

COUNTY OF PAGE, VIRGINIA



ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED
JUNE 30, 2022

COUNTY OF PAGE, VIRGINIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022

Prepared by
Finance Department
Page County, Virginia

**COUNTY OF PAGE, VIRGINIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022**

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INTRODUCTORY SECTION

January 3, 2022

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 2022. 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, 2022, 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 gaps 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 2013, the median age was about 44.2 years, and it has risen to 45.3 years in 2022. 25.4% 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, County's unemployment rate spiked up to 14.1%. It has since declined to has declined to 3.0% by the end of the FY 2022. The County has remained resilient amid the economic turmoil caused by the pandemic.

In FY 2021, the General Fund's fund balance increased by over \$4.6 million, and it increased again in FY 2022 by \$2.4 million. The fund balance increase in FY 2022 was mostly caused by a nearly \$2.3 million increase in property tax revenue, which was a result of higher market values for vehicles. Local sales tax revenue also increased as consumers and tourists resumed their pre-pandemic shopping behaviors. Additionally, at the end of FY 2022, the County transferred \$700,000 of unspent budgeted funds to its Capital Projects Fund, which includes the Landfill Construction Fund. The majority of these unspent funds have been earmarked for the construction of Battle Creek Landfill's newest cell.

During FY 2023 and FY 2024, over \$3 million of the County's fund balance will be spent on a broadband infrastructure project, which will provide Internet access to remote areas within the County. Additionally, nearly \$1 million of the fund balance will likely be used to do additional excavation at the landfill. This will help the County save money on the next landfill cell by cutting the equipment mobilization costs. Even though the County will be spending some of its fund balance savings, it will still have a very healthy balance remaining.

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. Moreover, to cut costs for citizens, the County has removed all landfill tipping charges on residential household waste.

As always, the County strives to be fiscally prudent. In FY 2022, the County refinanced two of its bonds and the School Board's equipment lease. The new refunding bonds have lower interest rates, which will result in a savings of \$1 million over the life of the debt. As a result, the County no longer has to transfer local funds to the School Board for the equipment lease payments. Instead, the County pays the debt directly and at a smaller cost.

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 was able to expand its emergency medical services and begin providing dedicated 24/7 ambulance coverage to the Town of Stanley. Previously, the Town had gaps in coverage, during which ambulances from other Towns would serve the area. Using ARPA funds, the Sheriff's Office also expanded its

services by hiring two new employees for its drug interdiction team. The School Board used a substantial amount of its ARPA funds for HVAC repairs in its aging buildings.

In FY 2022, another priority was constructing new infrastructure, such as the Next Generation 9-1-1 radio system and broadband fiber optic cables. The radio project began in FY 2021 and will be completed in FY 2023. Once finished, there will be a reduction in dead zones and increased communication capabilities for County, fire, rescue, law enforcement, and school system employees. The construction of the broadband infrastructure will begin in FY 2023 and bring Internet access to remote areas within the County, which will benefit residents greatly. Fortunately, ARPA has identified broadband expenditures as an eligible use of the funds; therefore, about half of the \$7.8 million broadband project will be paid for with ARPA funds. The remaining will come from the County's fund balance savings.

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, 2022 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 2021, 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 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, 2021. This was the fifth 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**

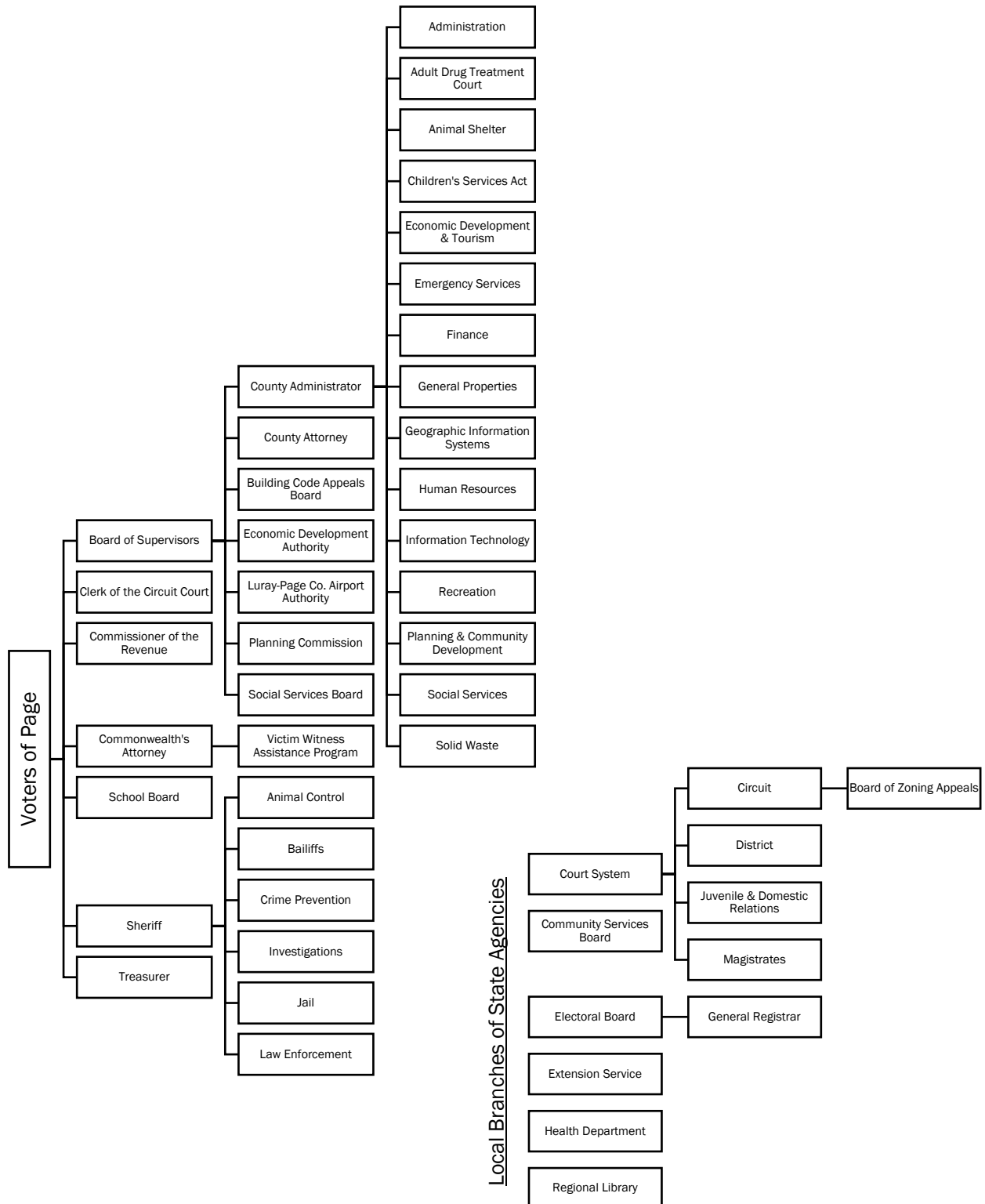
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

ORGANIZATIONAL CHART



COUNTY OF PAGE, VIRGINIA

BOARD OF SUPERVISORS

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

OFFICIALS

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

Beth Ancell	Darris Ritenour
Chris Ponn	Del Price

FINANCIAL SECTION



Independent Auditors' Report

**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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the 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, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. 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.

Change in Accounting Principle

As described in Note 3 to the financial statements, in 2022, the County adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Restatement of Beginning Balances

As described in Note 24 to the financial statements, in 2022, 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 28, 2022, 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, Farmer, Cox Associates

Staunton, Virginia
December 28, 2022

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, 2022.

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 \$3,850,894. Of this amount, \$196,390 was unrestricted. The School Board's net position was \$11,312,405 of which \$(30,063,908) is unrestricted.

As of the close of the fiscal year, the County's governmental funds reported a combined ending fund balance of \$27,557,275, an increase of \$2,408,956 in comparison to the prior year. The unassigned fund balance is \$21,010,863 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 2022, the County nearly tripled its net position. A large contributing factor was the increase in cash and cash equivalents, which increased 22.9% to \$27,869,401. The cash balance was boosted by the County's profitability and the federal funds received from the American Rescue Plan Act.

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

		2022	2021
Current and Other Assets	\$	54,097,522	\$ 46,719,527
Capital Assets		44,405,021	43,486,800
Total Assets	\$	98,502,543	\$ 90,206,327
 Pension Related Items	\$	2,190,711	\$ 2,405,009
OPEB Related Items		533,908	409,511
Total Deferred Outflows	\$	2,724,619	\$ 2,814,520
 Long-Term Liabilities	\$	70,049,603	\$ 71,522,227
Other Liabilities		8,036,412	6,546,314
Total Liabilities	\$	78,086,015	\$ 78,068,541
 Deferred Revenue-Property Taxes	\$	13,112,821	\$ 12,343,449
Items Related to Net Pension Liability		4,973,745	87,670
OPEB Related Items		1,173,779	1,211,378
Lease Related Items		29,908	-
Total Deferred Inflows	\$	19,290,253	\$ 13,642,497
 Net Investment in Capital Assets	\$	1,773,590	\$ 4,764,062
Restricted		1,880,914	6,039,897
Unrestricted		196,390	(9,494,150)
Total Net Position	\$	3,850,894	\$ 1,309,809

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 2022, there is no restricted net position to report.

Governmental Activities

Governmental activities have increased the County's net position by \$2,541,085. Revenues have increased in the past year by a little over 1.3%. As shown below, there were substantial increases in charges for services and general property tax revenue. Charges for services, which include landfill tipping fees, increased due to the County's new landfill customers. The increase in vehicle market values resulted in additional general property tax revenue.

Expenditures, on the other hand, increased by over 11.8%. The majority of this increase came from education expenses. In FY 2022, the County's Board of Supervisors earmarked \$1 million for school-related capital projects, which the School Board mostly used for parking lot repairs, classroom furniture, and playground equipment. Additionally, the School Board utilized its funding provided by the American Rescue Plan Act to repair its aging buildings.

CHANGES IN NET POSITION For the Year Ended June 30, 2022 Governmental Activities

Revenues:	2022	2021
Program Revenues:		
Charges for Services	\$ 4,704,216	\$ 3,186,441
Operating Grants and Contributions	8,514,890	14,427,600
Capital Grants and Contributions	2,202,026	563,357
General Revenues:		
General Property Taxes	26,892,415	24,633,848
Other Local Taxes	5,490,818	5,211,716
Use of Money and Property	31,257	59,325
Miscellaneous	925,160	380,218
Grants and Cont. Not Restricted	2,633,556	2,243,192
Total Revenues	\$ 51,394,338	\$ 50,705,697
Expenses:		
General Government	\$ 4,025,737	\$ 5,237,076
Judicial Administration	1,592,641	1,512,238
Public Safety	11,541,249	11,032,972
Public Works	3,223,497	2,891,086
Health and Welfare	4,537,147	4,405,873
Education	18,256,733	11,129,654
Parks, Recreation, and Cultural	353,237	378,063
Community Development	3,143,191	4,958,491
Interest on Long-Term Debt	2,179,821	2,125,383
Total Expenses	\$ 48,853,253	\$ 43,670,836
Changes in Net Position	\$ 2,541,085	\$ 7,034,861
Net Position, Beginning	1,309,809	(5,725,052)
Net Position, Ending	\$ 3,850,894	\$ 1,309,809

In FY 2023, expenditures are likely to remain elevated. The County will spend the majority of its funds provided by the American Rescue Plan on a last-mile broadband project. Additionally, interest on long-term debt is expected to increase as the County begins paying back the debt it acquired to fund the construction of the next landfill cell. To pay this debt, the County is planning on using the revenue from the new landfill customers.

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 \$27,557,275, which is an increase of \$2,408,956 over the prior year. The unassigned fund balance increased \$2,343,212 over the period measured.

The general fund is the chief operating fund of the County. As of June 30, 2022, the total fund balance was \$22,499,450, of which \$21,010,863 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 final budget by \$1,451,655 mainly due to increases in personal property taxes, local sales taxes, and transient occupancy taxes (TOT). Due to new vehicle shortages and supply chain issues, vehicle values have sharply risen, which have caused an increase in personal property taxes. Consequently, the Board of Supervisors decreased the personal property tax rate for calendar year 2022. Sales taxes and TOT continued their growth as the economy rebounds from the pandemic.

Actual expenditures exceeded the final expenditure budget by \$769,966. The majority of this was caused by the cash outflows associated with the debt refinancing paid to the Component Unit School Board, which was not included in the original budget.

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-to-own equipment, and construction in process. In FY 2022, the County's largest capital purchases were associated with the NG9-1-1 radio project, which will be completed in FY 2023.

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

Governmental Activities	2022	2021
Land	\$ 2,630,064	\$ 2,630,064
Buildings	34,181,078	36,518,749
Machinery and Equipment	2,692,070	1,709,901
Lease assets	201,292	-
Construction in Progress	4,901,809	2,628,086
Totals	\$ 44,606,313	\$ 43,486,800

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. 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 \$7,058,734 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 our long-term debt. Since the County has a net asset in FY 2022, the liability balance is now zero. 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, 2022

Governmental Activities	2022	2021
General Obligation Bonds	\$ 31,748,185	\$ 34,051,339
Revenue Bonds	1,584,000	13,371,259
Refunding Bonds	16,642,000	-
Premiums on Bond Issuance	360,195	397,398
Loans Payable	6,854,093	6,993,957
Lease Liabilities	204,641	-
Landfill Closure/Post-Closure	8,890,380	8,271,260
Net Pension Liability	-	4,818,276
Net OPEB Obligation	2,981,209	2,865,321
Compensated Absences	784,900	753,417
Total Outstanding Debt	\$ 70,049,603	\$ 71,522,227

Additional information on the County's long-term debt can be found in the notes (Note 13) to the financial statements.

Economic Factors and Next Year's Budget

As of the end of this reporting period, unemployment was at 3.0% for Page County, which is a significant decrease from the 4.9% rate in at the end of FY 2021. The County's unemployment rate matched that of the state, and both are below the national rate of 3.8%. Since FY 2020, the rate has decreased as the local economy has rebounded from the coronavirus pandemic. Although the economy has continued to improve, high inflation has caused a spike in operational costs. To avoid raising taxes, the County will need to identify and reallocate savings when preparing next year's budget.

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, 2022

	Primary Government	Component Unit	Component Unit	Component Unit
	Governmental Activities	School Board	Economic Development Authority	Luray-Page Airport Authority
ASSETS				
Cash and cash equivalents	\$ 27,869,401	\$ 2,364,466	\$ 276,780	\$ 318,694
Receivables (net of allowance for uncollectibles):				
Taxes receivable	16,735,091	-	-	-
Accounts receivable	1,174,024	120,014	11,500	28,095
Leases receivable	31,841	44,776		240,373
Notes receivable	-	-	49,863	-
Due from primary government	-	1,801,306	-	-
Due from other governmental units	1,822,337	3,005,544	-	4,840
Inventories	-	57,805	-	77,895
Prepaid items	98,379	205,713	-	-
Restricted assets:				
Cash and cash equivalents	4,747,544	-	-	-
Net pension asset	1,417,613	386,947	-	-
Capital assets (net of accumulated depreciation):				
Land	2,630,064	977,491	2,751,000	1,936,386
Buildings and improvements	34,181,078	34,769,805	-	11,775,822
Machinery and equipment	2,692,070	3,355,428	-	112,076
Construction in progress	4,901,809	2,485,173	-	149,814
Lease assets:				
Machinery and equipment	201,292	231,583	-	-
Total assets	\$ 98,502,543	\$ 49,806,051	\$ 3,089,143	\$ 14,643,995
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	\$ 2,190,711	\$ 6,391,663	\$ -	\$ -
OPEB related items	533,908	1,049,378	-	-
Total deferred outflows of resources	\$ 2,724,619	\$ 7,441,041	\$ -	\$ -
LIABILITIES				
Accounts payable	\$ 971,551	\$ 1,526,147	\$ 1,200	\$ 6,050
Accrued liabilities	459,617	3,072,372	-	-
Retainage payable	-	626,729	-	-
Customers' deposits	-	-	-	3,630
Accrued interest payable	809,549	2,668	-	-
Due to component unit	1,801,306	-	-	-
Unearned revenue	3,994,389	-	-	-
Long-term liabilities:				
Due within one year	4,520,723	147,164	3,445	-
Due in more than one year	65,528,880	23,560,302	46,418	1,448,550
Total liabilities	\$ 78,086,015	\$ 28,935,382	\$ 51,063	\$ 1,458,230
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue-property taxes	\$ 13,112,821	\$ -	\$ -	\$ -
Pension related items	4,973,745	14,491,578	-	-
OPEB related items	1,173,779	2,463,091	-	-
Lease related	29,908	44,636	-	240,373
Total deferred inflows of resources	\$ 19,290,253	\$ 16,999,305	\$ -	\$ 240,373
NET POSITION				
Net investment in capital assets	\$ 1,773,590	\$ 40,962,366	\$ 2,751,000	\$ 12,525,548
Restricted:				
Net pension asset	1,417,613	386,947	-	-
Opioid settlement	463,301	-	-	-
Unrestricted	196,390	(30,036,908)	287,080	419,844
Total net position	\$ 3,850,894	\$ 11,312,405	\$ 3,038,080	\$ 12,945,392

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

COUNTY OF PAGE, VIRGINIA

Statement of Activities
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government administration	\$ 4,025,737	\$ 451,556	\$ 407,206	\$ -
Judicial administration	1,592,641	79,779	762,349	-
Public safety	11,541,249	636,595	3,622,073	189,949
Public works	3,223,497	3,494,287	15,865	-
Health and welfare	4,537,147	12,142	3,050,682	-
Education	18,256,733	-	-	-
Parks, recreation, and cultural	353,237	25,037	-	-
Community development	3,143,191	4,820	656,715	2,012,077
Interest on long-term debt	2,179,821	-	-	-
Total governmental activities	\$ 48,853,253	\$ 4,704,216	\$ 8,514,890	\$ 2,202,026

COMPONENT UNITS:

School Board	\$ 39,010,920	\$ 365,453	\$ 33,974,134	\$ -
Economic Development Authority	59,567	-	59,596	-
Luray-Page Airport Authority	896,157	430,042	-	288,989
Total component units	<u>\$ 39,966,644</u>	<u>\$ 795,495</u>	<u>\$ 34,033,730</u>	<u>\$ 288,989</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, as restated
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	
\$ (3,166,975)	\$ -	\$ -	\$ -	
(750,513)	-	-	-	
(7,092,632)	-	-	-	
286,655	-	-	-	
(1,474,323)	-	-	-	
(18,256,733)	-	-	-	
(328,200)	-	-	-	
(469,579)	-	-	-	
(2,179,821)	-	-	-	
<u>\$ (33,432,121)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
\$ -	\$ (4,671,333)	\$ -	\$ -	
-	-	29	-	
-	-	-	(177,126)	
<u>\$ -</u>	<u>\$ (4,671,333)</u>	<u>\$ 29</u>	<u>\$ (177,126)</u>	
\$ 26,892,415	\$ -	\$ -	\$ -	
2,423,211	-	-	-	
477,868	-	-	-	
1,567,960	-	-	-	
344,523	-	-	-	
246,040	-	-	-	
326,130	-	-	-	
105,086	-	-	-	
31,257	70,196	2,557	3,570	
925,160	1,120,817	-	1,160	
2,633,556	18,196,834	-	-	
<u>\$ 35,973,206</u>	<u>\$ 19,387,847</u>	<u>\$ 2,557</u>	<u>\$ 4,730</u>	
\$ 2,541,085	\$ 14,716,514	\$ 2,586	\$ (172,396)	
1,309,809	(3,404,109)	3,035,494	13,117,788	
<u>\$ 3,850,894</u>	<u>\$ 11,312,405</u>	<u>\$ 3,038,080</u>	<u>\$ 12,945,392</u>	

FUND FINANCIAL STATEMENTS

Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Capital Projects Fund	Other Governmental Funds	Total
ASSETS				
Cash and cash equivalents	\$ 27,483,343	\$ 217,864	\$ 168,194	\$ 27,869,401
Receivables (net of allowance for uncollectibles):				
Taxes receivable	16,735,091	-	-	16,735,091
Accounts receivable	1,173,385	639	-	1,174,024
Leases receivable	31,841	-	-	31,841
Due from other funds	202,567	-	46,873	249,440
Due from other governmental units	1,500,535	-	321,802	1,822,337
Prepaid items	39,800	58,579	-	98,379
Restricted assets:				
Cash and cash equivalents	-	4,747,544	-	4,747,544
Total assets	<u>\$ 47,166,562</u>	<u>\$ 5,024,626</u>	<u>\$ 536,869</u>	<u>\$ 52,728,057</u>
LIABILITIES				
Accounts payable	\$ 671,785	\$ 132,371	\$ 167,395	\$ 971,551
Accrued liabilities	458,280	-	1,337	459,617
Due to other funds	46,873	-	202,567	249,440
Due to component unit	1,801,306	-	-	1,801,306
Unearned revenue	3,994,389	-	-	3,994,389
Total liabilities	<u>\$ 6,972,633</u>	<u>\$ 132,371</u>	<u>\$ 371,299</u>	<u>\$ 7,476,303</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	\$ 17,201,270	\$ -	\$ -	\$ 17,201,270
Unavailable revenue-Opioid settlement	463,301	-	-	463,301
Lease related	29,908	-	-	29,908
Total deferred inflows of resources	<u>\$ 17,694,479</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,694,479</u>
FUND BALANCES				
Nonspendable:				
Prepaid items	\$ 39,800	\$ -	\$ -	\$ 39,800
Restricted:				
Capital projects	-	4,674,391	-	4,674,391
Opioid settlement	463,301	-	-	463,301
Committed:				
Parks and recreation	-	-	164,926	164,926
Assigned:				
Local DARE	2,469	-	-	2,469
Crime victim witness	42,110	-	-	42,110
Department of Justice VJCAA	131	-	-	131
Tourism	940,776	-	-	940,776
Emergency services	-	-	644	644
Capital projects	-	217,864	-	217,864
Unassigned	21,010,863	-	-	21,010,863
Total fund balances	<u>\$ 22,499,450</u>	<u>\$ 4,892,255</u>	<u>\$ 165,570</u>	<u>\$ 27,557,275</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 47,166,562</u>	<u>\$ 5,024,626</u>	<u>\$ 536,869</u>	<u>\$ 52,728,057</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, 2022

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$	27,557,275
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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		34,181,078	
Machinery and equipment		2,692,070	
Construction in progress		4,901,809	
Lease machinery and equipment		<u>201,292</u>	44,606,313

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	\$	4,088,449	
Unavailable revenue - Opioid settlement		463,301	
Net pension asset		<u>1,417,613</u>	5,969,363

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

Pension related items	\$	2,190,711	
OPEB related items		<u>533,908</u>	2,724,619

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	\$	(809,549)	
General obligation bonds		(31,748,185)	
Bond premium		(360,195)	
Revenue bonds		(1,584,000)	
Refunding bonds		(16,642,000)	
Leases liabilities		(204,641)	
Loans payable		(6,854,093)	
Landfill closure and post-closure care costs		(8,890,380)	
Compensated absences		(784,900)	
Net OPEB liabilities		<u>(2,981,209)</u>	(70,859,152)

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

Pension related items	\$	(4,973,745)	
OPEB related items		<u>(1,173,779)</u>	<u>(6,147,524)</u>

Net position of governmental activities	\$	<u><u>3,850,894</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, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Other Governmental Funds	Total
REVENUES					
General property taxes	\$ 26,327,081	\$ -	\$ -	\$ -	\$ 26,327,081
Other local taxes	5,490,818	-	-	-	5,490,818
Permits, privilege fees, and regulatory licenses	379,583	-	-	-	379,583
Fines and forfeitures	72,937	-	-	-	72,937
Revenue from the use of money and property	109,869	-	3,173	-	113,042
Charges for services	4,132,732	-	-	37,179	4,169,911
Miscellaneous	424,859	-	37,000	-	461,859
Intergovernmental:					
Commonwealth	6,356,840	-	189,949	1,526,773	8,073,562
Federal	1,933,451	1,819,550	-	1,523,909	5,276,910
Total revenues	\$ 45,228,170	\$ 1,819,550	\$ 230,122	\$ 3,087,861	\$ 50,365,703
EXPENDITURES					
Current:					
General government administration	\$ 2,966,995	\$ -	\$ -	\$ -	\$ 2,966,995
Judicial administration	1,748,888	-	-	-	1,748,888
Public safety	12,435,256	-	-	-	12,435,256
Public works	2,522,210	-	-	-	2,522,210
Health and welfare	770,007	-	-	3,957,057	4,727,064
Education	14,972,315	-	949,884	-	15,922,199
Parks, recreation, and cultural	348,771	-	-	18,543	367,314
Community development	1,411,606	1,819,550	-	-	3,231,156
Nondepartmental	885,139	-	-	-	885,139
Capital projects	-	-	3,482,186	-	3,482,186
Debt service:					
Principal retirement	3,335,135	-	-	-	3,335,135
Interest and other fiscal charges	2,249,145	-	-	-	2,249,145
Total expenditures	\$ 43,645,467	\$ 1,819,550	\$ 4,432,070	\$ 3,975,600	\$ 53,872,687
Excess (deficiency) of revenues over (under) expenditures	\$ 1,582,703	\$ -	\$ (4,201,948)	\$ (887,739)	\$ (3,506,984)
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ -	\$ -	\$ 2,222,374	\$ 894,233	\$ 3,116,607
Transfers out	(3,116,607)	-	-	-	(3,116,607)
Issuance of refunding bonds	16,642,000	-	-	-	16,642,000
Issuance of loans	-	-	614,067	-	614,067
Issuance of leases	169,081	-	-	-	169,081
Payment to refunded bond escrow agent	(11,509,208)	-	-	-	(11,509,208)
Total other financing sources (uses)	\$ 2,185,266	\$ -	\$ 2,836,441	\$ 894,233	\$ 5,915,940
Net change in fund balances	\$ 3,767,969	\$ -	\$ (1,365,507)	\$ 6,494	\$ 2,408,956
Fund balances - beginning	18,731,481	-	6,257,762	159,076	25,148,319
Fund balances - ending	\$ 22,499,450	\$ -	\$ 4,892,255	\$ 165,570	\$ 27,557,275

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, 2022

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

Net change in fund balances - total governmental funds	\$	2,408,956
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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	\$ 4,518,421	
Depreciation and amortization expense	(1,083,669)	
Allocation of debt financed school assets based on current year repayments	<u>(2,334,534)</u>	1,100,218

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>(49,050)</u>	(49,050)
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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	\$ 565,334	
Opioid settlement	<u>463,301</u>	1,028,635

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	\$ (16,642,000)	
Principal repayments	3,335,135	
Issuance of loans	(614,067)	
Leases issued	(169,081)	
Lease repayments	32,786	
Payment to refunded bond escrow agent	11,509,208	
Change in accrued interest	32,121	
Amortization of bond premium	37,203	
Change in landfill closure and post-closure care costs	<u>(619,120)</u>	(3,097,815)

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	\$ (31,483)	
Pension expense	1,135,516	
OPEB expense	<u>46,108</u>	<u>1,150,141</u>

Change in net position of governmental activities	\$ <u><u>2,541,085</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, 2022

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ <u>74,838</u>
Total assets	\$ <u>74,838</u>
NET POSITION	
Restricted:	
Individuals, organizations, and governments	\$ 40,776
Bond funds	<u>34,062</u>
Total net position	\$ <u><u>74,838</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, 2022

		Custodial Funds
		<hr/>
Additions		
Revenue from use of property	\$	73,385
Miscellaneous		17,836
Inmate collections		<hr/> 83,449
Total additions	\$	<hr/> 174,670
Deductions		
Inmate payments	\$	87,463
Beneficiary payments to individuals		8,036
Payments of hangar rent to local governments		<hr/> 152,271
Total deductions	\$	<hr/> 247,770
Net increase (decrease) in fiduciary net position	\$	(73,100)
Net position		<hr/> 147,938
Net position ending	\$	<hr/> <hr/> 74,838

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

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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, 2022 (Continued)

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

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, proprietary 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 \$272,052 to the Association for operating purposes for the year ended June 30, 2022.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

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

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 \$97,442 to the Northwestern Community Services Board and \$434,430 to the Page 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 proprietary fund and 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, 2022 (Continued)

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

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 VJCCCA, 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, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments. 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. Exceptions to this general rule are other charges between the government's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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)

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. For purposes of the statement of cash flows, the government's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

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 5th and December 5th. 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 \$198,619 at June 30, 2022 and is comprised solely of property taxes. This allowance represents 1.2% of outstanding property taxes at June 30, 2022. Additionally, the County maintained an allowance for uncollectible landfill billings in the amount of \$15,999.

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, 2022 (Continued)

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

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)

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 as well as in proprietary funds, 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.
- 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.

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

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

9. Net position (continued)

- 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.

11. 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. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (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)

I. Deferred Outflows/Inflows of Resources (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources, represents 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

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

Teacher Employee Health Insurance Credit Program (continued)

the benefit terms. Investments are reported at fair value.

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 leases various 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 payments 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.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

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

L. Leases (continued)

- The lease term includes 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 liability (lessee) or lease receivable (lessor).

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 asset and liability (lessee) or the lease receivable and deferred inflows of resources (lessor) if certain changes occur that are expected to significantly affect the amount of the lease liability or lease receivable.

NOTE 2—STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

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

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 3—ADOPTION OF ACCOUNTING PRINCIPLE:

The County implemented provisions of Governmental Accounting Standards Board Statement Nos. 87, *Leases* and 92, *Omnibus 2020* during the fiscal year ended June 30, 2022. Statement No. 87, *Leases* requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Statement No. 92, *Omnibus 2020* addresses a variety of topics, including leases. No restatement of beginning net position was required as a result of this implementation. Using the facts and circumstances that existed at the beginning of the year of implementation, the following balances were recognized as of July 1, 2021 related to the lease(s):

	General Fund	Governmental Activities	Discretely Presented Component Unit School Board	
			School Fund	Governmental Activities
Lessee activity:				
Lease assets	\$ -	\$ 68,346	\$ -	\$ 309,658
Lease liabilities	\$ -	\$ 68,346	\$ -	\$ 309,658
Lessor activity:				
Leases receivable	\$ 41,083	\$ -	\$ 80,345	\$ -
Deferred inflows of resources-leases	\$ 41,083	\$ -	\$ 80,345	\$ -

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 and 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, 2022 (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) and I (country of origin). Not more than 40% of the total funds available for investment may be invested in banker's acceptances.
7. 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.
8. The County's rated debt investments as of June 30, 2022 were rated by Moody and/or an equivalent national rating organization and the ratings are presented below using the Moody rating scale.

County's Rated Debt Investments' Values

<u>Rated Debt Investments</u>	<u>Fair Quality Ratings</u>
	<u>AAAm</u>
Local Government	
Investment Pool	\$ 19,928,803
Total	\$ 19,928,803

COUNTY OF PAGE, VIRGINIA**Notes to the Financial Statements
June 30, 2022 (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</u>			<u>Greater Than</u>	
		<u>1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>10 Years</u>	
Local Government						
Investment Pool	\$ 19,928,803	\$ 19,928,803	\$ -	\$ -	\$ -	
Total	\$ 19,928,803	\$ 19,928,803	\$ -	\$ -	\$ -	

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	\$ -	\$ 1,801,306	\$ 202,567	\$ 46,873
Virginia Public Assistance Fund	-	-	-	202,567
Comprehensive Services Act	-	-	46,873	-
Sub-total	\$ -	\$ 1,801,306	\$ 249,440	\$ 249,440
Discretely Presented Component Units:				
School Fund	\$ 1,801,306	\$ -	\$ -	\$ -
Total reporting entity	\$ 1,801,306	\$ 1,801,306	\$ 249,440	\$ 249,440

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, 2022 (Continued)**

NOTE 6—INTERFUND TRANSFERS:

Interfund transfers for the year ended June 30, 2022 consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Primary Government:		
General Fund	\$ -	\$ 3,116,607
Virginia Public Assistance Fund	482,838	-
Comprehensive Services Act	411,395	-
County Capital Projects Fund	2,222,374	-
Total reporting entity	<u>\$ 3,116,607</u>	<u>\$ 3,116,607</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, 2022 as follows:

	<u>Primary Government</u>	<u>Component Unit School Board</u>
Commonwealth of Virginia:		
State sales taxes	\$ -	\$ 796,731
Local sales taxes	437,019	-
Compensation board	292,845	-
Comprehensive Services Act funds	119,235	-
Public assistance and welfare	72,772	-
Opioid settlement funds	479,973	-
Other funds	92,989	124,435
Federal Government:		
Public assistance and welfare	129,795	-
Cares Act ESSERF	-	1,691,802
Other school funds	-	392,576
Other funds	197,709	-
Total	<u>\$ 1,822,337</u>	<u>\$ 3,005,544</u>

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 8—CAPITAL ASSETS:

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

Primary Government

	Beginning Balance	GASB 87 Implementation	Increases	Decreases	Ending Balance
Governmental activities:					
Capital assets not being depreciated					
Land	\$ 2,630,064	\$ -	\$ -	\$ -	\$ 2,630,064
Construction in progress	2,628,086	-	2,273,723	-	4,901,809
Total capital assets not being depreciated	\$ 5,258,150	\$ -	\$ 2,273,723	\$ -	\$ 7,531,873
Capital assets being depreciated					
Buildings	\$ 47,106,783	\$ -	\$ 386,458	\$ (2,303,154)	\$ 45,190,087
Machinery and equipment	8,716,244	-	1,689,601	(200,761)	10,205,084
Total capital assets being depreciated	\$ 55,823,027	\$ -	\$ 2,076,059	\$ (2,503,915)	\$ 55,395,171
Accumulated depreciation					
Buildings	\$ (10,588,034)	\$ -	\$ (389,595)	\$ (31,380)	\$ (11,009,009)
Machinery and equipment	(7,006,343)	-	(658,382)	151,711	(7,513,014)
Total accumulated depreciation	\$ (17,594,377)	\$ -	\$ (1,047,977)	\$ 120,331	\$ (18,522,023)
Total capital assets being depreciated, net	\$ 38,228,650	\$ -	\$ 1,028,082	\$ (2,383,584)	\$ 36,873,148
Lease assets					
Equipment	\$ -	\$ 68,346	\$ 168,638	\$ -	\$ 236,984
Accumulated amortization	-	-	(35,692)	-	(35,692)
Net lease assets	\$ -	\$ 68,346	\$ 132,946	\$ -	\$ 201,292
Governmental activities capital assets, net	\$ 43,486,800	\$ 68,346	\$ 3,434,751	\$ (2,383,584)	\$ 44,606,313

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COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 8—CAPITAL ASSETS: (CONTINUED)

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

Governmental activities:		
General government administration	\$	210,345
Judicial administration		14,723
Public safety		334,204
Public works		489,529
Health and welfare		8,072
Community Development		25,556
Parks and recreation		1,240
Total depreciation and amortization expense-governmental activities:	\$	<u>1,083,669</u>

Capital assets of the governmental activities in the amount of \$2,303,154 were transferred to the Component Unit School Board, additionally, a net transfer of \$31,380 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, 2022 as required by the Code of Virginia.

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COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 8—CAPITAL ASSETS: (CONTINUED)

Discretely presented component unit-School Board:

Activity for the School Board for the year ended June 30, 2022 was as follows:

	Beginning Balance	GASB 87 Implementation	Increases	Decreases	Ending Balance
Capital assets not being depreciated:					
Land	\$ 977,491	\$ -	\$ -	\$ -	\$ 977,491
Construction in progress	90,297	-	2,485,173	(90,297)	2,485,173
Total capital assets not being depreciated	\$ 1,067,788	\$ -	\$ 2,485,173	\$ (90,297)	\$ 3,462,664
Capital assets being depreciated:					
Buildings and improvements	\$ 52,288,514	\$ -	\$ 90,297	\$ 2,297,054	\$ 54,675,865
Machinery and equipment	7,567,659	-	1,977,631	(14,646)	9,530,644
Total capital assets being depreciated	\$ 59,856,173	\$ -	\$ 2,067,928	\$ 2,282,408	\$ 64,206,509
Accumulated depreciation:					
Buildings and improvements	\$ (17,970,360)	\$ -	\$ (1,973,180)	\$ 37,480	\$ (19,906,060)
Machinery and equipment	(5,741,940)	-	(447,922)	14,646	(6,175,216)
Total accumulated depreciation	\$ (23,712,300)	\$ -	\$ (2,421,102)	\$ 52,126	\$ (26,081,276)
Total capital assets being depreciated, net	\$ 36,143,873	\$ -	\$ (353,174)	\$ 2,334,534	\$ 38,125,233
Lease assets					
Equipment	\$ -	\$ 309,658	\$ -	\$ -	\$ 309,658
Accumulated amortization	-	-	(78,075)	-	(78,075)
Net lease assets	\$ -	\$ 309,658	\$ (78,075)	\$ -	\$ 231,583
School Board capital assets, net	\$ 37,211,661	\$ 309,658	\$ 2,053,924	\$ 2,244,237	\$ 41,819,480

Depreciation expense for the Component Unit School Board was \$2,067,928. Capital assets of the governmental activities in the amount of \$2,303,154 were transferred to the Component Unit School Board, additionally, a net transfer of \$31,380 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, 2022 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, 2022 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, 2022 (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, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,936,386	\$ -	\$ -	\$ 1,936,386
Construction in progress	144	149,670	-	149,814
Total capital assets not being depreciated	\$ 1,936,530	\$ 149,670	\$ -	\$ 2,086,200
Capital assets being depreciated:				
Buildings and improvements	\$ 16,085,598	\$ -	\$ -	\$ 16,085,598
Equipment	385,180	29,646	-	414,826
Total capital assets being depreciated	\$ 16,470,778	\$ 29,646	\$ -	\$ 16,500,424
Accumulated depreciation:				
Buildings and improvements	\$ (3,899,775)	(400,556)	\$ -	\$ (4,300,331)
Machinery and equipment	(285,416)	(26,779)	-	(312,195)
Total accumulated depreciation	\$ (4,185,191)	\$ (427,335)	\$ -	\$ (4,612,526)
Total capital assets				
being depreciated, net	\$ 12,285,587	\$ (397,689)	\$ -	\$ 11,887,898
Total capital assets, net	\$ 14,222,117	\$ (248,019)	\$ -	\$ 13,974,098

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.

NOTE 9—PENSION PLANS: (CONTINUED)

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, 2022 (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, 2020 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Primary Government	Component Unit School Board Nonprofessional
Inactive members or their beneficiaries currently receiving benefits	127	102
Inactive members:		
Vested inactive members	38	14
Non-vested inactive members	38	48
Inactive members active elsewhere in VRS	101	22
Total inactive members	177	84
Active members	180	102
Total covered employees	484	288

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

Contributions

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

The County's contractually required employer contribution rate for the year ended June 30, 2022 was 12.12% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

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 \$1,043,976 and \$839,674 for the years ended June 30, 2022 and June 30, 2021, respectively.

The Component Unit School Board's contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2022 was 9.46% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

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 \$165,345 and \$153,683 for the years ended June 30, 2022 and June 30, 2021, 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, 2021. The total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation performed as of June 30, 2020 and rolled forward to the measurement date of June 30, 2021.

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, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

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

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (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, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 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 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

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

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, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

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

Mortality rates:

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, 2022 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

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

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

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, 2022 (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:

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

* The above allocation provides a one-year expected return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return 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 6.94%, including expected inflation of 2.50%.

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

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements
June 30, 2022 (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, 2021, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever was greater. Through the fiscal year ended June 30, 2021, 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, 2021 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, 2020	\$ 34,891,806	\$ 30,073,530	\$ 4,818,276
Changes for the year:			
Service cost	\$ 941,882	\$ -	\$ 941,882
Interest	2,300,861	-	2,300,861
Changes of assumptions	1,294,661	-	1,294,661
Differences between expected and actual experience	(1,277,916)	-	(1,277,916)
Contributions - employer	-	906,539	(906,539)
Contributions - employee	-	387,948	(387,948)
Net investment income	-	8,220,294	(8,220,294)
Benefit payments, including refunds of employee contributions	(1,609,954)	(1,609,954)	-
Administrative expenses	-	(20,183)	20,183
Other changes	-	779	(779)
Net changes	\$ 1,649,534	\$ 7,885,423	\$ (6,235,889)
Balances at June 30, 2021	\$ 36,541,340	\$ 37,958,953	\$ (1,417,613)

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements
June 30, 2022 (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, 2020	\$ 9,036,923	\$ 7,763,125	\$ 1,273,798
Changes for the year:			
Service cost	\$ 161,105	\$ -	\$ 161,105
Interest	591,773	-	591,773
Changes of assumptions	212,579	-	212,579
Differences between expected and actual experience	(306,790)	-	(306,790)
Contributions - employer	-	152,853	(152,853)
Contributions - employee	-	80,755	(80,755)
Net investment income	-	2,090,967	(2,090,967)
Benefit payments, including refunds of employee contributions	(539,831)	(539,831)	-
Administrative expenses	-	(5,359)	5,359
Other changes	-	196	(196)
Net changes	\$ 118,836	\$ 1,779,581	\$ (1,660,745)
Balances at June 30, 2021	\$ 9,155,759	\$ 9,542,706	\$ (386,947)

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Notes to the Financial Statements
June 30, 2022 (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)	\$ 3,684,567	\$ (1,417,613)	\$ (5,570,717)
Component Unit School Board (nonprofessional)			
Net Pension Liability (Asset)	\$ 576,966	\$ (386,947)	\$ (1,200,146)

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

For the year ended June 30, 2022, the County and Component Unit School Board (nonprofessional) recognized pension expense of (\$24,674) and (\$181,470), respectively. At June 30, 2022, 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	\$ 144,855	\$ 883,497	\$ -	\$ 186,799
Changes of assumptions	1,001,880	-	119,750	-
Net difference between projected and actual earnings on pension plan investments	-	4,090,248	-	1,032,440
Employer contributions subsequent to the measurement date	1,043,976	-	165,345	-
Total	\$ 2,190,711	\$ 4,973,745	\$ 285,095	\$ 1,219,239

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

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

\$1,043,976 and \$165,345 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	<u>Primary Government</u>	<u>Component Unit School Board (Nonprofessional)</u>
2023	\$ (735,786)	\$ (296,519)
2024	(898,182)	(247,053)
2025	(952,717)	(240,424)
2026	(1,240,325)	(315,493)
2027	-	-
Thereafter	-	-

Pension Plan Data

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

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.

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Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

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, 2022 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits 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 \$3,137,693 and \$3,008,385 for the years ended June 30, 2022 and June 30, 2021 respectively.

In June 2021, the Commonwealth made a special contribution of approximately \$61.3 million to the VRS Teacher Retirement Plan. This special payment was authorized by a budget amendment included in Chapter 552 of the 2021 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, 2022, the school division reported a liability of \$16,508,226 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2021 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of June 30, 2020 and rolled forward to the measurement date of June 30, 2021. The school division's proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the school division's proportion was .21265% as compared to .21190% at June 30, 2020.

For the year ended June 30, 2022, the school division recognized pension expense of (\$368,244). 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.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (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, 2022, 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	\$ -	\$ 1,406,070
Net difference between projected and actual earnings on pension plan investments	-	10,403,043
Changes of assumptions	2,892,198	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	76,677	1,463,226
Employer contributions subsequent to the measurement date	<u>3,137,693</u>	<u>-</u>
Total	<u>\$ 6,106,568</u>	<u>\$ 13,272,339</u>

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

\$3,137,693 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2023	\$ (2,659,706)
2024	(2,289,527)
2025	(2,393,861)
2026	(2,963,394)
2027	3,024
Thereafter	-

Actuarial Assumptions

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

Inflation	2.5%
Salary increases, including inflation	3.5% – 5.95%
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, 2022 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

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

Actuarial Assumptions (continued)

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

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, 2022 (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, 2021, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

		Teacher Employee Retirement Plan
		<hr/>
Total Pension Liability	\$	53,381,141
Plan Fiduciary Net Position		45,617,878
		<hr/>
Employers' Net Pension Liability (Asset)	\$	7,763,263
		<hr/> <hr/>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		85.46%

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.

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Notes to the Financial Statements
June 30, 2022 (Continued)

NOTE 9—PENSION PLANS: (CONTINUED)

Component Unit School Board (professional) (continued)

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	\$ 31,859,983	\$ 16,508,226	\$ 3,879,356

Pension Plan Fiduciary Net Position

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

Aggregate Pension Information

	Deferred Outflows	Deferred Inflows	Net Pension Liability (Asset)	Pension Expense
VRS Pension Plans:				
Primary Government	\$ 2,190,711	\$ 4,973,745	\$ (1,417,613)	\$ (24,674)
School Board Nonprofessional	\$ 285,095	\$ 1,219,239	\$ (386,947)	\$ (181,470)
School Board Professional	6,106,568	13,272,339	16,508,226	(368,244)
Total School Board	\$ 6,391,663	\$ 14,491,578	\$ 16,121,279	\$ (549,714)

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

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.

Plan Membership

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

	Primary Government	Component Unit School Board
Total active employees with coverage	90	37
Total retirees with coverage	143	418
Total	233	455

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, 2022 was \$30,000.

The amount paid by the School Board for OPEB as the benefits came due during the year ended June 30, 2022 was \$153,100.

Total OPEB Liability

The County's and School Board's total OPEB liabilities were measured as of July 1, 2021. The total OPEB liabilities were determined by actuarial valuations as of that date.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

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

Actuarial Assumptions

The total OPEB liability in the July 1, 2020 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 1.92% and represents the Municipal GO AA 20-year yield curve rate as of July 1, 2021
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.

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 1.92% 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

	Primary Government Total OPEB Liability	Component Unit School Board Total OPEB Liability
Balances at July 1, 2021	\$ 2,234,000	\$ 2,909,000
Changes for the year:		
Service cost	95,000	159,200
Interest	57,000	73,300
Difference between expected and actual experience	(24,000)	(301,800)
Changes in assumptions	192,000	114,200
Benefit payments	(30,000)	(153,100)
Net changes	290,000	(108,200)
Balances at June 30, 2022	\$ 2,524,000	\$ 2,800,800

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements
June 30, 2022 (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

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 (0.92%) or one percentage point higher (2.92%) than the current discount rate:

Rate		
1% Decrease (2.92%)	Current Discount Rate (1.92%)	1% Increase (.92%)
Primary Government		
\$ 2,819,000	\$ 2,524,000	\$ 2,272,000
Component Unit School Board		
\$ 3,026,000	\$ 2,800,800	\$ 2,591,300

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:

Rates		
Healthcare Cost		
1% Decrease (7.50% decreasing to 6.00%)	Trend (6.50% decreasing to 5.0%)	1% Increase (5.50% decreasing to 4.00%)
Primary Government		
\$ 2,327,000	\$ 2,524,000	\$ 2,756,000
Rates		
Healthcare Cost		
1% Decrease (8.0% decreasing to 6.00%)	Trend (7.00% decreasing to 5.0%)	1% Increase (6.00% decreasing to 4.00%)
Component Unit School Board		
\$ 2,484,600	\$ 2,800,800	\$ 3,175,600

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

For the year ended June 30, 2022, the Primary Government recognized OPEB expense in the amount of \$24,000. The School Board recognized OPEB expense in the amount of (\$180,200). At June 30, 2022, 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	\$ -	\$ 954,000	\$ -	\$ 1,429,400
Changes in assumptions	355,000	42,000	263,400	197,500
Employer contributions subsequent to the measurement date	30,000	-	153,100	-
Total	\$ 385,000	\$ 996,000	\$ 416,500	\$ 1,626,900

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements
June 30, 2022 (Continued)

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

\$30,000 and \$153,100 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, 2023. 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>
2023	\$ (144,000)	\$ (461,600)
2024	(144,000)	(461,600)
2025	(144,000)	(296,900)
2026	(143,000)	(122,300)
2027	(66,000)	(21,100)
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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Notes to the Financial Statements June 30, 2022 (Continued)

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

Plan Description

The Group Life Insurance (GLI) Plan was established pursuant to §51.1-500 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of the state agencies, teachers, and employees of participating political subdivisions are automatically covered by the VRS 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 \$8,722 as of June 30, 2022.

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Notes to the Financial Statements June 30, 2022 (Continued)

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

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, 2022 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. County contributions to the Group Life Insurance Plan from the entity were \$47,907 and \$43,786 for the years ended June 30, 2022 and June 30, 2021, respectively. The Component Unit School Board's contributions to the Group Life Insurance Plan for nonprofessional employees were \$10,149 and \$9,334 for the years ended June 30, 2022 and June 30, 2021 respectively. The Component Unit School Board's contributions to the Group Life Insurance Plan for professional employees were \$106,268 and \$101,512, for the years ended June 30, 2022 and June 30, 2021 respectively.

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

At June 30, 2022, the County reported a liability of \$457,209 for its proportionate share of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2021 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2020 and rolled forward to the measurement date of June 30, 2021. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, the participating employer's proportion was 0.03930% as compared to 0.03780% at June 30, 2020.

At June 30, 2022, the School Board reported liability of \$97,450 for nonprofessional employees and \$1,060,069 for professional employees for its proportionate share of the Net GLI OPEB Liability. At June 30, 2020 and June 30, 2020, the participating employer's proportion for nonprofessional employees was 0.00840% and .00850%, respectively. At June 30, 2021, the participating employer's proportion for School Board professional employees was 0.09110% as compared to 0.09050% at June 30, 2020.

For the year ended June 30, 2022, the County recognized GLI OPEB expense of \$22,916, while the School Board recognized GLI OPEB expense of (\$988), and \$15,995 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, 2022 (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, 2022, 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 Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 52,146	\$ 3,484	\$ 11,114	\$ 743	\$ 120,905	\$ 8,077
Net difference between projected and actual earnings on GLI OPEB program investments	-	109,126	-	23,259	-	253,016
Change in assumptions	25,206	62,556	5,372	13,333	58,441	145,040
Changes in proportion	23,649	2,613	-	16,805	7,018	87,059
Employer contributions subsequent to the measurement date	47,907	-	10,149	-	106,288	-
Total	<u>\$ 148,908</u>	<u>\$ 177,779</u>	<u>\$ 26,635</u>	<u>\$ 54,140</u>	<u>\$ 292,652</u>	<u>\$ 493,192</u>

\$47,907, \$10,149, and \$106,288 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, 2023. 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,	
2023	\$ (18,339)	2023	\$ (9,781)	2023	\$ (79,657)
2024	(13,020)	2024	(7,960)	2024	(64,928)
2025	(12,590)	2025	(7,304)	2025	(57,483)
2026	(29,914)	2026	(10,305)	2026	(88,965)
2027	(2,915)	2027	(2,304)	2027	(15,795)
Thereafter	-	Thereafter	-	Thereafter	-

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (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, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021. 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, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to 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, 2022 (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, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020 except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to 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, 2022 (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, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to 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, 2022 (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):

		Group Life Insurance OPEB Plan
		<hr/>
Total GLI OPEB Liability	\$	3,577,346
Plan Fiduciary Net Position		2,413,074
		<hr/>
GLI Net OPEB Liability (Asset)	\$	1,164,272
		<hr/> <hr/>
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability		67.45%

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:

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Notes to the Financial Statements
June 30, 2022 (Continued)

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

Long-Term Expected Rate of Return (continued)

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

* The above allocation provides a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return 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 6.94%, including expected inflation of 2.50%. * On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75%, which was roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

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, 2021, the rate contributed by the entity for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2021 on, employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

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Notes to the Financial Statements June 30, 2022 (Continued)

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

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 (7.75%)	Current Discount (6.75%)	1% Increase (5.75%)
Proportionate share of the Group Life Insurance Program Net OPEB Liability:			
County	\$ 668,000	\$ 457,209	\$ 286,987
School Board-nonprofessional employees	\$ 142,738	\$ 97,450	\$ 61,169
School Board-professional employees	\$ 1,548,799	\$ 1,060,069	\$ 665,397

Group Life Insurance Plan Fiduciary Net Position

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

NOTE 12—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN):

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, 2022 (Continued)

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

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, 2022 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Program. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the school division to the VRS Teacher Employee Health Insurance Credit Plan were \$238,164 and \$227,461 for the years ended June 30, 2022 and June 30, 2021, respectively.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements
June 30, 2022 (Continued)

**NOTE 12—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, 2022, the school division reported a liability of \$2,728,355 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, 2021 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, 2020 and rolled forward to the measurement date of June 30, 2021. 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, 2021, the school division's proportion of the VRS Teacher Employee Health Insurance Credit Plan was .21256% as compared to .21241% at June 30, 2020.

For the year ended June 30, 2022, the school division recognized VRS Teacher Employee Health Insurance Credit Plan OPEB expense of \$172,914 between measurement dates a portion of the VRS Teacher Employee HIC Plan Net OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2022, the school division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee 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	\$ -	\$ 47,610
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	-	35,941
Change in assumptions	73,752	10,965
Change in proportion	1,675	194,343
Employer contributions subsequent to the measurement date	<u>238,164</u>	<u>-</u>
Total	<u>\$ 313,591</u>	<u>\$ 288,859</u>

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 12—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)

\$238,164 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

Year Ended June 30,

2023	\$	(52,627)
2024		(53,035)
2025		(47,600)
2026		(36,357)
2027		(18,595)
Thereafter		(5,218)

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, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

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

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 12—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, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to 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, 2022 (Continued)

**NOTE 12—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, 2021, NOL amounts for the VRS Teacher Employee Health Insurance Credit Plan is as follows (amounts expressed in thousands):

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

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

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COUNTY OF PAGE, VIRGINIA**Notes to the Financial Statements
June 30, 2022 (Continued)****NOTE 12—TEACHER EMPLOYEE HEALTH INSURANCE CREDIT (HIC) PLAN (OPEB PLAN):
(CONTINUED)*****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:

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

*The above allocation provides a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return 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 6.94%, 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 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

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

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, 2021, 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, 2021 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	\$	3,071,371	\$ 2,728,355	\$ 2,438,081

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 2021 Comprehensive Annual Financial Report (Annual Report). A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 13—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, 2022:

	Balance July 1, 2021	GASB 87 Implementation	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2022
Direct Borrowings and Direct Placements:					
Revenue bonds	\$ 13,371,259	\$ -	\$ -	\$ 11,787,259	\$ 1,584,000
Refunding bonds	-	-	16,642,000	-	16,642,000
General obligation bonds	34,051,339	-	-	2,303,154	31,748,185
Premiums on bond issue	397,398	-	-	37,203	360,195
Loans payable	6,993,957	-	614,067	753,931	6,854,093
Total direct borrowings and placements	<u>\$ 54,813,953</u>	<u>\$ -</u>	<u>\$ 17,256,067</u>	<u>\$ 14,881,547</u>	<u>\$ 57,188,473</u>
Other Long-term Obligations:					
Leases liability	\$ -	\$ 68,346	\$ 169,081	\$ 32,786	\$ 204,641
Landfill closure and post-closure care costs	8,271,260	-	619,120	-	8,890,380
Net OPEB liabilities	2,865,321	-	490,295	374,407	2,981,209
Compensated absences	753,417	-	596,546	565,063	784,900
Total	<u>\$ 66,703,951</u>	<u>\$ 68,346</u>	<u>\$ 19,131,109</u>	<u>\$ 15,853,803</u>	<u>\$ 70,049,603</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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Notes to the Financial Statements
June 30, 2022 (Continued)

NOTE 13—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
2023	\$ 568,306	\$ 147,275	\$ 40,890	\$ 7,563
2024	535,040	135,530	30,480	6,120
2025	537,950	124,207	19,306	5,023
2026	522,977	113,172	3,197	4,614
2027	474,676	102,444	3,569	4,476
2028	455,312	92,294	24,265	19,726
2029	465,614	81,992	37,518	13,480
2030	476,150	71,457	45,416	4,237
2031	486,923	60,683	-	-
2032	497,941	49,666	-	-
2033	509,207	38,399	-	-
2034	520,729	26,877	-	-
2035	532,511	15,095	-	-
2036	270,757	3,046	-	-
Totals	\$ 6,854,093	\$ 1,062,137	\$ 204,641	\$ 65,239

Direct Borrowings and Direct Placements:

Year Ending June 30,	Governmental Activities			
	Refunding/Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 1,285,000	\$ 424,372	\$ 2,393,098	\$ 1,395,000
2024	1,366,000	360,572	2,493,308	1,283,571
2025	1,414,000	332,571	2,594,472	1,166,747
2026	1,461,000	303,614	2,701,836	1,043,735
2027	1,516,000	273,682	2,815,471	914,200
2028	1,812,000	238,347	2,175,000	798,650
2029	1,773,000	198,447	2,270,000	699,090
2030	1,833,000	158,236	2,375,000	596,536
2031	1,099,000	124,674	2,485,000	488,088
2032	1,125,000	98,098	2,600,000	373,473
2033	1,153,000	70,875	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	\$ 18,226,000	\$ 2,640,908	\$ 31,748,185	\$ 9,503,485

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 13—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
Primary Government:							
Governmental activities:							
Lease revenue bonds:							
Battlecreek Landfill	8/31/2016	\$ 3,027,000	1.820%	SA \$305,000-\$332,000	8/1/2026	\$ 1,584,000	\$ 305,000
Total lease revenue bonds						\$ 1,584,000	\$ 305,000
Refunding bonds:							
County refunding bonds 2022A	3/25/2022	\$ 9,886,000	2.39%	SA \$167,000-\$1,208,000	11/1/2034	\$ 9,886,000	\$ 167,000
County refunding bonds 2022B	3/25/2022	\$ 6,756,000	2.00%	SA \$757,000-\$978,000	11/1/2029	\$ 6,756,000	\$ 813,000
Total refunding bonds						\$ 16,642,000	\$ 980,000
General obligation school bonds:							
School bonds VPSA 2006B	11/9/2006	\$ 30,695,000	6.10%-6.40%	SA \$1,280,000-\$2,005,000	11/19/2032	\$ 17,800,000	\$ 1,280,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	99,312	16,552
School bonds VPSA 2006A	11/19/2006	\$ 12,019,506	6.10%-6.40%	SA \$673,098-\$740,471	11/19/2032	\$ 3,528,185	\$ 673,098
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	134,455	12,223
School bonds VPSA 2008	5/2/2008	\$ 13,790,000	4.60%-5.10%	SA \$186,000-\$784,600	7/15/2037	\$ 10,420,000	\$ 440,000
Unamortized premium on Issuance	n/a	n/a	n/a	n/a	n/a	126,428	8,429
Net general obligation school bonds						\$ 32,108,380	\$ 2,430,302
Other obligations:							
Loans payable:							
Landfill equipment	12/28/2017	\$ 339,000	4.20%	M \$75,480 (P&I)	11/12/2022	\$ 43,367	\$ 43,367
Landfill equipment	4/2/2020	\$ 161,680	2.45%	M \$34,416 (P&I)	4/2/2025	\$ 91,397	\$ 32,451
Radio Equipment	8/27/2020	\$ 6,950,000	2.25%	SA \$547,606 (P&I)	8/1/2035	\$ 6,344,977	\$ 407,121
Landfill equipment	9/30/2021	\$ 429,067	1.22%	M \$88,548 (P&I)	9/30/2027	\$ 373,386	\$ 84,401
Landfill equipment	7/18/2017	\$ 52,400	4.20%	M \$966 (P&I)	7/31/2022	\$ 966	\$ 966
Net loans payable						\$ 6,854,093	\$ 568,306
Lease liabilities:							
Tanners Ridge ECC Tower		\$ 123,834	4.10%	M \$7,416 (P&I)	9/22/2041	\$ 121,722	\$ 2,396
Xerox Coper Sheriff's Office		\$ 13,411	4.10%	M \$3,629 (P&I)	4/1/2025	\$ 9,445	\$ 3,328
Ricoh Copier-Elections		\$ 12,282	4.10%	M 3324 (P&I)	12/1/2023	\$ 4,571	\$ 3,201
Simpleview Tourism Website		\$ 45,247	4.10%	M \$15,996 (P&I)	3/1/2025	\$ 41,685	\$ 14,710
Ricoh Copier Treasurer		\$ 9,556	4.10%	M \$2,586 (P&I)	10/26/2023	\$ 3,147	\$ 2,505
Ricoh Copier Planning and Dev		\$ 19,029	4.10%	M \$5,148 (P&I)	7/1/2024	\$ 9,896	\$ 4,860
Ricoh Copier ECC		\$ 8,650	4.10%	M \$2,340 (P&I)	12/1/2022	\$ 1,160	\$ 1,160
Ricoh Copier US2 Comm of Rev		\$ 14,340	4.10%	M \$3,876 (P&I)	3/1/2023	\$ 2,549	\$ 2,549
Ricoh Copier Comm of Revenue		\$ 22,264	4.10%	M \$6,024 (P&I)	3/1/2023	\$ 3,956	\$ 3,956
De Lage Landen Copier Clerk of CC		\$ 8,981	4.10%	M \$2,430 (P&I)	5/1/2025	\$ 6,510	\$ 2,225
Total lease liabilities						\$ 204,641	\$ 40,890
Other obligations:							
Landfill closure and post-closure care costs						8,890,380	
Net OPEB liability (payable from general fund)						2,981,209	-
Compensated absences (payable from general fund)						784,900	196,225
Total other obligations						\$ 12,656,489	\$ 196,225
Total long-term obligations from governmental activities						\$ 70,049,603	\$ 4,520,723

A = annual installments

M = monthly installments

SA = semi-annual installments

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements
June 30, 2022 (Continued)

NOTE 13—LONG-TERM OBLIGATIONS: (CONTINUED)

Primary Government Obligations: (continued)

Details of 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, 2022:

	Balance July 1, 2021	GASB 87 Implementation	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2022
Direct Borrowings and Direct Placements:					
Loans payable	\$ 5,375,214	\$ -	\$ -	\$ 5,375,214	\$ -
Leases liability	\$ -	\$ 309,658	\$ -	\$ 79,273	\$ 230,385
Net pension liability	32,115,179	-	7,513,758	23,120,711	16,508,226
Compensated absences	404,670	-	120,313	242,802	282,181
Net OPEB liabilities	7,332,072	-	1,289,927	1,935,325	6,686,674
Total	\$ 45,227,135	\$ 309,658	\$ 8,923,998	\$ 30,753,325	\$ 23,707,466

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

Year Ending June 30,	Governmental Activities	
	Leases Liability	
	Principal	Interest
2023	\$ 76,620	\$ 2,692
2024	77,517	1,795
2025	76,248	896
Totals	\$ 230,385	\$ 5,383

Type/ Project	Issue Date/ Term	Amount of Original Issue	Interest Rates	Amount of Principal Installments	Final Maturity Date	Balance	Amount Due Within One Year
Leases liability:							
Copiers		\$ 309,658	6.00%	\$79,312 (P&I)	M/A 2024-2025	\$ 230,385	\$ 76,620
Other Obligations:							
Net pension liabilities (payable from school operating fund)						\$ 16,508,226	\$ -
Net OPEB liabilities (payable from school operating fund)						6,686,674	-
Compensated absences (payable from school operating fund)						282,181	70,544
Total Other Obligations						\$ 23,477,081	\$ 70,544
Total long-term obligations, Component Unit School Board						\$ 23,707,466	\$ 147,164

A = annual installments

M = monthly installments

SA = semi-annual installments

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements
June 30, 2022 (Continued)

NOTE 13—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, 2022:

	Balance July 1, 2021	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2022
Direct Borrowings and Direct Placements				
Revenue Bond	\$ 1,446,020	\$ -	\$ 1,446,020	\$ -
Note payable	53,269	-	3,406	49,863
Total	<u>\$ 1,499,289</u>	<u>\$ -</u>	<u>\$ 1,449,426</u>	<u>\$ 49,863</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
2023	\$ 3,445	\$ 555
2024	3,485	515
2025	42,933	732
Total	<u>\$ 49,863</u>	<u>\$ 1,802</u>

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

	Total Amount Outstanding	Amount Due Within One Year
Direct Borrowings and Direct Placements		
<u>Note 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	<u>49,863</u>	<u>3,445</u>
Total Long-term obligations, net of current portion	<u>\$ 49,863</u>	<u>\$ 3,445</u>

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 13—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, 2022:

	Balance July 1, 2021	Increases/ Issuances	Decreases/ Retirements	Balance June 30, 2022
Direct Borrowings and Direct Placements:				
Note payable	\$ -	\$ 1,448,550	\$ -	\$ 1,448,550
Total	\$ -	\$ 1,448,550	\$ -	\$ 1,448,550

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
2023	\$ -	\$ 28,826
2024	-	28,826
2025	-	28,826
2026	-	28,826
2027	1,448,550	21,620
Total	\$ 1,448,550	\$ 136,924

Details of Long-Term Liabilities:

Total Amount Outstanding	Amount Due Within One Year
--------------------------------	----------------------------------

Direct Borrowings and Direct Placements

Note Payable

\$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	\$ -
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NOTE 14—CONTINGENT LIABILITIES:

Federal programs in which the County and its component units participate were audited in accordance with the provisions of U.S. Office of Management and Budget 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.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 15—RISK MANAGEMENT:

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 16—DEFERRED AND UNAVAILABLE REVENUE:

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 \$13,112,821 and \$17,664,571 respectively, is comprised of the following:

- A. Prepaid Property Taxes – Property taxes due subsequent to June 30, 2022, but paid in advance by the taxpayers totaled \$933,940 at June 30, 2022.
- B. Unbilled Property Taxes – Property taxes for the second half of 2022 that had not been billed as of June 30, 2022 amounted to \$12,178,881.
- C. Unavailable Property Taxes – Uncollected tax billings not available for funding of current expenditures totaled \$4,088,449 at June 30, 2022.
- D. Opioid Settlement Funds – Opioid settlement funds awarded but not received as of June 30, 2022 amounted to \$463,301.

NOTE 17—UNEARNED REVENUE:

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 \$3,994,389 is comprised of the following:

- A. ARPA Funding – ARPA funds received but unspent at June 30, 2022 totaled \$3,994,389.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 18—LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS:

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 \$1,853,777. The estimated total current cost of the landfill closure and post-closure care of \$1,853,777 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, 2022. Included in the County's post-closure and thirty-year monitoring costs of \$1,853,777 is \$1,454,766 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 \$11,478,255. The estimated total current cost of the landfill closure and post-closure care of \$7,036,955 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, 2022. The estimated useful life of the Battle Creek landfill is 26 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, 2022, 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.

NOTE 19—LITIGATION:

At June 30, 2022, 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.

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 20—LEASES RECEIVABLE:

The County and Component Unit School Board recognized lease revenue of \$442, and \$35,709, respectively, and interest revenue of \$1,491 and \$459, respectively, during fiscal year 2022. Details of leases receivable at June 30, 2022 are as follows:

Lease Description	Start Date	End Date	Payment Frequency	Discount Rate	Ending Balance	Amount Due Within One Year
General Fund:						
Telecommunications equipment-Shen	2021	2025	Monthly	4.100%	\$ 31,841	\$ 10,912
Component Unit School Board:						
Building-Grove Hill HS	2021	2023	Monthly	0.750%	44,776	8,989

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 10):				
County	\$ 148,908	\$ 177,779	\$ 457,209	\$ 22,916
County Stand-Alone Plan (Note 9)	385,000	996,000	2,524,000	24,000
Totals	\$ 533,908	\$ 1,173,779	\$ 2,981,209	\$ 46,916
	Component Unit School Board			
	Deferred Outflows	Deferred Inflows	Net OPEB Liability	OPEB Expense
VRS OPEB Plans:				
Group Life Insurance Program (Note 10):				
School Board Nonprofessional	\$ 26,635	\$ 54,140	\$ 97,450	\$ (988)
School Board Professional	292,652	493,192	1,060,069	15,995
Teacher Health Insurance Credit Program (Note 11)	313,591	288,859	2,728,355	172,914
School Stand-Alone Plan (Note 9)	416,500	1,626,900	2,800,800	(180,200)
Totals	\$ 1,049,378	\$ 2,463,091	\$ 6,686,674	\$ 7,721

COUNTY OF PAGE, VIRGINIA

Notes to the Financial Statements June 30, 2022 (Continued)

NOTE 22—UPCOMING PRONOUNCEMENTS:

Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

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.

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

NOTE 23—SUBSEQUENT EVENTS:

Opioid Settlement

In August 2022, the County was notified that it will receive approximately \$479,973 in funds from the opioid litigation settlement. These funds will be received in annual payments through 2039. \$16,672 of this funding was recognized as revenue and \$463,301 as unearned revenue at June 30, 2022.

NOTE 24—RESTATEMENT OF BEGINNING NET POSTION:

The beginning net position of the Discretely Presented Component Unit-Luray-Page Airport Authority was restated to correct a prior year error in the calculation of amounts due to other entities as follows:

		<u>Discretely Presented Component</u> <u>Unit</u> <u>Luray-Page Airport Authority</u>
Net Position as reported at June 30, 2021	\$	14,563,809
Adjustment:		
To record amounts due to the Economic Development Authority		(1,446,021)
Net Position as restated, June 30, 2021	\$	<u><u>13,117,788</u></u>

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, 2022

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
General property taxes	\$ 24,096,230	\$ 24,096,230	\$ 26,327,081	\$ 2,230,851
Other local taxes	4,180,500	4,230,500	5,490,818	1,260,318
Permits, privilege fees, and regulatory licenses	214,050	214,050	379,583	165,533
Fines and forfeitures	57,800	57,800	72,937	15,137
Revenue from the use of money and property	60,000	60,000	109,869	49,869
Charges for services	4,138,725	4,138,725	4,132,732	(5,993)
Miscellaneous	409,673	425,303	424,859	(444)
Intergovernmental:				
Commonwealth	5,801,815	6,480,665	6,356,840	(123,825)
Federal	857,976	4,073,242	1,933,451	(2,139,791)
Total revenues	<u>\$ 39,816,769</u>	<u>\$ 43,776,515</u>	<u>\$ 45,228,170</u>	<u>\$ 1,451,655</u>
EXPENDITURES				
Current:				
General government administration	\$ 2,800,085	\$ 3,087,138	\$ 2,966,995	\$ 120,143
Judicial administration	1,532,032	1,814,939	1,748,888	66,051
Public safety	11,758,574	13,409,201	12,435,256	973,945
Public works	2,152,121	2,499,594	2,522,210	(22,616)
Health and welfare	478,190	478,190	770,007	(291,817)
Education	11,059,730	10,459,730	14,972,315	(4,512,585)
Parks, recreation, and cultural	373,665	375,165	348,771	26,394
Community development	1,353,483	1,600,343	1,411,606	188,737
Nondepartmental	421,322	2,666,728	885,139	1,781,589
Debt service:				
Principal retirement	4,134,508	4,979,612	3,335,135	1,644,477
Interest and other fiscal charges	1,504,861	1,504,861	2,249,145	(744,284)
Total expenditures	<u>\$ 37,568,571</u>	<u>\$ 42,875,501</u>	<u>\$ 43,645,467</u>	<u>\$ (769,966)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 2,248,198</u>	<u>\$ 901,014</u>	<u>\$ 1,582,703</u>	<u>\$ 681,689</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 1,548,070	\$ 1,948,070	\$ -	\$ (1,948,070)
Transfers out	(3,846,268)	(3,651,153)	(3,116,607)	534,546
Issuance of lease revenue bonds	-	-	16,642,000	16,642,000
Issuance of leases	-	-	169,081	169,081
Payment to refunded bond escrow agent	-	-	(11,509,208)	(11,509,208)
Total other financing sources (uses)	<u>\$ (2,298,198)</u>	<u>\$ (1,703,083)</u>	<u>\$ 2,185,266</u>	<u>\$ 3,888,349</u>
Net change in fund balances	\$ (50,000)	\$ (802,069)	\$ 3,767,969	\$ 4,570,038
Fund balances - beginning	50,000	802,069	18,731,481	17,929,412
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,499,450</u>	<u>\$ 22,499,450</u>

COUNTY OF PAGE, VIRGINIA

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Primary Government Pension Plans
For the Measurement Dates of June 30, 2014 through June 30, 2021

	2021	2020	2019	2018
Total pension liability				
Service cost	\$ 941,882	\$ 942,192	\$ 883,870	\$ 897,007
Interest	2,300,861	2,172,149	2,077,466	2,022,029
Changes of assumptions	1,294,661	-	996,855	-
Differences between expected and actual experience	(1,277,916)	358,808	26,594	(685,423)
Benefit payments, including refunds of employee contributions	(1,609,954)	(1,522,658)	(1,443,107)	(1,440,214)
Net change in total pension liability	\$ 1,649,534	\$ 1,950,491	\$ 2,541,678	\$ 793,399
Total pension liability - beginning	34,891,806	32,941,315	30,399,637	29,606,238
Total pension liability - ending (a)	<u>\$ 36,541,340</u>	<u>\$ 34,891,806</u>	<u>\$ 32,941,315</u>	<u>\$ 30,399,637</u>
Plan fiduciary net position				
Contributions - employer	\$ 906,539	\$ 803,178	\$ 773,686	\$ 637,455
Contributions - employee	387,948	398,746	360,790	343,249
Net investment income	8,220,294	570,762	1,883,051	1,968,749
Benefit payments, including refunds of employee contributions	(1,609,954)	(1,522,658)	(1,443,107)	(1,440,214)
Administrative expense	(20,183)	(19,268)	(18,500)	(17,007)
Other	779	8,798	(1,191)	(1,755)
Net change in plan fiduciary net position	\$ 7,885,423	\$ 239,558	\$ 1,554,729	\$ 1,490,477
Plan fiduciary net position - beginning	30,073,530	29,833,972	28,279,243	26,788,766
Plan fiduciary net position - ending (b)	<u>\$ 37,958,953</u>	<u>\$ 30,073,530</u>	<u>\$ 29,833,972</u>	<u>\$ 28,279,243</u>
County's net pension liability (asset) - ending (a) - (b)	\$ (1,417,613)	\$ 4,818,276	\$ 3,107,343	\$ 2,120,394
Plan fiduciary net position as a percentage of the total pension liability	103.88%	86.19%	90.57%	93.02%
Covered payroll	\$ 8,108,601	\$ 7,786,619	\$ 7,451,412	\$ 7,094,573
County's net pension liability as a percentage of covered payroll	-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)	-
<u>(1,327,947)</u>	<u>(1,540,242)</u>	<u>(1,185,875)</u>	<u>(1,172,685)</u>
\$ 1,936,802	\$ 408,979	\$ 1,159,454	\$ 1,259,941
27,669,436	27,260,457	26,101,003	24,841,062
<u>\$ 29,606,238</u>	<u>\$ 27,669,436</u>	<u>\$ 27,260,457</u>	<u>\$ 26,101,003</u>
\$ 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)
<u>(2,618)</u>	<u>(178)</u>	<u>(227)</u>	<u>167</u>
\$ 2,559,309	\$ 18,509	\$ 1,019,571	\$ 3,132,353
24,229,457	24,210,948	23,191,377	20,059,024
<u>\$ 26,788,766</u>	<u>\$ 24,229,457</u>	<u>\$ 24,210,948</u>	<u>\$ 23,191,377</u>
\$ 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) Pension Plans
 For the Measurement Dates of June 30, 2014 through June 30, 2021

	2021	2020	2019	2018
Total pension liability				
Service cost	\$ 161,105	\$ 177,378	\$ 183,575	\$ 188,065
Interest	591,773	586,577	576,297	564,982
Changes of assumptions	212,579	-	215,493	-
Differences between expected and actual experience	(306,790)	(104,156)	55,567	(61,540)
Benefit payments, including refunds of employee contributions	(539,831)	(625,826)	(521,583)	(538,156)
Net change in total pension liability	\$ 118,836	\$ 33,973	\$ 509,349	\$ 153,351
Total pension liability - beginning	9,036,923	9,002,950	8,493,601	8,340,250
Total pension liability - ending (a)	<u>\$ 9,155,759</u>	<u>\$ 9,036,923</u>	<u>\$ 9,002,950</u>	<u>\$ 8,493,601</u>
Plan fiduciary net position				
Contributions - employer	\$ 152,853	\$ 152,846	\$ 166,098	\$ 155,745
Contributions - employee	80,755	92,560	89,027	89,391
Net investment income	2,090,967	151,464	507,335	546,907
Benefit payments, including refunds of employee contributions	(539,831)	(625,826)	(521,583)	(538,156)
Administrative expense	(5,359)	(5,342)	(5,163)	(4,862)
Other	196	(175)	(319)	(482)
Net change in plan fiduciary net position	\$ 1,779,581	\$ (234,473)	\$ 235,395	\$ 248,543
Plan fiduciary net position - beginning	7,763,125	7,997,598	7,762,203	7,513,660
Plan fiduciary net position - ending (b)	<u>\$ 9,542,706</u>	<u>\$ 7,763,125</u>	<u>\$ 7,997,598</u>	<u>\$ 7,762,203</u>
School Division's net pension liability (asset) - ending (a) - (b)	\$ (386,947)	\$ 1,273,798	\$ 1,005,352	\$ 731,398
Plan fiduciary net position as a percentage of the total pension liability	104.23%	85.90%	88.83%	91.39%
Covered payroll	\$ 1,728,595	\$ 1,752,722	\$ 1,897,316	\$ 1,868,841
School Division's net pension liability as a percentage of covered payroll	-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 Pension
Plans
For the Measurement Dates of June 30, 2014 through June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Employer's Proportion of the Net Pension Liability	0.21650%	0.21190%	0.22940%
Employer's Proportionate Share of the Net Pension Liability	\$ 16,508,226	\$ 30,841,381	\$ 29,340,171
Employer's Covered Payroll	\$ 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	88%	166%	156%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	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

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
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, 2013 through June 30, 2022

<u>Date</u>	<u>Contractually Required Contribution (1)*</u>	<u>Contributions in Relation to Contractually Required Contribution (2)*</u>	<u>Contribution Deficiency (Excess) (3)</u>	<u>Employer's Covered Payroll (4)</u>	<u>Contributions as a % of Covered Payroll (5)</u>
Primary Government					
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%
2013	761,822	761,822	-	5,919,363	12.87%
Component Unit School Board (nonprofessional)					
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%
2013	219,882	219,882	-	1,855,543	11.85%
Component Unit School Board (professional)					
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%
2013	2,052,803	2,052,803	-	17,605,515	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, 2022

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

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

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

Schedule of Changes in Total OPEB Liability and Related Ratios
Primary Government
For the Measurement Dates of June 30, 2017 through June 30, 2021

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 95,000	\$ 87,000	\$ 100,000	\$ 113,000	\$ 110,000
Interest	57,000	70,000	115,000	112,000	106,000
Changes in assumptions	192,000	173,000	118,000	(82,000)	-
Differences between expected and actual experience	(24,000)	(229,000)	(1,230,000)	(61,000)	-
Benefit payments	(30,000)	(31,000)	(27,000)	(27,000)	(76,000)
Net change in total OPEB liability	\$ 290,000	\$ 70,000	\$ (924,000)	\$ 55,000	\$ 140,000
Total OPEB liability - beginning	2,234,000	2,164,000	3,088,000	3,033,000	2,893,000
Total OPEB liability - ending	\$ 2,524,000	\$ 2,234,000	\$ 2,164,000	\$ 3,088,000	\$ 3,033,000
Covered-employee payroll	\$ 7,076,000	\$ 6,837,000	\$ 6,837,000	\$ 6,795,000	\$ 6,795,000
County's total OPEB liability (asset) as a percentage of covered-employee payroll	35.67%	32.68%	31.65%	45.45%	44.64%

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

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, 2021

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 159,200	\$ 233,700	\$ 224,900	\$ 249,000	\$ 242,900
Interest	73,300	114,000	127,400	176,700	162,600
Changes in assumptions	114,200	153,600	132,600	(523,900)	-
Differences between expected and actual experience	(301,800)	(915,200)	(189,300)	(1,300,800)	-
Benefit payments	(153,100)	(168,300)	(194,000)	146,200	(175,800)
Net change in total OPEB liability	\$ (108,200)	\$ (582,200)	\$ 101,600	\$ (1,252,800)	\$ 229,700
Total OPEB liability - beginning	<u>2,909,000</u>	<u>3,491,200</u>	<u>3,389,600</u>	<u>4,642,400</u>	<u>4,412,700</u>
Total OPEB liability - ending	<u>\$ 2,800,800</u>	<u>\$ 2,909,000</u>	<u>\$ 3,491,200</u>	<u>\$ 3,389,600</u>	<u>\$ 4,642,400</u>
Covered-employee payroll	\$ 16,362,100	\$ 16,362,100	\$ 18,465,200	\$ 18,465,200	\$ 18,716,200
County's total OPEB liability (asset) as a percentage of covered-employee payroll	17.12%	17.78%	18.91%	18.36%	24.80%

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

Notes to Required Supplementary Information - OPEB
Year Ended June 30, 2022

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

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	1.92%
Inflation	2.50%
Healthcare Trend Rate	7.00% for fiscal year 2022 (to reflect actual expense), decreasing .50% 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: 7/1/2020
Measurement Date: 7/1/2021

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	1.92%
Inflation	2.50%
Healthcare Trend Rate	(3.980%) for fiscal year 2021 (to reflect actual expense), then 6.50% for fiscal year 2022, 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, 2021

Date	Employer's Proportion of the Net GLI OPEB Liability	Employer's Proportionate Share of the Net GLI OPEB Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of Covered Payroll (3)/(4)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability
(1)	(2)	(3)	(4)	(5)	(6)
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, 2021

Date (1)	Employer's Proportion of the Net GLI OPEB Liability (2)	Employer's Proportionate Share of the Net GLI OPEB Liability (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net GLI OPEB Liability as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
Component Unit School Board (nonprofessional)					
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%
Component Unit School Board (professional)					
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, 2013 through June 30, 2022

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)
Primary Government					
2022	\$ 47,907	\$ 47,907	\$ -	\$ 8,871,673	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%
2013	28,413	28,413	-	5,919,363	0.48%
Component Unit School Board (nonprofessional)					
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%
2013	8,918	8,918	-	1,857,851	0.48%
Component Unit School Board (professional)					
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%
2013	84,346	84,346	-	17,572,071	0.48%

Notes to Required Supplementary Information
 Group Life Insurance (GLI) Plan
 Year Ended June 30, 2022

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

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

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 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, 2021

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) (5)	Plan Fiduciary Net Position as a Percentage of Total HIC OPEB Liability (6)
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, 2013 through June 30, 2022

Date	Contributions in Relation to			Contributions as a % of	
	Contractually Required Contribution (1)	Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Covered Payroll (5)
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%
2013	192,062	192,062	-	17,302,847	1.11%

Notes to Required Supplementary Information
Teacher Employee Health Insurance Credit (HIC) Plan
Year Ended June 30, 2022

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

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

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

Capital Projects Fund

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

Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Amounts	
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 3,173	\$ 3,173
Miscellaneous	-	-	37,000	37,000
Intergovernmental revenues:				
Commonwealth	-	-	189,949	189,949
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230,122</u>	<u>\$ 230,122</u>
EXPENDITURES				
Current:				
Education	\$ -	\$ -	\$ 949,884	\$ (949,884)
Capital projects	<u>2,580,000</u>	<u>9,124,555</u>	<u>3,482,186</u>	<u>5,642,369</u>
Total expenditures	<u>\$ 2,580,000</u>	<u>\$ 9,124,555</u>	<u>\$ 4,432,070</u>	<u>\$ 4,692,485</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,580,000)</u>	<u>\$ (9,124,555)</u>	<u>\$ (4,201,948)</u>	<u>\$ 4,922,607</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 2,580,000	\$ 2,357,596	\$ 2,222,374	\$ (135,222)
Leases (as lessee)	<u>-</u>	<u>614,067</u>	<u>614,067</u>	<u>-</u>
Total other financing sources (uses)	<u>\$ 2,580,000</u>	<u>\$ 2,971,663</u>	<u>\$ 2,836,441</u>	<u>\$ (135,222)</u>
Net change in fund balances	\$ -	\$ (6,152,892)	\$ (1,365,507)	\$ 4,787,385
Fund balances - beginning	<u>-</u>	<u>6,152,892</u>	<u>6,257,762</u>	<u>104,870</u>
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,892,255</u></u>	<u><u>\$ 4,892,255</u></u>

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	Virginia Public Assistance Fund	Comprehensive Services Act Fund	E-911 Fund	Parks and Recreation Fund	Total
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ 644	\$ 167,550	\$ 168,194
Accounts receivable	-	-	-	-	-
Due from other funds	-	46,873	-	-	46,873
Due from other governmental units	<u>202,567</u>	<u>119,235</u>	<u>-</u>	<u>-</u>	<u>321,802</u>
Total assets	<u>\$ 202,567</u>	<u>\$ 166,108</u>	<u>\$ 644</u>	<u>\$ 167,550</u>	<u>\$ 536,869</u>
LIABILITIES					
Accounts payable	\$ -	\$ 164,771	\$ -	\$ 2,624	\$ 167,395
Accrued liabilities	-	1,337	-	-	1,337
Due to other funds	<u>202,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>202,567</u>
Total liabilities	<u>\$ 202,567</u>	<u>\$ 166,108</u>	<u>\$ -</u>	<u>\$ 2,624</u>	<u>\$ 371,299</u>
FUND BALANCES					
Committed:					
Recreation	\$ -	\$ -	\$ -	\$ 164,926	\$ 164,926
Assigned:					
Emergency services	<u>-</u>	<u>-</u>	<u>644</u>	<u>-</u>	<u>644</u>
Total fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 644</u>	<u>\$ 164,926</u>	<u>\$ 165,570</u>
Total liabilities and fund balances	<u>\$ 202,567</u>	<u>\$ 166,108</u>	<u>\$ 644</u>	<u>\$ 167,550</u>	<u>\$ 536,869</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2022

	Virginia Public Assistance Fund	Comprehensive Services Act Fund	E-911 Fund	Parks and Recreation Fund	Total
REVENUES					
Charges for services	\$ 12,142	\$ -	\$ -	\$ 25,037	\$ 37,179
Intergovernmental:					
Commonwealth	850,055	676,718	-	-	1,526,773
Federal	<u>1,523,909</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,523,909</u>
Total revenues	\$ <u>2,386,106</u>	\$ <u>676,718</u>	\$ <u>-</u>	\$ <u>25,037</u>	\$ <u>3,087,861</u>
EXPENDITURES					
Current:					
Health and welfare	\$ 2,868,944	\$ 1,088,113	\$ -	\$ -	\$ 3,957,057
Parks, recreation, and cultural	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,543</u>	<u>18,543</u>
Total expenditures	\$ <u>2,868,944</u>	\$ <u>1,088,113</u>	\$ <u>-</u>	\$ <u>18,543</u>	\$ <u>3,975,600</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>(482,838)</u>	\$ <u>(411,395)</u>	\$ <u>-</u>	\$ <u>6,494</u>	\$ <u>(887,739)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ <u>482,838</u>	\$ <u>411,395</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>894,233</u>
Total other financing sources (uses)	\$ <u>482,838</u>	\$ <u>411,395</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>894,233</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ 6,494	\$ 6,494
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>644</u>	<u>158,432</u>	<u>159,076</u>
Fund balances - ending	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>644</u></u>	\$ <u><u>164,926</u></u>	\$ <u><u>165,570</u></u>

COUNTY OF PAGE, VIRGINIA

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended June 30, 2022

	Virginia Public Assistance Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ -	\$ 12,142	\$ 12,142
Intergovernmental:				
Commonwealth	1,128,328	1,128,328	850,055	(278,273)
Federal	1,571,667	1,583,102	1,523,909	(59,193)
Total revenues	<u>\$ 2,699,995</u>	<u>\$ 2,711,430</u>	<u>\$ 2,386,106</u>	<u>\$ (325,324)</u>
EXPENDITURES				
Current:				
Health and welfare	<u>\$ 3,241,800</u>	<u>\$ 3,279,025</u>	<u>\$ 2,868,944</u>	<u>\$ 410,081</u>
Total expenditures	<u>\$ 3,241,800</u>	<u>\$ 3,279,025</u>	<u>\$ 2,868,944</u>	<u>\$ 410,081</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (541,805)</u>	<u>\$ (567,595)</u>	<u>\$ (482,838)</u>	<u>\$ 84,757</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>\$ 541,805</u>	<u>\$ 521,460</u>	<u>\$ 482,838</u>	<u>\$ (38,622)</u>
Total other financing sources (uses)	<u>\$ 541,805</u>	<u>\$ 521,460</u>	<u>\$ 482,838</u>	<u>\$ (38,622)</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		
\$ -	\$ -	\$ -	\$ -
1,826,199	1,826,199	676,718	(1,149,481)
-	-	-	-
\$ 1,826,199	\$ 1,826,199	\$ 676,718	\$ (1,149,481)
\$ 2,550,662	\$ 2,552,162	\$ 1,088,113	\$ 1,464,049
\$ 2,550,662	\$ 2,552,162	\$ 1,088,113	\$ 1,464,049
\$ (724,463)	\$ (725,963)	\$ (411,395)	\$ 314,568
\$ 724,463	\$ 725,963	\$ 411,395	\$ (314,568)
\$ 724,463	\$ 725,963	\$ 411,395	\$ (314,568)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
\$ -	\$ -	\$ -	\$ -

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended June 30, 2022

	Parks and Recreation Fund			Variance with Final Budget Positive Negative
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Charges for services	\$ 20,000	\$ 20,000	\$ 25,037	\$ 5,037
Total revenues	\$ 20,000	\$ 20,000	\$ 25,037	\$ 5,037
EXPENDITURES				
Current:				
Parks, recreation, and cultural	\$ 20,000	\$ 20,000	\$ 18,543	\$ 1,457
Total expenditures	\$ 20,000	\$ 20,000	\$ 18,543	\$ 1,457
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ 6,494	\$ 6,494
Net change in fund balances	\$ -	\$ -	\$ 6,494	\$ 6,494
Fund balances - beginning	-	-	158,432	158,432
Fund balances - ending	\$ -	\$ -	\$ 164,926	\$ 164,926

Combining Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2022

	Custodial Funds					
	Special Welfare Fund	Cash Bonds Fund	Neutering/ Spaying Fund	Jail Inmate Fund	Luray/Page Airport Hangar Fund	Total
ASSETS						
Cash and cash equivalents	\$ 9,728	\$ 34,062	\$ 10,840	\$ 20,081	\$ 127	\$ 74,838
Total assets	\$ 9,728	\$ 34,062	\$ 10,840	\$ 20,081	\$ 127	\$ 74,838
NET POSITION						
Restricted:						
Individuals, organizations, and governments	\$ 9,728	\$ -	\$ 10,840	\$ 20,081	\$ 127	\$ 40,776
Bond funds	-	34,062	-	-	-	34,062
Total net position	\$ 9,728	\$ 34,062	\$ 10,840	\$ 20,081	\$ 127	\$ 74,838

Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2022

	Custodial Funds					Total
	Special Welfare Fund	Cash Bonds Fund	Neutering/ Spaying Fund	Jail Inmate Fund	Luray/Page Airport Hangar Fund	
Additions						
Revenue from use of property	\$ -	\$ -	\$ -	\$ -	\$ 73,385	\$ 73,385
Miscellaneous	17,034	-	802	-	-	17,836
Inmate collections	-	-	-	83,449	-	83,449
Total additions	\$ 17,034	\$ -	\$ 802	\$ 83,449	\$ 73,385	\$ 174,670
Deductions						
Inmate payments	\$ -	\$ -	\$ -	\$ 87,463	\$ -	\$ 87,463
Beneficiary payments to individuals	8,036	-	-	-	-	8,036
Payments for animal care	-	-	-	-	-	-
Payments of hangar rent to local governments	-	-	-	-	152,271	152,271
Total deductions	\$ 8,036	\$ -	\$ -	\$ 87,463	\$ 152,271	\$ 247,770
Net increase (decrease) in fiduciary net position	\$ 8,998	\$ -	\$ 802	\$ (4,014)	\$ (78,886)	\$ (73,100)
Net position beginning	730	34,062	10,038	24,095	79,013	147,938
Net position ending	<u>\$ 9,728</u>	<u>\$ 34,062</u>	<u>\$ 10,840</u>	<u>\$ 20,081</u>	<u>\$ 127</u>	<u>\$ 74,838</u>

Balance Sheet
Discretely Presented Component Unit - School Board
June 30, 2022

	School Operating Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 63,363	\$ 2,301,103	\$ 2,364,466
Accounts receivable	115,806	4,208	120,014
Leases receivable	44,776	-	44,776
Due from primary government	1,801,306	-	1,801,306
Due from other governmental units	2,955,713	49,831	3,005,544
Inventories	-	57,805	57,805
Prepaid items	205,254	459	205,713
Total assets	<u>\$ 5,186,218</u>	<u>\$ 2,413,406</u>	<u>\$ 7,599,624</u>
LIABILITIES			
Accounts payable	\$ 1,467,079	\$ 59,068	\$ 1,526,147
Accrued liabilities	2,984,411	87,961	3,072,372
Unearned revenue	626,729	-	626,729
Total liabilities	<u>\$ 5,078,219</u>	<u>\$ 147,029</u>	<u>\$ 5,225,248</u>
DEFERRED INFLOWS OF RESOURCES			
Lease related	\$ 44,636	\$ -	\$ 44,636
FUND BALANCES			
Nonspendable			
Inventories	\$ -	\$ 57,805	\$ 57,805
Prepaid items	205,254	-	205,254
Assigned			
School lunch program	-	1,746,369	1,746,369
School operating fund	63,363	-	63,363
Student activities		462,203	462,203
Unassigned	(205,254)	-	(205,254)
Total fund balances	<u>\$ 63,363</u>	<u>\$ 2,266,377</u>	<u>\$ 2,329,740</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 5,186,218</u>	<u>\$ 2,413,406</u>	<u>\$ 7,599,624</u>

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Total fund balances per above \$ 2,329,740

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Land	\$ 977,491	
Buildings and improvements	34,769,805	
Machinery and equipment	3,355,428	
Construction in progress	2,485,173	
Lease Assets	<u>231,583</u>	41,819,480

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

Pension related items	\$ 6,391,663	
OPEB related items	1,049,378	
Net pension asset	<u>386,947</u>	7,827,988

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	\$ (2,668)	
Compensated absences	(282,181)	
Leases liability	(230,385)	
Net pension liability	(16,508,226)	
Net OPEB liabilities	<u>(6,686,674)</u>	(23,710,134)

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

Pension related items	\$ (14,491,578)	
OPEB related items	<u>(2,463,091)</u>	(16,954,669)

Net position of governmental activities \$ 11,312,405

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds - Discretely Presented Component Unit - School Board
Year Ended June 30, 2022

		School Operating Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Revenue from the use of money and property	\$	70,066	\$ 130	\$ 70,196
Charges for services		345,255	20,198	365,453
Miscellaneous		256,064	864,753	1,120,817
Intergovernmental:				
Local government		15,862,300	-	15,862,300
Commonwealth		24,884,885	54,512	24,939,397
Federal		7,141,862	1,762,426	8,904,288
Total revenues	\$	<u>48,560,432</u>	<u>\$ 2,702,019</u>	<u>\$ 51,262,451</u>
EXPENDITURES				
Current:				
Education	\$	42,931,849	\$ 2,416,530	\$ 45,348,379
Debt service:				
Principal retirement		5,375,214	-	5,375,214
Interest and other fiscal charges		253,369	-	253,369
Total expenditures	\$	<u>48,560,432</u>	<u>\$ 2,416,530</u>	<u>\$ 50,976,962</u>
Excess (deficiency) of revenues over (under) expenditures	\$	-	\$ 285,489	\$ 285,489
Net change in fund balances	\$	-	\$ 285,489	\$ 285,489
Fund balances - beginning		63,363	1,980,888	2,044,251
Fund balances - ending	\$	<u>63,363</u>	<u>\$ 2,266,377</u>	<u>\$ 2,329,740</u>

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

Net change in fund balances above	\$	285,489
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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	\$	4,462,804	
Depreciation and amortization expense		(2,499,177)	
Allocation of debt financed school assets based on current year repayments		<u>2,334,534</u>	4,298,161

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.

Principal repayments	\$	5,375,214	
Lease repayments		79,273	
			5,454,487

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	\$	122,489	
Change in accrued interest		36,169	
Pension expense		3,985,395	
OPEB expense		<u>534,324</u>	4,678,377

Change in net position of governmental activities	\$	<u>14,716,514</u>
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Combining Balance Sheet
Nonmajor Governmental Funds Discretely Presented Component Unit - School Board
June 30, 2022

	School Cafeteria Fund	Student Activities Fund	Total Nonmajor Funds
ASSETS			
Cash and cash equivalents	\$ 1,801,155	\$ 499,948	\$ 2,301,103
Accounts receivable	-	4,208	4,208
Prepaid items	-	459	459
Due from other governmental units	49,831	-	49,831
Inventories	57,805	-	57,805
Total assets	<u>\$ 1,908,791</u>	<u>\$ 504,615</u>	<u>\$ 2,413,406</u>
LIABILITIES			
Accounts payable	\$ 16,656	\$ 42,412	\$ 59,068
Accrued liabilities	87,961	-	87,961
Total liabilities	<u>\$ 104,617</u>	<u>\$ 42,412</u>	<u>\$ 147,029</u>
FUND BALANCES			
Nonspendable			
Inventories	\$ 57,805	\$ -	\$ 57,805
Prepaid items	-	459	459
Assigned			
School lunch program	1,746,369	-	1,746,369
Student activities	-	461,744	461,744
Total fund balances	<u>\$ 1,804,174</u>	<u>\$ 462,203</u>	<u>\$ 2,266,377</u>
Total liabilities and fund balances	<u>\$ 1,908,791</u>	<u>\$ 504,615</u>	<u>\$ 2,413,406</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - Discretely Presented Component Unit - School Board
Year Ended June 30, 2022

	School Cafeteria Fund	Student Activities Fund	Total Nonmajor Governmental Funds
REVENUES			
Revenue from the use of money and property	\$ 130	\$ -	\$ 130
Charges for services	20,198	-	20,198
Miscellaneous	-	864,753	864,753
Intergovernmental:			
Commonwealth	54,512	-	54,512
Federal	1,762,426	-	1,762,426
Total revenues	<u>\$ 1,837,266</u>	<u>\$ 864,753</u>	<u>\$ 2,702,019</u>
EXPENDITURES			
Current:			
Education	\$ 1,589,582	\$ 826,948	\$ 2,416,530
Total expenditures	<u>\$ 1,589,582</u>	<u>\$ 826,948</u>	<u>\$ 2,416,530</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 247,684</u>	<u>\$ 37,805</u>	<u>\$ 285,489</u>
Net change in fund balances	\$ 247,684	\$ 37,805	\$ 285,489
Fund balances - beginning	1,556,490	424,398	1,980,888
Fund balances - ending	<u>\$ 1,804,174</u>	<u>\$ 462,203</u>	<u>\$ 2,266,377</u>

SUPPORTING SCHEDULES

Schedule of Revenues - Budget and Actual
Governmental Funds
Year Ended June 30, 2022

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 16,409,730	\$ 16,409,730	\$ 16,738,058	\$ 328,328
Real and personal public service corporation taxes	550,000	550,000	715,656	165,656
Personal property taxes	6,605,500	6,605,500	8,290,759	1,685,259
Penalties	272,000	272,000	305,200	33,200
Interest	259,000	259,000	277,408	18,408
Total general property taxes	\$ 24,096,230	\$ 24,096,230	\$ 26,327,081	\$ 2,230,851
Other local taxes:				
Local sales and use taxes	\$ 1,900,500	\$ 1,900,500	\$ 2,423,211	\$ 522,711
Cigarette tax	-	50,000	51,000	1,000
Business licenses	190,000	190,000	246,040	56,040
Consumption taxes	50,000	50,000	54,086	4,086
Motor vehicle licenses	500,000	500,000	477,868	(22,132)
Taxes on recordation and wills	140,000	140,000	326,130	186,130
Transient occupancy taxes	1,100,000	1,100,000	1,567,960	467,960
Meals taxes	300,000	300,000	344,523	44,523
Total other local taxes	\$ 4,180,500	\$ 4,230,500	\$ 5,490,818	\$ 1,260,318
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 6,000	\$ 6,000	\$ 4,992	\$ (1,008)
Land use application fees	4,000	4,000	4,820	820
Transfer fees	1,000	900	1,185	285
Permits and other licenses	203,050	203,150	368,586	165,436
Total permits, privilege fees, and regulatory licenses	\$ 214,050	\$ 214,050	\$ 379,583	\$ 165,533
Fines and forfeitures:				
Court fines and forfeitures	\$ 57,800	\$ 57,800	\$ 72,937	\$ 15,137
Total fines and forfeitures	\$ 57,800	\$ 57,800	\$ 72,937	\$ 15,137
Revenue from use of money and property:				
Revenue from use of money	\$ -	\$ -	\$ 28,084	\$ 28,084
Revenue from use of property	60,000	60,000	81,785	21,785
Total revenue from use of money and property	\$ 60,000	\$ 60,000	\$ 109,869	\$ 49,869
Charges for services:				
Sheriff's fees	\$ 2,500	\$ 2,500	\$ 2,602	\$ 102
Ambulance and rescue service	500,000	500,000	534,225	34,225
Charges for Animal Protection	6,000	6,000	6,988	988
Charges for Commonwealth's Attorney	6,500	6,500	6,842	342
Work release and other inmate fees	63,500	63,500	83,787	20,287
Charges for sanitation and waste removal	3,560,100	3,560,100	3,494,287	(65,813)
Other charges for services	125	125	4,001	3,876
Total charges for services	\$ 4,138,725	\$ 4,138,725	\$ 4,132,732	\$ (5,993)
Miscellaneous:				
Miscellaneous	\$ 409,673	\$ 425,303	\$ 424,859	\$ (444)
Total miscellaneous	\$ 409,673	\$ 425,303	\$ 424,859	\$ (444)
Total revenue from local sources	\$ 33,156,978	\$ 33,222,608	\$ 36,937,879	\$ 3,715,271
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Mobile home titling tax	\$ 13,000	\$ 13,000	\$ 26,149	\$ 13,149
State recordation tax	40,000	40,000	36,237	(3,763)
Railroad rolling stock tax	36,000	36,000	34,045	(1,955)
Communication taxes	400,000	400,000	349,737	(50,263)
Motor vehicle rental tax	4,855	4,855	1,434	(3,421)
Personal property tax relief funds	1,640,791	1,640,791	1,640,791	-
Total noncategorical aid	\$ 2,134,646	\$ 2,134,646	\$ 2,088,393	\$ (46,253)

Schedule of Revenues - Budget and Actual
Governmental Funds
Year Ended June 30, 2022 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 384,294	\$ 384,294	\$ 361,184	\$ (23,110)
Sheriff	2,335,377	2,523,804	2,443,101	(80,703)
Commissioner of revenue	184,123	184,123	183,812	(311)
Treasurer	150,919	150,919	150,841	(78)
Registrar/electoral board	44,057	74,873	68,659	(6,214)
Clerk of the Circuit Court	305,874	310,530	330,692	20,162
Total shared expenses	\$ 3,404,644	\$ 3,628,543	\$ 3,538,289	\$ (90,254)
Other categorical aid:				
CJS GTS grant	\$ -	\$ -	\$ 6,151	\$ 6,151
Virginia Juvenile Community Crime Control Act	30,076	30,076	1,386	(28,690)
Crime prevention education	5,000	5,000	-	(5,000)
PSAP grant	3,000	3,000	101,029	98,029
Litter control	11,214	15,865	15,865	-
Fire programs funds	48,000	61,056	61,056	-
Victims witness grant	17,500	17,500	19,654	2,154
RSAF Grant	-	403,472	390,264	(13,208)
Two-for-life grant	28,000	28,000	26,049	(1,951)
School resource officer grant	80,000	80,000	37,954	(42,046)
Internet crimes against children	20,000	20,000	17,634	(2,366)
DGIF grant	-	14,507	14,507	-
Other	19,735	39,000	38,609	(391)
Total other categorical aid	\$ 262,525	\$ 717,476	\$ 730,158	\$ 12,682
Total categorical aid	\$ 3,667,169	\$ 4,346,019	\$ 4,268,447	\$ (77,572)
Total revenue from the Commonwealth	\$ 5,801,815	\$ 6,480,665	\$ 6,356,840	\$ (123,825)
Revenue from the federal government:				
Noncategorical aid:				
Payments in lieu of taxes	\$ 180,000	\$ 180,000	\$ 194,806	\$ 14,806
Coronavirus state and local fiscal recovery funds	-	2,380,004	990,400	(1,389,604)
Total noncategorical aid	\$ 180,000	\$ 2,560,004	\$ 1,185,206	\$ (1,374,798)
Categorical aid:				
Forfeited assets	\$ 2,036	\$ -	\$ -	\$ -
Local law enforcement	-	124,178	27,270	(96,908)
Victim witness assistance	52,500	52,500	45,888	(6,612)
COSSAP	-	200,000	9,953	(190,047)
SHSP grant	50,000	71,680	50,000	(21,680)
Opioid abuse grant	200,000	200,000	88,644	(111,356)
DMV ground transportation safety grant	20,000	20,000	7,520	(12,480)
COPS De-escalation	-	200,000	-	(200,000)
Bullet proof vest grant	13,000	13,000	7,678	(5,322)
Housing and community development	-	206,918	192,527	(14,391)
CESF	-	78,885	33,953	(44,932)
Drug court	166,667	166,667	133,931	(32,736)
Emergency management planning grant	-	-	6,416	6,416
Community oriented police	173,773	179,410	144,465	(34,945)
Total categorical aid	\$ 677,976	\$ 1,513,238	\$ 748,245	\$ (764,993)
Total revenue from the federal government	\$ 857,976	\$ 4,073,242	\$ 1,933,451	\$ (2,139,791)
Total General Fund	\$ 39,816,769	\$ 43,776,515	\$ 45,228,170	\$ 1,451,655
Special Revenue Funds:				
Workforce Investment Act Fund:				
Intergovernmental:				
Revenue from the federal government:				
Categorical aid:				
Workforce Investment Act	\$ -	\$ -	\$ 1,819,550	\$ 1,819,550
Virginia Public Assistance Fund:				
Revenue from local sources:				
Charges for services:				
Public assistance and welfare administration	\$ -	\$ -	\$ 12,142	\$ 12,142
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Public assistance and welfare administration	\$ 1,128,328	\$ 1,128,328	\$ 850,055	\$ (278,273)
Revenue from the federal government:				
Categorical aid:				
Public assistance and welfare administration	\$ 1,571,667	\$ 1,583,102	\$ 1,523,909	\$ (59,193)
Total Virginia Public Assistance Fund	\$ 2,699,995	\$ 2,711,430	\$ 2,386,106	\$ (325,324)

Schedule of Revenues - Budget and Actual
Governmental Funds
Year Ended June 30, 2022 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Funds: (Continued)				
Comprehensive Services Act Fund:				
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
Comprehensive Services Act program	\$ 1,826,199	\$ 1,826,199	\$ 675,625	\$ (1,150,574)
Child support public assistance funds	-	-	1,093	1,093
Total categorical aid	\$ 1,826,199	\$ 1,826,199	\$ 676,718	\$ (1,149,481)
Total revenue from the Commonwealth	\$ 1,826,199	\$ 1,826,199	\$ 676,718	\$ (1,149,481)
Total Comprehensive Services Act Fund	\$ 1,826,199	\$ 1,826,199	\$ 676,718	\$ (1,149,481)
Parks and Recreation Fund:				
Revenue from local sources:				
Charges for services:				
Parks and recreation fees	\$ 20,000	\$ 20,000	\$ 25,037	\$ 5,037
Capital Projects Fund:				
County Capital Improvements Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 3,173	\$ 3,173
Total revenue from use of money and property	\$ -	\$ -	\$ 3,173	\$ 3,173
Miscellaneous revenue:				
Other miscellaneous	\$ -	\$ -	\$ 37,000	\$ 37,000
Total miscellaneous revenue	\$ -	\$ -	\$ 37,000	\$ 37,000
Categorical aid:				
NG911	\$ -	\$ -	\$ 189,949	\$ 189,949
Total County Capital Improvements Fund	\$ -	\$ -	\$ 230,122	\$ 230,122
Total Primary Government	\$ 44,362,963	\$ 48,334,144	\$ 50,365,703	\$ 2,031,559
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 45,000	\$ 45,000	\$ 70,066	\$ 25,066
Total revenue from use of money and property	\$ 45,000	\$ 45,000	\$ 70,066	\$ 25,066
Charges for services:				
Charges for education	\$ 380,000	\$ 380,000	\$ 345,255	\$ (34,745)
Miscellaneous revenue:				
Other miscellaneous	\$ 190,000	\$ 190,000	\$ 256,064	\$ 66,064
Total revenue from local sources	\$ 615,000	\$ 615,000	\$ 671,385	\$ 56,385
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Page, Virginia	\$ 10,989,932	\$ 10,389,932	\$ 15,862,300	\$ 5,472,368
Total revenues from local governments	\$ 10,989,932	\$ 10,389,932	\$ 15,862,300	\$ 5,472,368
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 3,997,475	\$ 3,997,475	\$ 4,981,432	\$ 983,957
Basic school aid	11,358,419	11,358,419	10,265,189	(1,093,230)
GED funding	16,772	16,772	16,465	(307)
Regular foster children education	7,288	7,288	-	(7,288)
Summer remedial	-	-	155,698	155,698
Gifted and talented	110,462	110,462	105,794	(4,668)
Remedial education	452,468	452,468	433,348	(19,120)
Compensation supplement	723,764	723,764	693,242	(30,522)
Special education	864,576	864,576	828,041	(36,535)
Textbook payments	228,295	228,295	218,648	(9,647)
Vocational standards of quality payments	467,338	467,338	447,590	(19,748)
Social security	652,149	652,149	624,591	(27,558)
Retirement fringe benefits	1,520,973	1,520,973	1,456,701	(64,272)
Lottery	845,173	845,173	826,828	(18,345)
Early reading intervention	58,035	58,035	125,742	67,707
Group life instructional	46,734	46,734	44,759	(1,975)
Homebound education	4,493	4,493	-	(4,493)
Regional program tuition	693,697	693,697	669,140	(24,557)

Schedule of Revenues - Budget and Actual
Governmental Funds
Year Ended June 30, 2022 (Continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Discretely Presented Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (continued)				
Categorical aid: (continued)				
At risk payments	\$ 1,031,358	\$ 1,031,358	\$ 1,671,621	\$ 640,263
Primary class size	441,007	441,007	430,730	(10,277)
Technology	258,000	258,000	-	(258,000)
Small school division enrollment loss	599,372	599,372	-	(599,372)
Standards of learning algebra readiness	53,628	53,628	58,603	4,975
At risk four-year olds	462,175	462,175	426,969	(35,206)
Vocational education	91,699	98,699	131,027	32,328
English as a second language	32,214	32,214	32,214	-
Other state funds	16,124	187,905	240,513	52,608
Total categorical aid	\$ 25,033,688	\$ 25,212,469	\$ 24,884,885	\$ (327,584)
Total revenue from the Commonwealth	\$ 25,033,688	\$ 25,212,469	\$ 24,884,885	\$ (327,584)
Revenue from the federal government:				
Categorical aid:				
Federal land use	\$ 23,000	\$ 23,000	\$ 26,290	\$ 3,290
CARES Act ESSER	2,811,625	7,239,810	5,412,769	(1,827,041)
Title I	872,958	872,958	762,793	(110,165)
Title VI-B, special education flow-through	722,578	722,578	673,174	(49,404)
Vocational education	71,000	71,000	64,296	(6,704)
Title VI-B, special education pre-school	16,689	16,689	20,177	3,488
Supporting effective instruction state grant	128,527	128,527	99,843	(28,684)
ARPA IDEA	-	191,407	-	(191,407)
School improvement	24,785	24,785	3,513	(21,272)
Title IV Part B 21st century learning grant	7,000	-	8,462	8,462
Student support and academic enrichment	64,223	64,223	70,545	6,322
Total categorical aid	\$ 4,742,385	\$ 9,354,977	\$ 7,141,862	\$ (2,213,115)
Total revenue from the federal government	\$ 4,742,385	\$ 9,354,977	\$ 7,141,862	\$ (2,213,115)
Total School Operating Fund	\$ 41,381,005	\$ 45,572,378	\$ 48,560,432	\$ 2,988,054
School Cafeteria Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 130	\$ 130
Charges for services:				
Cafeteria sales	\$ 274,200	\$ 274,200	\$ 20,198	\$ (254,002)
Total revenue from local sources	\$ 274,200	\$ 274,200	\$ 20,328	\$ (253,872)
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 38,313	\$ 38,313	\$ 54,512	\$ 16,199
Total revenue from the Commonwealth	\$ 38,313	\$ 38,313	\$ 54,512	\$ 16,199
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 1,746,221	\$ 1,746,221	\$ 1,591,896	\$ (154,325)
USDA commodities	-	-	170,530	170,530
Total categorical aid	\$ 1,746,221	\$ 1,746,221	\$ 1,762,426	\$ 16,205
Total revenue from the federal government	\$ 1,746,221	\$ 1,746,221	\$ 1,762,426	\$ 16,205
Total School Cafeteria Fund	\$ 2,058,734	\$ 2,058,734	\$ 1,837,266	\$ (221,468)
Student Activities Fund				
Revenue from local sources:				
Miscellaneous revenue:				
Other miscellaneous	\$ -	\$ -	\$ 864,753	\$ 864,753
Total miscellaneous revenue	\$ -	\$ -	\$ 864,753	\$ 864,753
Total Student Activities Fund	\$ -	\$ -	\$ 864,753	\$ 864,753
Total Discretely Presented Component Unit - School Board	\$ 43,439,739	\$ 47,631,112	\$ 51,262,451	\$ 3,631,339

Schedule of Expenditures - Budget and Actual
Governmental Funds
Year Ended June 30, 2022

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 138,720	\$ 147,720	\$ 124,461	\$ 23,259
General and financial administration:				
County administrator	\$ 353,158	\$ 376,704	\$ 367,989	\$ 8,715
Finance	276,415	279,308	280,714	(1,406)
Legal services	138,500	138,500	66,564	71,936
Commissioner of revenue	554,949	564,738	554,661	10,077
Assessment	120,000	4,144	2,328	1,816
Geographic information systems	146,777	148,277	140,481	7,796
Treasurer	587,285	596,680	605,837	(9,157)
Data processing	243,000	557,403	561,172	(3,769)
Purchasing	51,899	51,966	51,542	424
Total general and financial administration	\$ 2,471,983	\$ 2,717,720	\$ 2,631,288	\$ 86,432
Board of elections:				
Electoral board and officials	\$ 68,618	\$ 68,618	\$ 55,038	\$ 13,580
Registrar	120,764	153,080	156,208	(3,128)
Total board of elections	\$ 189,382	\$ 221,698	\$ 211,246	\$ 10,452
Total general government administration	\$ 2,800,085	\$ 3,087,138	\$ 2,966,995	\$ 120,143
Judicial administration:				
Courts:				
Circuit court	\$ 9,250	\$ 9,250	\$ 7,328	\$ 1,922
General district court	8,650	8,650	7,307	1,343
Drug Court	-	167,991	134,393	33,598
Special magistrates	3,725	3,725	3,923	(198)
Juvenile and domestic relations court	16,050	16,050	6,558	9,492
Sheriff	225,026	231,486	223,703	7,783
Victim witness program	85,179	86,679	82,059	4,620
Clerk of the circuit court	530,135	629,196	629,941	(745)
Total courts	\$ 878,015	\$ 1,153,027	\$ 1,095,212	\$ 57,815
Commonwealth's attorney:				
Commonwealth's attorney	\$ 654,017	\$ 661,912	\$ 653,676	\$ 8,236
Total judicial administration	\$ 1,532,032	\$ 1,814,939	\$ 1,748,888	\$ 66,051
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 4,106,043	\$ 4,456,551	\$ 3,958,074	498,477
Virginia Juvenile Community Crime Control Act	30,076	30,076	1,386	28,690
Total law enforcement and traffic control	\$ 4,136,119	\$ 4,486,627	\$ 3,959,460	\$ 527,167
Fire and rescue services:				
Volunteer fire departments and rescue squads	\$ 429,000	481,056	\$ 479,024	\$ 2,032
Fire and rescue services	2,497,054	2,978,825	2,911,010	67,815
Total fire and rescue services	\$ 2,926,054	\$ 3,459,881	\$ 3,390,034	\$ 69,847
Correction and detention:				
Jail	\$ 4,061,339	\$ 4,793,291	\$ 4,431,362	\$ 361,929
Juvenile detention	220,761	220,761	212,162	8,599
Total correction and detention	\$ 4,282,100	\$ 5,014,052	\$ 4,643,524	\$ 370,528

Schedule of Expenditures - Budget and Actual
Governmental Funds
Year ended June 30, 2022 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Public safety: (Continued)				
Other protection:				
Animal control	\$ 400,965	\$ 435,305	\$ 428,842	\$ 6,463
Medical examiner	600	600	660	(60)
Emergency services	12,736	12,736	12,736	-
Total other protection	\$ 414,301	\$ 448,641	\$ 442,238	\$ 6,403
Total public safety	\$ 11,758,574	\$ 13,409,201	\$ 12,435,256	\$ 973,945
Public works:				
Sanitation and waste removal:				
Compactor sites	\$ 87,549	\$ 87,549	\$ 89,073	\$ (1,524)
Landfill	1,638,164	1,981,137	2,047,906	(66,769)
Total sanitation and waste removal	\$ 1,725,713	\$ 2,068,686	\$ 2,136,979	\$ (68,293)
Maintenance of general buildings and grounds:				
General properties	\$ 426,408	\$ 430,908	\$ 385,231	\$ 45,677
Total public works	\$ 2,152,121	\$ 2,499,594	\$ 2,522,210	\$ (22,616)
Health and welfare:				
Health:				
Supplement of local health department	\$ 287,238	\$ 287,238	\$ 287,238	\$ -
Total health	\$ 287,238	\$ 287,238	\$ 287,238	\$ -
Mental health and mental retardation:				
Community services board	\$ 97,442	\$ 97,442	\$ 97,442	\$ -
Choices	5,000	5,000	5,000	-
Total mental health and mental retardation	\$ 102,442	\$ 102,442	\$ 102,442	\$ -
Welfare:				
Welfare administration	\$ 4,522	\$ 4,522	\$ 4,575	\$ (53)
Shenandoah Area Agency on Aging	65,000	65,000	65,000	-
Other	18,988	18,988	18,988	-
Tax relief for the elderly	-	-	291,764	(291,764)
Total welfare	\$ 88,510	\$ 88,510	\$ 380,327	\$ (291,817)
Total health and welfare	\$ 478,190	\$ 478,190	\$ 770,007	\$ (291,817)
Education:				
Other instructional costs:				
Contributions to L.F. Community College	\$ 69,798	\$ 69,798	\$ 59,899	\$ 9,899
Contribution to County School Board	10,989,932	10,389,932	14,912,416	(4,522,484)
Total education	\$ 11,059,730	\$ 10,459,730	\$ 14,972,315	\$ (4,512,585)
Parks, recreation, and cultural:				
Parks and recreation:				
Administration	\$ 101,613	\$ 103,113	\$ 76,719	\$ 26,394
Total parks and recreation	\$ 101,613	\$ 103,113	\$ 76,719	\$ 26,394

Schedule of Expenditures - Budget and Actual
Governmental Funds
Year ended June 30, 2022 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Parks, recreation, and cultural: (Continued)				
Library:				
Regional library	\$ 272,052	\$ 272,052	\$ 272,052	\$ -
Total parks, recreation, and cultural	\$ 373,665	\$ 375,165	\$ 348,771	\$ 26,394
Community development:				
Planning and community development:				
Planning	\$ 431,671	\$ 439,066	\$ 437,066	\$ 2,000
Northern Shenandoah Planning Commission	21,955	21,955	19,929	2,026
Zoning	6,277	6,277	785	5,492
Economic development	462,263	809,991	644,802	165,189
Airport Commission	50,000	50,000	50,000	-
Chamber of Commerce	275,000	166,737	166,736	1
Total planning and community development	\$ 1,247,166	\$ 1,494,026	\$ 1,319,318	\$ 174,708
Environmental management:				
Other environmental management	\$ 104,817	\$ 104,817	\$ 91,538	\$ 13,279
Total environmental management	\$ 104,817	\$ 104,817	\$ 91,538	\$ 13,279
Cooperative extension program:				
4-H center	\$ 1,500	\$ 1,500	\$ 750	\$ 750
Total cooperative extension program	\$ 1,500	\$ 1,500	\$ 750	\$ 750
Total community development	\$ 1,353,483	\$ 1,600,343	\$ 1,411,606	\$ 188,737
Nondepartmental:				
Miscellaneous	\$ 321,322	\$ 275,763	\$ 220,395	\$ 55,368
Contingencies	100,000	2,390,965	664,744	1,726,221
Total nondepartmental	421,322	2,666,728	885,139	1,781,589
Debt service:				
Principal retirement	\$ 4,134,508	\$ 4,979,612	\$ 3,335,135	\$ 1,644,477
Interest and other fiscal charges	1,504,861	1,504,861	2,249,145	(744,284)
Total debt service	\$ 5,639,369	\$ 6,484,473	\$ 5,584,280	\$ 900,193
Total General Fund	\$ 37,568,571	\$ 42,875,501	\$ 43,645,467	\$ (769,966)
Special Revenue Funds:				
Workforce Investment Act Fund:				
Community development:				
Shenandoah Valley Workforce Investment Board	\$ -	\$ -	\$ 1,819,550	\$ (1,819,550)
Virginia Public Assistance Fund:				
Health and welfare:				
Welfare and social services:				
Welfare administration	\$ 3,241,800	\$ 3,279,025	\$ 2,868,944	\$ 410,081
Total Virginia Public Assistance Fund	\$ 3,241,800	\$ 3,279,025	\$ 2,868,944	\$ 410,081
Comprehensive Services Act Fund:				
Health and welfare:				
Welfare and social services:				
Comprehensive services	\$ 2,550,662	\$ 2,552,162	\$ 1,088,113	\$ 1,464,049
Total Comprehensive Services Act Fund	\$ 2,550,662	\$ 2,552,162	\$ 1,088,113	\$ 1,464,049

Schedule of Expenditures - Budget and Actual
Governmental Funds
Year ended June 30, 2022 (Continued)

Fund, Function, Activity and Elements	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Special Revenue Funds: (Continued)				
Parks and Recreation Fund:				
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 20,000	\$ 20,000	\$ 18,543	\$ 1,457
Total Parks and Recreation fund	\$ 20,000	\$ 20,000	\$ 18,543	\$ 1,457
Capital Projects Fund:				
County Capital Improvements Fund:				
Education:				
Other instructional costs:				
Contribution to County School Board	\$ -	\$ -	\$ 949,884	\$ (949,884)
Total education	\$ -	\$ -	\$ 949,884	\$ (949,884)
Capital projects expenditures:				
Courthouse repair	\$ -	\$ 10,300	\$ 4,713	\$ 5,587
Landfill equipment	-	624,067	615,251	8,816
Sheriff's office	-	32,317	48,607	(16,290)
Rescue services	-	347,700	348,045	(345)
Landfill	1,280,000	699,896	-	699,896
Motor vehicles	-	23,000	55,549	(32,549)
Parking lot	-	10,000	4,200	5,800
Voting machines	-	26,085	25,875	210
Radio system	-	6,152,892	2,233,973	3,918,919
IT hardware	-	22,600	28,064	(5,464)
Other	1,300,000	1,175,698	117,909	1,057,789
Total capital projects	\$ 2,580,000	\$ 9,124,555	\$ 3,482,186	\$ 5,642,369
Total Capital Projects Fund	\$ 2,580,000	\$ 9,124,555	\$ 4,432,070	\$ 4,692,485
Total Primary Government	\$ 45,961,033	\$ 57,851,243	\$ 53,872,687	\$ 3,978,556
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Education:				
Instructional	\$ 29,356,546	\$ 29,871,216	\$ 28,450,535	\$ 1,420,681
Administration, attendance and health services	2,821,386	2,944,903	1,881,988	1,062,915
Pupil transportation	2,489,737	2,579,579	2,461,296	118,283
Operation and maintenance	4,899,022	4,575,739	5,977,381	(1,401,642)
Facilities	-	3,734,606	1,490,150	2,244,456
Technology	1,814,314	1,866,335	2,670,499	(804,164)
Total education	\$ 41,381,005	\$ 45,572,378	\$ 42,931,849	\$ 2,640,529
Debt service:				
Principal retirement	\$ -	\$ -	\$ 5,375,214	\$ (5,375,214)
Interest and other fiscal charges	-	-	253,369	(253,369)
Total debt service	\$ -	\$ -	\$ 5,628,583	\$ (5,628,583)
Total School Operating Fund	\$ 41,381,005	\$ 45,572,378	\$ 48,560,432	\$ (2,988,054)
School Cafeteria Fund:				
Education:				
School food services:				
Administration of school food program	\$ 2,058,734	\$ 2,058,734	\$ 1,589,582	\$ 469,152
Total School Cafeteria Fund	\$ 2,058,734	\$ 2,058,734	\$ 1,589,582	\$ 469,152
Student Activities Fund				
Education:				
Instruction	\$ -	\$ -	\$ 826,948	\$ (826,948)
Total Student Activities Fund	\$ -	\$ -	\$ 826,948	\$ (826,948)
Total Discretely Presented Component Unit - School Board	\$ 43,439,739	\$ 47,631,112	\$ 50,976,962	\$ (3,345,850)

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.

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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.

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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.

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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.

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Sources:

Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year.

COUNTY OF PAGE, VIRGINIA

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities:				
Net investment in capital assets	\$ 928,108	\$ 210,465	\$ (124,706)	\$ 2,255,849
Restricted	518,639	921,716	818,673	741,443
Unrestricted	<u>(3,435,256)</u>	<u>(5,403,758)</u>	<u>(10,999,476)</u>	<u>(12,606,528)</u>
Total governmental activities net position	<u>\$ (1,988,509)</u>	<u>\$ (4,271,577)</u>	<u>\$ (10,305,509)</u>	<u>\$ (9,609,236)</u>
Primary government:				
Net investment in capital assets	\$ 928,108	\$ 210,465	\$ (124,706)	\$ 2,255,849
Restricted	518,639	921,716	818,673	741,443
Unrestricted	<u>(3,435,256)</u>	<u>(5,403,758)</u>	<u>(10,999,476)</u>	<u>(12,606,528)</u>
Total primary government net position	<u>\$ (1,988,509)</u>	<u>\$ (4,271,577)</u>	<u>\$ (10,305,509)</u>	<u>\$ (9,609,236)</u>

Table 1

Fiscal Year					
2017	2018	2018	2020	2021	2022
\$ 2,205,669	\$ 935,016	\$ 910,687	\$ 1,201,467	\$ 4,764,062	\$ 1,773,590
2,810,507	-	-	-	6,039,897	1,880,914
(15,768,259)	(11,049,988)	(8,655,053)	(6,926,519)	(9,494,150)	196,390
<u>\$ (10,752,083)</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>
\$ 2,205,669	\$ 935,016	\$ 910,687	\$ 1,201,467	\$ 4,764,062	\$ 1,773,590
2,810,507	-	-	-	6,039,897	1,880,914
(15,768,259)	(11,049,988)	(8,655,053)	(6,926,519)	(9,494,150)	196,390
<u>\$ (10,752,083)</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>

COUNTY OF PAGE, VIRGINIA

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016
Expenses				
Governmental Activities:				
General government administration	\$ 2,833,213	\$ 2,306,937	\$ 2,423,301	\$ 2,613,493
Judicial administration	1,105,308	1,094,479	1,161,227	1,113,134
Public safety	7,520,179	8,695,178	8,550,584	8,555,808
Public works	2,384,891	4,283,275	2,647,595	2,524,857
Health and welfare	3,101,854	3,195,361	3,524,666	3,542,736
Education	11,606,179	12,664,109	13,107,117	12,215,154
Parks, recreation, and cultural	273,795	290,824	303,976	303,900
Community development	537,342	745,558	3,315,348	3,667,775
Interest on long-term debt	2,921,300	2,797,872	2,698,894	2,579,296
Bond issuance costs	-	-	-	-
Total governmental activities expenses	\$ 32,284,061	\$ 36,073,593	\$ 37,732,708	\$ 37,116,153
Program Revenues				
Governmental Activities:				
Charges for services:				
General government administration	\$ 127,291	\$ 79,321	\$ 71,509	\$ 195,767
Judicial administration	127,832	110,567	111,285	88,133
Public safety	855,455	770,108	786,108	792,137
Public works	1,305,472	1,390,288	1,323,908	1,390,504
Health and welfare	9,645	14,240	6,787	10,567
Parks, recreation, and cultural	35,589	32,732	24,942	28,352
Community development	-	-	-	-
Operating grants and contributions	5,081,557	5,685,624	8,022,321	8,616,224
Total governmental activities program revenues	\$ 7,542,841	\$ 8,082,880	\$ 10,346,860	\$ 11,121,684
Net (expense) / revenue				
Governmental Activities	\$ (24,741,220)	\$ (27,990,713)	\$ (27,385,848)	\$ (25,994,469)

Table 2

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 2,350,004	\$ 2,644,872	\$ 2,809,655	\$ 3,249,721	\$ 5,237,076	\$ 4,025,737
1,140,691	1,287,562	1,302,775	1,465,569	1,512,238	1,592,641
8,669,850	8,882,301	9,757,334	9,781,353	11,032,972	11,541,249
2,822,940	3,236,871	3,219,021	2,918,176	2,891,086	3,223,497
3,931,959	3,779,627	3,801,920	4,413,248	4,405,873	4,537,147
12,289,299	12,970,892	11,770,736	11,994,870	11,129,654	18,256,733
317,432	335,016	353,747	301,015	378,063	353,237
3,612,114	3,264,067	2,918,672	2,541,003	4,958,491	3,143,191
2,504,871	2,394,247	2,263,372	2,125,932	2,125,383	2,179,821
-	99,260	-	-	-	-
\$ 37,639,160	\$ 38,894,715	\$ 38,197,232	\$ 38,790,887	\$ 43,670,836	\$ 48,853,253
\$ 22,971	\$ 73,165	\$ 104,889	\$ 83,194	\$ 8,715	\$ 451,556
86,574	83,445	84,902	71,952	74,022	79,779
802,672	773,477	812,649	755,194	694,868	636,595
1,452,965	1,518,841	1,713,847	1,943,638	2,387,101	3,494,287
17,783	13,152	5,987	29,373	4,271	12,142
29,423	33,939	35,421	24,508	17,464	25,037
-	-	-	-	-	4,820
8,754,656	8,202,143	8,097,100	8,058,104	14,990,957	10,716,916
\$ 11,167,044	\$ 10,698,162	\$ 10,854,795	\$ 10,965,963	\$ 18,177,398	\$ 15,421,132
\$ (26,472,116)	\$ (28,196,553)	\$ (27,342,437)	\$ (27,824,924)	\$ (25,493,438)	\$ (33,432,121)

COUNTY OF PAGE, VIRGINIA

Changes in Net Position
 Last Ten Fiscal Years (continued)
(accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Property taxes	\$ 19,586,968	\$ 20,239,090	\$ 19,813,686	\$ 20,735,519
Local sales and use taxes	1,424,298	1,386,698	1,478,959	1,596,463
Motor vehicle licenses taxes	312,916	316,256	332,612	316,043
Transient Occupancy Taxes	605,616	645,627	743,834	822,208
Meals Tax	269,595	217,163	272,757	283,245
Business Licenses	-	175,233	147,747	161,851
Tax on Recordation and Wills	151,932	163,513	136,311	150,271
Other Local Taxes	209,797	46,737	48,429	49,105
Unrestricted revenues from use of money and property	59,792	63,474	56,285	32,357
Miscellaneous	49,754	39,250	86,328	178,058
Grants and Contributions - Not Restricted	<u>2,345,875</u>	<u>2,414,604</u>	<u>2,349,089</u>	<u>2,365,622</u>
Total governmental activities	\$ <u>25,016,543</u>	\$ <u>25,707,645</u>	\$ <u>25,466,037</u>	\$ <u>26,690,742</u>
Change in Net Position				
Governmental Activities	\$ <u><u>275,323</u></u>	\$ <u><u>(2,283,068)</u></u>	\$ <u><u>(1,919,811)</u></u>	\$ <u><u>696,273</u></u>

Table 2

Fiscal Year						
	2017	2018	2019	2020	2021	2022
\$	21,317,725	\$ 22,444,117	\$ 22,855,773	\$ 22,963,280	\$ 24,633,848	\$ 26,892,415
	1,605,724	1,653,477	1,747,457	1,864,352	2,316,979	2,423,211
	442,855	460,835	504,913	504,894	489,809	477,868
	1,150,605	857,276	1,013,668	869,855	1,576,150	1,567,960
	371,091	273,953	354,730	262,182	276,152	344,523
	179,484	184,931	175,424	182,237	175,700	246,040
	172,219	184,778	171,588	218,689	324,144	326,130
	64,428	37,176	59,768	50,731	52,782	105,086
	46,985	94,215	156,640	160,818	59,325	31,257
	388,957	311,556	323,297	357,445	380,218	925,160
	<u>2,351,768</u>	<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>28,091,841</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>1,619,725</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>

COUNTY OF PAGE, VIRGINIA

Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(*accrual basis of accounting*)

Fiscal Year		Property Tax		Local sales and use Tax		Transient Occupancy Tax		Motor Vehicle License Tax		Record- ation and Wills Tax
2013	\$	19,586,968	\$	1,424,298	\$	605,616	\$	312,916	\$	151,932
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

Table 3

	Meals	Business	
	Tax	License	
		Tax	Total
\$	269,595	\$ -	\$ 22,351,325
	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

COUNTY OF PAGE, VIRGINIA

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General fund				
Nonspendable	\$ 127,400	\$ 109,100	\$ 51,557	\$ -
Restricted	-	-	-	-
Assigned	39,390	44,848	29,268	35,402
Unassigned	<u>6,986,977</u>	<u>7,962,516</u>	<u>7,298,683</u>	<u>5,671,302</u>
 Total general fund	 \$ <u>7,153,767</u>	 \$ <u>8,116,464</u>	 \$ <u>7,379,508</u>	 \$ <u>5,706,704</u>
All other governmental funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Nonspendable				
Prepaid Items	-	-	-	13,843
Restricted, reported in:				
Debt Service	518,639	921,716	818,673	741,443
Capital projects funds	3,564,664	-	-	-
Committed, reported in:				
Parks and Recreation	80,892	91,582	100,034	95,251
Assigned, reported in:				
Capital projects funds	2,472,525	2,060,182	752,621	209,572
Emergency Services	<u>-</u>	<u>644</u>	<u>644</u>	<u>644</u>
 Total all other governmental funds	 \$ <u>6,636,720</u>	 \$ <u>3,074,124</u>	 \$ <u>1,671,972</u>	 \$ <u>1,060,753</u>

Table 4

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 7,860	\$ -	\$ -	\$ 25,203	\$ 11,333	\$ 39,800
-	-	-	-	-	463,301
33,597	16,509	56,813	45,898	52,497	985,486
<u>7,986,584</u>	<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>\$ 8,028,041</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>
\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
815,711	-	-	-	-	-
1,994,796	206,729	141,309	-	6,039,897	4,674,391
118,949	134,000	145,758	156,123	158,432	164,926
(914,804)	-	-	209,365	217,865	217,864
<u>644</u>	<u>644</u>	<u>644</u>	<u>644</u>	<u>644</u>	<u>644</u>
<u>\$ 2,015,296</u>	<u>\$ 341,373</u>	<u>\$ 287,711</u>	<u>\$ 366,132</u>	<u>\$ 6,416,838</u>	<u>\$ 5,057,825</u>

COUNTY OF PAGE, VIRGINIA

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2013	2014	2015	2016
Revenues				
General property taxes	\$ 19,510,388	\$ 20,075,105	\$ 19,961,029	\$ 20,528,963
Other local taxes	2,974,154	2,951,227	3,160,649	3,379,186
Permits, privilege fees and regulatory licenses	249,634	147,891	193,298	220,787
Fines and forfeitures	124,325	106,746	106,910	82,344
Revenue from use of money and property	59,792	63,474	56,285	32,357
Charges for services	2,087,325	2,142,619	2,024,331	2,202,329
Miscellaneous	49,754	39,250	86,328	188,285
Intergovernmental:				
Commonwealth	6,251,815	6,740,066	6,724,642	6,994,739
Federal	1,175,617	1,360,162	3,646,768	3,987,107
Total revenues	\$ 32,482,804	\$ 33,626,540	\$ 35,960,240	\$ 37,616,097
Expenditures				
General government administration	\$ 2,102,193	\$ 2,041,202	\$ 2,428,333	\$ 2,389,476
Judicial administration	1,110,754	1,097,386	1,151,505	1,161,784
Public safety	7,556,394	8,824,594	8,593,685	8,682,830
Public works	2,403,072	2,005,315	2,229,313	2,398,985
Health and welfare	3,101,293	3,155,666	3,502,681	3,537,466
Education	9,049,489	8,970,471	9,385,334	9,296,816
Parks, recreation and cultural	272,914	291,338	300,817	304,211
Community development	537,342	741,485	3,284,697	3,684,031
Nondepartmental	104,938	182,281	368,134	240,588
Capital projects	1,674,799	3,651,838	1,486,480	2,999,246
Debt service:				
Principal	2,172,308	2,378,284	2,438,370	2,542,192
Interest and other fiscal charges	2,993,394	2,886,579	2,779,245	2,662,495
Bond issuance costs	-	-	-	-
Total expenditures	\$ 33,078,890	\$ 36,226,439	\$ 37,948,594	\$ 39,900,120
Excess (deficiency) of revenues over (under) expenditures	\$ (596,086)	\$ (2,599,899)	\$ (1,988,354)	\$ (2,284,023)
Other financing sources (uses)				
Transfers in	\$ 778,424	\$ 619,712	\$ 768,523	\$ 3,089,732
Transfers out	(778,424)	(619,712)	(768,523)	(3,089,732)
Bonds issued	-	-	-	-
Refunding bonds issued	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-
Issuance of loans	310,300	-	-	-
Issuance of lease revenue bonds	4,000,000	-	-	-
Issuance of leases	-	-	-	-
Total other financing sources (uses)	\$ 4,310,300	\$ -	\$ -	\$ -
Net change in fund balances	\$ 3,714,214	\$ (2,599,899)	\$ (1,988,354)	\$ (2,284,023)
Debt service as a percentage of noncapital expenditures	16.77%	15.83%	14.06%	14.27%

Table 5

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 21,051,318	\$ 22,039,826	\$ 22,485,925	\$ 23,757,685	\$ 24,846,367	\$ 26,327,081
3,986,406	3,652,426	4,027,548	3,952,940	5,211,716	5,527,055
223,187	236,575	239,509	228,338	276,433	379,583
81,788	76,451	80,102	65,882	70,107	72,937
46,985	94,215	156,640	160,818	59,325	113,042
2,107,413	2,182,993	2,438,084	2,613,639	2,839,901	4,169,911
388,957	311,556	323,297	357,445	380,218	244,721
6,945,372	6,835,278	7,012,650	7,180,054	7,110,509	8,254,463
4,161,052	3,698,215	3,434,235	3,287,805	10,123,640	5,276,910
\$ 38,992,478	\$ 39,127,535	\$ 40,197,990	\$ 41,604,606	\$ 50,918,216	\$ 50,365,703
\$ 2,200,628	\$ 2,351,897	\$ 2,503,588	\$ 2,945,914	\$ 4,584,654	\$ 2,966,995
1,211,995	1,330,624	1,340,716	1,386,515	1,436,654	1,748,888
8,293,850	8,962,610	9,944,202	9,648,379	11,084,724	12,435,256
2,046,617	1,962,740	1,942,484	1,882,318	2,234,847	2,522,210
3,924,594	3,769,816	3,848,556	4,406,233	4,350,030	4,727,064
9,628,769	10,487,460	9,471,974	9,562,196	8,724,861	15,922,199
318,086	335,317	356,430	368,758	374,070	367,314
3,631,505	3,265,142	2,929,266	2,708,763	6,570,957	3,231,156
141,416	235,199	391,140	166,604	279,229	885,139
1,822,326	1,612,119	299,617	631,996	2,059,512	3,482,186
2,918,094	2,929,071	2,947,540	3,051,371	3,312,217	3,335,135
2,605,718	2,383,331	2,367,805	2,209,450	2,147,877	2,249,145
-	99,260	-	-	-	-
\$ 38,743,598	\$ 39,724,586	\$ 38,343,318	\$ 38,968,497	\$ 47,159,632	\$ 53,872,687
\$ 248,880	\$ (597,051)	\$ 1,854,672	\$ 2,636,109	\$ 3,758,584	\$ (3,506,984)
\$ 2,121,110	\$ 1,655,849	\$ 893,993	\$ 1,427,087	\$ 2,821,335	\$ 3,116,607
(2,121,110)	(1,655,849)	(893,993)	(1,427,087)	(2,821,335)	(3,116,607)
3,027,000	-	-	-	-	16,642,000
-	10,431,000	-	-	-	-
-	(10,331,740)	-	-	-	(11,509,208)
-	392,300	-	161,680	6,950,000	614,067
-	-	-	-	-	-
-	-	-	-	-	169,081
\$ 3,027,000	\$ 491,560	\$ -	\$ 161,680	\$ 6,950,000	\$ 5,915,940
\$ 3,275,880	\$ (105,491)	\$ 1,854,672	\$ 2,797,789	\$ 10,708,584	\$ 2,408,956
14.94%	14.03%	14.03%	13.76%	12.75%	11.31%

General Governmental Tax Revenues by Source
 Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	Local sales and use Tax	Transient Occupancy Tax	Motor Vehicle License Tax	Record- ation and Wills Tax	Meals Tax	Business License Tax	Total
2013	\$ 19,510,388	\$ 1,424,298	\$ 605,616	\$ 312,916	\$ 151,932	\$ 269,595	\$ 157,439	\$ 22,432,184
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

COUNTY OF PAGE, VIRGINIA

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year		Real Estate (1)		Personal Property & Mobile Homes		Machinery and Tools		Public Service		
								Real Estate	Personal Property	
2013	\$	1,987,973,023	\$	173,845,772	\$	22,857,550	\$	67,700,556	\$	482,994
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

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

	Total Taxable Assessed Value	Estimated Actual Taxable Value	State Sales Assessment Ratio (3)	Total Direct Rate
\$	2,252,859,895	\$ 2,014,900,183	\$ 111.81%	\$ 10.42
	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

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		
2013	\$ 0.64	\$ 4.64	\$ 0.64	\$ 2.00	\$ 0.50	\$ 2.00	\$ 10.42	
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	

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 2022		Fiscal Year 2013	
		2022 Assessed Valuation	% of Total Assessed Valuation	2013 Assessed Valuation	% of Total Assessed Valuation
KVK Precision Specialties	Manufacturing	\$ 10,720,870	0.38%	\$ 8,840,790	0.32%
Kontoor US LLC (VF Jeanswear)	Manufacturing	4,564,400	0.16%	4,391,330	0.16%
Masonite Corporation	Manufacturing	3,968,990	0.14%	2,854,670	0.10%
EMCO Enterprises LLC	Manufacturing	3,263,177	0.12%	3,586,360	0.13%
Comcast of CA MD PA VA WV LLC	Communications	2,546,000	0.09%	462,640	0.02%
DNC Parks & Resorts at Shenandoah	Tourism	1,930,160	0.07%	1,064,240	0.04%
Mountain View Resorts	Tourism	1,082,790	0.04%	340,959	0.01%
Walmart	Retail	859,780	0.03%	869,640	0.03%
Shenandoah Machine Shop	Manufacturing	609,070	0.02%	450,180	0.02%
Noah Turner Landscaping	Services	578,160	0.02%	120,160	0.00%
PE Hydro Generation	Energy	521,060	0.02%	539,590	0.02%
Fittry Cheryl Lynn (A-Team Construction)	Services	441,820	0.02%	427,500	0.02%
Gray Media Group (Gray Television)	Communications	81,630	0.00%	416,120	0.01%
		<u>\$ 31,167,907</u>	<u>1.12%</u>	<u>\$ 24,364,179</u>	<u>0.87%</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
2013	\$	18,978,746	\$ 17,803,281	93.81%	\$ 1,108,010	\$ 18,911,291	99.64%
2014		19,152,140	18,063,097	94.31%	1,013,594	19,076,691	99.61%
2015		19,250,147	18,216,468	94.63%	947,976	19,164,444	99.55%
2016		19,852,376	18,739,739	94.40%	1,020,044	19,759,783	99.53%
2017		20,654,381	19,414,989	94.00%	1,077,668	20,492,657	99.22%
2018		21,311,251	20,114,593	94.38%	973,841	21,088,434	98.95%
2019		21,824,547	19,887,111	91.12%	1,632,253	21,519,364	98.60%
2020		22,443,377	21,013,604	93.63%	984,226	21,997,830	98.01%
2021		23,690,707	22,354,630	94.36%	316,413	22,671,043	95.70%
2022		26,191,777	24,692,964	94.28%	-	24,692,964	94.28%

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		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
			Loans			
2013	\$ 61,859,642	\$ 4,167,159	\$ 276,638	\$ 66,303,439	11.50%	\$ 2,754
2014	59,833,166	3,880,485	211,504	63,925,155	7.70%	2,654
2015	46,638,047	14,693,377	155,360	61,486,784	7.25%	2,592
2016	44,733,233	14,119,124	92,235	58,944,592	7.12%	2,499
2017	43,294,677	16,277,776	27,255	59,599,708	7.11%	2,518
2018	41,199,702	15,572,683	352,625	57,125,010	6.79%	2,397
2019	39,028,423	14,832,940	278,904	54,140,267	6.02%	2,269
2020	36,779,948	14,077,337	356,088	51,213,373	5.47%	2,135
2021	34,448,737	13,371,259	6,993,957	54,813,953	5.46%	2,312
2022	32,108,370	18,226,000	6,854,093	57,188,463	5.09%	2,402

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

Fiscal Year	Gross Bonded Debt	Less: Amounts Reserved for Debt Service	Net Bonded Debt (3)	Ratio of Net General Obligation Debt to Assessed Value (2)	Net Bonded Debt per Capita (1)
2013	\$ 66,026,801	\$ -	\$ 66,026,801	2.93%	\$ 2,742
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

(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
capital leases, and compensated absences.

Direct and Overlapping Governmental Activities Debt
June 30, 2022

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage</u>	<u>Amount Applicable to Primary Government</u>
Town of Luray, Virginia	\$ 680,983	20.21%	\$ 137,637
County of Page, Virginia direct debt			<u>54,813,953</u>
			<u>\$ 54,951,590</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

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemploy- ment Rate
2013	24,079	\$ 576,595,734	\$ 23,946	44.2	3,624	9.20%
2014	24,083	830,189,176	34,472	44.4	3,541	8.10%
2015	23,719	848,333,754	35,766	44.8	3,506	6.90%
2016	23,586	828,316,734	35,119	44.6	3,459	5.60%
2017	23,665	838,746,763	35,443	44.7	3,438	4.80%
2018	23,833	840,846,115	35,281	44.7	3,438	5.30%
2019	23,857	899,695,184	37,712	44.7	3,332	5.30%
2020	23,983	936,368,269	39,043	45.1	3,354	9.00%
2021	23,709	1,003,056,663	42,307	45.4	3,213	4.90%
2022	23,807	1,122,666,699	47,157	45.3	3,033	3.00%

Prior year estimates are updated as information becomes available.

Principal Employers
Current Year and Nine Years Prior

Employer	Fiscal Year 2022		Fiscal Year 2013	
	Employees	Rank	Employees	Rank
Page County School Board	500 to 999	1	500 to 999	1
Valley Health System	100 to 249	2	100 to 249	5
Emco Enterprises	100 to 249	3	100 to 249	4
County of Page	100 to 249	4	100 to 249	7
Wal-Mart	100 to 249	5	100 to 249	6
Masonite Corp.	100 to 249	6	100 to 249	3
Luray Caverns	50 to 99	7	50 to 99	10
DNC P&R at Shenandoah	50 to 99	8	100 to 249	4
U.S. National Park Service	50 to 99	9	50 to 99	9
Food Lion	50 to 99	10	50 to 99	-
Kontoor (VF Jeanswear)	50 to 99	-	100 to 249	2
VDOT	20 to 49	-	50 to 99	8

Source: Virginia Employment Commission, Virginia Labor Market Information

Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government administration	26	27	27	29	28	28	28	32	30	30
Judicial administration	12	12	11	11	11	11	11	12	13	13
Public safety:										
Sheriff's department	58	60	57	57	58	58	58	64	63	66
Fire and rescue	5	10	10	12	11	11	14	16	16	20
Building inspections	2	2	2	2	2	2	2	2	2	2
Animal shelter	2	2	2	2	2	2	2	3	3	3
Animal control	0	2	2	2	2	2	2	2	2	2
Emergency communications	10	10	9	9	11	11	11	15	12	11
Public works:										
General maintenance	3	3	3	3	3	2	3	3	3	3
Landfill	14	14	14	13	12	12	12	12	13	14
Health and welfare:										
Children's Services	1	1	0	1	0	0	0	0	0	0
Culture and recreation:										
Parks and recreation	1	1	1	1	1	1	1	1	1	1
Community development:										
Planning & Community Development	3	4	3	3	3	3	3	3	3	3
Economic Development	0	1	1	1	1	1	1	1	2	3
Totals	138	136	137	149	142	146	145	166	163	171

Source: Individual County departments

COUNTY OF PAGE, VIRGINIA

Table 17

Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public safety										
Sheriff's department:										
Physical arrests										
Traffic violations/arrests	1463	1669	912	784	1394	1428	782	487	1604	1187
Civil papers	14611	14771	14790	14452	14720	15020	15359	15089	13146	12169
Fire and rescue:										
Number of calls answered	5121	5193	5280	5586	6075	4400	4117	4564	4713	3569
Building inspections:										
Permits issued	332	276	321	408	405	456	385	399	493	589
Animal control:										
Number of calls answered	1393	1310	1144	1310	1434	1439	1532	1233	1290	1627
Public works										
Landfill:										
Refuse collected (tons/day)	149.301	155.029	146.425	153.323	132.092	159.240	145.223	158.648	177.879	303.497
Recycling (tons/day)	3.713	4.614	2.926	3.979	3.341	5.870	4.934	5.387	9.145	5.092
Health and welfare										
Department of Social Services:										
Caseload	7358	7239	6671	6337	6666	6658	6204	6831	7405	7501
Culture and recreation										
Parks and recreation:										
Youth sports participants	898	849	789	779	689	681	654	504	315	771
Community development										
Planning:										
Zoning permits issued	196	177	194	195	260	294	230	272	304	358
Component Unit - School Board										
Education:										
School enrollment	3624	3541	35106	3459	3438	3438	3332	3354	3213	3033
Number of teachers	303	303	295	294	285	282	286	270	272	262
Local expenditures per pupil	2942	3005	3121	2958	3057	3059	3369	3259	3864	3629

Source: Individual County departments

* Information unavailable

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
Administration buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	8	8	8	8	8	9	9	9	9	9
Public safety										
Sheriff's department:										
Patrol units	69	69	69	69	71	74	74	69	72	69
Building inspections:										
Vehicles	3	3	3	3	3	3	3	3	3	3
Animal control:										
Vehicles	2	2	2	2	2	2	2	2	2	2
Animal Shelter										
Administration buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	1	1	1	1	1	1	1	1	1	1
Public works										
General maintenance:										
Vehicles and trailers	4	4	4	4	4	4	4	4	4	6
Landfill:										
Vehicles	2	2	2	2	2	2	2	11	12	10
Equipment	14	14	14	15	15	15	15	17	15	13
Sites	2	2	2	2	2	2	2	2	2	2
Health and welfare										
Department of Social Services:										
Vehicles	4	4	4	4	4	4	4	7	7	7
Culture and recreation										
Parks and recreation:										
Vehicles	1	1	1	1	1	1	1	0	0	0
Community development										
Planning:										
Vehicles	2	2	2	2	2	2	2	2	2	1
Component Unit - School Board										
Education:										
Schools	9	9	9	9	10	10	10	10	10	10
School buses	84	84	84	84	84	88	88	83	62	68

Source: Individual County departments

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**

**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, 2022, 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 28, 2022.

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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2022-001.

County of Page, Virginia's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 28, 2022



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**

**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, 2022. 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 \$45,000 in federal awards which is not included in the schedule of federal awards during the year ended June 30, 2022. 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 types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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, we did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2022-001, that we consider to be a significant deficiency.

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, Farmer, Cox Associates

Staunton, Virginia
December 28, 2022

COUNTY OF PAGE, VIRGINIA

Schedule of Expenditures of Federal Awards
Primary Government and Discretely Presented Component Unit School Board
Year Ended June 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal AL Number	Pass-through Entity Identifying Number	Total Federal Expenditures
PRIMARY GOVERNMENT:			
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	\$ 381,086
Department of Health and Human Services:			
Pass Through Payments:			
Department of Social Services:			
Foster Care - Title IV-E	93.658	Not available	\$ 183,655
Adoption Assistance	93.659	Not available	281,844
Temporary Assistance for Needy Families	93.558	Not available	187,215
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	Not available	953
Low-Income Home Energy Assistance	93.568	Not available	34,105
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Not available	455
Social Services Block Grant	93.667	Not available	169,222
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	Not available	19,811
Guardianship Assistance	93.090	Not available	212
MaryLee Allen Promoting Safe and Stable Families Program	93.556	Not available	19,739
Medicaid Cluster:			
Medical Assistance Program	93.778	Not available	198,352
Children's Health Insurance Program	93.767	Not available	2,074
Title IV-E Prevention Program	93.472	Not available	2,807
Child Care Development Fund Cluster:			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	Not available	42,379
Total Department of Health and Human Services			\$ 1,142,823
Department of Housing and Urban Development:			
Pass Through Payments:			
Department of Housing and Community Development:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	HCD50790	\$ 192,527
Department of Justice:			
Pass Through Payments:			
Department of Criminal Justice Services:			
Bullet Proof Vest Partnership Program	16.607	Not Available	\$ 7,678
Public Safety Partnerships and Community Policing Grants	16.710	Not Available	144,465
Crime Victim Assistance	16.575	21-W3035VW19	45,888
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	20-A5121CE20	33,953
Comprehensive Opioid, Stimulus, and Substance Abuse Program	16.838	Not Available	98,597
Drug Court Discretionary Grant Program	16.585	Not Available	133,931
Local Law Enforcement Grant	16.592	Not Available	27,270
Subtotal			\$ 491,782
Total Department of Justice			\$ 491,782
Department of Labor:			
Pass Through Payments:			
Virginia Community College System:			
Workforce Innovation and Opportunity Act (WIOA) Cluster:			
WIOA Adult Program	17.258	LWDA 4-20-01	\$ 617,387
WIOA Adult Program	17.258	LWDA 4-21-03	273,209
WIOA Adult Program	17.258	SECURE-4-20-01	126,582
Subtotal WIOA Adult Program			\$ 1,017,178
WIOA Dislocated Worker Formula Grants	17.278	LWDA 4-20-01	\$ 162,579
WIOA Dislocated Worker Formula Grants	17.278	LWDA 4-21-03	50,155
WIOA Dislocated Worker Formula Grants	17.278	RTE 4-20-01	7,297
Subtotal WIOA Dislocated Worker Formula Grants			\$ 220,031
WIOA Youth Activities	17.259	LWDA 4-20-01	\$ 453,365
WIOA Youth Activities	17.259	LWDA 4-21-03	128,976
Subtotal WIOA Youth Activities			\$ 582,341
Total Workforce Innovation and Opportunity Act (WIOA) Cluster			\$ 1,819,550
Total Department of Labor			\$ 1,819,550
Department of Homeland Security:			
Pass Through Payments:			
Department of Emergency Management:			
Homeland Security Grant Program	97.067	202008026693	\$ 50,000
Emergency Management Performance Grant	97.042	202009026011	6,416
Total Department of Homeland Security			\$ 56,416

COUNTY OF PAGE, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)
Primary Government and Discretely Presented Component Unit School Board
Year Ended June 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal AL Number	Pass-through Entity Identifying Number	Federal Expenditures
Department of Transportation:			
Pass Through Payments:			
Department of Motor Vehicles:			
Alcohol Open Container Requirements	20.607	154AL-2020-50145-20145	\$ 7,520
Department of Treasury:			
COVID-19 Coronavirus Relief Fund	21.019	Not Available	\$ 990,400
Total Expenditures of Federal Awards - Primary Government			\$ 5,082,104
COMPONENT UNIT SCHOOL BOARD:			
Department of Agriculture:			
Pass Through Payments:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	APE402530000	\$ 322,534
National School Lunch Program	10.555	APE402540000	1,136,267
Department of Agriculture:			
Commodities-School Lunch	10.555	Not Available	170,530
Subtotal AL 10.555			\$ 1,306,797
Summer Food Service Program for Children	10.559	APE603030000	90,863
Total Child Nutrition Cluster			\$ 1,720,194
Child and Adult Food Care Program	10.558	APE700270000	39,169
COVID-19 Pandemic EBT Administrative Costs	10.649	DOE86556	3,063
Forest Service Schools and Roads Cluster:			
Schools and Roads-Grants to States	10.665	APE438410000	26,290
Total Department of Agriculture			\$ 1,788,716
Department of Education:			
Pass Through Payments:			
Department of Education:			
Title I Grants to Local Educational Agencies	84.010	APE429010000	\$ 762,793
School improvement Grants	84.377	APE43040000	3,513
Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act:			
COVID-19 American Rescue Plan-Elementary and Secondary School Emergency Relief Funds	84.425C	APE60177000	\$ 5,412,769
Twenty-First Century Community Learning Centers	84.287	APE60565000	8,462
Special Education (IDEA) Cluster:			
Special Education - Grants to States	84.027	APE430710000	\$ 673,174
Special Education - Preschool Grants	84.173	APE625210000	20,177
Total Special Education (IDEA) Cluster			\$ 693,351
Career and Technical Education			
Basic Grants to States	84.048	APE606310000	64,296
Student Support and Academic Enrichment Program	84.424	APE602810000	70,545
Supporting Effective Instruction State Grants	84.367	APE600220000	99,843
Total Department of Education			\$ 7,115,572
Total Expenditures of Federal Awards - Component Unit School Board			\$ 8,904,288
Total Expenditures of Federal Awards - Reporting Entity			\$ 13,986,392

COUNTY OF PAGE, VIRGINIA

Schedule of Expenditures of Federal Awards (Continued)
Primary Government and Discretely Presented Component Unit School Board
Year Ended June 30, 2022

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, 2022. 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, 2022, the County had food commodities totaling \$57,805 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	\$ 1,933,451
Department of the Interior-Payment in Lieu of Taxes	(194,806)
Special Revenue Funds:	
Workforce Investment Act Fund	1,819,550
Virginia Public Assistance Fund	<u>1,523,909</u>
Total primary government	\$ <u>5,082,104</u>
Discretely presented component unit - School Board:	
School operating fund	\$ 7,141,862
School cafeteria fund	<u>1,762,426</u>
Total discretely presented component unit - School Board	\$ <u>8,904,288</u>

Total federal expenditures per the Schedule of Expenditures of Federal awards	\$ <u><u>13,986,392</u></u>
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COUNTY OF PAGE, VIRGINIA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section I-Summary of Auditors' Results

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 no

Noncompliance material to financial statements noted? yes x none reported

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified? yes x no

- Significant deficiency(ies) identified? x yes no

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)? x yes no

Identification of major programs:

AL Numbers

Name of Federal Program or Cluster

84.425C	American Rescue Plan- Elementary and Secondary School Emergency Relief Fund
10.561	State Administrative Matching Grants For the Supplemental Nutrition Assistance Program
84.010	Title I Grants to Local Education Agencies

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? yes x no

COUNTY OF PAGE, VIRGINIA

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2022

Section II-Financial Statement Findings

None

Section III-Federal Award Findings and Questioned Costs

**Department of Education:
2022-001**

84.425C American Rescue Plan-Elementary and Secondary School Emergency Relief Funds

Criteria and 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.
Context:	A test of expenditures during the year showed that an invoice in the amount of \$626,729 was submitted twice to Virginia Department of Education for reimbursement under the Education
Cause:	The School Board's internal control procedures failed to detect the duplicated expenditure requested for reimbursement.
Effect:	Expenditures were overstated by \$626,729 due to requesting reimbursement for duplicated expenditures. Additionally, \$626,729 was reported as revenue by the school board that was unearned.
Questioned Costs:	\$626,729 was requested for reimbursement twice from the Department of Education.
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 once.
Views of Responsible Officials and Planned Corrective Actions:	The School Board will reconcile ESSER expenditures to RDA when submitting reimbursement requests. Additionally, the \$626,729 of unearned funds was withheld from a future reimbursement request at the advice of the Virginia Department of Education.

COUNTY OF PAGE, VIRGINIA

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2022

Section IV-Status of Prior Year Audit Findings and Questioned Costs

Department of Treasury:

Finding 2021-001: 21.019 COVID-19 Coronavirus Relief Fund.

Condition: \$314,403 in expenditures reported on the quarterly Financial Progress report had not been expended.

Recommendation: All CRF expenditures per the general ledger should be reconciled to the Quarterly Financial Performance Reports to insure accuracy of reporting.

Current Status: During FY 2022, amounts questioned were properly expended in accordance with funding requirements. No similar findings were noted in the 2022 audit.