discharge any liability. The County pays Virginia Municipal Group and Virginia Association of Counties Risk Pool contributions and assessments based upon classification and rates into a designated cash reserve fund out of which expenses of the Association and Risk Pool and claims and awards are to be paid. In the event of a loss deficit and depletion of all available excess insurance, the Association and Risk Pool may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs.

The County continues to carry commercial insurance for all other risks of losses. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

#### NOTE 17—DEFERRED AND UNAVAILABLE REVENUE:

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Unavailable revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Deferred and unavailable revenue in the government-wide and fund financial statements totaling \$13,443,959 and \$17,986,326 respectively, is comprised of the following:

- A. Prepaid Property Taxes – Property taxes due subsequent to June 30, 2023, but paid in advance by the taxpayers totaled \$1,000,829 at June 30, 2023.
- B. Unbilled Property Taxes – Property taxes for the second half of 2023 that had not been billed as of June 30, 2023 amounted to \$12,443,130.
- C. Unavailable Property Taxes – Uncollected tax billings not available for funding of current expenditures totaled \$4,163,333 at June 30, 2023.
- D. Opioid Settlement Funds – Opioid settlement funds awarded but not received as of June 30, 2023 amounted to \$379,034.

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 18—UNEARNED REVENUE:

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Unearned revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Unearned revenue totaling \$324,925 is comprised of the following:

- A. ARPA Funding – ARPA funds received but unspent at June 30, 2023 totaled \$166,173.
- B. ARPA-LATCF Funding – LATCF funds received but unspent at June 30, 2023 totaled \$158,752.

#### NOTE 19—LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS:

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State and federal laws and regulations require that the County place a final cover on its landfill when closed and to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts wastes. The recognition of these landfill closure and post-closure care costs are based on the amount of the landfill used during the year. The estimated liability for landfill closure and post-closure care cost is attributable to the Stanley landfill, which was closed in February 1999 and Battle Creek landfill which was acquired in June 2005.

The post-closure and thirty-year monitoring costs for the Stanley landfill are estimated at \$2,194,628. The estimated total current cost of the landfill closure and post-closure care of \$2,194,628 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were performed as of June 30, 2023. Included in the County's post-closure and thirty-year monitoring costs of \$2,194,628 is \$1,602,145 for corrective action costs for exceeding groundwater protection standards. However, the actual cost of closure and post-closure may be different due to inflation, changes in technology, or change in landfill laws and regulations.

During June of 2005, the County acquired Battle Creek landfill. The post-closure and thirty-year monitoring costs are estimated at \$12,447,289. The estimated total current cost of the landfill closure and post-closure care of \$6,951,825 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were performed as of June 30, 2023. The estimated useful life of the Battle Creek landfill is 25 years. However, the actual cost of closure and post-closure may be different due to inflation, changes in technology, or change in landfill laws and regulations.

The County will finance the closure and post-closure care from future revenues earned by the General Fund and charges derived from the use of the landfill. No assets have been restricted at this time to pay these costs. The anticipated future inflation costs and additional costs that might arise from changes in post-closure requirements (due to changes in technology or laws and regulations, for example) may need to be covered from future tax revenue.

At June 30, 2023, the County demonstrated financial assurance requirements for closure, post-closure care, and corrective action costs through the submission of a Local Government Financial Assurance Test to the Virginia Department of Environmental Quality in accordance with Section 9VA C20-70 of the Virginia Administrative Code.

# COUNTY OF PAGE, VIRGINIA

## Notes to the Financial Statements June 30, 2023 (Continued)

### NOTE 20—LITIGATION:

At June 30, 2023, there were no matters of litigation involving the County for which would materially affect the County's financial position should any court decisions on pending matters not be favorable to the County.

### NOTE 21—AGGREGATE OPEB INFORMATION:

The following table summarizes the County and School Board OPEB deferred outflows, inflows, liabilities, and expense for all plans:

		Primary Government			
		Deferred Outflows	Deferred Inflows	Net OPEB Liability/(Asset)	OPEB Expense
VRS OPEB Plans:					
Group Life Insurance Program (Note 11):					
County		\$ 147,189	\$ 99,972	\$ 491,031	\$ 24,046
County Stand-Alone Plan (Note 10)		313,000	1,238,000	2,105,000	(63,000)
Totals		<u>\$ 460,189</u>	<u>\$ 1,337,972</u>	<u>\$ 2,596,031</u>	<u>\$ (38,954)</u>
		Component Unit School Board			
		Deferred Outflows	Deferred Inflows	Net OPEB Liability	OPEB Expense
VRS OPEB Plans:					
Group Life Insurance Program (Note 11):					
School Board Nonprofessional		\$ 26,865	\$ 32,696	\$ 104,034	\$ (891)
School Board Professional		250,302	283,427	1,089,587	7,415
Health Insurance Credit Plan (nonprofessional) (Note 12)		54,613	8,106	274,933	25,138
Teacher Health Insurance Credit Program (Note 13)		342,355	280,280	2,637,861	161,421
School Stand-Alone Plan (Note 10)		344,400	1,568,700	2,286,500	(348,600)
Totals		<u>\$ 1,018,535</u>	<u>\$ 2,173,209</u>	<u>\$ 6,392,915</u>	<u>\$ (155,517)</u>

### NOTE 22—RESTATEMENT OF BEGINNING NET POSITION:

The beginning net position of the General Fund was restated to properly reflect lease assets and liabilities and the Discretely Presented Component Unit School Board was restated to record the beginning liability for School HIC OPEB obligation as follows:

	Governmental Activities	Discretely Presented Component Unit School Board
Net Position as reported at June 30, 2022	\$ 3,850,894	\$ 11,312,405
Adjustments:		
liabilities	2,985	-
To record School non-professional HIC OPEB liability	-	(254,307)
Net Position as restated, June 30, 2022	<u>\$ 3,853,879</u>	<u>\$ 11,058,098</u>

## COUNTY OF PAGE, VIRGINIA

### Notes to the Financial Statements June 30, 2023 (Continued)

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#### NOTE 23—UPCOMING PRONOUNCEMENTS:

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Statement No. 99, *Omnibus 2022*, enhances the comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The effective dates differ based on the requirements of the Statement, ranging from April 2022 to reporting periods beginning after June 15, 2023.

Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62, enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. It aligns the recognition and measurement guidance under a unified model and amends certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

Implementation Guide No. 2021-1, Implementation Guidance Update—2021, with dates ranging from reporting periods beginning after June 15, 2022 to reporting periods beginning after June 15, 2023.

Implementation Guide No. 2023-1, Implementation Guidance Update—2023, effective for fiscal years beginning after June 15, 2023.

Management is currently evaluating the impact these standards will have on the financial statements when adopted.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

Note to Required Supplementary Information:

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

## General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
General property taxes	\$ 25,835,627	\$ 25,835,627	\$ 27,537,033	\$ 1,701,406
Other local taxes	5,211,500	5,211,500	6,148,539	937,039
Permits, privilege fees, and regulatory licenses	268,550	297,146	415,519	118,373
Fines and forfeitures	57,800	57,800	87,688	29,888
Revenue from the use of money and property	60,000	60,000	650,691	590,691
Charges for services	4,600,225	4,600,225	4,989,993	389,768
Miscellaneous	333,573	360,047	703,198	343,151
Intergovernmental:				
Commonwealth	5,840,461	6,209,890	6,334,944	125,054
Federal	3,968,313	5,900,251	4,958,205	(942,046)
Total revenues	<u>\$ 46,176,049</u>	<u>\$ 48,532,486</u>	<u>\$ 51,825,810</u>	<u>\$ 3,293,324</u>
EXPENDITURES				
Current:				
General government administration	\$ 3,022,527	\$ 2,868,195	\$ 2,764,734	\$ 103,461
Judicial administration	1,734,662	1,793,450	1,762,130	31,320
Public safety	13,396,907	13,917,669	12,809,912	1,107,757
Public works	2,493,747	2,676,906	2,756,750	(79,844)
Health and welfare	393,621	393,621	688,902	(295,281)
Education	11,127,255	11,826,020	11,215,373	610,647
Parks, recreation, and cultural	357,282	357,606	352,264	5,342
Community development	1,684,162	2,174,473	1,383,937	790,536
Nondepartmental	2,774,601	4,496,452	4,105,427	391,025
Debt service:				
Principal retirement	4,312,680	4,869,875	4,855,387	14,488
Interest and other fiscal charges	1,923,513	2,172,029	2,165,567	6,462
Total expenditures	<u>\$ 43,220,957</u>	<u>\$ 47,546,296</u>	<u>\$ 44,860,383</u>	<u>\$ 2,685,913</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 2,955,092</u>	<u>\$ 986,190</u>	<u>\$ 6,965,427</u>	<u>\$ 5,979,237</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 500,000	\$ -	\$ -	\$ -
Transfers out	(3,455,092)	(3,387,542)	(4,037,745)	(650,203)
Issuance of leases	-	-	272,009	272,009
Total other financing sources (uses)	<u>\$ (2,955,092)</u>	<u>\$ (3,387,542)</u>	<u>\$ (3,765,736)</u>	<u>\$ (378,194)</u>
Net change in fund balances	\$ -	\$ (2,401,352)	\$ 3,199,691	\$ 5,601,043
Fund balances - beginning	-	2,401,352	22,499,450	20,098,098
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,699,141</u>	<u>\$ 25,699,141</u>

COUNTY OF PAGE, VIRGINIA

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios  
 Primary Government  
 For the Measurement Dates of June 30, 2014 through June 30, 2022

	2022	2021	2020	2019	2018
<b>Total pension liability</b>					
Service cost	\$ 986,226	\$ 941,882	\$ 942,192	\$ 883,870	\$ 897,007
Interest	2,474,882	2,300,861	2,172,149	2,077,466	2,022,029
Changes of assumptions	-	1,294,661	-	996,855	-
Changes in benefit terms	292,208	-	-	-	-
Differences between expected and actual experience	(751,699)	(1,277,916)	358,808	26,594	(685,423)
Benefit payments, including refunds of employee contributions	(1,725,299)	(1,609,954)	(1,522,658)	(1,443,107)	(1,440,214)
<b>Net change in total pension liability</b>	\$ 1,276,318	\$ 1,649,534	\$ 1,950,491	\$ 2,541,678	\$ 793,399
<b>Total pension liability - beginning</b>	36,541,340	34,891,806	32,941,315	30,399,637	29,606,238
<b>Total pension liability - ending (a)</b>	<u>\$ 37,817,658</u>	<u>\$ 36,541,340</u>	<u>\$ 34,891,806</u>	<u>\$ 32,941,315</u>	<u>\$ 30,399,637</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 1,044,436	\$ 906,539	\$ 803,178	\$ 773,686	\$ 637,455
Contributions - employee	423,807	387,948	398,746	360,790	343,249
Net investment income	(48,965)	8,220,294	570,762	1,883,051	1,968,749
Benefit payments, including refunds of employee contributions	(1,725,299)	(1,609,954)	(1,522,658)	(1,443,107)	(1,440,214)
Administrative expense	(23,428)	(20,183)	(19,268)	(18,500)	(17,007)
Other	884	779	8,798	(1,191)	(1,755)
<b>Net change in plan fiduciary net position</b>	\$ (328,565)	\$ 7,885,423	\$ 239,558	\$ 1,554,729	\$ 1,490,477
<b>Plan fiduciary net position - beginning</b>	37,958,953	30,073,530	29,833,972	28,279,243	26,788,766
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 37,630,388</u>	<u>\$ 37,958,953</u>	<u>\$ 30,073,530</u>	<u>\$ 29,833,972</u>	<u>\$ 28,279,243</u>
<b>County's net pension liability (asset) - ending (a) - (b)</b>	\$ 187,270	\$ (1,417,613)	\$ 4,818,276	\$ 3,107,343	\$ 2,120,394
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	99.50%	103.88%	86.19%	90.57%	93.02%
<b>Covered payroll</b>	\$ 8,863,510	\$ 8,108,601	\$ 7,786,619	\$ 7,451,412	\$ 7,094,573
<b>County's net pension liability as a percentage of covered payroll</b>	2.11%	-17.48%	61.88%	41.70%	29.89%

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

Exhibit 10

2017	2016	2015	2014
\$ 886,823	\$ 815,168	\$ 809,771	\$ 734,796
1,890,382	1,854,324	1,785,565	1,697,830
(43,925)	-	-	-
-	-	-	-
531,469	(720,271)	(250,007)	-
(1,327,947)	(1,540,242)	(1,185,875)	(1,172,685)
\$ 1,936,802	\$ 408,979	\$ 1,159,454	\$ 1,259,941
27,669,436	27,260,457	26,101,003	24,841,062
\$ 29,606,238	\$ 27,669,436	\$ 27,260,457	\$ 26,101,003
\$ 620,514	\$ 813,605	\$ 821,522	\$ 818,671
345,147	344,074	334,964	337,845
2,941,199	416,341	1,063,556	3,165,273
(1,327,947)	(1,540,242)	(1,185,875)	(1,172,685)
(16,986)	(15,091)	(14,369)	(16,918)
(2,618)	(178)	(227)	167
\$ 2,559,309	\$ 18,509	\$ 1,019,571	\$ 3,132,353
24,229,457	24,210,948	23,191,377	20,059,024
\$ 26,788,766	\$ 24,229,457	\$ 24,210,948	\$ 23,191,377
\$ 2,817,472	\$ 3,439,979	\$ 3,049,509	\$ 2,909,626
90.48%	87.57%	88.81%	88.85%
\$ 6,869,047	\$ 6,728,828	\$ 6,732,041	\$ 6,303,718
41.02%	51.12%	45.30%	46.16%



COUNTY OF PAGE, VIRGINIA

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios  
 Component Unit School Board (nonprofessional)  
 For the Measurement Dates of June 30, 2014 through June 30, 2022

	2022	2021	2020	2019	2018
<b>Total pension liability</b>					
Service cost	\$ 143,632	\$ 161,105	\$ 177,378	\$ 183,575	\$ 188,065
Interest	607,511	591,773	586,577	576,297	564,982
Changes of assumptions	-	212,579	-	215,493	-
Differences between expected and actual experience	(19,429)	(306,790)	(104,156)	55,567	(61,540)
Benefit payments, including refunds of employee contributions	(598,443)	(539,831)	(625,826)	(521,583)	(538,156)
<b>Net change in total pension liability</b>	\$ 133,271	\$ 118,836	\$ 33,973	\$ 509,349	\$ 153,351
<b>Total pension liability - beginning</b>	9,155,759	9,036,923	9,002,950	8,493,601	8,340,250
<b>Total pension liability - ending (a)</b>	<u>\$ 9,289,030</u>	<u>\$ 9,155,759</u>	<u>\$ 9,036,923</u>	<u>\$ 9,002,950</u>	<u>\$ 8,493,601</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 164,186	\$ 152,853	\$ 152,846	\$ 166,098	\$ 155,745
Contributions - employee	85,610	80,755	92,560	89,027	89,391
Net investment income	(6,444)	2,090,967	151,464	507,335	546,907
Benefit payments, including refunds of employee contributions	(598,443)	(539,831)	(625,826)	(521,583)	(538,156)
Administrative expense	(5,990)	(5,359)	(5,342)	(5,163)	(4,862)
Other	216	196	(175)	(319)	(482)
<b>Net change in plan fiduciary net position</b>	\$ (360,865)	\$ 1,779,581	\$ (234,473)	\$ 235,395	\$ 248,543
<b>Plan fiduciary net position - beginning</b>	9,542,706	7,763,125	7,997,598	7,762,203	7,513,660
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 9,181,841</u>	<u>\$ 9,542,706</u>	<u>\$ 7,763,125</u>	<u>\$ 7,997,598</u>	<u>\$ 7,762,203</u>
<b>School Division's net pension liability (asset) - ending (a) - (b)</b>	\$ 107,189	\$ (386,947)	\$ 1,273,798	\$ 1,005,352	\$ 731,398
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	98.85%	104.23%	85.90%	88.83%	91.39%
<b>Covered payroll</b>	\$ 1,879,536	\$ 1,728,595	\$ 1,752,722	\$ 1,897,316	\$ 1,868,841
<b>School Division's net pension liability as a percentage of covered payroll</b>	5.70%	-22.39%	72.68%	52.99%	39.14%

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

Exhibit 11

	2017	2016	2015	2014
\$	197,265	\$ 202,648	\$ 208,803	\$ 205,699
	551,419	548,589	524,808	505,091
	(75,606)	-	-	-
	73,775	(180,406)	81,432	-
	(568,034)	(492,769)	(457,856)	(400,390)
\$	178,819	\$ 78,062	\$ 357,187	\$ 310,400
	8,161,431	8,083,369	7,726,182	7,415,782
\$	<u>8,340,250</u>	<u>8,161,431</u>	<u>8,083,369</u>	<u>7,726,182</u>
\$	155,415	\$ 187,632	\$ 192,884	\$ 224,337
	88,281	91,246	94,313	94,640
	838,031	118,941	313,725	954,930
	(568,034)	(492,769)	(457,856)	(400,390)
	(5,060)	(4,451)	(4,403)	(5,162)
	(734)	(51)	(65)	50
\$	507,899	\$ (99,452)	\$ 138,598	\$ 868,405
	7,005,761	7,105,213	6,966,615	6,098,210
\$	<u>7,513,660</u>	<u>7,005,761</u>	<u>7,105,213</u>	<u>6,966,615</u>
\$	826,590	\$ 1,155,670	\$ 978,156	\$ 759,567
	90.09%	85.84%	87.90%	90.17%
\$	1,832,173	\$ 1,869,347	\$ 1,913,078	\$ 1,893,445
	45.12%	61.82%	51.13%	40.12%

**COUNTY OF PAGE, VIRGINIA**Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan  
For the Measurement Dates of June 30, 2014 through June 30, 2022

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	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Employer's Proportion of the Net Pension Liability	0.21121%	0.21650%	0.21190%	0.22940%
Employer's Proportionate Share of the Net Pension Liability	\$ 20,108,456	\$ 16,508,226	\$ 30,841,381	\$ 29,340,171
Employer's Covered Payroll	\$ 19,682,941	\$ 18,798,434	\$ 18,621,591	\$ 18,775,666
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	102%	88%	166%	156%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.61%	85.46%	71.47%	73.51%

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

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

**Exhibit 12**

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<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.22830%	0.23316%	0.23940%	0.23837%	0.24713%
\$ 26,848,000	\$ 28,673,000	\$ 33,549,000	\$ 30,002,000	\$ 29,865,000
\$ 18,414,963	\$ 18,386,958	\$ 18,108,798	\$ 17,889,407	\$ 18,032,461
146%	156%	185%	168%	166%
74.81%	72.92%	68.28%	70.68%	70.88%

## Schedule of Employer Contributions

## Pension Plans

Years Ended June 30, 2014 through June 30, 2023

<u>Date</u>		<b>Contractually Required Contribution (1)*</b>	<b>Contributions in Relation to Contractually Required Contribution (2)*</b>	<b>Contribution Deficiency (Excess) (3)</b>	<b>Employer's Covered Payroll (4)</b>	<b>Contributions as a % of Covered Payroll (5)</b>
<b>Primary Government</b>						
2023	\$	1,070,555	\$ 1,070,555	\$ -	\$ 9,946,334	10.76%
2022		1,043,976	1,043,976	-	8,863,510	11.78%
2021		839,674	839,674	-	8,108,601	10.36%
2020		804,129	804,129	-	7,786,619	10.33%
2019		773,686	773,686	-	7,451,412	10.38%
2018		637,458	637,458	-	7,094,573	8.99%
2017		625,053	625,053	-	6,869,047	9.10%
2016		821,590	821,590	-	6,728,828	12.21%
2015		821,982	821,982	-	6,732,041	12.21%
2014		811,289	811,289	-	6,303,718	12.87%
<b>Component Unit School Board (nonprofessional)</b>						
2023	\$	152,967	\$ 152,967	\$ -	\$ 2,142,473	7.14%
2022		165,345	165,345	-	1,879,536	8.80%
2021		153,683	153,683	-	1,728,595	8.89%
2020		152,836	152,836	-	1,752,722	8.72%
2019		165,532	165,532	-	1,897,316	8.72%
2018		155,941	155,941	-	1,868,841	8.34%
2017		157,424	157,424	-	1,832,173	8.59%
2016		190,113	190,113	-	1,869,347	10.17%
2015		194,560	194,560	-	1,913,078	10.17%
2014		224,373	224,373	-	1,893,445	11.85%
<b>Component Unit School Board (professional)</b>						
2023	\$	3,447,582	\$ 3,447,582	\$ -	\$ 21,808,850	15.81%
2022		3,137,693	3,137,693	-	19,682,941	15.94%
2021		3,008,385	3,008,385	-	18,798,434	16.00%
2020		2,816,115	2,816,115	-	18,621,591	15.12%
2019		3,170,688	3,170,688	-	18,775,666	16.89%
2018		3,022,348	3,022,348	-	18,414,963	16.41%
2017		2,710,027	2,710,027	-	18,386,958	14.74%
2016		2,546,097	2,546,097	-	18,108,798	14.06%
2015		2,593,964	2,593,964	-	17,889,407	14.50%
2014		2,102,585	2,102,585	-	18,032,461	11.66%

\*Excludes contributions (mandatory and match on voluntary) to the defined contribution portion of the Hybrid plan.

Notes to Required Supplementary Information  
Pension Plans  
Year Ended June 30, 2023

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

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Largest 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Component Unit School Board - Professional Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

**COUNTY OF PAGE, VIRGINIA**

Schedule of Changes in Total OPEB Liability and Related Ratios

Primary Government

For the Measurement Dates of June 30, 2017 through June 30, 2022

	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Total OPEB liability</b>			
Service cost	\$ 117,000	\$ 95,000	\$ 87,000
Interest	50,000	57,000	70,000
Changes in assumptions	(470,000)	192,000	173,000
Differences between expected and actual experience	(85,000)	(24,000)	(229,000)
Benefit payments	(31,000)	(30,000)	(31,000)
<b>Net change in total OPEB liability</b>	<b>\$ (419,000)</b>	<b>\$ 290,000</b>	<b>\$ 70,000</b>
<b>Total OPEB liability - beginning</b>	<b>2,524,000</b>	<b>2,234,000</b>	<b>2,164,000</b>
<b>Total OPEB liability - ending</b>	<b>\$ 2,105,000</b>	<b>\$ 2,524,000</b>	<b>\$ 2,234,000</b>
 <b>Covered-employee payroll</b>	 \$ 7,076,000	 \$ 7,076,000	 \$ 6,837,000
 <b>County's total OPEB liability (asset) as a percentage of covered-employee payroll</b>	 29.75%	 35.67%	 32.68%

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

**Exhibit 15**

<u>2019</u>			<u>2018</u>		
			<u>2017</u>		
\$	100,000	\$	113,000	\$	110,000
	115,000		112,000		106,000
	118,000		(82,000)		-
	(1,230,000)		(61,000)		-
	(27,000)		(27,000)		(76,000)
\$	(924,000)	\$	55,000	\$	140,000
	3,088,000		3,033,000		2,893,000
\$	<u>2,164,000</u>	\$	<u>3,088,000</u>	\$	<u>3,033,000</u>
\$	6,837,000	\$	6,795,000	\$	6,795,000
	31.65%		45.45%		44.64%



**COUNTY OF PAGE, VIRGINIA**

## Schedule of Changes in Total OPEB Liability and Related Ratios

Component Unit School Board

For the Measurement Dates of June 30, 2017 through June 30, 2022

	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Total OPEB liability</b>			
Service cost	\$ 162,100	\$ 159,200	\$ 233,700
Interest	55,500	73,300	114,000
Changes in assumptions	(398,200)	114,200	153,600
Differences between expected and actual experience	(184,400)	(301,800)	(915,200)
Benefit payments	(149,300)	(153,100)	(168,300)
<b>Net change in total OPEB liability</b>	<b>\$ (514,300)</b>	<b>\$ (108,200)</b>	<b>\$ (582,200)</b>
<b>Total OPEB liability - beginning</b>	<b>2,800,800</b>	<b>2,909,000</b>	<b>3,491,200</b>
<b>Total OPEB liability - ending</b>	<b>\$ 2,286,500</b>	<b>\$ 2,800,800</b>	<b>\$ 2,909,000</b>
 <b>Covered-employee payroll</b>	 \$ 20,157,800	 \$ 16,362,100	 \$ 16,362,100
 <b>County's total OPEB liability (asset) as a percentage of covered-employee payroll</b>	 11.34%	 17.12%	 17.78%

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

## Exhibit 16

2019	2018	2017
\$ 224,900	\$ 249,000	\$ 242,900
127,400	176,700	162,600
132,600	(523,900)	-
(189,300)	(1,300,800)	-
(194,000)	146,200	(175,800)
\$ 101,600	\$ (1,252,800)	\$ 229,700
3,389,600	4,642,400	4,412,700
\$ 3,491,200	\$ 3,389,600	\$ 4,642,400
\$ 18,465,200	\$ 18,465,200	\$ 18,716,200
18.91%	18.36%	24.80%

Notes to Required Supplementary Information - OPEB  
Year Ended June 30, 2023

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Valuation Date: 7/1/2021  
Measurement Date: 7/1/2022

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

*Methods and assumptions used to determine OPEB liability:*

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	3.69%
Inflation	2.50%
Healthcare Trend Rate	10.40% for fiscal year 2022 (to reflect actual expense), then 6.75% for fiscal year 2023, decreasing .25% per year to an ultimate rate of 5.00%
Salary Increase Rates	2.5% annually
Mortality Rates	The mortality rates for active and healthy retirees was calculated using the RP-2014 Total Dataset Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2021.

**COMPONENT UNIT SCHOOL BOARD**

Valuation Date: 7/1/2022  
Measurement Date: 7/1/2022

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

*Methods and assumptions used to determine OPEB liability:*

Actuarial Cost Method	Entry age normal level % of salary
Discount Rate	3.69%
Inflation	2.50%
Healthcare Trend Rate	6.25% for fiscal year 2023, decreasing .25% per year to an ultimate rate of 5.00%
Salary Increase Rates	2.5% annually
Mortality Rates	The mortality rates for active and healthy retirees was calculated using the RP-2014 Total Dataset Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2021.

## Schedule of County's Share of Net OPEB Liability

Group Life Insurance (GLI) Plan

For the Measurement Dates of June 30, 2017 through June 30, 2022

<b>Date</b>	<b>Employer's Proportion of the Net GLI OPEB Liability</b>	<b>Employer's Proportionate Share of the Net GLI OPEB Liability</b>	<b>Employer's Covered Payroll</b>	<b>Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of Covered Payroll (3)/(4)</b>	<b>Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>
2022	0.04080% \$	491,031 \$	8,863,510	5.54%	67.21%
2021	0.03930%	457,209	8,108,601	5.64%	67.45%
2020	0.03780%	631,321	7,786,619	8.11%	52.64%
2019	0.03802%	618,687	7,451,412	8.30%	52.00%
2018	0.03731%	567,000	7,094,573	7.99%	51.22%
2017	0.03724%	561,000	6,869,047	8.17%	48.86%

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

Schedule of School Board's Share of Net OPEB Liability  
 Group Life Insurance (GLI) Plan  
 For the Measurement Dates of June 30, 2017 through June 30, 2022

<b>Date</b> <b>(1)</b>	<b>Employer's Proportion of the Net GLI OPEB Liability</b> <b>(2)</b>	<b>Employer's Proportionate Share of the Net GLI OPEB Liability</b> <b>(3)</b>	<b>Employer's Covered Payroll</b> <b>(4)</b>	<b>Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of Covered Payroll (3)/(4)</b> <b>(5)</b>	<b>Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability</b> <b>(6)</b>
<b>Component Unit School Board (nonprofessional)</b>					
2022	0.00860% \$	104,034 \$	1,879,536	5.54%	67.21%
2021	0.00840%	97,450	1,728,595	5.64%	67.45%
2020	0.00850%	142,185	1,752,722	8.11%	52.64%
2019	0.00957%	155,730	1,897,316	8.21%	52.00%
2018	0.00983%	149,000	1,868,841	7.97%	51.22%
2017	0.00993%	149,000	1,832,173	8.13%	48.86%
<b>Component Unit School Board (professional)</b>					
2022	0.09050% \$	1,089,587 \$	19,682,941	5.54%	67.21%
2021	0.09110%	1,060,069	18,798,434	5.64%	67.45%
2020	0.09050%	1,509,963	18,621,591	8.11%	52.64%
2019	0.09048%	1,545,252	18,775,666	8.23%	52.00%
2018	0.09685%	1,470,000	18,414,963	7.98%	51.22%
2017	0.09960%	1,499,000	18,372,187	8.16%	48.86%

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

Schedule of Employer Contributions  
Group Life Insurance (GLI) Plan  
Years Ended June 30, 2014 through June 30, 2023

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
<b>Primary Government</b>					
2023	\$ 53,899	\$ 53,899	\$ -	\$ 9,946,334	0.54%
2022	47,907	47,907	-	8,863,510	0.54%
2021	43,786	43,786	-	8,108,601	0.54%
2020	40,490	40,490	-	7,786,619	0.52%
2019	38,751	38,751	-	7,451,412	0.52%
2018	36,892	36,892	-	7,094,573	0.52%
2017	35,719	35,719	-	6,869,047	0.52%
2016	32,298	32,298	-	6,728,828	0.48%
2015	32,314	32,314	-	6,732,041	0.48%
2014	30,258	30,258	-	6,303,718	0.48%
<b>Component Unit School Board (nonprofessional)</b>					
2023	\$ 11,569	\$ 11,569	\$ -	\$ 2,142,473	0.54%
2022	10,149	10,149	-	1,879,536	0.54%
2021	9,334	9,334	-	1,728,595	0.54%
2020	9,114	9,114	-	1,752,722	0.52%
2019	9,753	9,753	-	1,897,316	0.52%
2018	9,718	9,718	-	1,868,841	0.52%
2017	9,527	9,527	-	1,832,173	0.52%
2016	8,973	8,973	-	1,869,347	0.48%
2015	9,183	9,183	-	1,913,078	0.48%
2014	9,112	9,112	-	1,898,254	0.48%
<b>Component Unit School Board (professional)</b>					
2023	\$ 117,768	\$ 117,768	\$ -	\$ 21,808,850	0.54%
2022	106,288	106,288	-	19,682,941	0.54%
2021	101,512	101,512	-	18,798,434	0.54%
2020	96,832	96,832	-	18,621,591	0.52%
2019	96,796	96,796	-	18,775,666	0.52%
2018	95,758	95,758	-	18,414,963	0.52%
2017	95,535	95,535	-	18,372,187	0.52%
2016	87,615	87,615	-	18,253,167	0.48%
2015	85,111	85,111	-	17,731,540	0.48%
2014	86,798	86,798	-	18,082,912	0.48%

Notes to Required Supplementary Information  
 Group Life Insurance (GLI) Plan  
 Year Ended June 30, 2023

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

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

**Teachers**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

**Non-Largest Ten Locality Employers - General Employees**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

**Non-Largest Ten Locality Employers - Hazardous Duty Employees**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. Increased disability life expectancy. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Schedule of Changes in the Component Unit School Board's (nonprofessional) Net OPEB Liability and Related Ratios  
Health Insurance Credit (HIC) Plan  
For the Measurement Dates of June 30, 2020 through June 30, 2022

	2022	2021	2020
<b>Total HIC OPEB Liability</b>			
Service cost	\$ 2,356	\$ 2,827	\$ -
Interest	18,855	17,055	-
Changes in benefit terms	-	-	252,670
Differences between expected and actual experience	(10,631)	-	-
Changes of assumptions	25,142	9,587	-
Benefit payments	(10,327)	-	-
<b>Net change in total HIC OPEB liability</b>	<b>\$ 25,395</b>	<b>\$ 29,469</b>	<b>\$ 252,670</b>
<b>Total HIC OPEB Liability - beginning</b>	<b>282,139</b>	<b>252,670</b>	<b>-</b>
<b>Total HIC OPEB Liability - ending (a)</b>	<b>\$ 307,534</b>	<b>\$ 282,139</b>	<b>\$ 252,670</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 21,239	\$ 19,532	\$ -
Net investment income	(221)	2,522	-
Benefit payments	(10,327)	-	-
Administrator charges	(58)	(86)	-
<b>Net change in plan fiduciary net position</b>	<b>\$ 10,633</b>	<b>\$ 21,968</b>	<b>\$ -</b>
<b>Plan fiduciary net position - beginning</b>	<b>21,968</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 32,601</b>	<b>\$ 21,968</b>	<b>\$ -</b>
<b>School Board's (nonprofessional) net HIC OPEB liability - ending (a) - (b)</b>	<b>\$ 274,933</b>	<b>\$ 260,171</b>	<b>\$ 252,670</b>
<b>Plan fiduciary net position as a percentage of the total HIC OPEB liability</b>	<b>10.60%</b>	<b>7.79%</b>	<b>0.00%</b>
<b>Covered payroll</b>	<b>\$ 1,879,536</b>	<b>\$ 1,728,594</b>	<b>\$ N/A</b>
<b>School Board's (nonprofessional) net HIC OPEB liability as a percentage of covered payroll</b>	<b>14.63%</b>	<b>15.05%</b>	<b>N/A</b>

Schedule is intended to show information for 10 years. Information prior to the 2021 valuation is not available. However, additional years will be included as they become available.



Schedule of Employer Contributions  
 Health Insurance Credit (HIC) Plan  
 For the Years Ended June 30, 2021 through June 30, 2023

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<b>Date</b>	<b>Contractually Required Contribution (1)</b>	<b>Contributions in Relation to Contractually Required Contribution (2)</b>	<b>Contribution Deficiency (Excess) (3)</b>	<b>Employer's Covered Payroll (4)</b>	<b>Contributions as a % of Covered Payroll (5)</b>
2023	\$ 29,780	\$ 29,780	-	\$ 2,142,473	1.39%
2022	21,239	21,239	-	1,879,536	1.13%
2021	19,533	19,533	-	1,728,594	1.13%

Schedule is intended to show information for 10 years. Information prior to the 2021 valuation is not available. However, additional years will be included as they become available.

Notes to Required Supplementary Information  
 Health Insurance Credit (HIC) Plan  
 For the Year Ended June 30, 2023

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

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

**Non-Largest Ten Locality Employers - General Employees**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Schedule of County School Board's Share of Net OPEB Liability  
Teacher Employee Health Insurance Credit (HIC) Plan  
For the Measurement Dates of June 30, 2017 through June 30, 2022

Date (1)	Employer's Proportion of the Net HIC OPEB Liability (2)	Employer's Proportionate Share of the Net HIC OPEB Liability (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net HIC OPEB Liability as a Percentage of Covered Payroll (3)/(4)	Plan Fiduciary Net Position as a Percentage of Total HIC OPEB Liability (6)
				(5)	
2022	0.21119% \$	2,637,861 \$	19,682,941	13.40%	15.08%
2021	0.21256%	2,728,355	18,798,434	14.51%	13.15%
2020	0.21410%	2,770,924	18,621,591	14.88%	9.95%
2019	0.22193%	2,905,279	18,614,604	15.61%	8.97%
2018	0.22770%	2,891,000	18,414,963	15.70%	8.08%
2017	0.23279%	2,953,000	18,372,187	16.07%	7.04%

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

Schedule of Employer Contributions  
Teacher Employee Health Insurance Credit (HIC) Plan  
Years Ended June 30, 2014 through June 30, 2023

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Date	Contributions in Relation to					Contributions as a % of Covered Payroll (5)
	Contractually Required Contribution (1)	Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)		
2023	\$ 263,887	\$ 263,887	\$ -	\$ 21,808,850		1.21%
2022	238,164	238,164	-	19,682,941		1.21%
2021	227,461	227,461	-	18,798,434		1.21%
2020	223,459	223,459	-	18,621,591		1.20%
2019	223,375	223,375	-	18,614,604		1.20%
2018	226,504	226,504	-	18,414,963		1.23%
2017	203,931	203,931	-	18,372,187		1.11%
2016	193,484	193,484	-	18,253,167		1.06%
2015	187,863	187,863	-	17,722,912		1.06%
2014	200,604	200,604	-	18,072,398		1.11%

Notes to Required Supplementary Information  
Teacher Employee Health Insurance Credit (HIC) Plan  
Year Ended June 30, 2023

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

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

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

## **OTHER SUPPLEMENTARY INFORMATION**

### **MAJOR CAPITAL PROJECT FUNDS**

Capital Projects Fund – The Capital Projects Fund was created to account for all capital projects constructed with funds from the County.

## Capital Projects Fund

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actuals

Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Revenue from the use of money and property	\$ -	\$ -	\$ 135,050	\$ 135,050
Miscellaneous	-	-	200	200
Intergovernmental revenues:				
Local government	-	36,180	36,180	-
Commonwealth	2,108,756	2,108,756	1,807,865	(300,891)
Federal	628,066	2,315,299	2,241,993	(73,306)
Total revenues	<u>\$ 2,736,822</u>	<u>\$ 4,460,235</u>	<u>\$ 4,221,288</u>	<u>\$ (238,947)</u>
<b>EXPENDITURES</b>				
Current:				
Capital projects	<u>\$ 4,866,822</u>	<u>\$ 18,492,249</u>	<u>\$ 14,093,295</u>	<u>\$ 4,398,954</u>
Total expenditures	<u>\$ 4,866,822</u>	<u>\$ 18,492,249</u>	<u>\$ 14,093,295</u>	<u>\$ 4,398,954</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,130,000)</u>	<u>\$ (14,032,014)</u>	<u>\$ (9,872,007)</u>	<u>\$ 4,160,007</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 2,130,000	\$ 2,487,625	\$ 2,569,659	\$ 82,034
Issuance of revenue bonds	<u>-</u>	<u>6,870,000</u>	<u>6,870,000</u>	<u>-</u>
Total other financing sources (uses)	<u>\$ 2,130,000</u>	<u>\$ 9,357,625</u>	<u>\$ 9,439,659</u>	<u>\$ 82,034</u>
Net change in fund balances	\$ -	\$ (4,674,389)	\$ (432,348)	\$ 4,242,041
Fund balances - beginning	<u>-</u>	<u>4,674,389</u>	<u>4,892,255</u>	<u>217,866</u>
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,459,907</u></u>	<u><u>\$ 4,459,907</u></u>



## **Nonmajor Governmental Funds**

### **SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for and report specific revenues that are legally restricted to expenditures for particular purposes.

Virginia public assistance fund – This fund is used to account for activities related to the operation of the County's Social Services Department. Funds generated by the Department are committed and used to support operations of the Department.

Comprehensive services act fund – This fund is used to account for activities related to the operation of the County's Virginia Comprehensive Services Act department. Funds generated by the Department are committed and used to support operations of the Department.

E-911 fund – This fund was created to account for revenues and expenditures associated with operations related to the County's E-911 services. Funds generated by the Department are committed and used to support operations of the Department. There is no legally adopted budget for this fund.

Park and recreation fund – This fund is issued to account for activities related to the operation of the County's Parks and Recreation Department. Funds generated by the Department are committed and used to support operations of the Department.

Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2023

	Virginia Public Assistance Fund	Comprehensive Services Act Fund	E-911 Fund	Parks and Recreation Fund	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ 644	\$ 167,970	\$ 168,614
Accounts receivable	-	13,262	-	-	13,262
Due from other governmental units	290,480	959,618	-	-	1,250,098
Total assets	<u>\$ 290,480</u>	<u>\$ 972,880</u>	<u>\$ 644</u>	<u>\$ 167,970</u>	<u>\$ 1,431,974</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 84,291	\$ 317,085	\$ -	\$ 255	\$ 401,631
Accrued liabilities	-	1,766	-	-	1,766
Due to other funds	206,189	654,029	-	-	860,218
Total liabilities	<u>\$ 290,480</u>	<u>\$ 972,880</u>	<u>\$ -</u>	<u>\$ 255</u>	<u>\$ 1,263,615</u>
<b>FUND BALANCES</b>					
Committed:					
Recreation	\$ -	\$ -	\$ -	\$ 167,715	\$ 167,715
Assigned:					
Emergency services	-	-	644	-	644
Total fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 644</u>	<u>\$ 167,715</u>	<u>\$ 168,359</u>
Total liabilities and fund balances	<u>\$ 290,480</u>	<u>\$ 972,880</u>	<u>\$ 644</u>	<u>\$ 167,970</u>	<u>\$ 1,431,974</u>

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**Year Ended June 30, 2023**

	<b>Virginia Public Assistance Fund</b>	<b>Comprehensive Services Act Fund</b>	<b>E-911 Fund</b>	<b>Parks and Recreation Fund</b>	<b>Total</b>
<b>REVENUES</b>					
Charges for services	\$ 6,995	\$ -	\$ -	\$ 37,660	\$ 44,655
Intergovernmental:					
Commonwealth	948,805	1,525,591	-	-	2,474,396
Federal	1,602,263	-	-	-	1,602,263
Total revenues	\$ 2,558,063	\$ 1,525,591	\$ -	\$ 37,660	\$ 4,121,314
<b>EXPENDITURES</b>					
Current:					
Health and welfare	\$ 3,182,891	\$ 2,368,849	\$ -	\$ -	\$ 5,551,740
Parks, recreation, and cultural	-	-	-	34,871	34,871
Total expenditures	\$ 3,182,891	\$ 2,368,849	\$ -	\$ 34,871	\$ 5,586,611
Excess (deficiency) of revenues over (under) expenditures	\$ (624,828)	\$ (843,258)	\$ -	\$ 2,789	\$ (1,465,297)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	\$ 624,828	\$ 843,258	\$ -	\$ -	\$ 1,468,086
Total other financing sources (uses)	\$ 624,828	\$ 843,258	\$ -	\$ -	\$ 1,468,086
Net change in fund balances	\$ -	\$ -	\$ -	\$ 2,789	\$ 2,789
Fund balances - beginning	-	-	644	164,926	165,570
Fund balances - ending	\$ -	\$ -	\$ 644	\$ 167,715	\$ 168,359

COUNTY OF PAGE, VIRGINIA

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Nonmajor Special Revenue Funds  
Year Ended June 30, 2023

	Virginia Public Assistance Fund			Variance with Final Budget Positive Negative
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ -	\$ 6,995	\$ 6,995
Intergovernmental:				
Commonwealth	1,384,018	1,384,018	948,805	(435,213)
Federal	1,953,917	1,953,917	1,602,263	(351,654)
Total revenues	<u>\$ 3,337,935</u>	<u>\$ 3,337,935</u>	<u>\$ 2,558,063</u>	<u>\$ (779,872)</u>
EXPENDITURES				
Current:				
Health and welfare	<u>\$ 3,937,935</u>	<u>\$ 3,946,415</u>	<u>\$ 3,182,891</u>	<u>\$ 763,524</u>
Total expenditures	<u>\$ 3,937,935</u>	<u>\$ 3,946,415</u>	<u>\$ 3,182,891</u>	<u>\$ 763,524</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (600,000)</u>	<u>\$ (608,480)</u>	<u>\$ (624,828)</u>	<u>\$ (16,348)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>\$ 600,000</u>	<u>\$ 608,480</u>	<u>\$ 624,828</u>	<u>\$ 16,348</u>
Total other financing sources (uses)	<u>\$ 600,000</u>	<u>\$ 608,480</u>	<u>\$ 624,828</u>	<u>\$ 16,348</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Comprehensive Services Act Fund			
Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ -	\$ -
1,827,549	1,827,549	1,525,591	(301,958)
-	-	-	-
\$ 1,827,549	\$ 1,827,549	\$ 1,525,591	\$ (301,958)
\$ 2,552,641	\$ 2,552,641	\$ 2,368,849	\$ 183,792
\$ 2,552,641	\$ 2,552,641	\$ 2,368,849	\$ 183,792
\$ (725,092)	\$ (725,092)	\$ (843,258)	\$ (118,166)
\$ 725,092	\$ 725,092	\$ 843,258	\$ 118,166
\$ 725,092	\$ 725,092	\$ 843,258	\$ 118,166
\$ -	\$ -	\$ -	\$ -
-	-	-	-
\$ -	\$ -	\$ -	\$ -

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Nonmajor Special Revenue Funds**  
**Year Ended June 30, 2023**

	Parks and Recreation Fund			Variance with Final Budget Positive Negative
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Charges for services	\$ 20,000	\$ 35,000	\$ 37,660	\$ 2,660
Total revenues	\$ 20,000	\$ 35,000	\$ 37,660	\$ 2,660
EXPENDITURES				
Current:				
Parks, recreation, and cultural	\$ 20,000	\$ 35,000	\$ 34,871	\$ 129
Total expenditures	\$ 20,000	\$ 35,000	\$ 34,871	\$ 129
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ 2,789	\$ 2,789
Net change in fund balances	\$ -	\$ -	\$ 2,789	\$ 2,789
Fund balances - beginning	-	-	164,926	164,926
Fund balances - ending	\$ -	\$ -	\$ 167,715	\$ 167,715

## **FIDUCIARY FUNDS**

Special welfare fund – The special welfare fund accounts for funds held in an agency capacity for social service recipients.

Cash bonds fund – The cash bond fund accounts for funds held in an agency capacity for cash bonds held for development purposes.

Neutering/spaying fund – The neutering/spaying fund accounts for funds held in an agency capacity for County neutering and spaying services related to the animal shelter.

Jail inmate fund – The jail inmate fund accounts for funds held in an agency capacity for inmates incarcerated at the County jail.

Luray/Page Airport hangar fund – The Luray/Page Airport hangar fund accounts for funds held in an agency capacity for rental revenues collected by the County for the Luray/Page Airport.

Combining Statement of Fiduciary Net Position  
 Fiduciary Funds  
 June 30, 2023

	Custodial Funds				
	Special Welfare Fund	Cash Bonds Fund	Neutering/ Spaying Fund	Jail Inmate Fund	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 14,365	\$ 34,062	\$ 11,316	\$ 49,116	\$ 108,859
Total assets	\$ 14,365	\$ 34,062	\$ 11,316	\$ 49,116	\$ 108,859
<b>NET POSITION</b>					
Restricted:					
Individuals, organizations, and governments	\$ 14,365	\$ -	\$ 11,316	\$ 49,116	\$ 74,797
Bond funds	-	34,062	-	-	34,062
Total net position	\$ 14,365	\$ 34,062	\$ 11,316	\$ 49,116	\$ 108,859



Combining Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
Year Ended June 30, 2023

	Custodial Funds					Total
	Special Welfare Fund	Cash Bonds Fund	Neutering/ Spaying Fund	Jail Inmate Fund	Luray/Page Airport Hangar Fund	
<b>Additions</b>						
Revenue from use of property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	21,775	-	476	-	-	22,251
Inmate collections	-	-	-	137,240	-	137,240
Total additions	\$ 21,775	\$ -	\$ 476	\$ 137,240	\$ -	\$ 159,491
<b>Deductions</b>						
Inmate payments	\$ -	\$ -	\$ -	\$ 108,205	\$ -	\$ 108,205
Beneficiary payments to individuals	17,138	-	-	-	-	17,138
Payments for animal care	-	-	-	-	-	-
Payments of hangar rent to local governments	-	-	-	-	127	127
Total deductions	\$ 17,138	\$ -	\$ -	\$ 108,205	\$ 127	\$ 125,470
Net increase (decrease) in fiduciary net position	\$ 4,637	\$ -	\$ 476	\$ 29,035	\$ (127)	\$ 34,021
Net position beginning	9,728	34,062	10,840	20,081	127	74,838
Net position ending	\$ 14,365	\$ 34,062	\$ 11,316	\$ 49,116	\$ -	\$ 108,859

## **DISCRETELY PRESENTED COMPONENT UNIT – SCHOOL BOARD**

### **MAJOR GOVERNMENTAL FUNDS**

School Operating Fund – The school operating fund accounts for the operations of the County's school system. Financing is provided by the state and federal governments as well as contributions from the general fund.

### **NONMAJOR GOVERNMENTAL FUNDS**

School Cafeteria Fund – The school cafeteria fund is a special revenue fund that accounts for the County's school lunch program. Financing is provided from lunch sales and state and federal reimbursements.

Student Activities Fund – The student activities fund is a special revenue fund that accounts for the activities associated with each County school's student activity funds.

**Balance Sheet**  
**Discretely Presented Component Unit - School Board**  
**June 30, 2023**

	School Operating Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 63,363	\$ 2,062,154	\$ 2,125,517
Accounts receivable	-	2,436	2,436
Leases receivable	8,989	-	8,989
Due from primary government	2,009,006	-	2,009,006
Due from other governmental units	1,421,584	34,452	1,456,036
Inventories	-	99,276	99,276
Prepaid items	128,377	-	128,377
Total assets	<u>\$ 3,631,319</u>	<u>\$ 2,198,318</u>	<u>\$ 5,829,637</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 218,365	\$ 45,014	\$ 263,379
Accrued liabilities	3,340,770	99,987	3,440,757
Total liabilities	<u>\$ 3,559,135</u>	<u>\$ 145,001</u>	<u>\$ 3,704,136</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Lease related	\$ 8,821	\$ -	\$ 8,821
<b>FUND BALANCES</b>			
Nonspendable			
Inventories	\$ -	\$ 99,276	\$ 99,276
Prepaid items	128,377	-	128,377
Assigned			
School lunch program	-	1,473,104	1,473,104
School operating fund	63,363	-	63,363
Student activities	-	480,937	480,937
School capital projects	-	-	-
Unassigned	(128,377)	-	(128,377)
Total fund balances	<u>\$ 63,363</u>	<u>\$ 2,053,317</u>	<u>\$ 2,116,680</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 3,631,319</u>	<u>\$ 2,198,318</u>	<u>\$ 5,829,637</u>
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:			
Total fund balances per above		\$	2,116,680
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Land		\$ 977,491	
Buildings and improvements		35,714,936	
Machinery and equipment		3,824,836	
Construction in progress		4,949,669	
Lease Assets		<u>153,508</u>	45,620,440
Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.			
Pension related items		\$ 5,581,307	
OPEB related items		<u>1,018,535</u>	6,599,842
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.			
Accrued interest		\$ (1,787)	
Compensated absences		(506,491)	
Lease liabilities		(153,765)	
Net pension liability		(20,215,645)	
Net OPEB liabilities		<u>(6,392,915)</u>	(27,270,603)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.			
Pension related items		\$ (5,329,252)	
OPEB related items		<u>(2,173,209)</u>	(7,502,461)
Net position of governmental activities			<u>\$ 19,563,898</u>

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**Discretely Presented Component Unit - School Board**  
**Year Ended June 30, 2023**

	<b>School Operating Fund</b>	<b>Total Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>			
Revenue from the use of money and property	\$ 71,210	\$ 146	\$ 71,356
Charges for services	167,017	67,600	234,617
Miscellaneous	533,230	1,136,520	1,669,750
Intergovernmental:			
Local government	11,153,810	-	11,153,810
Commonwealth	27,291,521	28,514	27,320,035
Federal	2,853,996	1,774,046	4,628,042
Total revenues	<u>\$ 42,070,784</u>	<u>\$ 3,006,826</u>	<u>\$ 45,077,610</u>
<b>EXPENDITURES</b>			
Current:			
Education	\$ 42,034,604	\$ 3,219,886	\$ 45,254,490
Contribution to the County of Page	36,180	-	36,180
Total expenditures	<u>\$ 42,070,784</u>	<u>\$ 3,219,886</u>	<u>\$ 45,290,670</u>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (213,060)	\$ (213,060)
Net change in fund balances	\$ -	\$ (213,060)	\$ (213,060)
Fund balances - beginning	63,363	2,266,377	2,329,740
Fund balances - ending	<u>\$ 63,363</u>	<u>\$ 2,053,317</u>	<u>\$ 2,116,680</u>

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

Net change in fund balances above \$ (213,060)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 4,130,941	
Depreciation and amortization expense	(2,770,716)	
Allocation of debt financed school assets based on current year repayments	<u>2,440,735</u>	3,800,960

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 obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations and related items.

Lease repayments	\$ <u>76,620</u>	76,620
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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.

Change in compensated absences	\$ (224,310)	
Change in accrued interest	881	
Pension expense	4,257,604	
OPEB expense	<u>807,105</u>	4,841,280

Change in net position of governmental activities \$ 8,505,800

Combining Balance Sheet  
Nonmajor Governmental Funds  
Discretely Presented Component Unit - School Board  
June 30, 2023

	School Cafeteria Fund	Student Activities Fund	Total Nonmajor Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,578,913	\$ 483,241	\$ 2,062,154
Accounts receivable	-	2,436	2,436
Due from other governmental units	34,452	-	34,452
Inventories	99,276	-	99,276
Total assets	<u>\$ 1,712,641</u>	<u>\$ 485,677</u>	<u>\$ 2,198,318</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 40,274	\$ 4,740	\$ 45,014
Accrued liabilities	99,987	-	99,987
Total liabilities	<u>\$ 140,261</u>	<u>\$ 4,740</u>	<u>\$ 145,001</u>
<b>FUND BALANCES</b>			
Nonspendable			
Inventories	\$ 99,276	\$ -	\$ 99,276
Assigned			
School lunch program	1,473,104	-	1,473,104
Student activities	-	480,937	480,937
School capital projects	-	-	-
Total fund balances	<u>\$ 1,572,380</u>	<u>\$ 480,937</u>	<u>\$ 2,053,317</u>
Total liabilities and fund balances	<u>\$ 1,712,641</u>	<u>\$ 485,677</u>	<u>\$ 2,198,318</u>

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Discretely Presented Component Unit - School Board**  
**Year Ended June 30, 2023**

	<b>School Cafeteria Fund</b>	<b>Student Activities Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Revenue from the use of money and property	\$ 146	\$ -	\$ 146
Charges for services	67,600	-	67,600
Miscellaneous	-	1,136,520	1,136,520
Intergovernmental:			
Local government	-	-	-
Commonwealth	28,514	-	28,514
Federal	1,774,046	-	1,774,046
Total revenues	<u>\$ 1,870,306</u>	<u>\$ 1,136,520</u>	<u>\$ 3,006,826</u>
<b>EXPENDITURES</b>			
Current:			
Education	\$ 2,102,100	\$ 1,117,786	\$ 3,219,886
Total expenditures	<u>\$ 2,102,100</u>	<u>\$ 1,117,786</u>	<u>\$ 3,219,886</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (231,794)	\$ 18,734	\$ (213,060)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	\$ -	\$ -	\$ -
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ (231,794)	\$ 18,734	\$ (213,060)
Fund balances - beginning	1,804,174	462,203	2,266,377
Fund balances - ending	<u>\$ 1,572,380</u>	<u>\$ 480,937</u>	<u>\$ 2,053,317</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Discretely Presented Component Unit - School Board**  
**Year Ended June 30, 2023**

	School Operating Fund			Variance with Final Budget Positive Negative
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 45,000	\$ 45,000	\$ 71,210	\$ 26,210
Charges for services	190,000	190,000	167,017	(22,983)
Miscellaneous	380,000	380,000	533,230	153,230
Intergovernmental:				
Local government	11,065,692	11,330,802	11,153,810	(176,992)
Commonwealth	27,224,109	27,823,811	27,291,521	(532,290)
Federal	4,023,758	4,918,363	2,853,996	(2,064,367)
Total revenues	\$ 42,928,559	\$ 44,687,976	\$ 42,070,784	\$ (2,617,192)
EXPENDITURES				
Current:				
Education	\$ 42,964,739	\$ 44,687,976	\$ 42,070,784	\$ 2,617,192
Capital projects	-	-	-	-
Total expenditures	\$ 42,964,739	\$ 44,687,976	\$ 42,070,784	\$ 2,617,192
Excess (deficiency) of revenues over (under) expenditures	\$ (36,180)	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ (36,180)	\$ -	\$ -	\$ -
Fund balances - beginning	36,180	-	63,363	63,363
Fund balances - ending	\$ -	\$ -	\$ 63,363	\$ 63,363

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Nonmajor Special Revenue Fund-Discretely Presented Component Unit - School Board**  
**Year Ended June 30, 2023**

	School Cafeteria Fund			Variance with Final Budget Positive Negative
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 146	\$ 146
Charges for services	-	-	67,600	67,600
Miscellaneous	-	-	-	-
Intergovernmental:				
Local government	-	-	-	-
Commonwealth	74,177	74,177	28,514	(45,663)
Federal	2,092,630	2,092,630	1,774,046	(318,584)
Total revenues	\$ 2,166,807	\$ 2,166,807	\$ 1,870,306	\$ (296,501)
EXPENDITURES				
Current:				
Education	\$ 2,166,807	\$ 2,166,807	\$ 2,102,100	\$ 64,707
Capital projects	-	-	-	-
Total expenditures	\$ 2,166,807	\$ 2,166,807	\$ 2,102,100	\$ 64,707
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ (231,794)	\$ (231,794)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ -	\$ -	\$ (231,794)	\$ (231,794)
Fund balances - beginning	-	-	1,804,174	1,804,174
Fund balances - ending	\$ -	\$ -	\$ 1,572,380	\$ 1,572,380



## **SUPPORTING SCHEDULES**

Schedule of Revenues - Budget and Actual  
Governmental Funds  
Year Ended June 30, 2023

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund:</b>				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 16,470,997	\$ 16,470,997	\$ 17,096,865	\$ 625,868
Real and personal public service corporation taxes	600,000	600,000	704,397	104,397
Personal property taxes	8,244,630	8,244,630	9,122,583	877,953
Penalties	260,000	260,000	320,833	60,833
Interest	260,000	260,000	292,355	32,355
Total general property taxes	\$ 25,835,627	\$ 25,835,627	\$ 27,537,033	\$ 1,701,406
Other local taxes:				
Local sales and use taxes	\$ 2,300,500	\$ 2,300,500	\$ 2,628,625	\$ 328,125
Cigarette tax	50,000	50,000	36,069	(13,931)
Business licenses	190,000	190,000	249,784	59,784
Consumption taxes	50,000	50,000	51,421	1,421
Motor vehicle licenses	521,000	521,000	510,277	(10,723)
Taxes on recordation and wills	200,000	200,000	325,280	125,280
Transient occupancy taxes	1,600,000	1,600,000	1,976,505	376,505
Meals taxes	300,000	300,000	370,578	70,578
Total other local taxes	\$ 5,211,500	\$ 5,211,500	\$ 6,148,539	\$ 937,039
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 6,000	\$ 6,000	\$ 5,184	\$ (816)
Land use application fees	4,000	4,000	4,376	376
Transfer fees	1,000	1,000	1,229	229
Permits and other licenses	257,550	286,146	404,730	118,584
Total permits, privilege fees, and regulatory licenses	\$ 268,550	\$ 297,146	\$ 415,519	\$ 118,373
Fines and forfeitures:				
Court fines and forfeitures	\$ 57,800	\$ 57,800	\$ 87,688	\$ 29,888
Total fines and forfeitures	\$ 57,800	\$ 57,800	\$ 87,688	\$ 29,888
Revenue from use of money and property:				
Revenue from use of money	\$ -	\$ -	\$ 595,387	\$ 595,387
Revenue from use of property	60,000	60,000	55,304	(4,696)
Total revenue from use of money and property	\$ 60,000	\$ 60,000	\$ 650,691	\$ 590,691
Charges for services:				
Sheriff's fees	\$ 600	\$ 600	\$ 3,117	\$ 2,517
Ambulance and rescue service	450,000	450,000	737,038	287,038
Charges for Animal Protection	6,000	6,000	6,411	411
Charges for Commonwealth's Attorney	6,500	6,500	7,752	1,252
Work release and other inmate fees	43,500	43,500	51,980	8,480
Charges for sanitation and waste removal	4,093,500	4,093,500	4,175,534	82,034
Other charges for services	125	125	8,161	8,036
Total charges for services	\$ 4,600,225	\$ 4,600,225	\$ 4,989,993	\$ 389,768
Miscellaneous:				
Miscellaneous	\$ 333,573	\$ 360,047	\$ 703,198	\$ 343,151
Total miscellaneous	\$ 333,573	\$ 360,047	\$ 703,198	\$ 343,151
Total revenue from local sources	\$ 36,367,275	\$ 36,422,345	\$ 40,532,661	\$ 4,110,316
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Mobile home titling tax	\$ 13,000	\$ 13,000	\$ 47,923	\$ 34,923
State recordation tax	40,000	40,000	-	(40,000)
Railroad rolling stock tax	36,000	36,000	34,217	(1,783)
Communication taxes	350,000	350,000	339,587	(10,413)
Motor vehicle rental tax	4,855	4,855	1,839	(3,016)
Personal property tax relief funds	1,640,791	1,640,791	1,640,791	-
Total noncategorical aid	\$ 2,084,646	\$ 2,084,646	\$ 2,064,357	\$ (20,289)

Schedule of Revenues - Budget and Actual  
Governmental Funds  
Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund: (Continued)</b>				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 365,250	\$ 365,250	\$ 391,237	\$ 25,987
Sheriff	2,446,134	2,590,283	2,620,109	29,826
Commissioner of revenue	194,922	194,922	193,709	(1,213)
Treasurer	158,464	158,464	163,095	4,631
Registrar/electoral board	78,937	78,937	72,776	(6,161)
Clerk of the Circuit Court	321,167	328,667	364,616	35,949
Total shared expenses	\$ 3,564,874	\$ 3,716,523	\$ 3,805,542	\$ 89,019
Other categorical aid:				
CJS GTS grant	\$ -	\$ -	\$ 11,469	\$ 11,469
Virginia Juvenile Community Crime Control Act	30,076	30,076	30,076	-
Crime prevention education	5,000	5,000	5,000	-
PSAP grant	3,000	3,000	91,319	88,319
Litter control	15,865	19,024	19,024	-
Fire programs funds	55,000	58,934	58,934	-
Victims witness grant	21,000	21,000	19,946	(1,054)
Forefeited assets-commonwealth attorney	-	-	17,318	17,318
Two-for-life grant	26,000	26,000	36,603	10,603
School resource officer grant	-	150,018	120,352	(29,666)
Tourism	-	15,000	15,000	-
Internet crimes against children	20,000	20,000	7,325	(12,675)
PACA drug free	15,000	15,000	19,428	4,428
Other	-	45,669	13,251	(32,418)
Total other categorical aid	\$ 190,941	\$ 408,721	\$ 465,045	\$ 56,324
Total categorical aid	\$ 3,755,815	\$ 4,125,244	\$ 4,270,587	\$ 145,343
Total revenue from the Commonwealth	\$ 5,840,461	\$ 6,209,890	\$ 6,334,944	\$ 125,054
Revenue from the federal government:				
Noncategorical aid:				
Payments in lieu of taxes	\$ 180,000	\$ 180,000	\$ 212,816	\$ 32,816
LATCF	-	158,752	-	(158,752)
Coronavirus state and local fiscal recovery funds	2,321,342	4,091,637	3,880,997	(210,640)
Total noncategorical aid	\$ 2,501,342	\$ 4,430,389	\$ 4,093,813	\$ (336,576)
Categorical aid:				
Local law enforcement	\$ 4,472	\$ 7,363	\$ 1,910	\$ (5,453)
Victim witness assistance	49,000	49,000	46,540	(2,460)
DCJS youth engagement grant	45,107	45,107	58,314	13,207
COSSAP	200,000	200,000	1,030	(198,970)
SHSP grant	21,680	21,680	24,746	3,066
Opioid abuse grant	366,000	366,000	233,091	(132,909)
DMV ground transportation safety grant	20,000	20,000	10,016	(9,984)
COPS De-escalation	200,000	200,000	115,586	(84,414)
Bullet proof vest grant	13,000	13,000	533	(12,467)
Emergency management performance grant	-	-	200	200
CESF	50,000	50,000	40,293	(9,707)
Drug court	166,667	166,667	140,682	(25,985)
DCJS mobile data terminal grant	25,000	25,000	-	(25,000)
VDEM grant	7,500	7,500	7,500	-
Byrne grant	2,036	2,036	-	(2,036)
REPP grant	700	700	-	(700)
Community oriented police	295,809	295,809	183,951	(111,858)
Total categorical aid	\$ 1,466,971	\$ 1,469,862	\$ 864,392	\$ (605,470)
Total revenue from the federal government	\$ 3,968,313	\$ 5,900,251	\$ 4,958,205	\$ (942,046)
Total General Fund	\$ 46,176,049	\$ 48,532,486	\$ 51,825,810	\$ 3,293,324
<b>Special Revenue Funds:</b>				
<b>Workforce Investment Act Fund:</b>				
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Workforce Investment Act	\$ -	\$ -	\$ 1,780,657	\$ 1,780,657
<b>Virginia Public Assistance Fund:</b>				
Revenue from local sources:				
Charges for services:				
Public assistance and welfare administration	\$ -	\$ -	\$ 6,995	\$ 6,995
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Public assistance and welfare administration	\$ 1,384,018	\$ 1,384,018	\$ 948,805	\$ (435,213)
Revenue from the federal government:				
Categorical aid:				
Public assistance and welfare administration	\$ 1,953,917	\$ 1,953,917	\$ 1,602,263	\$ (351,654)
Total Virginia Public Assistance Fund	\$ 3,337,935	\$ 3,337,935	\$ 2,558,063	\$ (779,872)

Schedule of Revenues - Budget and Actual  
Governmental Funds  
Year Ended June 30, 2023 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Special Revenue Funds: (Continued)</b>				
<b>Comprehensive Services Act Fund:</b>				
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act program	\$ 1,827,549	\$ 1,827,549	\$ 1,524,677	\$ (302,872)
Child support public assistance funds	-	-	914	914
Total categorical aid	\$ 1,827,549	\$ 1,827,549	\$ 1,525,591	\$ (301,958)
Total revenue from the Commonwealth	\$ 1,827,549	\$ 1,827,549	\$ 1,525,591	\$ (301,958)
Total Comprehensive Services Act Fund	\$ 1,827,549	\$ 1,827,549	\$ 1,525,591	\$ (301,958)
<b>Parks and Recreation Fund:</b>				
Revenue from local sources:				
Charges for services:				
Parks and recreation fees	\$ 20,000	\$ 35,000	\$ 37,660	\$ 2,660
<b>Capital Projects Fund:</b>				
<b>County Capital Improvements Fund:</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 135,050	\$ 135,050
Total revenue from use of money and property	\$ -	\$ -	\$ 135,050	\$ 135,050
Miscellaneous revenue:				
Other miscellaneous	\$ -	\$ -	\$ 200	\$ 200
Total miscellaneous revenue	\$ -	\$ -	\$ 200	\$ 200
Total revenue from local sources	\$ -	\$ -	\$ 135,250	\$ 135,250
<b>Capital Projects Fund: (Continued)</b>				
<b>County Capital Improvements Fund: (Continued)</b>				
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Page, Virginia School Board	\$ 36,180	\$ 36,180	\$ 36,180	\$ -
Total revenues from local governments	\$ 36,180	\$ 36,180	\$ 36,180	\$ -
Revenue from the Commonwealth:				
Categorical aid:				
NG911	\$ -	\$ -	\$ 2,048	\$ 2,048
School construction	\$ 2,108,756	\$ 2,108,756	\$ 1,805,817	\$ (302,939)
Total categorical aid	\$ 2,108,756	\$ 2,108,756	\$ 1,807,865	\$ (300,891)
Total revenue from the Commonwealth	\$ 2,108,756	\$ 2,108,756	\$ 1,807,865	\$ (300,891)
Revenue from the federal government:				
Categorical aid:				
CARES Act ESSER	\$ 628,066	\$ 1,733,551	\$ 1,660,245	\$ (73,306)
ARPA	-	581,748	581,748	-
Total categorical aid	\$ 628,066	\$ 2,315,299	\$ 2,241,993	\$ (73,306)
Total revenue from the federal government	\$ 628,066	\$ 2,315,299	\$ 2,241,993	\$ (73,306)
Total County Capital Improvements Fund	\$ 2,773,002	\$ 4,460,235	\$ 4,221,288	\$ (238,947)
Total Primary Government	\$ 54,134,535	\$ 58,193,205	\$ 61,949,069	\$ 3,755,864
<b>Discretely Presented Component Unit - School Board:</b>				
<b>School Operating Fund:</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 45,000	\$ 45,000	\$ 71,210	\$ 26,210
Total revenue from use of money and property	\$ 45,000	\$ 45,000	\$ 71,210	\$ 26,210
Charges for services:				
Charges for education	\$ 190,000	\$ 190,000	\$ 167,017	\$ (22,983)
Miscellaneous revenue:				
Other miscellaneous	\$ 380,000	\$ 380,000	\$ 533,230	\$ 153,230
Total revenue from local sources	\$ 615,000	\$ 615,000	\$ 771,457	\$ 156,457
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Page, Virginia	\$ 11,065,692	\$ 11,330,802	\$ 11,153,810	\$ (176,992)
Total revenues from local governments	\$ 11,065,692	\$ 11,330,802	\$ 11,153,810	\$ (176,992)
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 4,461,265	\$ 4,721,538	\$ 4,692,203	\$ (29,335)
Basic school aid	11,893,653	12,190,284	10,593,212	(1,597,072)
GED funding	16,465	16,465	16,405	(60)
Regular foster children education	-	-	99	99
Summer remedial	88,640	88,640	49,511	(39,129)
Gifted and talented	112,305	112,305	108,574	(3,731)
Remedial education	477,806	477,806	461,932	(15,874)
Compensation supplement	753,320	709,491	686,432	(23,059)

**Schedule of Revenues - Budget and Actual**  
**Governmental Funds**  
**Year Ended June 30, 2023 (Continued)**

<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Discretely Presented Component Unit - School Board: (Continued)</b>				
<b>School Operating Fund: (Continued)</b>				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (continued)				
Categorical aid: (continued)				
Special education	\$ 1,061,790	\$ 1,061,790	\$ 1,026,515	\$ (35,275)
Textbook payments	270,307	270,307	261,327	(8,980)
Vocational standards of quality payments	545,188	581,943	562,609	(19,334)
Social security	679,954	690,164	667,235	(22,929)
Retirement fringe benefits	1,568,560	1,609,021	1,555,565	(53,456)
Lottery	827,926	827,926	797,505	(30,421)
Early reading intervention	217,162	132,852	122,633	(10,219)
Group life instructional	49,006	49,006	47,378	(1,628)
Homebound education	4,516	4,516	4,332	(184)
Regional program tuition	761,352	761,352	686,253	(75,099)
At risk payments	1,869,938	1,403,876	1,357,316	(46,560)
Primary class size	528,538	527,975	532,230	4,255
Technology	258,000	258,000	219,568	(38,432)
Community schools fund	-	449,655	449,656	1
Small school division enrollment loss	-	-	1,076,475	1,076,475
Standards of learning algebra readiness	62,220	62,219	57,154	(5,065)
At risk four-year olds	491,494	491,494	513,211	21,717
Supplement support	-	-	446,346	446,346
Vocational education	130,971	130,971	54,271	(76,700)
English as a second language	44,742	40,580	39,540	(1,040)
Security equipment	-	70,404	123,164	52,760
Other state funds	48,991	83,231	82,870	(361)
Total categorical aid	\$ 27,224,109	\$ 27,823,811	\$ 27,291,521	\$ (532,290)
Total revenue from the Commonwealth	\$ 27,224,109	\$ 27,823,811	\$ 27,291,521	\$ (532,290)
Revenue from the federal government:				
Categorical aid:				
Federal land use	\$ 23,000	\$ 23,000	\$ 29,092	\$ 6,092
CARES Act ESSER	2,104,837	2,999,442	493,287	(2,506,155)
Title I	872,958	872,958	970,765	97,807
Title VI-B, special education flow-through	722,578	722,578	710,427	(12,151)
Vocational education	66,161	66,161	75,571	9,410
Title VI-B, special education pre-school	16,689	16,689	24,100	7,411
Supporting effective instruction state grant	128,527	128,527	135,948	7,421
ARPA pandemic bonus	-	-	336,116	336,116
School improvement	24,785	24,785	15,254	(9,531)
Student support and academic enrichment	64,223	64,223	63,436	(787)
Total categorical aid	\$ 4,023,758	\$ 4,918,363	\$ 2,853,996	\$ (2,064,367)
Total revenue from the federal government	\$ 4,023,758	\$ 4,918,363	\$ 2,853,996	\$ (2,064,367)
Total School Operating Fund	\$ 42,928,559	\$ 44,687,976	\$ 42,070,784	\$ (2,617,192)
<b>School Cafeteria Fund:</b>				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 146	\$ 146
Charges for services:				
Cafeteria sales	\$ -	\$ -	\$ 67,600	\$ 67,600
Total revenue from local sources	\$ -	\$ -	\$ 67,746	\$ 67,746
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 74,177	\$ 74,177	\$ 28,514	\$ (45,663)
Total revenue from the Commonwealth	\$ 74,177	\$ 74,177	\$ 28,514	\$ (45,663)
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 1,818,430	\$ 1,818,430	\$ 1,439,337	\$ (379,093)
Summer Feeding	274,200	274,200	94,398	(179,802)
USDA commodities	-	-	240,311	240,311
Total categorical aid	\$ 2,092,630	\$ 2,092,630	\$ 1,774,046	\$ (318,584)
Total revenue from the federal government	\$ 2,092,630	\$ 2,092,630	\$ 1,774,046	\$ (318,584)
Total School Cafeteria Fund	\$ 2,166,807	\$ 2,166,807	\$ 1,870,306	\$ (296,501)
<b>Student Activities Fund</b>				
Revenue from local sources:				
Miscellaneous revenue:				
Other miscellaneous	\$ -	\$ -	\$ 1,136,520	\$ 1,136,520
Total miscellaneous revenue	\$ -	\$ -	\$ 1,136,520	\$ 1,136,520
Total Student Activities Fund	\$ -	\$ -	\$ 1,136,520	\$ 1,136,520
Total Discretely Presented Component Unit - School Board	\$ 45,095,366	\$ 46,854,783	\$ 45,077,610	\$ (1,777,173)

**Schedule of Expenditures - Budget and Actual**  
**Governmental Funds**  
**Year Ended June 30, 2023**

<b>Fund, Function, Activity and Elements</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>General Fund:</b>				
General government administration:				
Legislative:				
Board of supervisors	\$ 108,116	\$ 108,116	\$ 91,347	\$ 16,769
General and financial administration:				
County administrator	\$ 396,928	\$ 396,928	\$ 430,258	\$ (33,330)
Finance	282,268	294,104	319,357	(25,253)
Legal services	110,000	50,000	37,261	12,739
Commissioner of revenue	583,365	612,984	574,441	38,543
Assessment	200,000	-	-	-
Geographic information systems	154,970	158,083	153,721	4,362
Treasurer	634,560	634,560	625,475	9,085
Data processing	247,000	308,100	275,404	32,696
Purchasing	51,918	51,918	51,637	281
Total general and financial administration	\$ 2,661,009	\$ 2,506,677	\$ 2,467,554	\$ 39,123
Board of elections:				
Electoral board and officials	\$ 78,440	\$ 78,440	\$ 46,568	\$ 31,872
Registrar	174,962	174,962	159,265	15,697
Total board of elections	\$ 253,402	\$ 253,402	\$ 205,833	\$ 47,569
Total general government administration	\$ 3,022,527	\$ 2,868,195	\$ 2,764,734	\$ 103,461
Judicial administration:				
Courts:				
Circuit court	\$ 9,250	\$ 9,250	\$ 12,972	\$ (3,722)
General district court	8,788	8,788	9,246	(458)
Drug Court	167,517	167,517	143,728	23,789
Special magistrates	4,537	4,537	4,303	234
Juvenile and domestic relations court	14,050	14,050	6,263	7,787
Sheriff	246,396	256,439	268,214	(11,775)
Victim witness program	90,474	90,474	85,537	4,937
Clerk of the circuit court	547,044	595,789	576,757	19,032
Total courts	\$ 1,088,056	\$ 1,146,844	\$ 1,107,020	\$ 39,824
Commonwealth's attorney:				
Commonwealth's attorney	\$ 646,606	\$ 646,606	\$ 655,110	\$ (8,504)
Total judicial administration	\$ 1,734,662	\$ 1,793,450	\$ 1,762,130	\$ 31,320
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 4,444,704	\$ 4,818,811	\$ 4,594,354	224,457
Virginia Juvenile Community Crime Control Act	30,076	30,076	30,076	-
Total law enforcement and traffic control	\$ 4,474,780	\$ 4,848,887	\$ 4,624,430	\$ 224,457
Fire and rescue services:				
Volunteer fire departments and rescue squads	\$ 431,833	435,767	\$ 446,515	\$ (10,748)
Fire and rescue services	2,766,495	2,805,497	2,509,058	296,439
Total fire and rescue services	\$ 3,198,328	\$ 3,241,264	\$ 2,955,573	\$ 285,691
Correction and detention:				
Jail	\$ 5,049,181	\$ 5,139,567	\$ 4,580,933	\$ 558,634
Juvenile detention	213,620	213,620	217,573	(3,953)
Total correction and detention	\$ 5,262,801	\$ 5,353,187	\$ 4,798,506	\$ 554,681

**Schedule of Expenditures - Budget and Actual**  
**Governmental Funds**  
**Year ended June 30, 2023 (Continued)**

<b>Fund, Function, Activity and Elements</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>General Fund: (Continued)</b>				
Public safety: (Continued)				
Other protection:				
Animal control	\$ 447,662	\$ 460,995	\$ 418,107	\$ 42,888
Medical examiner	600	600	560	40
Emergency services	12,736	12,736	12,736	-
Total other protection	\$ 460,998	\$ 474,331	\$ 431,403	\$ 42,928
Total public safety	\$ 13,396,907	\$ 13,917,669	\$ 12,809,912	\$ 1,107,757
Public works:				
Sanitation and waste removal:				
Compactor sites	\$ 96,160	\$ 96,160	\$ 88,873	\$ 7,287
Landfill	1,946,253	2,129,412	2,242,533	(113,121)
Total sanitation and waste removal	\$ 2,042,413	\$ 2,225,572	\$ 2,331,406	\$ (105,834)
Maintenance of general buildings and grounds:				
General properties	\$ 451,334	\$ 451,334	\$ 425,344	\$ 25,990
Total public works	\$ 2,493,747	\$ 2,676,906	\$ 2,756,750	\$ (79,844)
Health and welfare:				
Health:				
Supplement of local health department	\$ 194,551	\$ 194,551	\$ 194,551	\$ -
Total health	\$ 194,551	\$ 194,551	\$ 194,551	\$ -
Mental health and mental retardation:				
Community services board	\$ 102,314	\$ 102,314	\$ 102,314	\$ -
Choices	7,000	7,000	7,000	-
Total mental health and mental retardation	\$ 109,314	\$ 109,314	\$ 109,314	\$ -
Welfare:				
Welfare administration	\$ 3,768	\$ 3,768	\$ 5,275	\$ (1,507)
Shenandoah Area Agency on Aging	65,000	65,000	65,000	-
Other	20,988	20,988	20,988	-
Tax relief for the elderly	-	-	293,774	(293,774)
Total welfare	\$ 89,756	\$ 89,756	\$ 385,037	\$ (295,281)
Total health and welfare	\$ 393,621	\$ 393,621	\$ 688,902	\$ (295,281)
Education:				
Other instructional costs:				
Contributions to L.F. Community College	\$ 61,563	\$ 61,563	\$ 61,563	\$ -
Contribution to County School Board	11,065,692	11,764,457	11,153,810	610,647
Total education	\$ 11,127,255	\$ 11,826,020	\$ 11,215,373	\$ 610,647
Parks, recreation, and cultural:				
Parks and recreation:				
Administration	\$ 78,268	\$ 78,592	\$ 73,250	\$ 5,342
Total parks and recreation	\$ 78,268	\$ 78,592	\$ 73,250	\$ 5,342

**Schedule of Expenditures - Budget and Actual**  
**Governmental Funds**  
**Year ended June 30, 2023 (Continued)**

<b>Fund, Function, Activity and Elements</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>General Fund: (Continued)</b>				
Parks, recreation, and cultural: (Continued)				
Library:				
Regional library	\$ 279,014	\$ 279,014	\$ 279,014	\$ -
Total parks, recreation, and cultural	\$ 357,282	\$ 357,606	\$ 352,264	\$ 5,342
Community development:				
Planning and community development:				
Planning	\$ 454,362	\$ 482,558	\$ 470,347	\$ 12,211
Northern Shenandoah Planning Commission	21,743	21,743	19,760	1,983
Zoning	7,777	7,777	780	6,997
Economic development	83,013	390,878	70,921	319,957
Tourism	960,000	1,114,250	671,431	442,819
Airport Commission	50,450	50,450	50,450	-
Total planning and community development	\$ 1,577,345	\$ 2,067,656	\$ 1,283,689	\$ 783,967
Environmental management:				
Other environmental management	\$ 104,817	\$ 104,817	\$ 98,248	\$ 6,569
Total environmental management	\$ 104,817	\$ 104,817	\$ 98,248	\$ 6,569
Cooperative extension program:				
4-H center	\$ 2,000	\$ 2,000	\$ 2,000	\$ -
Total cooperative extension program	\$ 2,000	\$ 2,000	\$ 2,000	\$ -
Total community development	\$ 1,684,162	\$ 2,174,473	\$ 1,383,937	\$ 790,536
Nondepartmental:				
Miscellaneous	\$ 353,259	\$ 294,543	\$ 252,631	\$ 41,912
Contingencies	2,421,342	4,201,909	3,852,796	349,113
Total nondepartmental	2,774,601	4,496,452	4,105,427	391,025
Debt service:				
Principal retirement	\$ 4,312,680	\$ 4,869,875	\$ 4,855,387	\$ 14,488
Interest and other fiscal charges	1,923,513	2,172,029	2,165,567	6,462
Total debt service	\$ 6,236,193	\$ 7,041,904	\$ 7,020,954	\$ 20,950
Total General Fund	\$ 43,220,957	\$ 47,546,296	\$ 44,860,383	\$ 2,685,913
<b>Special Revenue Funds:</b>				
<b>Workforce Investment Act Fund:</b>				
Community development:				
Shenandoah Valley Workforce Investment Board	\$ -	\$ -	\$ 1,780,657	\$ (1,780,657)
<b>Virginia Public Assistance Fund:</b>				
Health and welfare:				
Welfare and social services:				
Welfare administration	\$ 3,937,935	\$ 3,946,415	\$ 3,182,891	\$ 763,524
Total Virginia Public Assistance Fund	\$ 3,937,935	\$ 3,946,415	\$ 3,182,891	\$ 763,524
<b>Comprehensive Services Act Fund:</b>				
Health and welfare:				
Welfare and social services:				
Comprehensive services	\$ 2,552,641	\$ 2,552,641	\$ 2,368,849	\$ 183,792
Total Comprehensive Services Act Fund	\$ 2,552,641	\$ 2,552,641	\$ 2,368,849	\$ 183,792



**Schedule of Expenditures - Budget and Actual**  
**Governmental Funds**  
**Year ended June 30, 2023 (Continued)**

<b>Fund, Function, Activity and Elements</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>Special Revenue Funds: (Continued)</b>				
<b>Parks and Recreation Fund:</b>				
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 20,000	\$ 35,000	\$ 34,871	\$ 129
Total Parks and Recreation fund	\$ 20,000	\$ 35,000	\$ 34,871	\$ 129
<b>Capital Projects Fund:</b>				
<b>County Capital Improvements Fund:</b>				
Capital projects expenditures:				
Compactor site	\$ 36,800	\$ 36,800	\$ 52,946	\$ (16,146)
Landfill equipment	113,200	113,200	19,837	93,363
Landfill	1,630,000	8,784,864	7,853,412	931,452
Vehicle impound lot	50,000	22,000	20,456	1,544
Sheriff's office	2,600	-	-	-
Board room	25,000	25,000	-	25,000
Motor vehicles	80,800	166,350	167,041	(691)
Parking lot	12,000	12,000	38,485	(26,485)
Jail tasers	16,600	6,600	7,453	(853)
EDP hardware	60,000	260,000	272,061	(12,061)
Education	2,736,822	4,893,890	2,886,337	2,007,553
General properties	23,500	23,500	24,000	(500)
Other	79,500	223,630	125,186	98,444
Radio system	-	3,924,415	2,626,081	1,298,334
Total capital projects	\$ 4,866,822	\$ 18,492,249	\$ 14,093,295	\$ 4,398,954
Total Capital Projects Fund	\$ 4,866,822	\$ 18,492,249	\$ 14,093,295	\$ 4,398,954
Total Primary Government	\$ 54,598,355	\$ 72,572,601	\$ 66,320,946	\$ 6,251,655
<b>Discretely Presented Component Unit - School Board:</b>				
<b>School Operating Fund:</b>				
Education:				
Instructional	\$ 32,404,645	\$ 32,055,688	\$ 31,301,067	\$ 754,621
Administration, attendance and health services	2,264,905	2,903,134	2,239,424	663,710
Pupil transportation	2,424,906	2,653,167	2,658,711	(5,544)
Operation and maintenance	3,888,970	4,357,960	3,179,250	1,178,710
Facilities	210,484	952,189	976,906	(24,717)
Technology	1,734,649	1,729,658	1,679,246	50,412
Contribution to County of Page	36,180	36,180	36,180	-
Total education	\$ 42,964,739	\$ 44,687,976	\$ 42,070,784	\$ 2,617,192
Total School Operating Fund	\$ 42,964,739	\$ 44,687,976	\$ 42,070,784	\$ 2,617,192
<b>School Cafeteria Fund:</b>				
Education:				
School food services:				
Administration of school food program	\$ 2,166,807	\$ 2,166,807	\$ 2,102,100	\$ 64,707
Total School Cafeteria Fund	\$ 2,166,807	\$ 2,166,807	\$ 2,102,100	\$ 64,707
<b>Student Activities Fund</b>				
Education:				
Instruction	\$ -	\$ -	\$ 1,117,786	\$ (1,117,786)
Total Student Activities Fund	\$ -	\$ -	\$ 1,117,786	\$ (1,117,786)
Total Discretely Presented Component Unit - School Board	\$ 45,131,546	\$ 46,854,783	\$ 45,290,670	\$ 1,564,113

## **STATISTICAL SECTION**

## STATISTICAL SECTION

### Contents

### Tables

#### Financial Trends

These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

1-5

#### Revenue Capacity

These tables contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.

6-10

#### Debt Capacity

These tables present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

11-13

#### Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

14-15

#### Operating Information

These tables contain information about the County's operations and resources to help the reader understand how the County's financial information relate to the services the County provides and the activities it performs.

16-18

#### Sources:

Unless otherwise noted, the information in these tables is derived from the annual comprehensive financial reports for the relevant year.

**COUNTY OF PAGE, VIRGINIA**

## Net Position by Component

Last Ten Fiscal Years

*(accrual basis of accounting)*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental Activities:				
Net investment in capital assets	\$ 210,465	\$ (124,706)	\$ 2,255,849	\$ 2,205,669
Restricted	921,716	818,673	741,443	2,810,507
Unrestricted	<u>(5,403,758)</u>	<u>(10,999,476)</u>	<u>(12,606,528)</u>	<u>(15,768,259)</u>
Total governmental activities net position	<u>\$ (4,271,577)</u>	<u>\$ (10,305,509)</u>	<u>\$ (9,609,236)</u>	<u>\$ (10,752,083)</u>
Primary government:				
Net investment in capital assets	\$ 210,465	\$ (124,706)	\$ 2,255,849	\$ 2,205,669
Restricted	921,716	818,673	741,443	2,810,507
Unrestricted	<u>(5,403,758)</u>	<u>(10,999,476)</u>	<u>(12,606,528)</u>	<u>(15,768,259)</u>
Total primary government net position	<u>\$ (4,271,577)</u>	<u>\$ (10,305,509)</u>	<u>\$ (9,609,236)</u>	<u>\$ (10,752,083)</u>

Table 1

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<u>2018</u>	<u>2018</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 935,016	\$ 910,687	\$ 1,201,467	\$ 4,764,062	\$ 1,773,590	\$ 8,596,501
-	-	-	6,039,897	1,880,914	501,249
<u>(11,049,988)</u>	<u>(8,655,053)</u>	<u>(6,926,519)</u>	<u>(9,494,150)</u>	<u>196,390</u>	<u>7,470,914</u>
<u>\$ (10,114,972)</u>	<u>\$ (7,744,366)</u>	<u>\$ (5,725,052)</u>	<u>\$ 1,309,809</u>	<u>\$ 3,850,894</u>	<u>\$ 16,568,664</u>
\$ 935,016	\$ 910,687	\$ 1,201,467	\$ 4,764,062	\$ 1,773,590	\$ 8,596,501
-	-	-	6,039,897	1,880,914	501,249
<u>(11,049,988)</u>	<u>(8,655,053)</u>	<u>(6,926,519)</u>	<u>(9,494,150)</u>	<u>196,390</u>	<u>7,470,914</u>
<u>\$ (10,114,972)</u>	<u>\$ (7,744,366)</u>	<u>\$ (5,725,052)</u>	<u>\$ 1,309,809</u>	<u>\$ 3,850,894</u>	<u>\$ 16,568,664</u>

COUNTY OF PAGE, VIRGINIA

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2014	2015	2016	2017
<b>Expenses</b>				
Governmental Activities:				
General government administration	\$ 2,306,937	\$ 2,423,301	\$ 2,613,493	\$ 2,350,004
Judicial administration	1,094,479	1,161,227	1,113,134	1,140,691
Public safety	8,695,178	8,550,584	8,555,808	8,669,850
Public works	4,283,275	2,647,595	2,524,857	2,822,940
Health and welfare	3,195,361	3,524,666	3,542,736	3,931,959
Education	12,664,109	13,107,117	12,215,154	12,289,299
Parks, recreation, and cultural	290,824	303,976	303,900	317,432
Community development	745,558	3,315,348	3,667,775	3,612,114
Interest on long-term debt	2,797,872	2,698,894	2,579,296	2,504,871
Bond issuance costs	-	-	-	-
Total governmental activities expenses	\$ 36,073,593	\$ 37,732,708	\$ 37,116,153	\$ 37,639,160
<b>Program Revenues</b>				
Governmental Activities:				
Charges for services:				
General government administration	\$ 79,321	\$ 71,509	\$ 195,767	\$ 22,971
Judicial administration	110,567	111,285	88,133	86,574
Public safety	770,108	786,108	792,137	802,672
Public works	1,390,288	1,323,908	1,390,504	1,452,965
Health and welfare	14,240	6,787	10,567	17,783
Parks, recreation, and cultural	32,732	24,942	28,352	29,423
Community development	-	-	-	-
Operating grants and contributions	5,685,624	8,022,321	8,616,224	8,754,656
Capital grants and contributions	-	-	-	-
Total governmental activities program revenues	\$ 8,082,880	\$ 10,346,860	\$ 11,121,684	\$ 11,167,044
Net (expense) / revenue				
Governmental Activities	\$ (27,990,713)	\$ (27,385,848)	\$ (25,994,469)	\$ (26,472,116)

Table 2

	2018	2019	2020	2021	2022	2023
\$	2,644,872	\$ 2,809,655	\$ 3,249,721	\$ 5,237,076	\$ 4,025,737	\$ 3,359,114
	1,287,562	1,302,775	1,465,569	1,512,238	1,592,641	1,682,527
	8,882,301	9,757,334	9,781,353	11,032,972	11,541,249	12,686,177
	3,236,871	3,219,021	2,918,176	2,891,086	3,223,497	3,205,638
	3,779,627	3,801,920	4,413,248	4,405,873	4,537,147	6,101,735
	12,970,892	11,770,736	11,994,870	11,129,654	18,256,733	16,542,445
	335,016	353,747	301,015	378,063	353,237	385,023
	3,264,067	2,918,672	2,541,003	4,958,491	3,143,191	3,175,758
	2,394,247	2,263,372	2,125,932	2,125,383	2,179,821	2,080,884
	99,260	-	-	-	-	-
\$	38,894,715	\$ 38,197,232	\$ 38,790,887	\$ 43,670,836	\$ 48,853,253	\$ 49,219,301
\$	73,165	\$ 104,889	\$ 83,194	\$ 8,715	\$ 451,556	\$ 8,161
	83,445	84,902	71,952	74,022	79,779	95,440
	773,477	812,649	755,194	694,868	636,595	1,208,460
	1,518,841	1,713,847	1,943,638	2,387,101	3,494,287	4,175,534
	13,152	5,987	29,373	4,271	12,142	6,995
	33,939	35,421	24,508	17,464	25,037	37,660
	-	-	-	-	4,820	5,605
	8,202,143	8,097,100	8,058,104	14,990,957	10,716,916	10,992,295
	-	-	-	-	-	7,967,035
\$	10,698,162	\$ 10,854,795	\$ 10,965,963	\$ 18,177,398	\$ 15,421,132	\$ 24,497,185
\$	(28,196,553)	\$ (27,342,437)	\$ (27,824,924)	\$ (25,493,438)	\$ (33,432,121)	\$ (24,722,116)

COUNTY OF PAGE, VIRGINIA

Changes in Net Position  
 Last Ten Fiscal Years (continued)  
*(accrual basis of accounting)*

	2014	2015	2016	2017
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Taxes				
Property taxes	\$ 20,239,090	\$ 19,813,686	\$ 20,735,519	\$ 21,317,725
Local sales and use taxes	1,386,698	1,478,959	1,596,463	1,605,724
Motor vehicle licenses taxes	316,256	332,612	316,043	442,855
Transient Occupancy Taxes	645,627	743,834	822,208	1,150,605
Meals Tax	217,163	272,757	283,245	371,091
Business Licenses	175,233	147,747	161,851	179,484
Tax on Recordation and Wills	163,513	136,311	150,271	172,219
Other Local Taxes	46,737	48,429	49,105	64,428
Unrestricted revenues from use of money and property	63,474	56,285	32,357	46,985
Miscellaneous	39,250	86,328	178,058	388,957
Grants and Contributions - Not Restricted	2,414,604	2,349,089	2,365,622	2,351,768
Total governmental activities	\$ 25,707,645	\$ 25,466,037	\$ 26,690,742	\$ 28,091,841
<b>Change in Net Position</b>				
Governmental Activities	\$ (2,283,068)	\$ (1,919,811)	\$ 696,273	\$ 1,619,725



Table 2

	2018	2019	2020	2021	2022	2023
\$	22,444,117	\$ 22,855,773	\$ 22,963,280	\$ 24,633,848	\$ 26,892,415	\$ 27,611,917
	1,653,477	1,747,457	1,864,352	2,316,979	2,423,211	2,628,625
	460,835	504,913	504,894	489,809	477,868	510,277
	857,276	1,013,668	869,855	1,576,150	1,567,960	1,976,505
	273,953	354,730	262,182	276,152	344,523	370,578
	184,931	175,424	182,237	175,700	246,040	249,784
	184,778	171,588	218,689	324,144	326,130	325,280
	37,176	59,768	50,731	52,782	105,086	87,490
	94,215	156,640	160,818	59,325	31,257	785,741
	311,556	323,297	357,445	380,218	925,160	613,531
	<u>2,331,350</u>	<u>2,349,785</u>	<u>2,409,755</u>	<u>2,243,192</u>	<u>2,633,556</u>	<u>2,277,173</u>
\$	<u>28,833,664</u>	<u>\$ 29,713,043</u>	<u>\$ 29,844,238</u>	<u>\$ 32,528,299</u>	<u>\$ 35,973,206</u>	<u>\$ 37,436,901</u>
\$	<u>637,111</u>	<u>\$ 2,370,606</u>	<u>\$ 2,019,314</u>	<u>\$ 7,034,861</u>	<u>\$ 2,541,085</u>	<u>\$ 12,714,785</u>

**COUNTY OF PAGE, VIRGINIA**

Governmental Activities Tax Revenues by Source  
Last Ten Fiscal Years  
(*accrual basis of accounting*)

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<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Local sales and use Tax</b>	<b>Transient Occupancy Tax</b>	<b>Motor Vehicle License Tax</b>	<b>Record- ation and Wills Tax</b>
2014	20,239,090	1,386,698	645,627	316,256	163,513
2015	19,813,686	1,478,959	743,834	332,612	136,311
2016	20,735,519	1,596,463	822,208	316,043	150,271
2017	21,317,725	1,605,724	1,037,203	442,855	172,219
2018	22,444,117	1,653,477	857,276	460,835	184,778
2019	22,855,773	1,747,457	1,013,668	504,913	171,588
2020	22,963,280	1,864,352	869,855	504,894	218,689
2021	24,633,848	2,316,979	1,576,150	489,809	324,144
2022	26,892,415	2,423,211	1,567,960	477,868	326,130
2023	27,611,917	2,628,625	1,976,505	510,277	325,280

**Table 3**

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<b>Meals Tax</b>	<b>Business License Tax</b>	<b>Total</b>
217,163	175,233	23,143,580
272,757	147,747	22,925,906
283,245	161,851	24,065,600
333,921	179,484	25,089,131
273,953	184,931	26,059,367
354,730	175,424	26,823,553
262,182	182,237	26,865,489
276,152	175,700	29,792,782
344,523	246,040	32,278,147
370,578	249,784	33,672,966

**COUNTY OF PAGE, VIRGINIA**

Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund				
Nonspendable	\$ 109,100	\$ 51,557	\$ -	\$ 7,860
Restricted	-	-	-	-
Assigned	44,848	29,268	35,402	33,597
Unassigned	<u>7,962,516</u>	<u>7,298,683</u>	<u>5,671,302</u>	<u>7,986,584</u>
 Total general fund	 \$ <u>8,116,464</u>	 \$ <u>7,379,508</u>	 \$ <u>5,706,704</u>	 \$ <u>8,028,041</u>
All other governmental funds				
Nonspendable				
Prepaid Items	\$ -	\$ -	\$ 13,843	\$ -
Restricted, reported in:				
Debt Service	921,716	818,673	741,443	815,711
Capital projects funds	-	-	-	1,994,796
Committed, reported in:				
Parks and Recreation	91,582	100,034	95,251	118,949
Assigned, reported in:				
Capital projects funds	2,060,182	752,621	209,572	(914,804)
Emergency Services	<u>644</u>	<u>644</u>	<u>644</u>	<u>644</u>
 Total all other governmental funds	 \$ <u>3,074,124</u>	 \$ <u>1,671,972</u>	 \$ <u>1,060,753</u>	 \$ <u>2,015,296</u>

Table 4

2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ 25,203	\$ 11,333	\$ 39,800	\$ 40,525
-	-	-	-	463,301	501,249
16,509	56,813	45,898	52,497	985,486	1,572,782
<u>9,429,392</u>	<u>11,297,422</u>	<u>14,002,502</u>	<u>18,667,651</u>	<u>21,010,863</u>	<u>23,584,585</u>
\$ <u>9,445,901</u>	\$ <u>11,354,235</u>	\$ <u>14,073,603</u>	\$ <u>18,731,481</u>	\$ <u>22,499,450</u>	\$ <u>25,699,141</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,343
-	-	-	-	-	-
206,729	141,309	-	6,039,897	4,674,391	1,300,808
134,000	145,758	156,123	158,432	164,926	167,715
-	-	209,365	217,865	217,864	3,117,756
<u>644</u>	<u>644</u>	<u>644</u>	<u>644</u>	<u>644</u>	<u>644</u>
\$ <u>341,373</u>	\$ <u>287,711</u>	\$ <u>366,132</u>	\$ <u>6,416,838</u>	\$ <u>5,057,825</u>	\$ <u>4,628,266</u>

COUNTY OF PAGE, VIRGINIA

Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2014	2015	2016	2017
<b>Revenues</b>				
General property taxes	\$ 20,075,105	\$ 19,961,029	\$ 20,528,963	\$ 21,051,318
Other local taxes	2,951,227	3,160,649	3,379,186	3,986,406
Permits, privilege fees and regulatory licenses	147,891	193,298	220,787	223,187
Fines and forfeitures	106,746	106,910	82,344	81,788
Revenue from use of money and property	63,474	56,285	32,357	46,985
Charges for services	2,142,619	2,024,331	2,202,329	2,107,413
Miscellaneous	39,250	86,328	188,285	388,957
Intergovernmental:				
Local government	-	-	-	-
Commonwealth	6,740,066	6,724,642	6,994,739	6,945,372
Federal	1,360,162	3,646,768	3,987,107	4,161,052
Total revenues	\$ 33,626,540	\$ 35,960,240	\$ 37,616,097	\$ 38,992,478
<b>Expenditures</b>				
General government administration	\$ 2,041,202	\$ 2,428,333	\$ 2,389,476	\$ 2,200,628
Judicial administration	1,097,386	1,151,505	1,161,784	1,211,995
Public safety	8,824,594	8,593,685	8,682,830	8,293,850
Public works	2,005,315	2,229,313	2,398,985	2,046,617
Health and welfare	3,155,666	3,502,681	3,537,466	3,924,594
Education	8,970,471	9,385,334	9,296,816	9,628,769
Parks, recreation and cultural	291,338	300,817	304,211	318,086
Community development	741,485	3,284,697	3,684,031	3,631,505
Nondepartmental	182,281	368,134	240,588	141,416
Capital projects	3,651,838	1,486,480	2,999,246	1,822,326
Debt service:				
Principal	2,378,284	2,438,370	2,542,192	2,918,094
Interest and other fiscal charges	2,886,579	2,779,245	2,662,495	2,605,718
Bond issuance costs	-	-	-	-
Total expenditures	\$ 36,226,439	\$ 37,948,594	\$ 39,900,120	\$ 38,743,598
Excess (deficiency) of revenues over (under) expenditures	\$ (2,599,899)	\$ (1,988,354)	\$ (2,284,023)	\$ 248,880
<b>Other financing sources (uses)</b>				
Transfers in	\$ 619,712	\$ 768,523	\$ 3,089,732	\$ 2,121,110
Transfers out	(619,712)	(768,523)	(3,089,732)	(2,121,110)
Bonds issued	-	-	-	3,027,000
Refunding bonds issued	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-
Issuance of loans	-	-	-	-
Issuance of lease revenue bonds	-	-	-	-
Issuance of leases	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ 3,027,000
Net change in fund balances	\$ (2,599,899)	\$ (1,988,354)	\$ (2,284,023)	\$ 3,275,880
Debt service as a percentage of noncapital expenditures	15.83%	14.06%	14.27%	14.94%

Table 5

2018		2019		2020		2021		2022		2023	
\$	22,039,826	\$	22,485,925	\$	23,757,685	\$	24,846,367	\$	26,327,081	\$	27,537,033
	3,652,426		4,027,548		3,952,940		5,211,716		5,527,055		6,148,539
	236,575		239,509		228,338		276,433		379,583		415,519
	76,451		80,102		65,882		70,107		72,937		87,688
	94,215		156,640		160,818		59,325		113,042		785,741
	2,182,993		2,438,084		2,613,639		2,839,901		4,169,911		5,034,648
	311,556		323,297		357,445		380,218		244,721		703,398
	-		-		-		-		-		36,180
	6,835,278		7,012,650		7,180,054		7,110,509		8,254,463		10,617,205
	3,698,215		3,434,235		3,287,805		10,123,640		5,276,910		10,583,118
\$	39,127,535	\$	40,197,990	\$	41,604,606	\$	50,918,216	\$	50,365,703	\$	61,949,069
\$	2,351,897	\$	2,503,588	\$	2,945,914	\$	4,584,654	\$	2,966,995	\$	2,764,734
	1,330,624		1,340,716		1,386,515		1,436,654		1,748,888		1,762,130
	8,962,610		9,944,202		9,648,379		11,084,724		12,435,256		12,809,912
	1,962,740		1,942,484		1,882,318		2,234,847		2,522,210		2,756,750
	3,769,816		3,848,556		4,406,233		4,350,030		4,727,064		6,240,642
	10,487,460		9,471,974		9,562,196		8,724,861		15,922,199		11,215,373
	335,317		356,430		368,758		374,070		367,314		387,135
	3,265,142		2,929,266		2,708,763		6,570,957		3,231,156		3,164,594
	235,199		391,140		166,604		279,229		885,139		4,105,427
	1,612,119		299,617		631,996		2,059,512		3,482,186		14,093,295
	2,929,071		2,947,540		3,051,371		3,312,217		3,335,135		4,855,387
	2,383,331		2,367,805		2,209,450		2,147,877		2,249,145		2,165,567
	99,260		-		-		-		-		-
\$	39,724,586	\$	38,343,318	\$	38,968,497	\$	47,159,632	\$	53,872,687	\$	66,320,946
\$	(597,051)	\$	1,854,672	\$	2,636,109	\$	3,758,584	\$	(3,506,984)	\$	(4,371,877)
\$	1,655,849	\$	893,993	\$	1,427,087	\$	2,821,335	\$	3,116,607	\$	4,037,745
	(1,655,849)		(893,993)		(1,427,087)		(2,821,335)		(3,116,607)		(4,037,745)
	-		-		-		-		16,642,000		-
	10,431,000		-		-		-		-		-
	(10,331,740)		-		-		-		(11,509,208)		-
	392,300		-		161,680		6,950,000		614,067		-
	-		-		-		-		-		6,870,000
	-		-		-		-		169,081		272,009
\$	491,560	\$	-	\$	161,680	\$	6,950,000	\$	5,915,940	\$	7,142,009
\$	(105,491)	\$	1,854,672	\$	2,797,789	\$	10,708,584	\$	2,408,956	\$	2,770,132
	14.03%		14.03%		13.76%		12.75%		11.31%		13.74%

General Governmental Tax Revenues by Source  
 Last Ten Fiscal Years  
*(accrual basis of accounting)*

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Local sales and use Tax</b>	<b>Transient Occupancy Tax</b>	<b>Motor Vehicle License Tax</b>	<b>Record- ation and Wills Tax</b>	<b>Meals Tax</b>	<b>Business License Tax</b>	<b>Total</b>
2014	\$ 20,075,105	\$ 1,386,698	\$ 645,627	\$ 316,256	\$ 163,513	\$ 217,163	\$ 175,233	\$ 22,979,595
2015	19,961,029	1,478,959	743,834	332,612	136,311	272,757	147,747	23,073,249
2016	20,528,963	1,596,463	822,208	316,043	150,271	283,245	161,851	23,859,044
2017	21,051,318	1,605,724	1,037,203	442,855	172,219	333,921	179,484	24,822,724
2018	22,039,826	1,653,477	857,276	460,835	184,778	273,953	184,931	25,655,076
2019	22,485,925	1,747,457	1,013,668	504,913	171,588	354,730	175,424	26,453,705
2020	23,757,685	1,864,352	869,855	504,894	218,689	262,182	182,237	27,659,894
2021	24,846,367	2,316,979	1,576,150	489,809	324,144	276,152	175,700	30,005,301
2022	26,327,081	2,423,211	1,567,960	477,868	326,130	344,523	246,040	31,712,813
2023	27,537,033	2,628,625	1,976,505	510,277	325,280	370,578	249,784	33,598,082



**COUNTY OF PAGE, VIRGINIA**

Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

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Fiscal Year	Real Estate (1)		Personal Property & Mobile Homes	Machinery and Tools	Public Service					
					Real Estate	Personal Property				
2014	\$	1,997,411,018	\$	171,783,252	\$	20,757,580	\$	85,325,231	\$	755,802
2015		2,003,154,535		172,342,920		19,939,210		87,334,603		762,895
2016		2,005,957,130		176,888,303		21,311,870		90,437,690		611,143
2017		2,012,899,488		182,157,270		23,275,670		90,092,972		788,193
2018		2,022,492,450		186,119,302		23,901,950		98,665,423		739,106
2019		2,035,479,375		190,683,960		23,889,855		97,540,213		728,330
2020		2,049,859,325		196,035,860		23,751,610		98,851,971		796,380
2021		2,177,915,475		208,994,600		23,519,570		102,147,263		802,792
2022		2,307,274,050		249,028,984		24,036,539		100,771,072		698,878
2023		2,329,569,050		241,366,715		24,847,309		97,580,632		617,498

Source: Commissioner of Revenue

(1) Real estate assessed at 100% of fair market value.

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

(3) Source: Virginia Department of Taxation.

Table 7

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	<b>Total Taxable Assessed Value</b>	<b>Estimated Actual Taxable Value</b>	<b>State Sales Assessment Ratio (3)</b>	<b>Total Direct Rate</b>
\$	2,276,032,883	\$ 2,074,590,177	\$ 109.71%	10.42
	2,283,534,163	2,083,516,572	109.60%	10.42
	2,295,206,136	2,094,166,182	109.60%	10.46
	2,309,213,593	2,106,946,709	109.60%	10.46
	2,331,918,231	2,127,662,620	109.60%	10.49
	2,348,321,733	2,142,629,318	109.60%	10.55
	2,369,295,146	2,705,601,400	87.57%	9.36
	2,513,379,700	2,870,137,833	87.57%	9.36
	2,681,809,523	3,062,475,189	87.57%	9.36
	2,693,981,204	3,353,642,729	80.33%	9.36

Property Tax Rates (1)  
 Direct and Overlapping Governments  
 Last Ten Fiscal Years

Fiscal Year	Direct Rates							Total Direct Rate
	Real Estate	Personal Property	Mobile Homes	Machinery and Tools	Aircraft	Motor Carrier		
2014	\$ 0.64	\$ 4.64	\$ 0.64	\$ 2.00	\$ 0.50	\$ 2.00	\$ 10.42	
2015	0.64	4.64	0.64	2.00	0.50	2.00	10.42	
2016	0.66	4.64	0.66	2.00	0.50	2.00	10.46	
2017	0.66	4.64	0.66	2.00	0.50	2.00	10.46	
2018	0.70	4.59	0.70	2.00	0.50	2.00	10.49	
2019	0.73	4.59	0.73	2.00	0.50	2.00	10.55	
2020	0.73	4.40	0.73	1.50	0.50	1.50	9.36	
2021	0.73	4.40	0.73	1.50	0.50	1.50	9.36	
2022	0.73	4.40	0.73	1.50	0.50	1.50	9.36	
2023	0.73	4.40	0.73	1.50	0.50	1.50	9.36	

Source: County Commissioner of Revenue

(1) Per \$100 of assessed value

Principal Property Taxpayers  
Current Year and the Period Nine Years Prior

Taxpayer	Type Business	Fiscal Year 2023		Fiscal Year 2014	
		2023 Assessed Valuation	% of Total Assessed Valuation	2014 Assessed Valuation	% of Total Assessed Valuation
KVK Precision Specialties	Manufacturing	\$ 10,935,480	0.47%	\$ 8,845,490	0.38%
Kontoor US LLC (VF Jeanswear)	Manufacturing	4,470,500	0.19%	2,428,020	0.10%
Masonite Corporation	Manufacturing	4,058,430	0.17%	2,939,840	0.13%
EMCO Enterprises LLC	Manufacturing	3,352,940	0.14%	3,622,640	0.15%
Comcast of CA MD PA VA WV LI	Communications	2,737,430	0.12%	1,144,280	0.05%
DNC Parks & Resorts at Shenanc	Tourism	1,916,490	0.08%	956,930	0.04%
Mountain View Resorts	Tourism	974,920	0.04%	337,400	0.01%
Walmart	Retail	798,800	0.03%	876,270	0.04%
Shenandoah Machine Shop	Manufacturing	609,070	0.03%	450,180	0.02%
Noah Turner Landscaping	Services	520,670	0.02%	246,690	0.01%
PE Hydro Generation	Energy	674,950	0.03%	371,560	0.02%
Fittry Cheryl Lynn (A-Team Const	Services	895,440	0.04%	514,010	0.02%
Gray Media Group (Gray Televisi	Communications	126,860	0.01%	426,690	0.02%
		<u>\$ 32,071,980</u>	<u>1.37%</u>	<u>\$ 23,160,000</u>	<u>0.99%</u>

Source: Commissioner of Revenue

Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Total Tax (1,3) Levy for Fiscal Year		Collected within the Fiscal Year of the Levy (1,3)		Collections in Subsequent Years (2)	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$	19,152,140	\$ 18,063,097	94.31%	\$ 1,019,035	\$ 19,082,132	99.63%
2015		19,250,147	18,216,468	94.63%	952,738	19,169,206	99.58%
2016		19,852,376	18,739,739	94.40%	1,026,222	19,765,961	99.56%
2017		20,654,381	19,414,989	94.00%	1,103,348	20,518,337	99.34%
2018		21,311,251	20,114,593	94.38%	1,017,187	21,131,780	99.16%
2019		21,824,547	19,887,111	91.12%	1,713,066	21,600,177	98.97%
2020		22,443,377	21,013,604	93.63%	1,148,563	22,162,167	98.75%
2021		23,690,707	22,354,630	94.36%	861,054	23,215,684	97.99%
2022		26,191,777	24,692,964	94.28%	262,814	24,955,778	95.28%
2023		26,722,065	25,211,029	94.35%	-	25,211,029	94.35%

Source: Commissioner of Revenue, County Treasurer's office

(1) Exclusive of penalties and interest.

(2) Does not include land redemptions.

(3) Does not include PPTRA reimbursements from the Commonwealth of Virginia.

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						
	General Obligation Bonds	Refunding/ Revenue Bonds	Leases	Loans	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2014	\$ 59,833,166	\$ 3,880,485	\$ -	\$ 211,504	\$ 63,925,155	8.34%	\$ 2,654
2015	46,638,047	14,693,377	-	155,360	61,486,784	7.81%	2,592
2016	44,733,233	14,119,124	-	92,235	58,944,592	7.13%	2,499
2017	43,294,677	16,277,776	-	27,255	59,599,708	7.03%	2,518
2018	41,199,702	15,572,683	-	352,625	57,125,010	6.55%	2,397
2019	39,028,423	14,832,940	-	278,904	54,140,267	6.03%	2,269
2020	36,779,948	14,077,337	-	356,088	51,213,373	5.43%	2,135
2021	34,448,737	13,371,259	-	6,993,957	54,813,953	5.51%	2,312
2022	32,108,370	18,226,000	210,888	6,854,093	57,399,351	5.20%	2,411
2023	29,678,079	23,202,084	405,281	6,285,720	59,571,164	5.11%	2,508

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics - Table 14

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

<b>Fiscal Year</b>	<b>Gross Bonded Debt</b>	<b>Less: Amounts Reserved for Debt Service</b>	<b>Net Bonded Debt (3)</b>	<b>Ratio of Net General Obligation Debt to Assessed Value (2)</b>	<b>Net Bonded Debt per Capita (1)</b>
2014	\$ 63,713,651	\$ -	\$ 63,713,651	2.80%	\$ 2,646
2015	61,331,424	-	61,331,424	2.69%	2,586
2016	58,852,357	-	58,852,357	2.56%	2,495
2017	59,572,453	-	59,572,453	2.58%	2,517
2018	56,772,385	-	56,772,385	2.43%	2,382
2019	53,861,363	-	53,861,363	2.29%	2,258
2020	50,857,285	-	50,857,285	2.15%	2,121
2021	47,819,996	-	47,819,996	1.90%	2,017
2022	50,334,370	-	50,334,370	1.88%	2,114
2023	52,880,163	-	52,880,163	1.96%	2,227

(1) Population data can be found in the Schedule of Demographic and Economic Statistics - Table 14

(2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property - Table 7  
financing leases, leases, and compensated absences.

Direct and Overlapping Governmental Activities Debt  
June 30, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage</u>	<u>Amount Applicable to Primary Government</u>
Town of Luray, Virginia	\$ 7,071,638	20.28%	\$ 1,434,277
County of Page, Virginia direct debt			<u>59,571,164</u>
			<u>\$ 61,005,441</u>

Sources: Outstanding debt and applicable percentages provided by the Town of Luray, Virginia.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the County of Page, Virginia. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.



Demographic and Economic Statistics  
Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemploy- ment Rate</b>
2014	24,083	\$ 766,417,392	\$ 31,824	44.4	3,541	8.10%
2015	23,719	786,806,668	33,172	44.8	3,506	6.90%
2016	23,586	827,278,950	35,075	44.6	3,459	5.60%
2017	23,665	847,396,320	35,808	44.7	3,438	4.80%
2018	23,833	872,311,633	36,601	44.7	3,438	5.30%
2019	23,857	898,120,622	37,646	44.7	3,332	5.30%
2020	23,983	942,915,628	39,316	45.1	3,354	9.00%
2021	23,709	994,474,005	41,945	45.4	3,213	4.90%
2022	23,807	1,104,311,502	46,386	45.3	3,033	3.00%
2023	23,750	1,165,768,750	49,085	45.3	3,011	3.00%

Prior year estimates are updated as information becomes available.

Principal Employers  
Current Year and Nine Years Prior

<b>Employer</b>	<b>Fiscal Year 2023</b>		<b>Fiscal Year 2014</b>	
	<b>Employees</b>	<b>Rank</b>	<b>Employees</b>	<b>Rank</b>
Page County School Board	500 to 999	1	500 to 999	1
Wal-Mart	100 to 249	2	100 to 249	6
Masonite Corp.	100 to 249	3	250 to 499	2
County of Page	100 to 249	4	100 to 249	3
DNC P&R at Shenandoah	100 to 249	5	100 to 249	8
Valley Health System	100 to 249	6	100 to 249	5
Emco Enterprises	100 to 249	7	100 to 249	7
Luray Caverns	50 to 99	8	50 to 99	9
SMS Cleaning and Housekeeping	50 to 99	9	0	-
U.S. National Park Service	50 to 99	10	50 to 99	10
Kontoor (VF Jeanswear)	50 to 99	-	100 to 249	4

Source: Virginia LMI (Labor Market Information) - Based on LMI Tools: Industry for 2nd quarter of each (June 30 end date)

COUNTY OF PAGE, VIRGINIA

Full-time Equivalent County Government Employees by Function  
Last Ten Fiscal Years

Function	2014	2015	2016	2017	2018	2019	2020
General government administration	27	27	29	28	28	28	32
Judicial administration	12	11	11	11	11	11	12
Public safety:							
Sheriff's department	60	57	57	58	58	58	64
Fire and rescue	10	10	12	11	11	14	16
Building inspections	2	2	2	2	2	2	2
Animal shelter	2	2	2	2	2	2	3
Animal control	2	2	2	2	2	2	2
Emergency communications	10	9	9	11	11	11	15
Public works:							
General maintenance	3	3	3	3	2	3	3
Landfill	14	14	13	12	12	12	12
Health and welfare:							
Children's Services	1	0	1	0	0	0	0
Culture and recreation:							
Parks and recreation	1	1	1	1	1	1	1
Community development:							
Planning & Community Development	4	3	3	3	3	3	3
Economic Development	1	1	1	1	1	1	1
Totals	<u>149</u>	<u>142</u>	<u>146</u>	<u>145</u>	<u>144</u>	<u>148</u>	<u>166</u>

Source: Individual County departments

**Table 16**

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<u>2021</u>	<u>2022</u>	<u>2023</u>
30	30	29
13	13	13
63	66	69
16	20	20
2	2	2
3	3	3
2	2	2
12	11	14
3	3	3
13	14	14
0	0	0
1	1	1
3	3	3
2	3	3
<u>163</u>	<u>171</u>	<u>176</u>

## COUNTY OF PAGE, VIRGINIA

### Operating Indicators by Function Last Ten Fiscal Years

Function	2014	2015	2016	2017	2018	2019
Public safety						
Sheriff's department:						
Physical arrests						
Traffic violations/arrests	1669	912	784	1394	1428	782
Civil papers	14771	14790	14452	14720	15020	15359
Fire and rescue:						
Number of calls answered	5193	5280	5586	6075	4400	4117
Building inspections:						
Permits issued	276	321	408	405	456	385
Animal control:						
Number of calls answered	1310	1144	1310	1434	1439	1532
Public works						
Landfill:						
Refuse collected (tons/day)	155.029	146.425	153.323	132.092	159.240	159.770
Recycling (tons/day)	4.61393	2.92580	3.97869	3.34058	5.87000	5.88000
Health and welfare						
Department of Social Services:						
Caseload	7239	6671	6337	6666	6658	6204
Culture and recreation						
Parks and recreation:						
Youth sports participants	849	789	779	689	681	654
Community development						
Planning:						
Zoning permits issued	177	194	195	260	294	230
Component Unit - School Board						
Education:						
School age population	4352	4223	4096	4096	4109	4110
Number of teachers	303	295	294	285	282	286
Local expenditures per pupil	3005	3121	2958	3057	3059	3369

Source: Individual County departments

\* Information unavailable

\*\*Fire and Rescue Call Monitoring System Transition Occurred This Fiscal Year

**Table 17**

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<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
487	1604	1187	575
15089	13146	12169	38122
2922	4713	3569	3897
399	493	589	648
1233	1290	1627	1698
188.000	177.879	303.497	403.812
6.38000	9.145	5.092	4.360
6831	7405	7501	8750
504	315	771	915
272	304	358	377
4055	3213	3033	3011
270	272	262	262
3259	3864	3629	3783

**COUNTY OF PAGE, VIRGINIA**Capital Asset Statistics by Function  
Last Ten Fiscal Years

<b>Function</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
General government						
Administration buildings	1	1	1	1	1	1
Vehicles	8	8	8	8	9	9
Public safety						
Sheriff's department:						
Patrol units	69	69	69	71	74	74
Building inspections:						
Vehicles	3	3	3	3	3	3
Animal control:						
Vehicles	2	2	2	2	2	2
Animal Shelter						
Vehicles	1	1	1	1	1	1
Administration buildings	1	1	1	1	1	1
Public works						
General maintenance:						
Trucks/vehicles	4	4	4	4	4	4
Landfill:						
Vehicles	2	2	2	2	2	2
Equipment	14	14	15	15	15	15
Sites	2	2	2	2	2	2
Health and welfare						
Department of Social Services:						
Vehicles	4	4	4	4	4	4
Culture and recreation						
Parks and recreation:						
Vehicles	1	1	1	1	1	1
Community development						
Planning:						
Vehicles	2	2	2	2	2	2
Component Unit - School Board						
Education:						
Schools	9	9	9	10	10	10
School buses	84	84	84	84	88	88

Source: Individual County departments

**Table 18**

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<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
1	1	1	1
2	9	9	8
69	72	69	74
3	3	3	3
2	2	2	2
1	1	1	1
1	1	1	1
4	4	6	6
11	12	10	9
17	15	13	12
2	2	2	2
7	7	7	5
0	0	0	0
2	2	1	1
10	10	10	10
83	62	68	57



## **COMPLIANCE SECTION**



**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**

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**TO THE HONORABLE MEMBERS OF THE BOARD OF SUPERVISORS  
COUNTY OF PAGE, VIRGINIA**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the discretely presented component units, each major fund and the aggregate remaining fund information of County of Page, Virginia, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise County of Page, Virginia's basic financial statements, and have issued our report thereon dated December 8, 2023.

**Report on Internal Control over Financial Reporting**

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

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

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

## Report on Compliance and Other Matters

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

### Purpose of this Report

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

*Robinson, Farmer, Cox Associates*

Staunton, Virginia  
December 8, 2023



ROBINSON, FARMER, COX ASSOCIATES, PLLC

*Certified Public Accountants*

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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**TO THE HONORABLE MEMBERS OF THE BOARD OF SUPERVISORS  
COUNTY OF PAGE, VIRGINIA**

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

***Opinion on Each Major Federal Program***

We have audited County of Page, Virginia's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of County of Page, Virginia's major federal programs for the year ended June 30, 2023. County of Page, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

County of Page Virginia's basic financial statements include the operations of the Component Unit Luray-Page Airport Authority, which received \$441,322 in federal awards which is not included in the schedule of federal awards during the year ended June 30, 2023. Our audit, described below, did not include the operations of the Component Unit Luray-Page Airport Authority because the Authority issued its own audit of compliance with the Uniform Guidance.

In our opinion, County of Page, Virginia complied, in all material respects, with the 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, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

## ***Responsibilities of Management for Compliance***

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

## ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

## ***Report on Internal Control over Compliance***

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

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

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

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

*Robinson, Finner, Cox Associates*

Staunton, Virginia

December 8, 2023

COUNTY OF PAGE, VIRGINIA

Schedule of Expenditures of Federal Awards  
Primary Government and Discretely Presented Component Unit School Board  
Year Ended June 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal AL Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Pass-through to Subrecipients
<b>PRIMARY GOVERNMENT:</b>				
Department of Agriculture:				
Pass Through Payments:				
Department of Social Services:				
Supplemental Nutrition Assistance Program Cluster:				
State Administrative Matching Grants For the				
Supplemental Nutrition Assistance Program	10.561	Not available	\$ 401,674	\$ -
Department of Health and Human Services:				
Pass Through Payments:				
Department of Social Services:				
Foster Care - Title IV-E	93.658	Not available	\$ 212,956	\$ -
Adoption Assistance	93.659	Not available	269,081	-
Temporary Assistance for Needy Families	93.558	Not available	200,972	-
Refugee and Entrant Assistance State/Replacement Designee				
Administered Programs	93.566	Not available	800	-
Low-Income Home Energy Assistance	93.568	Not available	41,460	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Not available	392	-
Social Services Block Grant	93.667	Not available	154,390	-
John H. Chafee Foster Care Program for Successful Transition to				
Adulthood	93.674	Not available	24,126	-
Guardianship Assistance	93.090	Not available	90	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556	Not available	21,320	-
Medicaid Cluster:				
Medical Assistance Program	93.778	Not available	207,219	-
Elder Abuse Prevention Program	93.747	Not available	12,283	-
Children's Health Insurance Program	93.767	Not available	1,858	-
Title IV-E Prevention Program	93.472	Not available	3,622	-
Chafee Education and Training Vouchers Program	93.599	Not available	600	-
Child Care and Development Fund Cluster				
Child Care Mandatory and Matching Funds of the Child Care				
and Development Fund	93.596	Not available	47,729	-
Total Department of Health and Human Services			\$ 1,198,898	\$ -
Department of Justice:				
Pass Through Payments:				
Department of Criminal Justice Services:				
Bullet Proof Vest Partnership Program	16.607	Not Available	\$ 533	\$ -
Local Law Enforcement De-Escalation Grants	16.710	Not Available	115,586	-
Public Safety Partnerships and Community Policing Grants	16.710	Not Available	183,951	-
Crime Victim Assistance	16.575	23O1625VW19	46,540	-
Juvenile Justice and Delinquency Prevention	16.540	18DJBX0728	58,314	-
Coronavirus Emergency Supplemental Funding (CESF)	16.034	20VDBX0141	40,293	-
Comprehensive Opioid, Stimulus, and Substance Abuse Program	16.838	Not Available	234,121	-
Drug Court Discretionary Grant Program	16.585	Not Available	140,682	-
Local Law Enforcement Grant	16.592	2020MUBX0035	1,910	-
Subtotal			\$ 821,930	\$ -
Total Department of Justice			\$ 821,930	\$ -
Department of Labor:				
Pass Through Payments:				
Virginia Community College System:				
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
WIOA Adult Program	17.258	LWDA 4-21-03	\$ 468,460	\$ 468,460
WIOA Adult Program	17.258	LWDA 4-21-04	503,000	503,000
WIOA Adult Program	17.258	SECURE-4-20-03	64,140	64,140
Subtotal WIOA Adult Program			\$ 1,035,600	\$ 1,035,600
WIOA Dislocated Worker Formula Grants	17.278	LWDA 4-21-03	\$ 191,729	\$ 191,729
WIOA Dislocated Worker Formula Grants	17.278	LWDA 4-22-04	8,019	8,019
WIOA Dislocated Worker Formula Grants	17.278	WIG 21-04-01	50,193	50,193
Subtotal WIOA Dislocated Worker Formula Grants			\$ 249,941	\$ 249,941
WIOA Youth Activities	17.259	LWDA 4-21-03	\$ 294,133	\$ 294,133
WIOA Youth Activities	17.259	LWDA 4-22-04	164,703	164,703
WIOA Youth Activities	17.259	SECURE 23-4-21-01	36,280	36,280
Subtotal WIOA Youth Activities			\$ 495,116	\$ 495,116
Total Workforce Innovation and Opportunity Act (WIOA) Cluster			\$ 1,780,657	\$ 1,780,657
Total Department of Labor			\$ 1,780,657	\$ 1,780,657
Department of Homeland Security:				
Pass Through Payments:				
Department of Emergency Management:				
Homeland Security Grant Program	97.067	EMW-2022-SS-00096	\$ 24,746	\$ -
Emergency Management Performance Grant	97.042	EMP-2020-EP-00005/00004	7,700	-
Total Department of Homeland Security			\$ 32,446	\$ -

COUNTY OF PAGE, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)  
Primary Government and Discretely Presented Component Unit School Board  
Year Ended June 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal AL Number	Pass-through Entity Identifying Number	Federal Expenditures	Pass-through to Subrecipients
Department of Transportation:				
Pass Through Payments:				
Department of Motor Vehicles:				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	FSC 2022- 52408, FOP 2022-52049, BPT 2023-53132	\$ 8,009	\$ -
Alcohol Open Container Requirements	20.607	154AL-2022	\$ 2,007	\$ -
Total Department of Transportation			\$ 10,016	\$ -
Department of Treasury:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	Not Available	\$ 3,880,997	-
Pass Through Payments:				
Department of Social Services:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	Not Available	1,691	\$ -
Pass Through Payments:				
Department of Education:				
HVAC ARPA Construction	21.027	Unavailable	\$ 581,748	\$ -
Total Department of Treasury			\$ 4,464,436	\$ -
Department of Education:				
Pass Through Payments:				
Department of Education:				
COVID-19 American Rescue Plan-Elementary and Secondary School Emergency Relief Funds	84.425U	APE60177000	\$ 1,660,245	\$ -
Total Expenditures of Federal Awards - Primary Government			\$ 10,370,302	\$ 1,780,657
<b>COMPONENT UNIT SCHOOL BOARD:</b>				
Department of Agriculture:				
Pass Through Payments:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	APE402530000	\$ 329,171	\$ 329,171
National School Lunch Program	10.555	APE402540000	1,035,652	1,035,652
Department of Agriculture:				
Commodities-School Lunch	10.555	Not Available	240,310	-
Subtotal AL 10.555			\$ 1,275,962	\$ 1,035,652
Summer Food Service Program for Children	10.559	APE603030000	94,398	-
Total Child Nutrition Cluster			\$ 1,699,531	\$ -
Child and Adult Food Care Program	10.558	APE700270000	60,230	-
NSLP Equipment Assistance	10.579	Not Available	11,150	-
COVID-19 Pandemic EBT Administrative Costs	10.649	DOE86556	3,135	-
Forest Service Schools and Roads Cluster:				
Schools and Roads-Grants to States	10.665	APE438410000	29,092	-
Total Department of Agriculture			\$ 1,803,138	\$ -
Department of Treasury:				
Pass Through Payments:				
Department of Education:				
ARPA Pandemic Bonus	21.027	Unavailable	\$ 336,116	\$ -
Department of Health and Human Services:				
Pass Through Payments:				
Department of Education:				
Public Health Crisis Response	93.354	Unavailable	\$ 52,240	\$ -
Department of Education:				
Pass Through Payments:				
Department of Education:				
Title I Grants to Local Educational Agencies	84.010	APE429010000	\$ 970,765	\$ -
School improvement Grants	84.377	APE43040000	15,254	-
Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act:				
COVID-19 American Rescue Plan-Elementary and Secondary School Emergency Relief Funds	84.425U	APE50195/50183/50189/50193	\$ 262,480	\$ -
COVID-19 American Rescue Plan-Elementary and Secondary School Emergency Relief Funds	84.425D	APE50195/50183/50189/50193	178,567	-
Special Education (IDEA) Cluster:				
Special Education - Grants to States	84.027	APE430710000	\$ 710,427	\$ -
Special Education - Preschool Grants	84.173	APE625210000	24,100	-
Total Special Education (IDEA) Cluster			\$ 734,527	\$ -
Career and Technical Education				
Basic Grants to States	84.048	APE606310000	75,571	-
Student Support and Academic Enrichment Program	84.424	APE602810000	63,436	-
Supporting Effective Instruction State Grants	84.367	APE600220000	135,948	-
Total Department of Education			\$ 2,436,548	\$ -
Total Expenditures of Federal Awards - Component Unit School Board			\$ 4,628,042	\$ -
Total Expenditures of Federal Awards - Reporting Entity			\$ 14,998,344	\$ 1,780,657



COUNTY OF PAGE, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)  
Primary Government and Discretely Presented Component Unit School Board  
Year Ended June 30, 2023

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Notes to Schedule of Expenditures of Federal Awards

**NOTE 1-BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of Page, Virginia under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County of Page, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County of Page, Virginia.

**NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) County of Page, Virginia has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

(3) Pass-through entity identifying numbers are presented where available.

**NOTE 3-FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2023, the County had food commodities totaling \$99,276 in inventory.

**NOTE 4- MATCHING COSTS**

Matching costs, the nonfederal share of certain program costs are not included in the Schedule.

**NOTE 5- LOANS**

County of Page had no federal loans required to be presented in the Schedule.

**NOTE 6-SUBRECIPIENTS**

No funds were passed through to subrecipients

**NOTE 7-RELATIONSHIP TO FINANCIAL STATEMENTS**

Intergovernmental federal revenues per the basic financial statements:

Primary government:	
General Fund	\$ 4,958,205
Department of the Interior-Payment in Lieu of Taxes	(212,816)
Special Revenue Funds:	
Workforce Investment Act Fund	1,780,657
Virginia Public Assistance Fund	1,602,263
Capital Projects Fund	
County Capital Improvements Fund	2,241,993
Total primary government	\$ 10,370,302
Discretely presented component unit - School Board:	
School operating fund	\$ 2,853,996
School cafeteria fund	1,774,046
Total discretely presented component unit - School Board	\$ 4,628,042
Total federal expenditures per the Schedule of Expenditures of Federal awards	\$ 14,998,344

**COUNTY OF PAGE, VIRGINIA**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

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**Section I-Summary of Auditors' Results**

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Financial Statements

Type of auditors' report issued unmodified

Internal control over financial reporting:

- Material weakness(es) identified?        yes   x   no

- Significant deficiency(ies) identified?        yes   x   none reported

Noncompliance material to financial statements noted?        yes   x   no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?        yes   x   no

- Significant deficiency(ies) identified?        yes   x   none reported

Type of auditors' report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?        yes   x   no

Identification of major programs:

<u>AL Numbers</u>	<u>Name of Federal Program or Cluster</u>
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21.027	..... Coronavirus State and Local Fiscal Recovery Funds
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**Child Nutrition Cluster**

10.553	..... School Breakfast Program
10.555	..... National School Lunch Program
10.555	..... Food Distribution
10.559	..... COVID 19 Summer Food Service Program for Children (SFSPC)

84.425	..... Education Stabilization Fund
10.561	..... Supplemental Nutrition Assistance Program

Dollar threshold used to distinguish between type A and type B programs:           \$750,000          

Auditee qualified as low-risk auditee?        yes   x   no

**Section II-Financial Statement Findings**

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None

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

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None

**COUNTY OF PAGE, VIRGINIA**

Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2023

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**Section IV-Status of Prior Year Audit Findings and Questioned Costs**

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**Department of Education:  
2022-001**

**84.425C American Rescue Plan-Elementary and Secondary School Emergency Relief Funds**

Condition: Per the Office of Management and Budget Compliance Supplement and the Cost Principles for for State, Local, and Indian Tribe Governments, claims for reimbursements must be for actual costs incurred.

Recommendation: Policies and procedures should be in place to properly use the appropriate project codes set aside in RDA when requesting reimbursement to ensure expenditures are only requested

Current Status: During FY 2023, amounts questioned were properly reduced from current year expenditures. No similar findings were noted in the 2023 audit.