

# **Annual Comprehensive Financial Report**

For the Year Ended  
June 30, 2021



County of Goochland, Virginia

# **COUNTY OF GOOCHLAND, VIRGINIA**

## **A**NNUAL **C**OMPREHENSIVE **F**INANCIAL **R**EPORT

**FOR THE YEAR ENDED JUNE 30, 2021**

Prepared by:

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# COUNTY OF GOOCHLAND, VIRGINIA

## Annual Comprehensive Financial Report

For the Year Ended June 30, 2021

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## **INTRODUCTORY SECTION**

# BOARD OF SUPERVISORS

Susan F. Lascolette, District 1  
Neil Spoonhower, District 2  
John Lumpkins Jr, Chair, District 3  
Don Sharpe, District 4  
Kendall C. Peterson, Vice-Chair, District 5



**Manuel Alvarez**  
Interim County Administrator

**Barbara Horlacher**  
Deputy County Administrator

**Jo Ann Hunter**  
Deputy County Administrator

[www.goochlandva.us](http://www.goochlandva.us)

November 16, 2021

Members of the Board of Supervisors and Citizens of Goochland County:

We are pleased to present to you the Annual Comprehensive Financial Report (ACFR) of the County of Goochland (the County) for the fiscal year ended June 30, 2021. The Code of Virginia requires that local governments publish a complete set of financial statements presented in conformity with U.S. generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. This ACFR has been prepared by the County's Department of Financial Services in accordance with the standards of financial reporting as prescribed by the Governmental Accounting Standards Board (GASB) and the Auditor of Public Accounts of the Commonwealth of Virginia (APA).

This ACFR consists of management's representations concerning the finances of the County. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and accurate, in all material respects, and presents fairly the financial position and results of operations of the various funds and component units of the County.

The County's financial statements have been audited by PBMares, LLP, a firm of certified public accountants. The independent auditors concluded, based upon the audit evidence obtained, that there was reasonable basis for forming and expressing an unmodified opinion on the County's basic financial statements for the year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). The MD&A complements this letter of transmittal and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors

## **Profile of the County**

Goochland County was originally formed in March 1727, when the General Assembly of Virginia passed the act calling for the division of the Henrico Shire, an original shire of the Virginia Colony. Officially established in 1728, the County was named after Sir William Gooch, Royal Lieutenant Governor of Virginia from 1727 to 1749. Goochland covered a vast amount of land on both sides of the James River, extending from Tuckahoe Creek in the east to beyond the Blue Ridge Mountains.

Goochland County is a predominately rural county located in the Piedmont Plateau region in central Virginia. Goochland is approximately 13 miles west of Richmond, the capital of Virginia; the county is 25 miles southeast of Charlottesville, Virginia. The County is 289 square miles in area and has an estimated population of 24,727 citizens.

The County is organized under the County Administrator Form of Government (as defined under Virginia Law). Under this form of government, the Board of Supervisors appoints a County Administrator to serve as the Chief Administrative Officer of the County. The Administrator serves at the pleasure of the Board of Supervisors, implements its policies, appoints department heads, and directs business and administrative procedures. The County's financial management and reporting is addressed through a combination of services provided by the Department of Finance, Schools Administration, Treasurer's Office, and Commissioner of the Revenue.

The Board of Supervisors is a five-member body, elected by the voters of the Electoral Districts in which they live. The Chairman of the Board is elected annually by its members. Each member serves a four-year term. This body enacts ordinances, appropriates funds, sets tax rates, and establishes policies for the administration of the County's public service.

The reporting entity of the County includes the following services as authorized by its Code of Ordinances: public safety (as provided by the Sheriff's Office), fire prevention and protection, emergency medical services, parks and recreation, planning, zoning, and other governmental services. In addition, the County owns and operates water distribution and wastewater collection systems, which are reported as an enterprise fund.

The County provides education through its public-school system administered by the Goochland County School Board (School Board), composed of five board members, each elected from the County's five magisterial districts. The School Board appoints a school Superintendent who administers the County's five schools and its own appropriations within the categories defined by the Code of Virginia. However, the School Board is fiscally dependent upon the County because the Board of Supervisors approves the budget, any revenue supplements and transfers between education categories; levies the necessary taxes to finance operations and capital projects; and issues debt as needed to finance school capital projects. Therefore, in accordance with GASB pronouncements, the School Board is classified as a discretely presented component unit in the accompanying financial statements.

Discretely presented component units are reported in separate columns in the basic financial statements to emphasize that they are legally separate from the County Primary Government and to differentiate their financial position, results of operations and cash flows from those of the Primary Government. The School Board and Economic Development Authority are reported as discretely presented component units.

The County adopts an annual budget by July 1 of each year as required by 15.2-2503, Code of Virginia of 1950, as amended. A budget is not required for fiduciary funds.

When necessary, the Board of Supervisors approves amendments to the adopted budget in accordance with 15.2-2507, Code of Virginia of 1950, as amended. Budgetary compliance is monitored and reported at the function level. The budget is implemented through appropriations that the Board of Supervisors makes annually, with supplemental appropriations made as required. These appropriations may be greater or less than contemplated in the budget. A supplemental appropriation that exceeds \$500,000 or one percent of the budget, whichever is less, requires a public hearing before approval.

The County maintains budgetary controls to ensure compliance with the annual budget. All appropriations lapse at year-end, except for federal and state grants, capital improvements, and outstanding encumbrances (which are addressed by resolution). Similar budgetary controls exist for the Component Unit School Board.

## **Response to Coronavirus (COVID-19)**

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus was declared a pandemic by the World Health Organization on March 11, 2020. The COVID-19 outbreak is altering the behavior of businesses and people in a manner that is having negative effects on global and local economies, forcing many businesses throughout the world to close for the foreseeable future. Additionally, financial markets both in the United States and globally have seen significant declines and volatility attributed to concerns over COVID-19, which may constrain market access and credit availability, if such declines and/or volatility in the financial markets continue. Since developments with respect to COVID-19 continue to occur at a rapid pace, including on a daily basis as the number of infections in Virginia, the United States and throughout the globe continues to increase, it is difficult to ascertain the overall extent and severity of the virus's impact at this time.

The County has received \$4 million in allocated funds made available to the Commonwealth under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), which the County will deploy before December 31, 2021, to permitted uses, depending on the evolving impacts of COVID-19. The County is not overly dependent on the tourism industry and therefore the biggest concerns are the ability of County taxpayers to meet their real estate and personal property tax obligations. At this time, the County has not observed a material decrease in tax revenue collections. Revenues have continued to be collected in amounts that exceed the County's conservative revenue budget.

The County has received \$2.3 million in American Rescue Plan (ARPA) funds. This is half of the total \$4.6 million that will be received by May of 2022. These funds support urgent COVID-19 response, replace lost revenue, support immediate economic stabilization and address systemic public health challenges. These funds can also be used to make necessary investments in water, sewer, and broadband infrastructure.

## **Local Economy**

The James River flows the entire length of the county and forms its southern boundary. The Counties of Powhatan, Cumberland, and Chesterfield are located to the south of Goochland. Tuckahoe Creek generally defines the eastern boundary with Henrico County. Goochland abuts Louisa County and Hanover County to the north and Fluvanna County to the west. Interstate 64 runs along the northern edge of the county, making it easy for residents and visitors to get to the City of Richmond as well as the City of Charlottesville. State Route 288, the Richmond area's western bypass is a four-lane limited access road (interstate quality) running through the County. Along with Interstate 64, these are the "economic development highways" for the County.

The June 2021 unemployment rate for the County of 3.7% compared favorably to the state's average unemployment rate of 4.5% and national average rate of 5.9% for the same period. Goochland County enjoys a high median household income of \$93,994 compared to Virginia with a median household income of \$74,222, and the United States with a median household income of \$62,843 (U.S. Census Bureau in 2019 dollars, 2015-2019).

The County continues to be a destination for commercial development. In the past five years, the County has seen over \$377 million of new capital investment. Fiscal year 2017 is on record as being the highest year of new investment to date at over \$120 million. More recently the County saw \$93 million in commercial investment in FY2021.

## **Economic Development Update**

The County has seven business/office/industrial parks: Goochland Industrial Park, Oilville Business Park, Old Dominion Industrial Complex, Lanier Industrial Park, Rockville Commerce Center, MidPoint Industrial Park, and West Creek Business Park. Goochland Industrial Park, and Oilville Business Park were publicly developed and are publicly owned; all other parks are privately owned.

West Creek Business Park (“West Creek”) is the largest development, encompassing over 3,500 acres in the eastern portion of the County. Capital One Bank Services (“Capital One”), the County’s largest employer, is a tenant of West Creek. The Capital One 316-acre campus has eight office buildings as well as a multipurpose building. The Capital One campus has a cafeteria and a town center which houses a fitness center and other amenities. Other tenants in West Creek include the corporate headquarters of the Virginia Farm Bureau, the corporate headquarters of Performance Food Group, the corporate headquarters of CarMax and a major satellite office facility for the Federal Reserve Bank of Richmond, Hallmark Youth Care, Manakin Trade Center, a multitenant 80,000 square foot office complex, and Hardywood Brewery.

Significant economic developments during fiscal years 2020 and 2021 include:

- Avery Point, a continuing care retirement facility, began construction on their 1,000 unit facility.
- Greenswell Growers invested \$17 million to construct an innovative hydroponic greenhouse which will produce leafy green lettuce.
- Sheltering Arms Rehabilitation Institute invested \$119 million and opened their state-of-the-art 114 bed rehabilitation hospital.
- Tuckahoe Pines, a retirement facility, began construction on their 130 unit facility.
- Several large corporations made investments to renovate their offices.

The County is growing in a purposeful and organized manner. The County pursues focused strategies and programs to promote quality development. The paramount consideration in the County’s economic development strategy is quality, well planned development that fits with the County’s 2035 Comprehensive Plan and does not burden the infrastructure.

## **Water and Sewer Systems**

The Goochland Department of Public Utilities currently provides water and/or sewer service to various areas within the County. The Courthouse portion of the system provides service to customers within the Courthouse Village area, which is in the approximate geographical center of the County. In addition to residential and commercial customers, the Courthouse portion of the system provides water and sewer service to the County Courthouse, County administration buildings, the County High School, and the J. Sargeant Reynolds Community College Goochland Campus. Starting in the mid-1960’s, the County began providing water and/or sewer service for new residential developments in the southeastern portion of the County. In 1990, water and sewer service were developed for the West Creek Business Park. The County acquired the West Creek water and sewer facilities in April 2002.

The County currently purchases treated water and wastewater treatment services from Henrico County through a series of long-term contracts. Wastewater treatment services are also purchased from the City of Richmond through a long-term agreement as related to the Tuckahoe Creek Service District (the “District”). The Virginia Department of Corrections provides both treated water and wastewater treatment services to the Goochland Courthouse area pursuant to long-term contracts. The County currently has an allotment of up to 1,000,000 gallons of water per day with the Department of Correction and up to 5,250,000 gallons of water per day with Henrico County. The County is also midway through the process of increasing sewer capacity in the Courthouse area to accommodate future develop.

The County has defined, developed, and adopted a Special Service District ordinance (Tuckahoe Creek Service District) which is providing additional water and sewer capacity and services to a 13-square mile (8,500 acre) area in the eastern portion of the County. The County borrowed approximately \$62.7 million from the Virginia Resources Authority (VRA) in 2002 to buy additional water capacity from Henrico County (as supported by an intergovernmental agreement) and to construct water mains and sewer trunk lines in the District and has a separate wastewater agreement with the City of Richmond for that capacity. A large portion of those 2002 VRA bonds were refunded in November 2012, and again in 2020, to achieve debt service savings and better accommodate development within the District for the near future.

### **Long-Term Financial Planning**

The Capital Improvements Program (CIP) is the County's plan for investing in facilities, equipment, and vehicles over the next twenty-five years, and generally includes those items with a unit cost greater than \$50,000. The fiscal year 2022 capital budget for County, School, and Public Utility projects is \$46.7 million. Included in fiscal year 2022 are plans for construction of a new elementary school that will replace one of the three existing 60-year-old elementary schools and renovate the public safety training center. Fiscal years 2023 through 2027 of the CIP include plans to address space needs of the existing court system and the construction of an additional County fire station.

### **Major Initiatives and Accomplishments**

The Strategic Plan includes Vision and Mission statements for the County, as well as five Strategic Goals and multiple Objectives related to each goal. Briefly, the highlights of the Plan are as follows:

- **Vision:** A prosperous and vibrant community rich with history and opportunity where the citizens and their rights and freedoms are protected.
- **Mission:** To provide high quality services in an efficient, effective, and accountable manner.
- **Strategic Goal 1:** Efficient, effective, and transparent government; emphasis on customer service excellence.
- **Strategic Goal 2:** Balanced development that contributes to the welfare of the community and preserves its rural character.
- **Strategic Goal 3:** Excellence in Financial Management.
- **Strategic Goal 4:** High quality core services including Education, Public Safety, and Community Health.
- **Strategic Goal 5:** Positive work environment with a highly qualified, diverse workforce.

In fiscal year 2021, the following major accomplishments were achieved:

- Joint town halls were held with the School Board and the Board of Supervisors at various locations around the County as well as virtually.
- Maintained the County's AAA bond rating with Standard and Poor's and Aaa rating with Moody's.
- Renovations were completed at County Human Resources, Treasurer and Commissioner of the Revenue offices as well as major security upgrades at the Courthouse Complex.
- Regional broadband partnership announced that aims to deliver fiber-optic broadband service to unserved and underserved household and business.

As a strategic goal, high-quality public education continues to be one of the County's top priorities and does so by exceeding the state's minimum funding requirements by 62% and funding 72% of the school's FY2021 operating and capital expenses. The School Board's mission is to "maximize the potential of every learner" and they have proved to be regional, state and national leaders in doing so. In spite of the pandemic and the hybrid nature of instruction throughout the school year, Goochland High School had an impressively high 97% on-time graduation rate with a socially distanced outdoor graduation ceremony at the high school stadium. The Schools are proud that they were able to provide in-person learning to those that desired it from October 2020 through the end of the school year without any outbreaks. All students had their own computer devices and access to free internet hotspots for those times when students needed or wanted to be instructed remotely. All five schools are in an elite international group of Apple Distinguished Schools and were recognized by the state as a "School Division of Innovation." For the third year, the Special Education department has earned a perfect score for both compliance with federal rules and the performance of their students. Niche.com has selected Goochland Public Schools as the top school division in the Richmond area for the fourth year in a row as well as having the best teachers in the region. All of this is accomplished with the skills, talent, and expertise of dedicated and passionate teachers and support staff and one of the top innovative technology programs in the state.

Some of the awards and recognitions earned by the County in fiscal year 2021 include:

- GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2020 Comprehensive Annual Report Award,
- GFOA Distinguished Budget Presentation Award for the 2022 budget,
- For the seventh consecutive year, the Treasurer's Office was awarded office accreditation by the Treasurer's Association of Virginia, and
- Goochland Schools is only one of a handful of school divisions in the nation to receive the new GFOA Best Practices in School Budgeting Award after receiving the Distinguished Budget Presentation Award for four years. The new award is focused on the year-round efforts of instructional staff working with finance staff to receive the highest academic return on taxpayer investment.

### **Acknowledgments**

We could not accomplish the preparation of this report without the efficient and dedicated service provided by the staffs of the Department of Financial Services, Treasurer, Commissioner of Revenue, School Administration, and the Social Services Department. I would like to express my appreciation to all the members of the staff who assisted and contributed to its preparation. I would also like to thank the members of the Board of Supervisors for their continued interest and support in planning and conducting the financial operations of this County in a responsible, timely and progressive manner.

Respectfully submitted,

A handwritten signature in dark ink, appearing to be "M. D. H.", is written below the text "Respectfully submitted,".



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

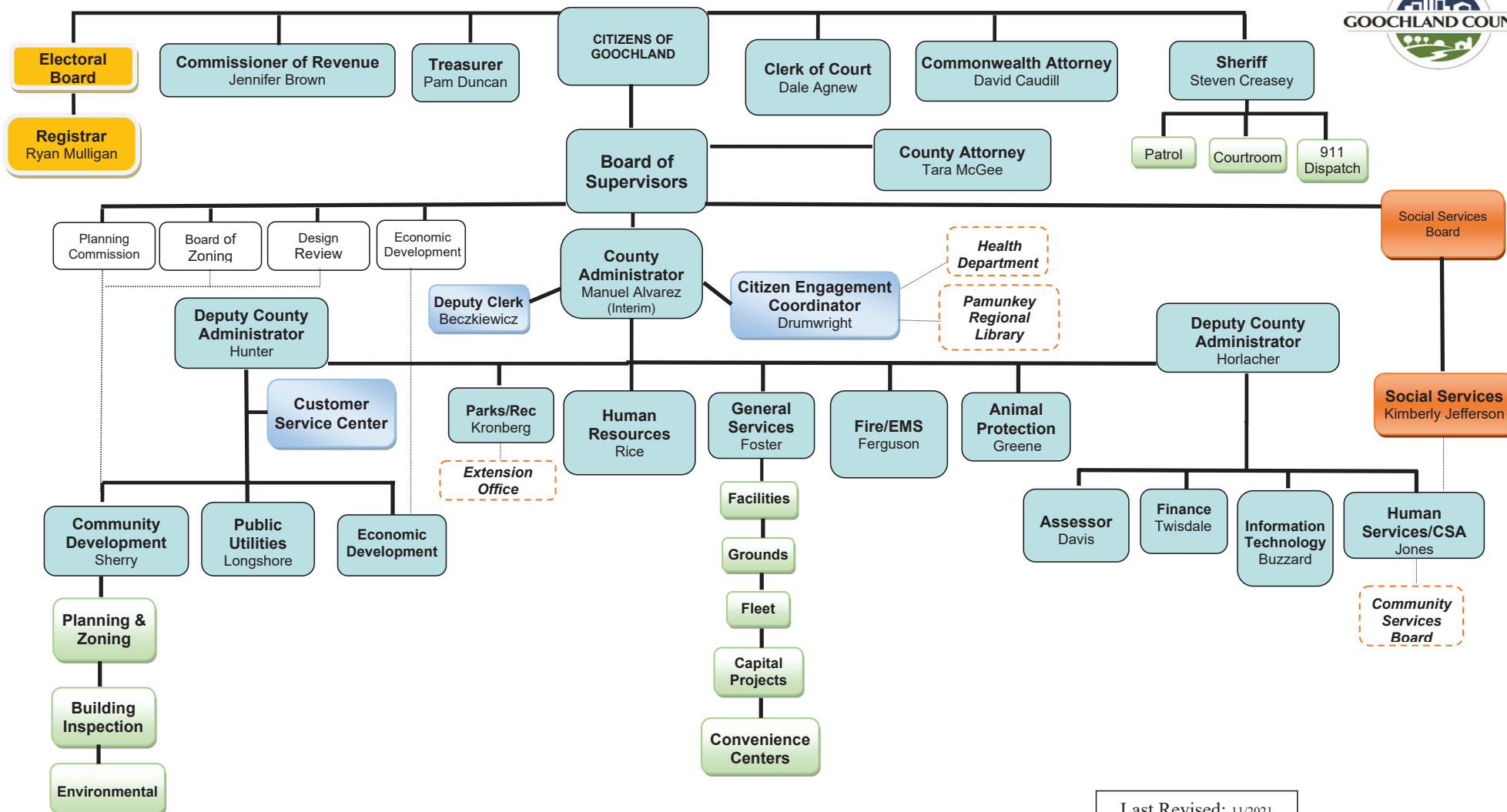
**County of Goochland  
Virginia**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO



Last Revised: 11/2021

## ***County of Goochland, Virginia***

***June 30, 2021***

### ***Board of Supervisors***

John Lumpkins Jr, Chairperson  
Ken Peterson, Vice-Chairperson

Susan F Lascolette  
Don Sharpe

Neil Spoonhower

### ***School Board***

Karen R Horn, Chairperson  
C Michael Newman, Vice-Chairperson

Sandra Barefoot-Reid  
John D Wright

Billie Jo Leabough

### ***Social Services Board***

Carol Nichols, Chairperson  
Betsy Wright, Vice-Chairperson

Glenda Leabough  
Jay Shively

Rebecca Massey

### ***Other Officials***

Interim County Administrator  
County Attorney  
Judge of the Circuit Court  
Clerk of the Circuit Court  
Commonwealth's Attorney  
Judge of the General District Combined Court  
Judge of the Juvenile & Domestic Relations Court  
Sheriff  
Superintendent of Schools  
Clerk of the School Board  
Director of Social Services  
Commissioner of the Revenue  
Treasurer

Manuel Alvarez  
Tara McGee  
Timothy K. Sanner  
Dale W. Agnew  
D. Michael Caudill  
Claiborne H. Stokes Jr.  
Deborah S. Tinsley  
Steven N Creasey  
Dr. Jeremy J. Raley  
Diane Bennett  
Kimberly Jefferson  
Jennifer Brown  
Pamela Duncan

## **FINANCIAL SECTION**



## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable Members of the Board of Supervisors  
County of Goochland, Virginia

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparison of the General Fund of the County of Goochland, Virginia (County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2021, the respective changes in financial position and the budgetary comparison of the General Fund and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require the Management's Discussion and Analysis and the required supplementary information on pages 13-23 and 109-128, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedules listed in the table of contents as introductory section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2021 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*PBmares, LLP*

Harrisonburg, Virginia  
November 16, 2021

## County of Goochland, Virginia

### Management's Discussion and Analysis

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As management of the County of Goochland, Virginia (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County as of and for the fiscal year ended June 30, 2021. We encourage readers to read this discussion in conjunction with the transmittal letter in the Introductory Section of this report and the County's financial statements, which follow this section.

#### Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$106.5 million (net position). Of this amount, \$47.5 million (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors (Exhibit 1).
- The County's total net position increased for the fiscal year by \$11.3 million, with governmental activities adding \$8.3 million while enterprise activities added \$3.0 million of net position (Exhibit 2).
- As of the close of fiscal year 2021, the County's governmental funds reported combined ending fund balances of \$56.8 million (Exhibit 3), an increase of \$7.1 million from the previous year. Approximately 95.6% (\$54.3 million) of the total \$56.8 million is available for spending at the County's discretion (sum of assigned and unassigned fund balances).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$19.6 million (Exhibit 3) and was 27.7% of the sum of the FY2022 adopted General Fund budget and the non-local portion of the School Operating Fund budget, well above the 20% required by policy. Fund balance in the General Fund increased \$3.4 million from the previous year, ending with \$41.4 million General Fund balance.
- The County's long-term obligations increased from \$133.5 million to \$138.2 million in fiscal year 2021 (Exhibit 1). Governmental activities debt increased \$2.2 million, due primarily to a \$3.7 million increase in pension and OPEB liability (Exhibit 1), partially offset by decreases in bond and capital lease payments of \$1.5 million (Exhibit 5). Business-type activities debt increased \$2.4 million primarily due to the debt refinancing that will save over \$8.5 million in interest payments.

#### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements, which 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 required and other supplementary information in addition to the basic financial statements themselves.

#### Government-Wide Financial Statements

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

The Statement of Net Position (Exhibit 1) presents information on all the County's assets, liabilities, and deferred inflows/outflows of resources including governmental activities, business-type activities, and component unit activities. Net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, which provides a measure of the County's financial health, or financial condition. Over time, increases or decreases in the net position may serve as an indicator of whether the County's financial condition is improving or declining. The Statement of Activities (Exhibit 2) presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements include not only the County itself (known as the primary government), but also two legally separate component units (Goochland County Public Schools and the Economic Development Authority of Goochland County) for which the County is financially accountable. Financial information for the component units is reported separately from the financial information presented for the primary government.

### **Fund Financial Statements**

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

#### **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 using the economic resources measurement focus and accrual basis of accounting, the governmental fund financial statements are prepared using the current financial resources and modified accrual basis of accounting. The focus of the current financial resources and 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 the government-wide financial statements, reconciliations between the two methods is provided within the basic financial statements. The County has two major governmental funds: The General Fund and the Capital Projects Fund.

#### **Proprietary Funds**

Proprietary funds consist of enterprise funds, which are used to report the same functions as business-type activities in the government-wide financial statements. The County utilizes an enterprise fund to account for its water and sewer utilities fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

#### **Fiduciary Funds (Custodial Funds)**

The County is the trustee, or fiduciary, for the County's custodial fund. It is responsible for ensuring that the assets reported in this fund is used for their intended purposes. The County's fiduciary activities are reported in a separate Statement of Net Position. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations. The County's custodial fund is used to provide accountability of client monies for which the County is custodian.

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

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

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information such as budgetary comparison schedules and combining financial statements for two discretely presented component units – the Goochland County School Board and the Goochland County Economic Development Authority.

## Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$106.5 million at the close of the most recent fiscal year (Exhibit 1). The following table summarizes the County's Statement of Net Position:

| County of Goochland, Virginia<br>Summary of Net Position<br>(\$ in millions) |                            |             |                             |             |                             |             |
|------------------------------------------------------------------------------|----------------------------|-------------|-----------------------------|-------------|-----------------------------|-------------|
|                                                                              | Governmental<br>Activities |             | Business-type<br>Activities |             | Total<br>Primary Government |             |
|                                                                              | <u>2021</u>                | <u>2020</u> | <u>2021</u>                 | <u>2020</u> | <u>2021</u>                 | <u>2020</u> |
| Current and other assets                                                     | \$ 83.5                    | \$ 73.6     | \$ 38.3                     | \$ 33.3     | \$ 121.8                    | \$ 106.9    |
| Capital assets                                                               | 50.8                       | 49.9        | 95.0                        | 95.5        | 145.8                       | 145.4       |
| Total assets                                                                 | 134.3                      | 123.5       | 133.3                       | 128.8       | 267.6                       | 252.3       |
| Total deferred outflows of resources                                         | 4.6                        | 2.5         | 4.1                         | 2.8         | 8.7                         | 5.3         |
| Current liabilities                                                          | 5.5                        | 4.5         | 0.9                         | 1.1         | 6.4                         | 5.6         |
| Long-term liabilities outstanding                                            | 19.8                       | 17.5        | 118.4                       | 116.0       | 138.2                       | 133.5       |
| Total liabilities                                                            | 25.3                       | 22.0        | 119.3                       | 117.1       | 144.6                       | 139.1       |
| Total deferred inflows of resources                                          | 21.7                       | 20.4        | 3.5                         | 2.9         | 25.2                        | 23.3        |
| Net position                                                                 |                            |             |                             |             |                             |             |
| Net investment in capital assets                                             | 42.0                       | 39.6        | 3.1                         | 11.6        | 45.1                        | 51.2        |
| Restricted                                                                   | 0.1                        | 0.1         | 13.8                        | 13.5        | 13.9                        | 13.6        |
| Unrestricted (deficit)                                                       | 49.8                       | 43.9        | (2.3)                       | (13.5)      | 47.5                        | 30.4        |
| Total net position                                                           | \$ 91.9                    | \$ 83.6     | \$ 14.6                     | \$ 11.6     | \$ 106.5                    | \$ 95.2     |

The largest portion of the County's net position has historically been the net investment in capital assets. For FY2021 the largest portion of the County's net position (44.6%) is the unrestricted portion of net position, \$47.5 million, and may be used to meet the County's ongoing obligations to its citizens and creditors. The County's net investment in capital assets is 42.3% of net position. Net investment in capital assets (land, buildings, equipment, water and sewer systems), less any related outstanding debt that was used to acquire those assets, totals \$45.1 million. The County uses these capital assets to provide services to citizens, and therefore these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The smallest portion of the County's net position is 13.1% and represents resources that are subject to external restrictions on how they may be used.

The largest portion of the component unit School Board's net position reflects its investment in capital assets (e.g., land, easements, buildings, improvements, and equipment). The School Board's net investment in capital assets increased by \$1.8 million during the current fiscal year. The School Board does not have taxing authority by law and therefore cannot incur debt through general obligation bonds for its capital assets. For financial reporting purposes, legislation permits the County to report the portion of school property related to any outstanding debt. The remaining capital assets are reported by the School Board (refer to Note IV. E.). The capital assets transferred to the School Board for the current fiscal year, for buildings owned jointly, is a net increase of \$0.4 million; new building and equipment additions for \$3.4 million (HVAC, roof and bus replacements and a parking lot expansion) were offset by \$2.1 million of depreciation and a capital lease liability. The unrestricted net position deficit is principally due to the \$27.4 million pension liability and Virginia legislation that discourages an accumulation of reserves by returning most surplus funding at the end of the year back to the local government. The pension liability increased \$2.9 million from last fiscal year's balance of \$24.5 million.

| County of Goochland, Virginia        |              |             |
|--------------------------------------|--------------|-------------|
| Summary of Net Position              |              |             |
| (\$ in millions)                     |              |             |
| Component Unit                       |              |             |
|                                      | School Board |             |
|                                      | <u>2021</u>  | <u>2020</u> |
| Current and other assets             | \$ 4.0       | \$ 2.9      |
| Capital assets                       | 36.6         | 34.9        |
| Total assets                         | 40.6         | 37.8        |
| Total deferred outflows of resources | 7.7          | 6.0         |
| Current liabilities                  | 2.5          | 2.4         |
| Long-term liabilities outstanding    | 33.7         | 31.0        |
| Total liabilities                    | 36.2         | 33.4        |
| Total deferred inflows of resources  | 2.6          | 2.9         |
| Net position                         |              |             |
| Net investment in capital assets     | 36.5         | 34.7        |
| Unrestricted (deficit)               | (27.0)       | (27.2)      |
| Total net position                   | \$ 9.5       | \$ 7.5      |

The following tables summarize the Statement of Activities for the County and the School Board (Exhibit 2):

| County of Goochland, Virginia<br>Summary of Statement of Activities<br>(\$ in millions) |                            |                |                             |                |                             |                |
|-----------------------------------------------------------------------------------------|----------------------------|----------------|-----------------------------|----------------|-----------------------------|----------------|
|                                                                                         | Governmental<br>Activities |                | Business-type<br>Activities |                | Total<br>Primary Government |                |
|                                                                                         | <u>2021</u>                | <u>2020</u>    | <u>2021</u>                 | <u>2020</u>    | <u>2021</u>                 | <u>2020</u>    |
| Revenues                                                                                |                            |                |                             |                |                             |                |
| Program revenues                                                                        |                            |                |                             |                |                             |                |
| Charges for services                                                                    | \$ 2.6                     | \$ 2.3         | \$ 6.5                      | \$ 6.1         | \$ 9.1                      | \$ 8.4         |
| Operating grants and contributions                                                      | 4.9                        | 5.6            | 2.6                         | 1.1            | 7.5                         | 6.7            |
| Capital grants and contributions                                                        | 0.8                        | 0.2            | 1.6                         | 1.0            | 2.4                         | 1.2            |
| General revenues                                                                        |                            |                |                             |                |                             |                |
| General property taxes                                                                  | 46.3                       | 42.9           | 6.6                         | 5.8            | 52.9                        | 48.7           |
| Other local taxes                                                                       | 9.5                        | 7.3            | -                           | -              | 9.5                         | 7.3            |
| Grants and contributions                                                                | 4.3                        | 3.8            | -                           | -              | 4.3                         | 3.8            |
| Other general revenues                                                                  | 2.1                        | 4.7            | 0.5                         | 0.6            | 2.6                         | 5.3            |
| Total revenues                                                                          | <u>70.5</u>                | <u>66.8</u>    | <u>17.8</u>                 | <u>14.6</u>    | <u>88.3</u>                 | <u>81.4</u>    |
| Expenses                                                                                |                            |                |                             |                |                             |                |
| General government administration                                                       | 6.7                        | 6.2            | -                           | -              | 6.7                         | 6.2            |
| Judicial administration                                                                 | 2.1                        | 1.4            | -                           | -              | 2.1                         | 1.4            |
| Public safety                                                                           | 15.6                       | 13.8           | -                           | -              | 15.6                        | 13.8           |
| Public works                                                                            | 3.7                        | 3.3            | -                           | -              | 3.7                         | 3.3            |
| Health and welfare                                                                      | 5.0                        | 4.8            | -                           | -              | 5.0                         | 4.8            |
| Education                                                                               | 26.1                       | 25.8           | -                           | -              | 26.1                        | 25.8           |
| Parks, recreation and facilities management                                             | 1.2                        | 1.0            | -                           | -              | 1.2                         | 1.0            |
| Community development                                                                   | 1.6                        | 1.9            | -                           | -              | 1.6                         | 1.9            |
| Interest and other fiscal charges                                                       | 0.2                        | 0.2            | -                           | -              | 0.2                         | 0.2            |
| Utilities                                                                               | -                          | -              | 14.8                        | 12.5           | 14.8                        | 12.5           |
| Total expenses                                                                          | <u>62.2</u>                | <u>58.4</u>    | <u>14.8</u>                 | <u>12.5</u>    | <u>77.0</u>                 | <u>70.9</u>    |
| Increase in net position                                                                | 8.3                        | 8.4            | 3.0                         | 2.1            | 11.3                        | 10.5           |
| Total net position - beginning                                                          | 83.6                       | 75.2           | 11.6                        | 9.5            | 95.2                        | 84.7           |
| Total net position - ending                                                             | <u>\$ 91.9</u>             | <u>\$ 83.6</u> | <u>\$ 14.6</u>              | <u>\$ 11.6</u> | <u>\$ 106.5</u>             | <u>\$ 95.2</u> |

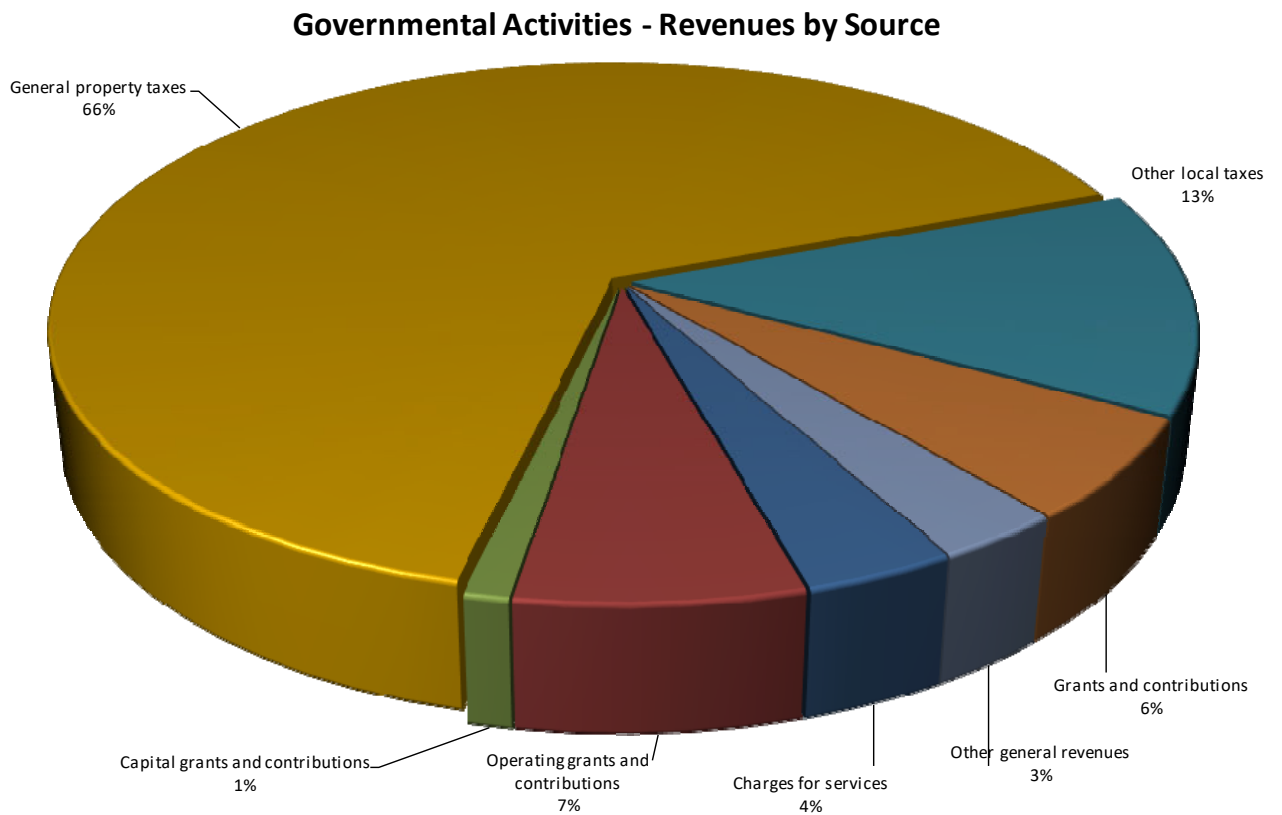
|                                       | Component Unit |               |
|---------------------------------------|----------------|---------------|
|                                       | School Board   |               |
|                                       | <u>2021</u>    | <u>2020</u>   |
| Revenues                              |                |               |
| Program revenues                      |                |               |
| Charges for services                  | \$ 0.3         | \$ 0.6        |
| Operating grants and contributions    | 11.6           | 9.4           |
| Capital grants and contributions      | 3.3            | 1.4           |
| General revenues                      |                |               |
| Intergovernmental non-categorical aid | 23.4           | 24.2          |
| Miscellaneous                         | 0.3            | 0.2           |
| Total revenues                        | <u>38.9</u>    | <u>35.8</u>   |
| Expenses                              |                |               |
| Education                             | 36.9           | 35.3          |
| Increase in net position              | 2.0            | 0.5           |
| Total net position - beginning        | 7.5            | 7.0           |
| Total net position - ending           | <u>\$ 9.5</u>  | <u>\$ 7.5</u> |

The County's net position increased by \$11.3 million during the current fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

**Governmental Activities:** During the current fiscal year, net position for governmental activities increased \$8.3 million for an ending balance of \$91.9 million. In general, net position changes are the result of the difference between revenues and expenses. Fiscal year 2021 revenues of \$70.5 million increased \$3.7 million from the previous fiscal year (5.5%).

Key revenue elements include:

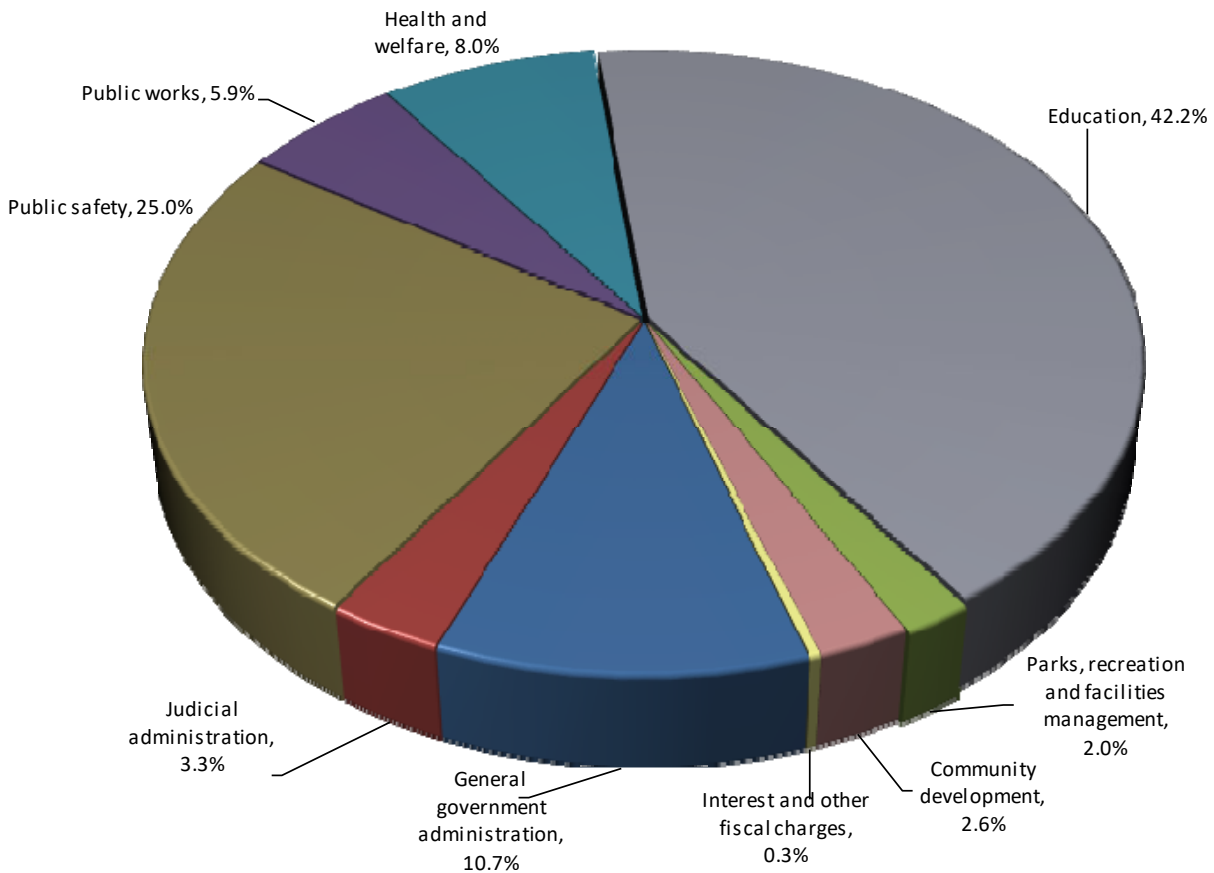
- Property taxes increased 7.9% (\$3.4 million) as compared to last fiscal year primarily because of increases in real property values and new construction.
- Other local taxes increased 30.1% (\$2.2 million) as compared to last fiscal year primarily due to the new gas tax which provided \$1.8 million in revenue restricted to use in transportation projects only.
- Other general revenues decreased by \$2.6 million to \$2.1 million which is proffers.



During fiscal year 2021, the governmental activities expenses totaled \$62.2 million, an increase of \$3.8 million over the previous fiscal year. The increase is primarily due to spending for public safety, judicial, and parks and recreation as explained below:

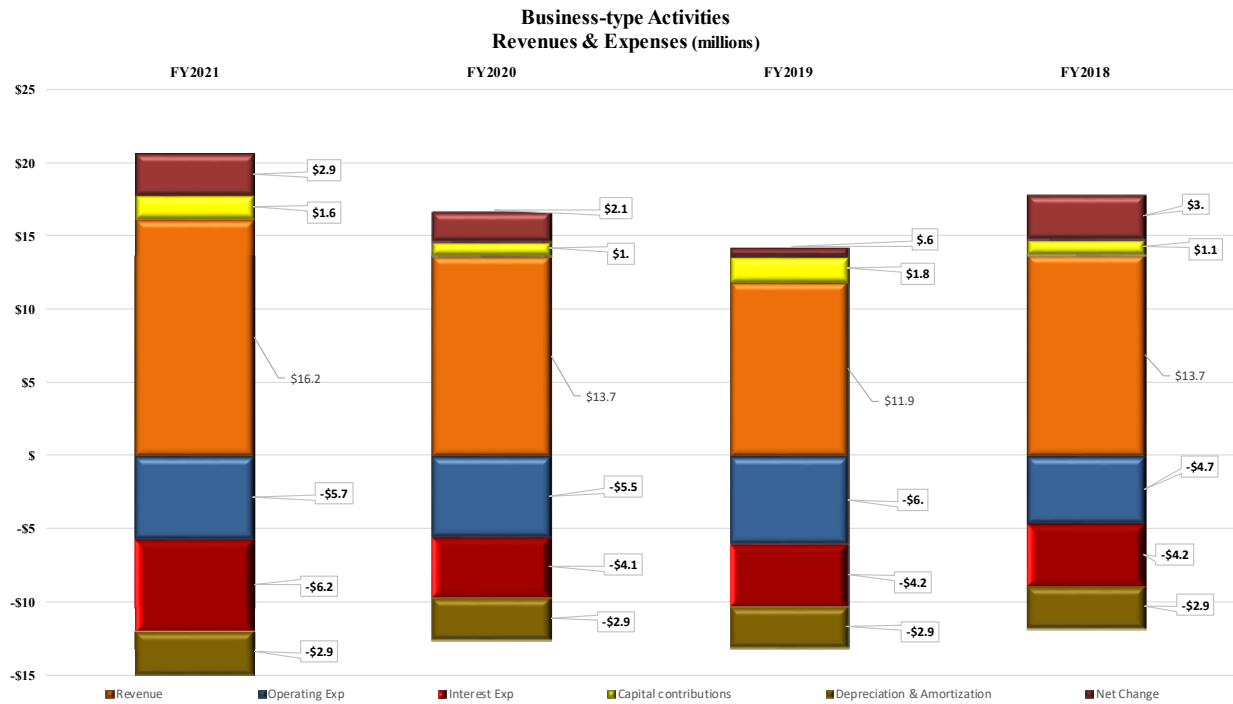
- During fiscal year 2021, public safety added 6 additional full-time employees, additional overtime due to the pandemic, and the infrastructure required for business continuity in the pandemic. Expenses increased \$1.8 million over the prior year.
- The functions with the highest change were Judicial (50.0% increase) and Parks & Recreation (20.0% increase). Both of these had higher expenses due to the infrastructure required for business continuity in the pandemic. The total increase for both functions was \$0.9 million.
- All other functions had minor change.

### Governmental Activities - Functional Expenses



**Business-type Activities:** During the current fiscal year, net position for business-type activities increased \$3.0 million to \$14.6 million. As stated earlier, net position changes are the result of the difference between revenues and expenses. Fiscal year 2021 revenues increased from the prior fiscal year by \$3.2 million to \$17.8 million, and expenses increased \$2.3 million from the prior fiscal year to \$14.8 million.

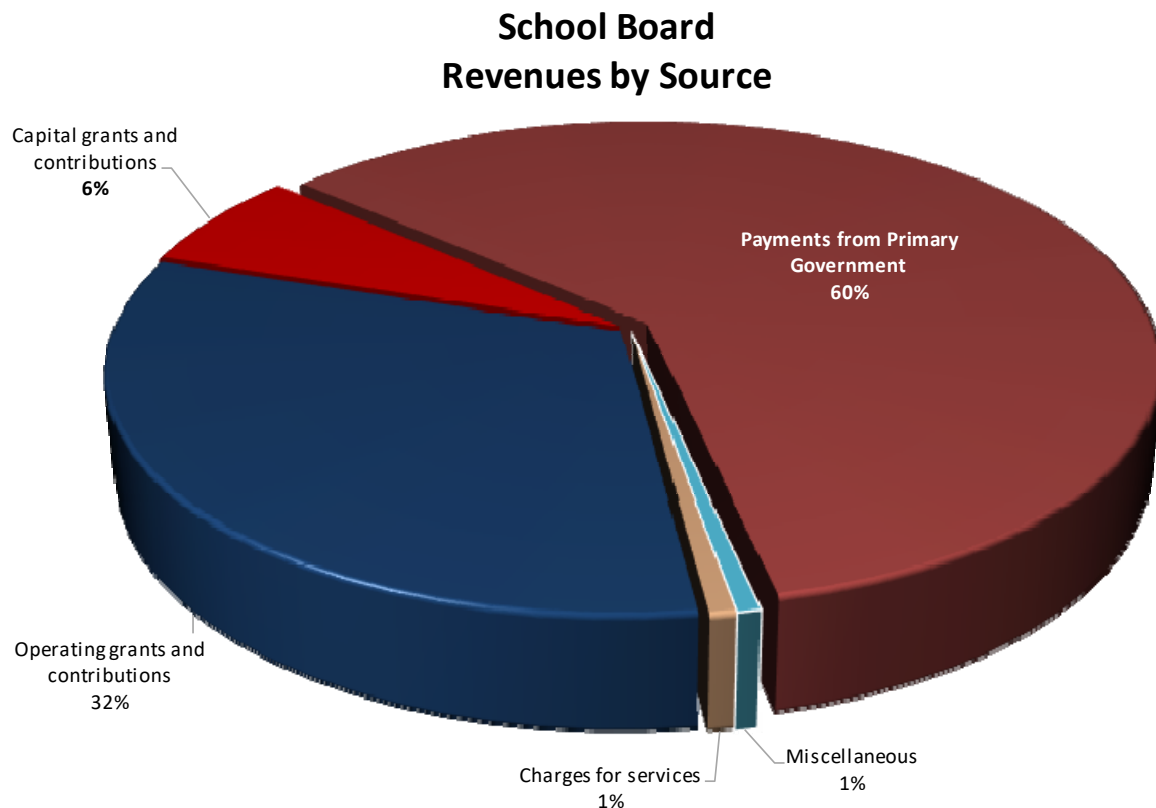
The increase in net position is primarily attributable to a 21.9% increase in operating revenues (\$17.8 million), a 123.7% increase in connection fees (\$1.4 million), a 14.5% increase in property taxes (\$0.8 million), and capital contributions increased 57.0% (\$0.6 million).



**Component Unit – School Board:** During the current fiscal year, net position for School Board activities increased \$2.0 million for an ending balance of \$9.5 million. In general, net position changes are the result of the difference between revenues and expenses. Fiscal year 2021 revenues of \$38.9 million increased \$3.1 million from the previous fiscal year and exceeded expenses by \$2.0 million. Key revenue elements include:

- Charges for services continued to decline because students did not pay for school meals or extra activities during the pandemic (-\$0.3 million).
- This was offset by \$4.2 million in federal funding, an increase of \$2.5 million from the previous year due to a number of COVID-19 stimulus grants and allocations.
- State funding increased by \$0.4 million due principally to a strong year in sales tax revenue.
- The County contribution increased by \$1.3 million for mid-year staff bonuses and a larger than usual reappropriation of the prior year surplus.

During fiscal year 2021, the School Board expenses totaled \$36.9 million, an increase of \$1.6 million over the previous fiscal year (4.5%). This increase is primarily due to higher federal spending to mitigate the risk of COVID-19 so that Schools could give families the option of in-person or remote learning during the pandemic and to increased OPEB, pension and depreciation expenses. The operating budget was budgeted to increase by 4% due primarily to an increase in spending for staff compensation (both for new staff due to changing enrollment and salary increases) and related benefits. However, with the pandemic, the School Board immediately implemented a frugal culture in the Spring of 2020 that reduced that operating increase to only 2.5% and no salary increases.



## Financial Analysis of the County's Funds

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

**Governmental Funds:** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of available resources. Such information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the County's governmental funds reported fund balances of \$56.8 million (Exhibit 3). This is a \$7.1 million increase in the total fund balance over fiscal year 2020.

Approximately 95.6% (\$54.3 million) of the total \$56.8 million is available for spending at the County's discretion (sum of assigned and unassigned fund balances).

The General Fund is the main operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$19.6 million, while total fund balance increased \$3.4 million to \$41.4 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned and total fund balances to total General Fund expenditures. Unassigned fund balance represents approximately 35.3% of total General Fund expenditures, while total fund balance represents approximately 74.4% of that same amount. The stability in the overall fund balance of the General Fund was due to revenue collections higher than anticipated primarily in real property taxes attributable to higher property values, new construction, and higher personal property values. The expenditure increase was due primarily to investments in public safety, public safety personnel and education. Public safety increased \$1.3 million over FY2020, and education increased \$1.0 million over FY2020.

The Capital Projects Fund, a major fund, had a \$1.8 million increase in fund balance during the current fiscal year, which put the overall fund balance at \$13.4 million. This was attributable to increased spending on capital projects.

**Proprietary Funds:** The County's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. Operations of the proprietary funds were included in the discussion of business-type activities.

**General Fund Budgetary Highlights and Results:** General Fund budget amendments resulted in an increase of \$7.1 million between the originally adopted fiscal year 2021 budget appropriation for expenditures and transfers out and the final budget. The budget amendments were funded primarily by assigned fund balance. Significant amendments were:

- Employee bonuses in January 2021 of \$1.1 million, including \$0.7 million for education bonuses.
- As part of benchmarking, the Sheriff's department received a 12% pay increase.
- Public safety equipment including \$0.7 million for a new ambulance and major repairs to two of the ambulances in the fleet. Additional public safety equipment includes cardiac monitors and ventilators.
- General Fund revenues exceeded the final revenue budget by \$6.8 million. General property taxes exceeded the final budget by \$5.1 million due to higher real property values than budget. Other local taxes exceeded the budget by \$1.7 million primarily due to higher than budget local sales taxes.
- Operating expenditures were under the final budget by \$4.1 million, primarily due to \$1.2 million savings in education. There was additional vacancy savings in public safety and across the board savings in general administration. Transfers were \$0.4 million less than budget due to a decrease in the transfer to the Office of Children's services because of lower than anticipated expenses in that special revenue fund.

## Capital Asset and Debt Administration

**Capital Assets:** The County's investment in capital assets for its governmental operations on June 30, 2021 amounted to \$50.8 million (net of accumulated depreciation and amortization), a \$0.9 million increase from the previous year. This investment in capital assets includes land, buildings and improvements, and machinery and equipment. The increase in the capital asset balance is due to the renovations of the central high school cultural and educational complex renovations and the renovations of the administration building.

Capital assets of the Business-type activities on June 30, 2021 were \$95.0 million (net of accumulated depreciation and amortization), a decrease of \$0.5 million due to greater depreciation than additions.

The School Board's capital assets on June 30, 2021 were \$36.6 (net of accumulated depreciation and amortization), which is an increase over the prior fiscal year by \$1.8 million. Buildings increased by \$1.1 million, and equipment increased by \$0.7 million.

Additional information on the County's capital assets can be found in Note IV. E. of the Notes to Financial Statements.

**Long-term Debt:** At the end of the current fiscal year, the County had long-term obligations (Governmental and Business-type activities) of \$138.2 million. Of this amount, \$3.3 million is comprised of school construction debt backed by the full faith and credit of the County. The remainder of the County's debt represents bonds secured solely by specified revenue sources, capital leases, compensated absences, net pension liability, other post-employment benefits liability, capacity rights and landfill obligations. The increase in long-term debt of \$4.7 million in fiscal year 2021 was explained previously in the financial highlights section of this discussion.

Additional information on the County of Goochland, Virginia's long-term debt can be found in Note IV. G. of the Notes to Financial Statements.

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

- The June 2021 unemployment rate for the County of 3.7% is down from the high of 7.0% in June 2020 due to the COVID-19 pandemic. The County's June 2021 rate compared favorably to the state's unemployment rate of 4.5%, and favorably to the national rate of 6.1% for the same period.
- Goochland County enjoys a high median household income of \$93,994 compared to Virginia with a median household income of \$74,222, and the United States with a median household income of \$62,843 (U.S. Census Bureau V2019).
- The historic high in total assessed value of taxable property has been calendar year 2008 at \$5.5 billion. In 2019, the total assessed value exceeded 2008 at \$5.8 billion. The 2021 assessment is \$6.7 billion.
- The fiscal year 2022 budget increased by approximately 64.7% for all funds (including the component units). The largest driver of the increase is the education capital projects for a new elementary school and other school upgrades. The general real estate tax rate remained the same at \$0.53 per \$100 of assessed valuation.
- The Schools budget increased by 11.2% due principally to higher federal COVID-19 stimulus grants as well as an average 5% compensation increase driven by a state initiative to retain teaching staff.

## Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Administrator, 1800 Sandy Hook Rd., Goochland, Virginia 23063.

## **BASIC FINANCIAL STATEMENTS**

## Statement of Net Position

June 30, 2021

|                                                                    | Primary Government         |                             |                | Component Units |                                      |
|--------------------------------------------------------------------|----------------------------|-----------------------------|----------------|-----------------|--------------------------------------|
|                                                                    | Governmental<br>Activities | Business-type<br>Activities | Total          | School Board    | Economic<br>Development<br>Authority |
| <b>ASSETS</b>                                                      |                            |                             |                |                 |                                      |
| Cash, cash equivalents and investments                             | \$ 58,654,021              | \$ 19,804,091               | \$ 78,458,112  | \$ 2,482,550    | \$ 725,647                           |
| Receivables (net of allowance for uncollectibles):                 |                            |                             |                |                 |                                      |
| Taxes receivable, including penalties, net                         | 22,124,459                 | 3,356,137                   | 25,480,596     | -               | -                                    |
| Accounts receivable, net                                           | 581,111                    | 1,302,357                   | 1,883,468      | 33,000          | -                                    |
| Prepaid items                                                      | 187,972                    | 8,994                       | 196,966        | -               | -                                    |
| Internal balances                                                  | 117,634                    | (117,634)                   | -              | -               | -                                    |
| Due from Primary Government                                        | -                          | -                           | -              | -               | 1,104,174                            |
| Due from other governmental units                                  | 1,822,774                  | 47,414                      | 1,870,188      | 1,353,949       | -                                    |
| Inventories                                                        | 3,293                      | -                           | 3,293          | 69,991          | -                                    |
| Restricted assets                                                  | -                          | 13,842,709                  | 13,842,709     | -               | -                                    |
| Land held for resale                                               | -                          | -                           | -              | -               | 28,642                               |
| Capital assets (net of accumulated depreciation and amortization): |                            |                             |                |                 |                                      |
| Land and land improvements                                         | 4,225,274                  | 2,874,584                   | 7,099,858      | 607,079         | -                                    |
| Buildings and system                                               | 33,573,705                 | 66,563,710                  | 100,137,415    | 30,890,704      | -                                    |
| Capacity rights                                                    | -                          | 24,111,324                  | 24,111,324     | -               | -                                    |
| Machinery and equipment                                            | 10,790,066                 | 180,633                     | 10,970,699     | 5,139,704       | -                                    |
| Construction in progress                                           | 2,244,437                  | 1,301,602                   | 3,546,039      | -               | -                                    |
| Total assets                                                       | 134,324,746                | 133,275,921                 | 267,600,667    | 40,576,977      | 1,858,463                            |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                              |                            |                             |                |                 |                                      |
| Pension plan                                                       | 3,988,006                  | 183,625                     | 4,171,631      | 7,036,075       | -                                    |
| Other postemployment benefits plans                                | 583,775                    | 28,595                      | 612,370        | 695,366         | -                                    |
| Deferred charge on refunding                                       | -                          | 3,893,021                   | 3,893,021      | -               | -                                    |
| Total deferred outflows of resources                               | 4,571,781                  | 4,105,241                   | 8,677,022      | 7,731,441       | -                                    |
| <b>LIABILITIES</b>                                                 |                            |                             |                |                 |                                      |
| Accounts payable                                                   | 1,025,852                  | 455,766                     | 1,481,618      | 667,535         | -                                    |
| Accrued liabilities                                                | 173,908                    | 1,280                       | 175,188        | 1,593,461       | -                                    |
| Performanace bonds payable                                         | 827,862                    | -                           | 827,862        | -               | -                                    |
| Unearned revenue                                                   | 2,255,721                  | 8,980                       | 2,264,701      | 248,997         | -                                    |
| Customer deposits                                                  | -                          | 15,800                      | 15,800         | -               | -                                    |
| Accrued interest payable                                           | 95,057                     | 426,996                     | 522,053        | -               | -                                    |
| Due to component unit                                              | 1,104,174                  | -                           | 1,104,174      | -               | -                                    |
| Non-current liabilities                                            |                            |                             |                |                 |                                      |
| Due within one year:                                               |                            |                             |                |                 |                                      |
| Bonds payable, net                                                 | 554,475                    | 1,640,382                   | 2,194,857      | -               | -                                    |
| Capital leases                                                     | 1,007,000                  | -                           | 1,007,000      | 42,680          | -                                    |
| Compensated absences                                               | 134,721                    | 6,241                       | 140,962        | 222,949         | -                                    |
| Landfill liability                                                 | 15,000                     | -                           | 15,000         | -               | -                                    |
| Long-term amortization of capacity charges                         | -                          | 1,000,000                   | 1,000,000      | -               | -                                    |
| Contractual agreement                                              | -                          | -                           | -              | -               | 210,000                              |
| Due in more than one year                                          |                            |                             |                |                 |                                      |
| Net pension liability                                              | 4,176,792                  | 183,242                     | 4,360,034      | 27,368,628      | -                                    |
| Net OPEB liability                                                 | 3,659,146                  | 176,827                     | 3,835,973      | 5,702,964       | -                                    |
| Bonds payable, net                                                 | 2,752,890                  | 94,603,828                  | 97,356,718     | -               | -                                    |
| Capital leases                                                     | 4,529,000                  | -                           | 4,529,000      | 89,982          | -                                    |
| Compensated absences                                               | 1,212,489                  | 56,167                      | 1,268,656      | 217,624         | -                                    |
| Landfill liability                                                 | 1,746,170                  | -                           | 1,746,170      | -               | -                                    |
| Long-term amortization of capacity charges                         | -                          | 14,378,307                  | 14,378,307     | -               | -                                    |
| Contractual agreement                                              | -                          | 6,307,031                   | 6,307,031      | -               | 869,174                              |
| Total liabilities                                                  | 25,270,257                 | 119,260,847                 | 144,531,104    | 36,154,820      | 1,079,174                            |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                               |                            |                             |                |                 |                                      |
| Pension plan                                                       | 205,837                    | 6,803                       | 212,640        | 1,918,574       | -                                    |
| Other postemployment benefits plans                                | 395,128                    | 21,213                      | 416,341        | 676,961         | -                                    |
| Property taxes                                                     | 21,101,803                 | 3,500,356                   | 24,602,159     | -               | -                                    |
| Total deferred inflows of resources                                | 21,702,768                 | 3,528,372                   | 25,231,140     | 2,595,535       | -                                    |
| <b>NET POSITION</b>                                                |                            |                             |                |                 |                                      |
| Net investment in capital assets                                   | 41,990,117                 | 3,054,114                   | 45,044,231     | 36,504,825      | -                                    |
| Restricted for:                                                    |                            |                             |                |                 |                                      |
| Debt covenants                                                     | -                          | 13,842,709                  | 13,842,709     | -               | -                                    |
| Conservation easement                                              | 15,360                     | -                           | 15,360         | -               | -                                    |
| Courthouse maintenance                                             | 9,800                      | -                           | 9,800          | -               | -                                    |
| Grant programs                                                     | 40,534                     | -                           | 40,534         | -               | -                                    |
| Unrestricted (deficit)                                             | 49,867,691                 | (2,304,880)                 | 47,562,811     | (26,946,762)    | 779,289                              |
| Total net position                                                 | \$ 91,923,502              | \$ 14,591,943               | \$ 106,515,445 | \$ 9,558,063    | \$ 779,289                           |

The accompanying notes are an integral part of these financial statements.

**County of Goochland, Virginia**  
**Statement of Activities**

**Exhibit 2**

**Year Ended June 30, 2021**

| Functions/Programs                                           | Program Revenues |                      |                                    |                                  | Net (Expenses) Revenues and Changes in Net Position |                          |                |                 |            |
|--------------------------------------------------------------|------------------|----------------------|------------------------------------|----------------------------------|-----------------------------------------------------|--------------------------|----------------|-----------------|------------|
|                                                              | Expenses         | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government                                  |                          |                | Component Units |            |
|                                                              |                  |                      |                                    |                                  | Governmental Activities                             | Business-type Activities | Total          | School Board    | EDA        |
| <b>Primary Government</b>                                    |                  |                      |                                    |                                  |                                                     |                          |                |                 |            |
| Governmental activities:                                     |                  |                      |                                    |                                  |                                                     |                          |                |                 |            |
| General government administration                            | \$ 6,654,957     | \$ 3,666             | \$ 910,022                         | \$ -                             | \$ (5,741,269)                                      | \$ -                     | \$ (5,741,269) | \$ -            | \$ -       |
| Judicial administration                                      | 2,060,878        | 105,945              | 588,816                            | -                                | (1,366,117)                                         | -                        | (1,366,117)    | -               | -          |
| Public safety                                                | 15,564,412       | 2,049,043            | 1,102,402                          | 777,628                          | (11,635,339)                                        | -                        | (11,635,339)   | -               | -          |
| Public works                                                 | 3,681,882        | 39,088               | -                                  | -                                | (3,642,794)                                         | -                        | (3,642,794)    | -               | -          |
| Health and human services                                    | 4,964,698        | -                    | 2,300,954                          | -                                | (2,663,744)                                         | -                        | (2,663,744)    | -               | -          |
| Education                                                    | 26,104,626       | -                    | -                                  | -                                | (26,104,626)                                        | -                        | (26,104,626)   | -               | -          |
| Parks, recreation, and facilities management                 | 1,255,019        | 107,671              | -                                  | -                                | (1,147,348)                                         | -                        | (1,147,348)    | -               | -          |
| Community development                                        | 1,644,920        | 272,200              | -                                  | -                                | (1,372,720)                                         | -                        | (1,372,720)    | -               | -          |
| Interest on long-term debt                                   | 207,644          | -                    | -                                  | -                                | (207,644)                                           | -                        | (207,644)      | -               | -          |
| Total governmental activities                                | 62,139,036       | 2,577,613            | 4,902,194                          | 777,628                          | (53,881,601)                                        | -                        | (53,881,601)   | -               | -          |
| Business-type activities:                                    |                  |                      |                                    |                                  |                                                     |                          |                |                 |            |
| Utilities                                                    | 14,813,529       | 6,486,321            | 2,564,052                          | 1,566,829                        | -                                                   | (4,196,327)              | (4,196,327)    | -               | -          |
| Total Primary Government                                     | \$ 76,952,565    | \$ 9,063,934         | \$ 7,466,246                       | \$ 2,344,457                     | (53,881,601)                                        | (4,196,327)              | (58,077,928)   | -               | -          |
| <b>Component Units</b>                                       |                  |                      |                                    |                                  |                                                     |                          |                |                 |            |
| School Board                                                 | \$ 36,866,401    | \$ 276,092           | \$ 11,644,828                      | \$ 3,337,689                     | -                                                   | -                        | -              | (21,607,792)    | -          |
| Economic Development Authority                               | 266,118          | 1,098                | -                                  | 248,482                          | -                                                   | -                        | -              | -               | (16,538)   |
| Total Component Units                                        | \$ 37,132,519    | \$ 277,190           | \$ 11,644,828                      | \$ 3,586,171                     | -                                                   | -                        | -              | (21,607,792)    | (16,538)   |
| General revenues:                                            |                  |                      |                                    |                                  |                                                     |                          |                |                 |            |
| General property taxes                                       |                  |                      |                                    |                                  | 46,254,390                                          | 6,646,962                | 52,901,352     | -               | -          |
| Sales and use tax                                            |                  |                      |                                    |                                  | 5,946,732                                           | -                        | 5,946,732      | -               | -          |
| Business license taxes                                       |                  |                      |                                    |                                  | 1,105,062                                           | -                        | 1,105,062      | -               | -          |
| Other local taxes                                            |                  |                      |                                    |                                  | 2,464,723                                           | -                        | 2,464,723      | -               | -          |
| Unrestricted revenues from use of money and property         |                  |                      |                                    |                                  | 141,975                                             | 497,319                  | 639,294        | 33,513          | 866        |
| Payments from Primary Government                             |                  |                      |                                    |                                  | -                                                   | -                        | -              | 23,370,660      | -          |
| Grants and contributions not restricted to specific programs |                  |                      |                                    |                                  | 4,275,130                                           | -                        | 4,275,130      | -               | -          |
| Miscellaneous                                                |                  |                      |                                    |                                  | 2,018,682                                           | -                        | 2,018,682      | 218,923         | -          |
| Total general revenues                                       |                  |                      |                                    |                                  | 62,206,694                                          | 7,144,281                | 69,350,975     | 23,623,096      | 866        |
| Change in net position                                       |                  |                      |                                    |                                  | 8,325,093                                           | 2,947,954                | 11,273,047     | 2,015,304       | (15,672)   |
| Net position - beginning                                     |                  |                      |                                    |                                  | 83,598,409                                          | 11,643,989               | 95,242,398     | 7,542,759       | 794,961    |
| Net position - ending                                        |                  |                      |                                    |                                  | \$ 91,923,502                                       | \$ 14,591,943            | \$ 106,515,445 | \$ 9,558,063    | \$ 779,289 |

*The accompanying notes are an integral part of these financial statements.*

**County of Goochland, Virginia**  
**Balance Sheet - Governmental Funds**

**Exhibit 3**

**June 30, 2021**

|                                                                    | General              | Capital<br>Projects  | Nonmajor<br>Governmental | Total<br>Governmental<br>Funds |
|--------------------------------------------------------------------|----------------------|----------------------|--------------------------|--------------------------------|
| <b>ASSETS</b>                                                      |                      |                      |                          |                                |
| Cash and cash equivalents                                          | \$ 43,184,971        | \$ 13,697,265        | \$ 1,771,785             | \$ 58,654,021                  |
| Receivables (net of allowances for uncollectibles):                |                      |                      |                          |                                |
| Taxes receivable, including penalties                              | 22,124,459           | -                    | -                        | 22,124,459                     |
| Accounts receivable                                                | 581,111              | -                    | -                        | 581,111                        |
| Inventories                                                        | 3,293                | -                    | -                        | 3,293                          |
| Prepaid items                                                      | 187,334              | -                    | 638                      | 187,972                        |
| Due from other fund                                                | 117,634              | -                    | -                        | 117,634                        |
| Due from other governmental units                                  | 1,371,518            | -                    | 451,256                  | 1,822,774                      |
| Total assets                                                       | <u>\$ 67,570,320</u> | <u>\$ 13,697,265</u> | <u>\$ 2,223,679</u>      | <u>\$ 83,491,264</u>           |
| <b>LIABILITIES</b>                                                 |                      |                      |                          |                                |
| Accounts payable                                                   | \$ 509,348           | \$ 342,806           | \$ 173,698               | \$ 1,025,852                   |
| Accrued liabilities                                                | 173,908              | -                    | -                        | 173,908                        |
| Performance bonds escrow                                           | 827,862              | -                    | -                        | 827,862                        |
| Unearned revenue                                                   | 2,238,619            | -                    | 17,102                   | 2,255,721                      |
| Total liabilities                                                  | <u>3,749,737</u>     | <u>342,806</u>       | <u>190,800</u>           | <u>4,283,343</u>               |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                               |                      |                      |                          |                                |
| Unavailable revenue - vehicle license fees                         | 15,553               | -                    | -                        | 15,553                         |
| Unavailable revenue - property taxes                               | 22,424,136           | -                    | -                        | 22,424,136                     |
| Total deferred inflows of resources                                | <u>22,439,689</u>    | <u>-</u>             | <u>-</u>                 | <u>22,439,689</u>              |
| <b>FUND BALANCES</b>                                               |                      |                      |                          |                                |
| Nonspendable                                                       | 308,261              | -                    | 638                      | 308,899                        |
| Restricted                                                         | 25,160               | -                    | 40,534                   | 65,694                         |
| Committed                                                          | 2,120,000            | -                    | -                        | 2,120,000                      |
| Assigned                                                           | 19,326,570           | 13,354,459           | 1,991,707                | 34,672,736                     |
| Unassigned                                                         | 19,600,903           | -                    | -                        | 19,600,903                     |
| Total fund balances                                                | <u>41,380,894</u>    | <u>13,354,459</u>    | <u>2,032,879</u>         | <u>56,768,232</u>              |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 67,570,320</u> | <u>\$ 13,697,265</u> | <u>\$ 2,223,679</u>      | <u>\$ 83,491,264</u>           |

*The accompanying notes are an integral part of these financial statements.*

**Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position****June 30, 2021**

|                                                                        |    |            |
|------------------------------------------------------------------------|----|------------|
| Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds | \$ | 56,768,232 |
|------------------------------------------------------------------------|----|------------|

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

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

|                                                  |                     |            |
|--------------------------------------------------|---------------------|------------|
| Capital assets                                   | \$ 82,679,809       |            |
| Less - accumulated depreciation and amortization | <u>(31,846,327)</u> |            |
|                                                  |                     | 50,833,482 |

|                                                                                                                                                                                                                                                 |  |           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------|
| Deferred outflows of resources - pension and other postemployment plans represent a consumption of net position that applies to a future period and, therefore, are not recognized as deferred outflows of resources in the governmental funds. |  | 4,571,781 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------|

|                                                                                                                                                     |  |           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------|
| Receivables in the governmental funds do not provide current financial resources and, therefore, are not reported on the Statement of Net Position. |  | 1,337,886 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------|

|                                                                                                                                                                                                                                                     |  |           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------|
| Deferred inflows of resources - pension plan and other postemployment plans represent an acquisition of net position that applies to a future period and, therefore, are not recognized as deferred inflows of resources in the governmental funds. |  | (600,965) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------|

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

|                                                          |                 |                     |
|----------------------------------------------------------|-----------------|---------------------|
| General obligation bonds, including unamortized premiums | (3,307,365)     |                     |
| Capital lease obligations                                | (5,536,000)     |                     |
| Total net other postemployment benefits liability        | (3,659,146)     |                     |
| Net pension liability                                    | (4,176,792)     |                     |
| Compensated absences                                     | (1,347,210)     |                     |
| Landfill post-closure care                               | (1,761,170)     |                     |
| Due to component unit                                    | (1,104,174)     |                     |
| Interest payable                                         | <u>(95,057)</u> |                     |
|                                                          |                 | <u>(20,986,914)</u> |

|                                         |    |                          |
|-----------------------------------------|----|--------------------------|
| Net position of governmental activities | \$ | <u><u>91,923,502</u></u> |
|-----------------------------------------|----|--------------------------|

*The accompanying notes are an integral part of these financial statements.*

## Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Year Ended June 30, 2021

|                                                           | General       | Capital<br>Projects | Nonmajor<br>Governmental | Total<br>Governmental<br>Funds |
|-----------------------------------------------------------|---------------|---------------------|--------------------------|--------------------------------|
| <b>REVENUES</b>                                           |               |                     |                          |                                |
| General property taxes                                    | \$ 46,520,448 | \$ -                | \$ -                     | \$ 46,520,448                  |
| Other local taxes                                         | 7,712,862     | -                   | 1,803,655                | 9,516,517                      |
| Permits, privilege fees, and regulatory licenses          | 1,521,728     | -                   | -                        | 1,521,728                      |
| Fines and forfeitures                                     | 60,398        | -                   | -                        | 60,398                         |
| Revenue from use of money and property                    | 141,969       | -                   | 6                        | 141,975                        |
| Charges for services                                      | 995,487       | -                   | -                        | 995,487                        |
| Miscellaneous                                             | 132,496       | 1,864,726           | 21,460                   | 2,018,682                      |
| Recovered costs                                           | 281,191       | -                   | -                        | 281,191                        |
| Intergovernmental revenues:                               |               |                     |                          |                                |
| Commonwealth                                              | 6,499,452     | -                   | 450,149                  | 6,949,601                      |
| Federal                                                   | 2,227,723     | 777,628             | -                        | 3,005,351                      |
| Total revenues                                            | 66,093,754    | 2,642,354           | 2,275,270                | 71,011,378                     |
| <b>EXPENDITURES</b>                                       |               |                     |                          |                                |
| Current:                                                  |               |                     |                          |                                |
| General government administration                         | 5,592,511     | 1,765,478           | -                        | 7,357,989                      |
| Judicial administration                                   | 1,884,958     | 304,147             | 120                      | 2,189,225                      |
| Public safety                                             | 13,041,770    | 1,996,082           | -                        | 15,037,852                     |
| Public works                                              | 2,968,132     | 736,550             | -                        | 3,704,682                      |
| Health and human services                                 | 3,943,601     | -                   | 914,575                  | 4,858,176                      |
| Education                                                 | 23,370,660    | 2,038,494           | -                        | 25,409,154                     |
| Parks, recreation, and facilities management              | 1,100,137     | 561,448             | -                        | 1,661,585                      |
| Community development                                     | 1,919,433     | 15,574              | -                        | 1,935,007                      |
| Debt service:                                             |               |                     |                          |                                |
| Principal retirement                                      | 1,524,000     | -                   | -                        | 1,524,000                      |
| Interest and other fiscal charges                         | 244,845       | -                   | -                        | 244,845                        |
| Total expenditures                                        | 55,590,047    | 7,417,773           | 914,695                  | 63,922,515                     |
| Excess (deficiency) of revenues over (under) expenditures | 10,503,707    | (4,775,419)         | 1,360,575                | 7,088,863                      |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |               |                     |                          |                                |
| Transfers in                                              | -             | 6,588,156           | 474,580                  | 7,062,736                      |
| Transfers out                                             | (7,062,736)   | -                   | -                        | (7,062,736)                    |
| Total other financing sources (uses), net                 | (7,062,736)   | 6,588,156           | 474,580                  | -                              |
| Net change in fund balances                               | 3,440,971     | 1,812,737           | 1,835,155                | 7,088,863                      |
| Fund balances - beginning                                 | 37,939,923    | 11,541,722          | 197,724                  | 49,679,369                     |
| Fund balances - ending                                    | \$ 41,380,894 | \$ 13,354,459       | \$ 2,032,879             | \$ 56,768,232                  |

The accompanying notes are an integral part of these financial statements.

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Funds to the Statement of Activities**

**Year Ended June 30, 2021**

|                                                                                                                                                                                                                                                                                                                                                                                                          |              |                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------------|
| <b>Net change in fund balances - total governmental funds</b>                                                                                                                                                                                                                                                                                                                                            |              | <b>\$ 7,088,863</b>        |
| <b>Amounts reported for governmental activities in the Statement of Activities<br/>are different because:</b>                                                                                                                                                                                                                                                                                            |              |                            |
| 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 and amortization expense. This is the amount by which capital assets were impacted by capital outlays, depreciation, amortization, and transfers of joint tenancy assets in the current period: |              |                            |
| Capital outlay                                                                                                                                                                                                                                                                                                                                                                                           | \$ 6,794,818 |                            |
| Depreciation and amortization                                                                                                                                                                                                                                                                                                                                                                            | (3,385,837)  |                            |
| Allocation of joint tenancy assets, net, to the School Board Component Unit                                                                                                                                                                                                                                                                                                                              | (434,918)    |                            |
|                                                                                                                                                                                                                                                                                                                                                                                                          |              | <u>2,974,063</u>           |
| The net effect of miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position                                                                                                                                                                                                                                                                 |              | (2,102,824)                |
| Revenues in the funds that do not provide current financial resources are not reported as revenues in the Statement of Activities                                                                                                                                                                                                                                                                        |              | (266,058)                  |
| Deferred outflows of resources - pension and OPEB plan contributions subsequent to measurement date                                                                                                                                                                                                                                                                                                      |              | 1,385,226                  |
| The repayment of principal on long-term debt consumes the current financial resources of governmental funds, but does not have any effect on net position:                                                                                                                                                                                                                                               |              |                            |
| Principal retired on general obligation long-term debt and capital lease obligations                                                                                                                                                                                                                                                                                                                     |              | 1,524,000                  |
| 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:                                                                                                                                                                                                                      |              |                            |
| Landfill post-closure liability                                                                                                                                                                                                                                                                                                                                                                          | (3,632)      |                            |
| Compensated absences                                                                                                                                                                                                                                                                                                                                                                                     | (117,320)    |                            |
| OPEB expense                                                                                                                                                                                                                                                                                                                                                                                             | (636,080)    |                            |
| Pension expense                                                                                                                                                                                                                                                                                                                                                                                          | (1,794,346)  |                            |
| Interest payable                                                                                                                                                                                                                                                                                                                                                                                         | 17,726       |                            |
| Due to component unit                                                                                                                                                                                                                                                                                                                                                                                    | 236,000      |                            |
| Amortization of bond premium                                                                                                                                                                                                                                                                                                                                                                             | 19,475       |                            |
|                                                                                                                                                                                                                                                                                                                                                                                                          |              | <u>(2,278,177)</u>         |
| Change in net position of governmental activities                                                                                                                                                                                                                                                                                                                                                        |              | <u><u>\$ 8,325,093</u></u> |

*The accompanying notes are an integral part of these financial statements.*

## Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund

Year Ended June 30, 2021

|                                                           | Original<br>Budget | Final<br>Budget | Actual        | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-----------------------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| <b>REVENUES</b>                                           |                    |                 |               |                                                           |
| General property taxes                                    | \$ 40,226,443      | \$ 41,469,325   | \$ 46,520,448 | \$ 5,051,123                                              |
| Other local taxes                                         | 5,985,000          | 5,985,000       | 7,712,862     | 1,727,862                                                 |
| Permits, privilege fees, and regulatory licenses          | 878,500            | 878,500         | 1,521,728     | 643,228                                                   |
| Fines and forfeitures                                     | 70,000             | 70,000          | 60,398        | (9,602)                                                   |
| Revenue from use of money and property                    | 830,000            | 830,000         | 141,969       | (688,031)                                                 |
| Charges for services                                      | 904,500            | 904,500         | 995,487       | 90,987                                                    |
| Miscellaneous                                             | 20,000             | 20,000          | 132,496       | 112,496                                                   |
| Recovered costs                                           | 263,000            | 272,090         | 281,191       | 9,101                                                     |
| Intergovernmental revenues:                               |                    |                 |               |                                                           |
| Commonwealth                                              | 6,445,262          | 6,472,698       | 6,499,452     | 26,754                                                    |
| Federal                                                   | 1,535,772          | 2,354,676       | 2,227,723     | (126,953)                                                 |
| Total revenues                                            | 57,158,477         | 59,256,789      | 66,093,754    | 6,836,965                                                 |
| <b>EXPENDITURES</b>                                       |                    |                 |               |                                                           |
| Current:                                                  |                    |                 |               |                                                           |
| General government administration                         | 5,847,218          | 5,828,979       | 5,592,511     | 236,468                                                   |
| Judicial administration                                   | 1,841,717          | 1,980,584       | 1,884,958     | 95,626                                                    |
| Public safety                                             | 13,236,430         | 13,838,180      | 13,041,770    | 796,410                                                   |
| Public works                                              | 2,788,047          | 3,067,143       | 2,968,132     | 99,011                                                    |
| Health and human services                                 | 4,114,316          | 4,367,566       | 3,943,601     | 423,965                                                   |
| Education                                                 | 23,330,000         | 24,607,796      | 23,370,660    | 1,237,136                                                 |
| Parks, recreation, and facilities management              | 1,081,687          | 1,144,335       | 1,100,137     | 44,198                                                    |
| Community development                                     | 1,918,152          | 2,159,443       | 1,919,433     | 240,010                                                   |
| Debt service:                                             |                    |                 |               |                                                           |
| Principal retirement                                      | 2,413,000          | 2,413,000       | 1,524,000     | 889,000                                                   |
| Interest and other fiscal charges                         | 288,000            | 288,000         | 244,845       | 43,155                                                    |
| Total expenditures                                        | 56,858,567         | 59,695,026      | 55,590,047    | 4,104,979                                                 |
| Excess (deficiency) of revenues over (under) expenditures | 299,910            | (438,237)       | 10,503,707    | 10,941,944                                                |
| <b>OTHER FINANCING USES</b>                               |                    |                 |               |                                                           |
| Transfers out                                             | (3,219,818)        | (7,488,156)     | (7,062,736)   | 425,420                                                   |
| Total other financing uses                                | (3,219,818)        | (7,488,156)     | (7,062,736)   | 425,420                                                   |
| Net change in fund balance                                | (2,919,908)        | (7,926,393)     | 3,440,971     | 11,367,364                                                |
| Fund balance - beginning                                  | (4,424,000)        | 37,939,923      | 37,939,923    | -                                                         |
| Fund balance - ending                                     | \$ (7,343,908)     | \$ 30,013,530   | \$ 41,380,894 | \$ 11,367,364                                             |

The accompanying notes are an integral part of these financial statements.

## Statement of Net Position - Proprietary Fund

June 30, 2021

|                                                        | Utilities     |
|--------------------------------------------------------|---------------|
| <b>ASSETS</b>                                          |               |
| Current assets:                                        |               |
| Cash and cash equivalents                              | \$ 19,804,091 |
| Taxes receivable, including penalties, net             | 3,356,137     |
| Accounts receivable, net                               | 1,302,357     |
| Prepaid items                                          | 8,994         |
| Due from other governmental units                      | 47,414        |
| Total current assets                                   | 24,518,993    |
| Noncurrent assets:                                     |               |
| Cash and cash equivalents and investments - restricted | 13,842,709    |
| Capital assets, net                                    | 95,031,853    |
| Total noncurrent assets                                | 108,874,562   |
| Total assets                                           | 133,393,555   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                  |               |
| Pension and other postemployment benefit plans         | 212,220       |
| Deferred charge on refunding                           | 3,893,021     |
| Total deferred outflows of resources                   | 4,105,241     |
| <b>LIABILITIES</b>                                     |               |
| Current liabilities:                                   |               |
| Accounts payable                                       | 455,766       |
| Accrued liabilities                                    | 1,280         |
| Customer deposits                                      | 15,800        |
| Accrued interest payable                               | 426,996       |
| Due to other fund                                      | 117,634       |
| Unearned revenue                                       | 8,980         |
| Bonds payable                                          | 1,640,382     |
| Capacity charges                                       | 1,000,000     |
| Compensated absences                                   | 6,241         |
| Total current liabilities                              | 3,673,079     |
| Noncurrent liabilities:                                |               |
| Bonds payable - net of current portion                 | 94,603,828    |
| Capacity charges - net of current portion              | 14,378,307    |
| Net pension liability                                  | 183,242       |
| Net other postemployment benefits liability            | 176,827       |
| Compensated absences - net of current portion          | 56,167        |
| Contractual agreement payable                          | 6,307,031     |
| Total noncurrent liabilities                           | 115,705,402   |
| Total liabilities                                      | 119,378,481   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                   |               |
| Pension and other postemployment benefit plans         | 28,016        |
| Property taxes                                         | 3,500,356     |
| Total deferred inflows of resources                    | 3,528,372     |
| <b>NET POSITION</b>                                    |               |
| Net investment in capital assets                       | 3,054,114     |
| Restricted for debt covenants                          | 13,842,709    |
| Unrestricted (deficit)                                 | (2,304,880)   |
| Total net position                                     | \$ 14,591,943 |

The accompanying notes are an integral part of these financial statements.

**Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund****Year Ended June 30, 2021**

|                                                  | Utilities     |
|--------------------------------------------------|---------------|
| <b>OPERATING REVENUES</b>                        |               |
| Permits, privilege fees, and regulatory licenses | \$ 222,436    |
| Revenue from use of money and property           | 72,081        |
| Charges for services                             | 6,180,762     |
| Miscellaneous                                    | 11,042        |
| Total operating revenues                         | 6,486,321     |
| <b>OPERATING EXPENSES</b>                        |               |
| Personnel services                               | 1,035,350     |
| Contractual services                             | 4,419,359     |
| Other charges                                    | 237,277       |
| Depreciation and amortization                    | 2,884,465     |
| Total operating expenses                         | 8,576,451     |
| Operating loss                                   | (2,090,130)   |
| <b>NONOPERATING REVENUES (EXPENSES)</b>          |               |
| Connection fees                                  | 2,519,202     |
| Investment earnings                              | 497,319       |
| Property taxes                                   | 6,646,962     |
| Federal revenue                                  | 44,850        |
| Interest expense                                 | (6,237,078)   |
| Total nonoperating revenues, net                 | 3,471,255     |
| Income before capital contributions              | 1,381,125     |
| Capital contributions                            | 1,566,829     |
| Change in net position                           | 2,947,954     |
| Total net position - beginning                   | 11,643,989    |
| Total net position - ending                      | \$ 14,591,943 |

*The accompanying notes are an integral part of these financial statements.*

## Statement of Cash Flows - Proprietary Fund

Year Ended June 30, 2021

|                                                                                       | Utilities      |
|---------------------------------------------------------------------------------------|----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                           |                |
| Receipts from customers and users                                                     | \$ 6,017,934   |
| Payments to suppliers                                                                 | (4,773,174)    |
| Payments to employees                                                                 | (979,789)      |
| Lease revenue                                                                         | 72,081         |
| Net cash provided by operating activities                                             | 337,052        |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                                |                |
| Connection fees                                                                       | 2,519,202      |
| Transfers out                                                                         | (500,000)      |
| Federal revenue                                                                       | 8,215          |
| Property tax revenue                                                                  | 6,736,591      |
| Net cash provided by noncapital financing activities                                  | 8,764,008      |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                       |                |
| Principal payments on bonds                                                           | (63,209,101)   |
| Proceeds from refunding bonds                                                         | 61,350,000     |
| Acquisition and construction of capital assets                                        | (817,853)      |
| Payments made for bond issuance costs                                                 | (525,601)      |
| Interest payments and fiscal agent fees                                               | (2,824,359)    |
| Net cash used in capital and related financing activities                             | (6,026,914)    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                           |                |
| Interest and dividends received                                                       | 497,319        |
| Net cash provided by investing activities                                             | 497,319        |
| Net increase in cash and cash equivalents                                             | 3,571,465      |
| Cash and cash equivalents and investments - beginning                                 | 30,075,335     |
| Cash and cash equivalents - ending                                                    | \$ 33,646,800  |
| Cash and cash equivalents, as shown on the statement of net position:                 |                |
| Cash and cash equivalents - current assets                                            | \$ 19,804,091  |
| Cash and cash equivalents - restricted assets                                         | 13,842,709     |
|                                                                                       | \$ 33,646,800  |
| <b>Reconciliation of operating loss to net cash provided by operating activities:</b> |                |
| Operating loss                                                                        | \$ (2,090,130) |
| Adjustments to reconcile operating loss to net cash provided by operating activities: |                |
| Depreciation and amortization expense                                                 | 2,884,465      |
| Pension and OPEB benefit                                                              | 53,855         |
| Changes in assets and liabilities:                                                    |                |
| Increase in accounts receivable                                                       | (384,827)      |
| Increase in due from other governments                                                | (10,779)       |
| Increase in prepaid items                                                             | (1,030)        |
| Decrease in accrued liabilities                                                       | (24,190)       |
| Increase in compensated absences                                                      | 8,750          |
| Decrease in customer deposits                                                         | (700)          |
| Decrease in accounts payable                                                          | (115,508)      |
| Increase in deferred outflows of resources                                            | 17,146         |
| Total adjustments                                                                     | 2,427,182      |
| Net cash provided by operating activities                                             | \$ 337,052     |

**Supplemental information on non-cash investing and financing activity:**

Accreted interest on capital appreciation of bonds of \$673,333 represents non-cash transactions which resulted in an increase in outstanding debt during the year.

Capital contributions of \$1,566,829 were received in the current year which were donations of assets by developers and are non-cash transactions.

*The accompanying notes are an integral part of these financial statements.*

***County of Goochland, Virginia***  
***Statement of Fiduciary Net Position***

***Exhibit 11***

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**June 30, 2021**

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|                                         | Custodial<br>Fund |
|-----------------------------------------|-------------------|
| <b>ASSETS</b>                           |                   |
| Cash and cash equivalents               | \$ 85,877         |
| Total assets                            | <u>\$ 85,877</u>  |
| <b>NET POSITION</b>                     |                   |
| Restricted for: Social services clients | \$ 85,877         |
| Total net position                      | <u>\$ 85,877</u>  |

*The accompanying notes are an integral part of these financial statements.*

**Statement of Changes in Fiduciary Net Position - Fiduciary Funds****Year Ended June 30, 2021**

|                                                | Custodial<br>Fund       |
|------------------------------------------------|-------------------------|
| <b>ADDITIONS</b>                               |                         |
| Benefits collected on behalf of others         | \$ 27,596               |
| Total                                          | <u>27,596</u>           |
| <b>DEDUCTIONS</b>                              |                         |
| Benefits paid to participants or beneficiaries | 32,746                  |
| Total                                          | <u>32,746</u>           |
| Decrease in fiduciary net position             | (5,150)                 |
| Net position - beginning                       | 91,027                  |
| Net position - ending                          | <u><u>\$ 85,877</u></u> |

*The accompanying notes are an integral part of these financial statements.*

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**I. Summary of significant accounting policies**

**A. Reporting entity**

The County of Goochland, Virginia (County) was established in 1728 and operates under the board administrator form of government. The County is governed by an elected, five-member Board of Supervisors. The County provides a full range of services for its citizens. These services include police and fire protection, sanitation services, recreational activities, cultural events, education, and social services.

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

The financial statements present the County (the primary government) and its component units, entities for which the County is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. The County and its component units are together referred to as the reporting entity.

**Discretely Presented Component Units**

**School Board:** The Goochland County Public School Board (School Board) members are elected by the citizens of Goochland County. The School Board is responsible for the operations of the County's School System within the County boundaries. The School Board is fiscally dependent on the County as the County has the ability to approve its budget and any amendments, and the primary funding source for the School System is the County General Fund. The School Board does not issue a separate financial report. The financial statements of the School Board are presented as a discretely presented component unit of the County financial statements as of and for the fiscal year-ended June 30, 2021.

**Economic Development Authority:** The Goochland County Economic Development Authority (EDA) was established by the Goochland County Board of Supervisors in accordance with § 15.2-4900 of the Code of Virginia. The members of the EDA are appointed by the Goochland County Board of Supervisors. The Treasurer of the EDA maintains suitable records of all financial transactions of the Authority. By statute, the EDA has the power to cause the issuance of tax-exempt industrial development revenue bonds to qualifying enterprises wishing to utilize that form of financing. The EDA also provides economic development activities for the County and may acquire property, issue debt in its own name, and enter into lease/purchase arrangements with the County. The County is obligated to see that the EDA's contractual agreement obligations are met. The EDA is fiscally dependent on the County and, therefore, it is included in the County's financial statements as a discretely presented component unit as of and for the fiscal year-ended June 30, 2021. The EDA does not issue separate financial statements.

**B. Basis of presentation – government-wide 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 non-fiduciary activities of the primary government and its discretely presented component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

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. In addition to reporting current assets and liabilities, the Statement of Net Position includes both noncurrent assets and noncurrent liabilities of the County (such as capital assets and long-term liabilities for various employee benefits) as well as deferred outflows of resources and deferred inflows of resources. The Net Position of the County may be presented in three categories — (1) net investment in capital assets; (2) restricted; and (3) unrestricted. The County generally first uses restricted resources for expenses incurred for which both restricted and unrestricted Net Position is available.

The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the County's functions (e.g., public safety, public works, health and human services, etc.). The expense of individual functions is compared to the revenues generated directly by the function (e.g., through user charges or intergovernmental grants). Program revenues include: (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meet the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes and intergovernmental aid not restricted to specific purposes, are presented as general revenues.

**C. Basis of presentation – fund financial statements**

The fund financial statements organize and report the financial transactions and balances of the County on the basis of fund categories. Separate statements for each of the County's three fund categories — Governmental (i.e., General, Capital Projects and Special Revenue funds), Proprietary (i.e., Utilities fund) and Fiduciary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are combined in a single column in the fund financial statements.

The government reports the following major governmental funds:

- General Fund is the primary operating fund of the County. This fund is used to account for all financial transactions and resources, except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service, and interest income. A significant part of the General Fund's revenue is used principally to finance the operations of the School Board, a discretely presented component unit. The General Fund is considered a major fund for reporting purposes.
- Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Projects Fund is considered a major fund for reporting purposes.

Additionally, the government reports the following nonmajor governmental funds:

- Special Revenue Funds account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action. The Special Revenue Funds are considered nonmajor funds for reporting purposes. These funds consist of the Asset Forfeiture Fund, the Office of Children's Services Fund, and the Central Virginia Transportation Authority whose revenues are restricted for drug enforcement, health and human services, and transportation projects, respectively.

The government reports the following major enterprise fund:

- Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. The Proprietary Funds measurement focus is based upon determination of operating income, financial position, and changes in financial position. Proprietary Funds consist of Enterprise Funds, which distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The County's sole Enterprise Fund consists of the Utilities fund, which provides water and sewer services for the County.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

Additional fund types reported:

- Fiduciary Funds: *Custodial Fund* accounts for assets that are controlled by the County unit, the assets are not derived from the County, and the assets are legally dedicated to providing benefits for the recipients. There are four types of Fiduciary funds; Pension, Investment trust funds, Private-Purpose trust funds, and Custodial funds. The County has one Custodial Fund and utilizes the accrual basis of accounting. Since by definition these assets are being held for the benefit of a third-party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds in the governmental activities (the governmental funds) and business-type activities (the enterprise fund) are eliminated so that only the net amount is included as internal balances in the governmental and business-type activities columns.

The principal operating revenues of the County's proprietary fund is charges for services. Operating expenses for the enterprise fund include the cost of services, administrative expenses, contractual services, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Unbilled charges for water and wastewater services are recorded at year-end to the extent they can be estimated.

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

The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, wherein revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Non-exchange transactions, in which the County receives value without directly giving equal value in exchange, include property taxes, state sales taxes, grants, entitlements, and donations. Revenue from state sales taxes is recognized on the accrual basis in the fiscal year during which the underlying exchange transaction takes place, which is generally within two months preceding receipt by the County. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements, including time requirements, if any, have been satisfied. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become susceptible to accrual - that is, in the fiscal year in which they become both measurable and available to finance expenditures of the fiscal period. 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, pensions, landfill, and other postemployment benefits obligations, are recorded only when payment is due. This is the manner in which these funds are normally budgeted. Property taxes, sales taxes, grants, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual. Property taxes are recognized as receivables and unavailable revenue when billed and revenue is recognized as the taxes are collected. Property taxes not collected within 45 days after year-end, net of allowances for uncollectible amounts, are reflected as unavailable revenues. Sales and utility taxes, which are collected by the state or utilities and subsequently remitted to the County, are recognized as revenues and receivables when the underlying exchange occurs and are remitted to the County by the state within two months of the transaction. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

In one, monies must be expended for the specific purpose or project before any amounts will be paid to the County; therefore, revenues are recognized based upon the expenditures incurred. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. Reimbursement grants are recognized as revenue when measurable, all eligibility criteria have been met, the related amounts become available, and if received within one 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 non-grant 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.

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

**1. Deposits and investments**

Cash and Cash Equivalents

The County'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. All funds, unless otherwise classified as restricted, are deposited into the County's pooled bank account, defined as the operating account.

Investments

Cash of individual funds other than the Asset Forfeiture and Economic Development Fund is combined to form a pool of cash and investments. The pool consists primarily of government obligations, repurchase agreements, and external local government investment pools. The government securities are stated at fair value based on quoted market prices (Level 1 inputs). The repurchase agreement, a restricted investment held by a third party, is reported at fair value and is not transferrable (Level 2 input). The external local government investment pool accounts are reported at amortized cost and classified as cash and cash equivalents. Interest earned as a result of pooling is distributed to the appropriate funds utilizing a formula based on average monthly balances.

**2. Receivables and payables**

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. The County calculates its allowance for uncollectible accounts using historical collection data. The allowance for uncollectible property taxes amounted to \$199,995 at June 30, 2021 and is reported within each fund as follows: General Fund \$187,883, Utilities Fund \$12,112.

The County levies real estate taxes on all real estate within its boundaries, except that exempted by statute. The real estate in the County is assessed each year as of January 1 on the estimated market value of the property. On January 1, the real estate taxes become an enforceable lien on the property. For real estate assessed on January 1, payment is due in two equal installments on June 5 and December 5. The County bills and collects real estate taxes and recognizes such as revenues when measurable and available in the General Fund and for the period in which they are levied in the Governmental and Business-type activities.

The County levies personal property taxes on motor vehicles, boats, mobile homes, aircraft, and tangible business property. Personal property tax levies are based on the estimated fair market value as of January 1, with payment due in two equal installments on June 5 and December 5. On January 1, personal property taxes become an enforceable lien on the property.

Property taxes, net of allowance for uncollectible amounts, not collected within 45 days after year-end are reflected as unavailable revenues in the governmental fund financial statements. Taxes are budgeted and billed to fund operations occurring within the year they are required to be paid. Accordingly, payments received by June 30 with a December 5 due date are intended to fund the operations of the next fiscal year and are recorded as unavailable revenues at June 30.

COUNTY OF GOOCHLAND, VIRGINIA  
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The Personal Property Tax Relief Act of 1998 (PPTRA) provided for the Commonwealth to reimburse a portion of the personal property tax levied on the first \$20,000 of personal use cars, motorcycles and trucks. During the 2005 Special Session I, the Virginia General Assembly passed Senate Bill 5005, which provided for the Commonwealth to reimburse a portion of the tangible personal property tax levied based on a fixed relief amount. The fixed relief amount was capped at \$950,000,000 in total for all localities with the County's share capped at \$2,853,012, which the County received during the year-ended June 30, 2021. The Commonwealth requires localities to record the revenue from PPTRA as noncategorical State aid, not as property taxes.

### 3. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

### 4. Inventories

All County 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. Inventories of the County's discretely presented School Board Component Unit are valued at cost using the FIFO method.

### 5. Restricted assets

In accordance with applicable bond covenants, business-type activities report restricted cash, cash equivalents, and investments at June 30, 2021 of \$13,842,709 in the Utilities Fund maintained as reserves required by water and sewer revenue bond covenants.

### 6. Capital assets

Capital assets, which include property and equipment, and contractual rights to such assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements.

Capital assets are defined by the County and its discretely presented component units as items with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost (based on appraisals or another acceptable method of valuation) when historical costs are not available. The County records the value of purchased capacity rights to water and wastewater treatment facilities at cost. Contributed capital assets are recorded at acquisition value at the time of receipt. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed or purchased. The County implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, during fiscal year 2019. As a result, interest incurred during the construction phase of capital assets of business-type activities is no longer included as part of the capitalized value of the assets constructed.

Capital assets of the governmental activities, as well as the component units, are depreciated and amortized using the straight-line method over the following estimated useful lives:

|                                                    |                 |
|----------------------------------------------------|-----------------|
| Building improvements                              | 40 years        |
| Furniture, vehicles, office and computer equipment | 6, 7 & 10 years |
| Buses                                              | 15 years        |

Capital assets of the enterprise fund are depreciated and amortized as follows:

|                           |          |
|---------------------------|----------|
| Pipes                     | 50 years |
| Capacity rights           | 40 years |
| Meters, tools & equipment | 7 years  |
| Vehicles & light trucks   | 5 years  |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**7. Compensated absences**

Accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Total accumulated vacation leave is reported as an expense as incurred in the Statement of Activities and a long-term obligation in the Statement of Net Position. 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. For the proprietary fund, the cost of vacation and sick leave is recorded as a liability when incurred.

**8. Long-term obligations**

In the government-wide and proprietary fund Statements of Net Position, long-term debt and other long-term obligations are reported as liabilities.

In the governmental funds financial statements, proceeds from long-term debt including bond premiums, discounts and issuance costs are reported in the Statement of Revenues, Expenditures and Changes in Fund Balances during the current period. The face amount of debt issued and premiums are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**9. Deferred outflows/inflows of resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditure) until then. The County and discretely presented component unit, the School Board, have several items that qualify for reporting in this category. The first item is a deferred charge on refunding resulting from the difference in carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunded or refunding debt. The remaining items relate to the pension plan and other postemployment benefits (OPEB) plans. See Notes V. E. through V. I. for details regarding these items.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Three types of items qualify for reporting in this category. Accordingly, one item, unavailable revenue, which arises under the modified accrual basis of accounting, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenue from state and property taxes and vehicle license fees receivable. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The unavailable revenue from property taxes is comprised of amounts prepaid on the second half installments and all uncollected property taxes due prior to June 30 reduced by amounts collected within 45 days after year-end. The unavailable revenue from vehicle license fees is comprised of all uncollected vehicle license fees reduced by amounts collected within 45 days after year-end. The remaining items relate to the pension plan and other postemployment benefits (OPEB) plans. See Notes V. E. through V. I. for details regarding these items.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**10. Net position/fund balances**

Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Net investment in capital assets represents assets, net of accumulated depreciation and amortization, less the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, laws and regulations of other governments or imposed by law through State statute. When both restricted and unrestricted resources are available for use, generally it is the County's policy to use restricted resources first, then unrestricted resources when they are needed.

Fund balances in governmental funds are classified as follows:

- Nonspendable fund balance - amounts that cannot be spent because of their nature (such as the County's prepaid items and inventory) and amounts that must be maintained intact legally or contractually (such as the long-term amount of notes receivable).
- Restricted fund balance - amounts constrained for a specific purpose by external parties, constitutional provisions, or legislation (such as asset forfeiture funds and courthouse maintenance fees).
- Committed fund balance - amounts constrained to use for specific purposes pursuant to formal action of the Board of Supervisors. The amounts cannot be used for other purposes unless the Board removes or changes the constraints via the same action used to initially commit them. The highest levels of formal action approved by the Board are ordinances and resolutions, which are equally binding.
- Assigned fund balance - amounts that include the intended use of resources established by the governing body itself.
- Unassigned fund balance - residual balance of General Fund that has not been classified as nonspendable, restricted, committed or assigned to specific purposes within the General Fund and negative unassigned fund balances of other governmental funds.

Resources, whether restricted or unrestricted, are available for use only when appropriated by the Board of Supervisors in accordance with the adopted budget. In determining the classification of ending fund balances, when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) resources are available and have been appropriated for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When amounts in any of the three unrestricted fund balance classifications are available and have been appropriated for use, expenditures are made from committed amounts first, followed by assigned amounts, and then by unassigned amounts.

The Board of Supervisors has adopted a minimum fund balance policy that states that the General Fund unassigned fund balance shall be at least equal to twenty percent of the total annual adopted General Fund budget of the subsequent fiscal year, plus the non-local portion of the School operating fund budget.

**F. 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 Political Subdivision's Retirement Plan and the VRS Teacher Retirement Plan and the additions to/deductions from the Political Subdivision's Retirement Plan's and the VRS Teacher Retirement Plan's net fiduciary positions have been determined on the same basis as they were reported by the 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.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**G. Other postemployment benefits**

Retiree Healthcare Plans

The Goochland County Retiree Healthcare Plan and the Goochland County Public Schools Retiree Healthcare Plan are single-employer plans administered by the County and the Schools. Experience gains or losses are amortized over the average working lifetime of all participants, which for the current period is seven years. Plan amendments are recognized immediately. Changes in actuarial assumptions are amortized over the average working lifetime of all participants.

Group Life Insurance Program

The VRS Group Life Insurance Program (GLI) is a multiple employer, cost-sharing plan. It provides coverage to state employees, teachers, and employees of participating political subdivisions. The GLI was established pursuant to Section 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. The GLI is a defined benefit plan that provides a basic GLI benefit for employees of participating employers. For purposes of measuring the total GLI OPEB liability, deferred outflows of resources and deferred inflows of resources related to the GLI OPEB, and GLI OPEB expense, information about the fiduciary net position of the VRS GLI OPEB and the additions to/deductions from the VRS GLI OPEB's 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.

Health Insurance Credit Program

The School Board professional HIC Program is a multiple-employer, cost-sharing plan and the School Board non-professional plan is an agent plan. The HIC Program was established pursuant to Section 51.1-1400 et seq. of the Code of Virginia, as amended, and which provide the authority under which benefit terms are established or may be amended. For purposes of measuring the HIC Program's total OPEB liability, deferred outflows of resources and deferred inflows of resources related to the HIC Program's OPEB, and the HIC Program's OPEB expense, information about the fiduciary net position of the HIC Program; and the additions to/deductions from the HIC Program's net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Virginia Local Disability Program

The County has two Virginia Local Disability Programs (VLDP). The first plan is the School Board non-professional plan, which is a political subdivision employee plan. The second plan is the School Board professional plan, which is a teacher employee plan. Both plans are a multiple-employer, cost-sharing plans. For purposes of measuring the net VLDP OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB, and the VLDP OPEB expenses, information about the fiduciary net position of the VLDP, and the additions to/deductions from the VLDPs' net fiduciary positions have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**H. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**I. Subsequent Events**

The County has evaluated subsequent events through November 16, 2021, the date on which the financial statements were available to be issued.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

## II. Reconciliation of government-wide and fund financial statements

### Explanation of certain differences between the Governmental Funds Balance Sheet and the government-wide Statement of Net Position

Since the governmental funds financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, a summary reconciliation of the difference between total fund balances as reflected on the Governmental Funds Balance Sheet and total governmental activities Net Position as shown on the government-wide Statement of Net Position is presented in Exhibit 4. One element of that reconciliation explains, “capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.” The details of this \$50,833,482 are as follows:

|                                                                                |                             |
|--------------------------------------------------------------------------------|-----------------------------|
| Land and land improvements                                                     | \$ 4,225,274                |
| Construction in progress                                                       | 2,244,437                   |
| Buildings and improvements                                                     | 40,821,382                  |
| Less: Accumulated depreciation and amortization-building and improvements      | (10,555,042)                |
| Machinery and equipment                                                        | 30,487,870                  |
| Less: Accumulated depreciation and amortization-machinery and equipment        | (19,697,804)                |
| Buildings - jointly owned assets                                               | 4,900,846                   |
| Less: Accumulated depreciation and amortization-buildings-jointly owned assets | (1,593,481)                 |
| Net adjustment to increase fund balance - total governmental funds             |                             |
| to arrive at net position - governmental activities                            | <u><u>\$ 50,833,482</u></u> |

## III. Stewardship, compliance, and accountability

### Budgetary information

On or before March 30 of each year, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year beginning the following July 1. Public hearings are conducted to obtain citizen comments. The County adopts an annual budget by July 1 of each year as required by 15.2-2503, Code of Virginia of 1950, as amended. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The capital projects fund is appropriated on a project-length basis.

Budgetary compliance is monitored and reported at the function level. All appropriations lapse at year-end, with the exception of Federal and State grants, capital improvements, and outstanding encumbrances (which are addressed by resolution).

## IV. Detailed notes on all activities and funds

### A. 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.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

Investments - The State Treasurer's Local Government Investment Pool (LGIP) is a professionally managed money market fund, which invests in qualifying obligations and securities as permitted by Virginia statutes. Pursuant to Section 2.2-4605 of the Code of Virginia, the Treasury Board of the Commonwealth sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the Treasury Board at their regularly scheduled monthly meetings. The County's investments in the LGIP, totaling \$48,981,733 are stated at amortized cost and classified as cash and cash equivalents. The LGIP has been assigned an "AAAm" rating by Standard & Poor's. The maturity of the LGIP is less than one year.

The County has invested bond proceeds subject to rebate of arbitrage earnings in the Virginia State Non-Arbitrage Program (SNAP), which is designed to assist local governments in complying with the arbitrage rebate requirements of the Tax Reform Act of 1986. These programs provide comprehensive investment management, accounting, and arbitrage rebate calculation services for proceeds of general obligation and revenue tax-exempt financing of Virginia counties, cities, and towns.

Investment Policy - State statutes authorize local governments and other public bodies to invest in obligations of the United States or its agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, bankers' acceptances, repurchase agreements, and the State's LGIP and the State Non-Arbitrage Program (SNAP).

The County does not have a formal policy for foreign currency risk, custodial credit risk, or concentration of credit risk.

Credit Policy - Credit risk is the risk that the County funds will not recover their investments due to the lack of ability of the counterparty to fulfill its obligation. The County's rated debt investments as of June 30, 2021 were rated by Standard and Poor's and the ratings are presented below using the Standard and Poor's rating scale. The County's investment policy has an emphasis on high credit quality and known marketability. Holdings of commercial paper are required to be rated no lower than *Standard and Poor's* A-1 and *Moody's* Investor Service P-1.

|                                  | Fair Quality Ratings |              |              |
|----------------------------------|----------------------|--------------|--------------|
|                                  | AAAm                 | AA+          | A3           |
| Local Government Investment Pool | \$ 48,981,733        | \$ -         | \$ -         |
| State Non-Arbitrage Pool (SNAP)  | 640,251              | -            | -            |
| Repurchase agreements            | -                    | -            | 6,000,000    |
| U.S. Government Securities       | 562,258              | 6,640,200    | -            |
| Total                            | \$ 50,184,242        | \$ 6,640,200 | \$ 6,000,000 |

Interest rate risk is the risk that the fair value of investments will decrease because of an increase in interest rates. The County's policy states that the County's cash equivalent's maturities match the expected need of funds.

The SNAP is an open-end management investment company registered with the Securities and Exchange Commission (SEC).

| Investment:                | Less Than     |            | Greater Than  |
|----------------------------|---------------|------------|---------------|
|                            | Fair Value    | 1 year     | 10 years      |
| Repurchase agreements      | \$ 6,000,000  | \$ -       | \$ 6,000,000  |
| U.S. Government Securities | 7,202,458     | 562,258    | 6,640,200     |
| Total                      | \$ 13,202,458 | \$ 562,258 | \$ 12,640,200 |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

Following is a summary, as of June 30, 2021, of the County's cash, cash equivalents, and investments by asset type:

| Government-Wide Accounts                                        | Balance<br>June 30, 2021 |
|-----------------------------------------------------------------|--------------------------|
| Cash and cash equivalents:                                      |                          |
| Governmental Activities                                         | \$ 58,654,021            |
| Business-type Activities                                        | 19,804,091               |
| School Board Component Unit                                     | 2,482,550                |
| Economic Development Authority Component Unit                   | 725,647                  |
| Restricted cash and cash equivalents - Business-type Activities | 1,202,509                |
| Restricted investments - Business-type Activities               | 12,640,200               |
| Total cash, cash equivalents and investments                    | <u>\$ 95,509,018</u>     |

| Asset Type                                   | Balance<br>June 30, 2021 |
|----------------------------------------------|--------------------------|
| Petty cash                                   | \$ 2,510                 |
| Deposit accounts                             | 32,682,066               |
| Investments:                                 |                          |
| Local Government Investment Pool             | 48,981,733               |
| Repurchase agreements                        | 6,000,000                |
| U.S. Government Securities                   | 7,842,709                |
| Total cash, cash equivalents and investments | <u>\$ 95,509,018</u>     |

The County categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of June 30, 2021:

- U.S. Government securities of \$562,258 are valued using quoted market prices (Level 1 inputs) and \$6,640,200 are valued using significant other observable inputs (Level 2 inputs).
- Repurchase agreements of \$6,000,000 are valued using significant other observable inputs (Level 2 inputs). US Bank calculates repurchase agreements using standard cash flow, Black-Derman-Toy and Monte Carlo valuation techniques. The models incorporate inputs, including interest rate curves, foreign exchange rates and volatility, and an assessment of the risk of counterparty nonperformance.

**B. Receivables, unavailable and unearned revenues**

At June 30, 2021, receivables for the Primary Government and School Board Component Unit were as follows:

|                                    | Primary Government   |                          |                     |                             | School Board<br>Component<br>Unit |
|------------------------------------|----------------------|--------------------------|---------------------|-----------------------------|-----------------------------------|
|                                    | General              | Nonmajor<br>Governmental | Utilities           | Total Primary<br>Government |                                   |
| Receivables:                       |                      |                          |                     |                             |                                   |
| Taxes, net                         | \$ 22,124,459        | \$ -                     | \$ 3,356,137        | \$ 25,480,596               | \$ -                              |
| Accounts                           | 581,111              | -                        | 1,302,357           | 1,883,468                   | 33,000                            |
| Due from other governmental units: |                      |                          |                     |                             |                                   |
| Commonwealth of Virginia           | 1,232,296            | 451,256                  | -                   | 1,683,552                   | 313,598                           |
| Federal government                 | 139,222              | -                        | 36,635              | 175,857                     | 789,530                           |
| Other                              | -                    | -                        | 10,779              | 10,779                      | 250,821                           |
|                                    | <u>\$ 24,077,088</u> | <u>\$ 451,256</u>        | <u>\$ 4,705,908</u> | <u>\$ 29,234,252</u>        | <u>\$ 1,386,949</u>               |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

Unavailable revenues represent amounts in connection with receivables and revenues that are not considered available to liquidate liabilities of the current period. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Unavailable revenue totaling \$25,940,045 (governmental funds \$22,439,689 and proprietary fund \$3,500,356 is comprised of the following:

- Unavailable revenue representing uncollected vehicle license fee billings not available for funding of current expenditures totaled \$15,553 at June 30, 2021. Unavailable revenue representing uncollected tax billings not available for funding of current expenditures of \$21,204,783 and property taxes due subsequent to June 30, 2021 but paid in advance by the taxpayers of \$1,219,353 totaled 22,424,136 for governmental funds at June 30, 2021. Of the \$22,424,136 reported in the governmental funds, \$1,337,886 does not provide current financial resources and, therefore, is not reported on the Statement of Net Position.
- Unavailable revenue in the proprietary fund totaled \$3,500,356 at June 30, 2021 and was comprised of assessed but uncollected property taxes not intended to fund current period expenses.

Unearned revenues represent amounts that have been received but not earned and, therefore, revenue recognition has been deferred. Unearned revenue totaling \$2,264,701 (governmental funds \$2,255,721 and proprietary fund \$8,980) is comprised of the following:

- Unearned revenue representing federal grant funds received but unearned totaled \$2,238,619 in the General Fund, and asset forfeiture funds received but unearned totaled \$17,102 in the Nonmajor Governmental Fund.
- Unearned revenue representing property taxes due after June 30, 2021 but paid in advance by the taxpayers totaled \$8,980 in the proprietary fund.

**C. Interfund receivables**

Details of the Primary Government's interfund receivables and payables as of June 30, 2021 are as follows:

|                | Interfund<br>Receivables | Interfund<br>Payables |
|----------------|--------------------------|-----------------------|
| General Fund   | \$ 117,634               | \$ -                  |
| Utilities Fund | -                        | 117,634               |
|                | <u>\$ 117,634</u>        | <u>\$ 117,634</u>     |

The outstanding balances between funds result from timing differences wherein (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances have been recorded to cover fund cash deficits; however, it is expected that future revenue streams will enable repayment from the Utilities Fund.

**D. Due to component unit**

Details of the Primary Government's Due to Component Units as of June 30, 2021 are as follows:

|                                              | Due from<br>Primary<br>Government | Due to<br>Component Unit |
|----------------------------------------------|-----------------------------------|--------------------------|
| Primary Government - Governmental Activities | \$ -                              | \$ 1,104,174             |
| Economic Development Authority               | 1,104,174                         | -                        |
|                                              | <u>\$ 1,104,174</u>               | <u>\$ 1,104,174</u>      |

These due to/from balances represent long-term contractual agreements between the County and the EDA (see note IV. G. for further discussion).

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**E. Capital assets**

The following is a summary of changes in capital assets for the year-ended June 30, 2021:

|                                                           | Balance<br>July 1, 2020 | Increases           | (Deletions)/<br>Transfers | Balance<br>June 30, 2021 |
|-----------------------------------------------------------|-------------------------|---------------------|---------------------------|--------------------------|
| <b>Governmental activities:</b>                           |                         |                     |                           |                          |
| Capital assets, not being depreciated or amortized:       |                         |                     |                           |                          |
| Land and land improvements                                | \$ 3,926,274            | \$ -                | \$ 299,000                | \$ 4,225,274             |
| Construction in progress                                  | 979,493                 | 5,358,948           | (4,094,004)               | 2,244,437                |
| Total capital assets, not being depreciated or amortized  | 4,905,767               | 5,358,948           | (3,795,004)               | 6,469,711                |
| Capital assets, being depreciated or amortized:           |                         |                     |                           |                          |
| Buildings and improvements                                | 39,526,848              | 15,968              | 1,278,566                 | 40,821,382               |
| Machinery and equipment                                   | 28,724,210              | 1,419,902           | 343,758                   | 30,487,870               |
| Buildings - jointly owned assets                          | 5,545,306               | -                   | (644,460)                 | 4,900,846                |
| Total capital assets, being depreciated or amortized      | 73,796,364              | 1,435,870           | 977,864                   | 76,210,098               |
| Less accumulated depreciation/amortization for:           |                         |                     |                           |                          |
| Buildings and improvements                                | (9,531,187)             | (1,023,855)         | -                         | (10,555,042)             |
| Machinery and equipment                                   | (17,544,710)            | (2,222,950)         | 69,856                    | (19,697,804)             |
| Buildings - jointly owned assets                          | (1,663,991)             | (139,032)           | 209,542                   | (1,593,481)              |
| Total accumulated depreciation/amortization               | (28,739,888)            | (3,385,837)         | 279,398                   | (31,846,327)             |
| Total capital assets, being depreciated or amortized, net | 45,056,476              | (1,949,967)         | 1,257,262                 | 44,363,771               |
| <b>Governmental activities capital assets, net</b>        | <b>\$ 49,962,243</b>    | <b>\$ 3,408,981</b> | <b>\$ (2,537,742)</b>     | <b>\$ 50,833,482</b>     |

Depreciation and amortization expense were charged to functions/programs/funds as follows:

|                                             |                     |
|---------------------------------------------|---------------------|
| <b>Governmental Activities:</b>             |                     |
| General government                          | \$ 606,707          |
| Judicial administration                     | 89,154              |
| Public safety                               | 2,127,811           |
| Public works                                | 219,059             |
| Health and welfare                          | 19,437              |
| Education                                   | 139,032             |
| Parks, recreation and facilities management | 154,211             |
| Community development                       | 30,426              |
|                                             | <u>\$ 3,385,837</u> |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

A summary of proprietary fund capital assets at June 30, 2021 as follows:

|                                                           | Balance<br>July 1, 2020 | Increases           | (Deletions)/<br>Transfers | Balance<br>June 30, 2021 |
|-----------------------------------------------------------|-------------------------|---------------------|---------------------------|--------------------------|
| <b>Business-type activities:</b>                          |                         |                     |                           |                          |
| Capital assets, not being depreciated or amortized:       |                         |                     |                           |                          |
| Land and land improvements                                | \$ 2,874,584            | \$ -                | \$ -                      | \$ 2,874,584             |
| Construction in progress                                  | 580,884                 | 735,419             | (14,701)                  | 1,301,602                |
| Total capital assets, not being depreciated or amortized  | 3,455,468               | 735,419             | (14,701)                  | 4,176,186                |
| Capital assets, being depreciated or amortized:           |                         |                     |                           |                          |
| Water and sewer system                                    | 92,108,070              | 1,566,829           | 4,020                     | 93,678,919               |
| Capacity rights                                           | 37,985,116              | -                   | -                         | 37,985,116               |
| Machinery and equipment                                   | 417,588                 | 86,454              | -                         | 504,042                  |
| Total capital assets, being depreciated                   | 130,510,774             | 1,653,283           | 4,020                     | 132,168,077              |
| Less accumulated depreciation/amortization for:           |                         |                     |                           |                          |
| Water and sewer system                                    | (25,238,237)            | (1,876,972)         | -                         | (27,115,209)             |
| Capacity rights                                           | (12,924,135)            | (949,657)           | -                         | (13,873,792)             |
| Machinery and equipment                                   | (265,573)               | (57,836)            | -                         | (323,409)                |
| Total accumulated depreciation/amortization               | (38,427,945)            | (2,884,465)         | -                         | (41,312,410)             |
| Total capital assets, being depreciated or amortized, net | 92,082,829              | (1,231,182)         | 4,020                     | 90,855,667               |
| <b>Business-type activities capital assets, net</b>       | <b>\$ 95,538,297</b>    | <b>\$ (495,763)</b> | <b>\$ (10,681)</b>        | <b>\$ 95,031,853</b>     |

Legislation enacted during the fiscal year-ended June 30, 2002, Section 15.2-1800.1 of the Code of Virginia, 1950, as amended, changed the reporting of local school capital assets and related debt for financial statement purposes. Historically, debt incurred by local governments "on-behalf" of school boards was reported in the school board's discrete column along with the related capital assets. Under the law, local governments have a "tenancy in common" with their school board whenever the locality incurs any financial obligation for any school property which is payable over more than one fiscal year. For financial reporting purposes, the legislation permitted the locality to report the portion of school property related to any outstanding financial obligation eliminating any potential deficit from capitalizing assets financed with debt. The effect on the County for the year-ended June 30, 2021 is that school related financed assets in the amount of \$3,307,635 (net of accumulated depreciation and amortization) are reported in the Primary Government as buildings - jointly owned assets for financial reporting purposes.

|                                                           | Balance<br>July 1, 2020 | Increases           | (Deletions)/<br>Transfers | Balance<br>June 30, 2021 |
|-----------------------------------------------------------|-------------------------|---------------------|---------------------------|--------------------------|
| <b>School Board Component Unit activities:</b>            |                         |                     |                           |                          |
| Capital assets, not being depreciated or amortized:       |                         |                     |                           |                          |
| Land and land improvements                                | \$ 607,079              | \$ -                | \$ -                      | \$ 607,079               |
| Total capital assets, not being depreciated or amortized  | 607,079                 | -                   | -                         | 607,079                  |
| Capital assets, being depreciated or amortized:           |                         |                     |                           |                          |
| Buildings                                                 | 57,449,552              | -                   | 2,747,284                 | 60,196,836               |
| Machinery and equipment                                   | 10,155,809              | 1,257,055           | (222,075)                 | 11,190,789               |
| Total capital assets, being depreciated or amortized      | 67,605,361              | 1,257,055           | 2,525,209                 | 71,387,625               |
| Less accumulated depreciation/amortization for:           |                         |                     |                           |                          |
| Buildings                                                 | (27,620,455)            | (1,476,135)         | (209,542)                 | (29,306,132)             |
| Machinery and equipment                                   | (5,678,193)             | (594,967)           | 222,075                   | (6,051,085)              |
| Total accumulated depreciation/amortization               | (33,298,648)            | (2,071,102)         | 12,533                    | (35,357,217)             |
| Total capital assets, being depreciated or amortized, net | 34,306,713              | (814,047)           | 2,537,742                 | 36,030,408               |
| <b>School Board Component Unit capital assets, net</b>    | <b>\$ 34,913,792</b>    | <b>\$ (814,047)</b> | <b>\$ 2,537,742</b>       | <b>\$ 36,637,487</b>     |

COUNTY OF GOOCHLAND, VIRGINIA  
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**F. Interfund transfers**

The primary purpose of interfund transfers is to fund certain capital projects partially or fully and to provide funding for the operations of the Office of Children's Services. Interfund transfers for the year-ended June 30, 2021 are as follows:

| Primary Government          | Transfers In        | Transfers Out       |
|-----------------------------|---------------------|---------------------|
| General Fund                | \$ -                | \$ 7,062,736        |
| Capital Projects Fund       | 6,588,156           | -                   |
| Nonmajor Governmental Funds | 474,580             | -                   |
|                             | <u>\$ 7,062,736</u> | <u>\$ 7,062,736</u> |

**G. Long-term obligations**

The following is a summary of changes in the government-wide noncurrent liabilities and the School Board Component Unit for the year-ended June 30, 2021:

| Primary Government                         | Balance<br>July 1, 2020 | Additions            | Reductions           | Balance<br>June 30, 2021 | Due Within<br>One Year |
|--------------------------------------------|-------------------------|----------------------|----------------------|--------------------------|------------------------|
| <b>Governmental activities:</b>            |                         |                      |                      |                          |                        |
| Incurred for County:                       |                         |                      |                      |                          |                        |
| Capital lease obligations                  | \$ 6,525,000            | \$ -                 | \$ 989,000           | \$ 5,536,000             | \$ 1,007,000           |
| Compensated absences                       | 1,229,890               | 1,356,677            | 1,239,357            | 1,347,210                | 134,721                |
| Liability for landfill post-closure        | 1,757,538               | 9,026                | 5,394                | 1,761,170                | 15,000                 |
| Total incurred for County                  | <u>9,512,428</u>        | <u>1,365,703</u>     | <u>2,233,751</u>     | <u>8,644,380</u>         | <u>1,156,721</u>       |
| Incurred for School Board:                 |                         |                      |                      |                          |                        |
| General obligation bonds                   | 3,745,000               | -                    | 535,000              | 3,210,000                | 535,000                |
| Premium                                    | 116,840                 | -                    | 19,475               | 97,365                   | 19,475                 |
| Total incurred for School Board            | <u>3,861,840</u>        | <u>-</u>             | <u>554,475</u>       | <u>3,307,365</u>         | <u>554,475</u>         |
| Total governmental activities              | <u>13,374,268</u>       | <u>1,365,703</u>     | <u>2,788,226</u>     | <u>11,951,745</u>        | <u>1,711,196</u>       |
| <b>Business-type activities:</b>           |                         |                      |                      |                          |                        |
| Utilities:                                 |                         |                      |                      |                          |                        |
| Water and sewer revenue bonds payable:     |                         |                      |                      |                          |                        |
| Principal amount of bonds payable          | 69,701,579              | 61,350,000           | 50,986,756           | 80,064,823               | 1,586,928              |
| Premium                                    | 1,535,359               | -                    | 1,107,729            | 427,630                  | 53,454                 |
| Total bonds payable                        | <u>71,236,938</u>       | <u>61,350,000</u>    | <u>52,094,485</u>    | <u>80,492,453</u>        | <u>1,640,382</u>       |
| Accreted interest revenue bonds            | 22,853,017              | 74,942               | 7,176,202            | 15,751,757               | -                      |
| Compensated absences                       | 53,658                  | 63,453               | 54,703               | 62,408                   | 6,241                  |
| Capacity rights obligations                | 15,378,307              | -                    | -                    | 15,378,307               | 1,000,000              |
| Contractual obligations                    | 6,307,031               | -                    | -                    | 6,307,031                | -                      |
| Total utilities                            | <u>115,828,951</u>      | <u>61,488,395</u>    | <u>59,325,390</u>    | <u>117,991,956</u>       | <u>2,646,623</u>       |
| <b>Total - Primary government</b>          | <u>\$ 129,203,219</u>   | <u>\$ 62,854,098</u> | <u>\$ 62,113,616</u> | <u>\$ 129,943,701</u>    | <u>\$ 4,357,819</u>    |
| <b>School Board Component Unit</b>         |                         |                      |                      |                          |                        |
| Capital lease obligations                  | \$ 173,871              | \$ -                 | \$ 41,209            | \$ 132,662               | \$ 42,680              |
| Compensated absences                       | 413,098                 | 243,884              | 216,409              | 440,573                  | 222,949                |
| <b>Total - School Board Component Unit</b> | <u>\$ 586,969</u>       | <u>\$ 243,884</u>    | <u>\$ 257,618</u>    | <u>\$ 573,235</u>        | <u>\$ 265,629</u>      |
| <b>EDA Component Unit</b>                  |                         |                      |                      |                          |                        |
| Contractual agreement                      | \$ 1,290,174            | \$ -                 | \$ 211,000           | \$ 1,079,174             | \$ 210,000             |
| <b>Total - EDA Component Unit</b>          | <u>\$ 1,290,174</u>     | <u>\$ -</u>          | <u>\$ 211,000</u>    | <u>\$ 1,079,174</u>      | <u>\$ 210,000</u>      |

Capital lease obligations, compensated absences, net pension liability, net OPEB liability and the liability for landfill closure reported as governmental activities liabilities of the Primary Government are liquidated by the General Fund. See Notes V.-E. through V.-I. for further discussion of net pension liabilities and net OPEB liabilities.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

Liability for Landfill Post-Closure

State and federal laws and regulations require the County perform certain maintenance and monitoring functions subsequent to closure of the County's landfill site. The County closed its landfill and is liable for post-closure monitoring over a period of 30 years. The amount reported as landfill post-closure liability at June 30, 2021 represents the estimated liability for post-closure monitoring (\$1,761,170) over a remaining period of fifteen years. This amount includes the County's liability of \$1,000,000 for corrective action. These amounts are based on what it would cost to perform all post-closure care in 2021. The total current cost of landfill post-closure care is an estimate subject to change due to inflation, deflation, technology, or changes in applicable laws or regulations.

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds (including Virginia Public School Authority bonds) have been issued for construction and renovation of Schools facilities. General obligation bonds are direct obligations and pledge of the full faith and credit of the County.

Revenue Bonds

The County also issues revenue bonds for which it pledges the income derived from the acquired or constructed assets to pay the debt service. Outstanding revenue bonds have been issued on behalf of the water and sewer system function.

The County has pledged its future Utilities Fund Operating Income or Loss, prior to depreciation expense, and its Utilities Fund Nonoperating Revenues (together "Net Available Revenues") in the approximate amount of \$123.9 million as of June 30, 2021, to secure the total remaining debt service requirements of the then-outstanding Utilities Water and Sewer Revenue Bonds (Bonds), which have financed various Utilities improvements. Based on an estimate of the average Net Available Revenues over the five year period ended June 30, 2021 of approximately \$8.0 million annually, it is estimated that approximately 73% of future Utility Net Available Revenues are pledged through fiscal 2042, and will expire in that fiscal year with the final maturity of the current Bonds. During fiscal year 2021, pledged Net Available Revenues totaled \$10,454,818 and the water and sewer revenue bond debt service requirement was \$5,136,027.

On July 29, 2020, the County issued \$61,350,000 of Water and Sewer System Revenue Bonds, Refunding Series 2020. The bonds consist of the following: \$39,940,000 of Taxable Current Interest bonds bearing interest rates ranging from 1.612% to 2.212% with annual maturities from November 2029 through November 2037 and \$21,410,000 of taxable term bonds bearing a fixed rate of 2.536% with annual maturities from November 2038 through November 2041.

The net proceeds of \$60,811,080 (after issuance costs of \$538,920) were used to advance refund a portion of the Series 2012 bonds with a total principal amount of \$49,323,736, accreted interest of \$6,427,832, and premium of \$1,054,275. The reacquisition price exceeded the net carrying amount of the old debt by \$4,005,238. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued.

The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refundable bonds are considered to be defeased, and the related liability for the bonds has been removed from the County's liabilities.

The advance refunding was done in order to achieve debt service savings on the original Series 2012 Bonds. The refunding generated a net present value savings of approximately \$8.5 million, or 15.2% of the refunded par amount.

At June 30, 2021, there was \$49,323,736 in bonds still outstanding that were considered defeased.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

In prior years, the County defeased certain outstanding revenue bonds by placing the proceeds of newly issued bonds in irrevocable escrow funds to provide for all future debt service payments on the old bonds. At June 30, 2021, the County had revenue bonds that were outstanding but considered defeased totaling \$991,480.

**County General Obligation Bonds and Revenue Bonds**

The County's general obligation bonds and revenue bonds contain a provision that in the event of default, the timing of outstanding amounts become immediately due.

Outstanding general obligation bonds and revenue bonds as of June 30, 2021 are comprised of the following issues:

| Purpose                                                                                                                                                                                                                                                                                                  | Interest Rates | Date Issued | Original Issue | Principal Outstanding |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------|----------------|-----------------------|
| <b>Governmental activities:</b>                                                                                                                                                                                                                                                                          |                |             |                |                       |
| General obligation bonds:                                                                                                                                                                                                                                                                                |                |             |                |                       |
| Schools:                                                                                                                                                                                                                                                                                                 |                |             |                |                       |
| VPSA Series 2006                                                                                                                                                                                                                                                                                         | 4.48%-5.10%    | 5/11/2006   | \$ 10,745,000  | \$ 3,210,000          |
|                                                                                                                                                                                                                                                                                                          |                |             |                | <u>\$ 3,210,000</u>   |
| <b>Business-type activities:</b>                                                                                                                                                                                                                                                                         |                |             |                |                       |
| \$3,605,000 Virginia Resources Authority, issued April 25, 2016, maturing annually through October 1, 2029, interest payable at rates ranging from 4.15% to 5.13%.                                                                                                                                       |                |             |                | \$ 2,625,000          |
| \$62,747,167 Virginia Resources Authority, issued July 31, 2002, partially defeased on November 6, 2012, maturing annually through October 1, 2027, interest payable at rates ranging from 4.74% to 5.35%.                                                                                               |                |             |                | 9,359,823             |
| \$56,053,736 Virginia Resources Authority, issued November 6, 2012, partially defeased on July 29, 2020, maturing annually through October 1, 2029, interest payable at rates ranging from 3.55% to 4.01%.                                                                                               |                |             |                | 6,730,000             |
| \$61,350,000 Virginia Resources Authority, issued July 29, 2020, maturing annually from October 1, 2029 through October 1, 2041, interest rates payable at rates ranging from 1.61% to 2.56%.                                                                                                            |                |             |                | <u>61,350,000</u>     |
| Total revenue bond obligations                                                                                                                                                                                                                                                                           |                |             |                | <u>\$ 80,064,823</u>  |
| Accreted interest on \$19,253,420 of capital appreciation bonds issued as part of the \$62,747,167 Virginia Resources Authority issue dated July 31, 2002 and remaining after the November 1, 2012 refunding and partial defeasance.                                                                     |                |             |                | <u>\$ 15,751,757</u>  |
| Total accreted interest                                                                                                                                                                                                                                                                                  |                |             |                | <u>\$ 15,751,757</u>  |
| \$21,300,000 Wastewater treatment capacity rights purchased from the City of Richmond in June 2002. Payable at 0% interest over thirty years, through treatment rates paid by the County, which commenced January 2007.                                                                                  |                |             |                | \$ 15,378,307         |
| \$6,691,468 Contractual agreement with the City of Richmond related to the County's share of Nutrient Reduction Program infrastructure completed during fiscal year 2012, payable at 0% interest over thirty years, through treatment rates paid by the County, which commenced during fiscal year 2013. |                |             |                | <u>6,307,031</u>      |
| Total contractual obligations                                                                                                                                                                                                                                                                            |                |             |                | <u>\$ 21,685,338</u>  |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

The future principal and interest payments related to debt and contractual obligations are as follows:

| Governmental Activities  |           |           |          |         |  |
|--------------------------|-----------|-----------|----------|---------|--|
| General Obligation Bonds |           |           |          |         |  |
| Fiscal Year(s) June 30,  | Principal |           | Interest |         |  |
| 2022                     | \$        | 535,000   | \$       | 137,696 |  |
| 2023                     |           | 535,000   |          | 113,420 |  |
| 2024                     |           | 535,000   |          | 88,810  |  |
| 2025                     |           | 535,000   |          | 64,200  |  |
| 2026                     |           | 535,000   |          | 39,590  |  |
| 2027                     |           | 535,000   |          | 13,643  |  |
| Totals                   | \$        | 3,210,000 | \$       | 457,359 |  |

| Business-type Activities |                               |               |                            |              |                       |
|--------------------------|-------------------------------|---------------|----------------------------|--------------|-----------------------|
| Fiscal Year(s) June 30,  | Water and Sewer Revenue Bonds |               | Capacity Rights Obligation |              | Contractual Agreement |
|                          | Principal                     | Interest      | Principal                  | Principal    |                       |
| 2022                     | \$ 1,586,928                  | \$ 3,874,007  | \$ 1,000,000               | \$ -         | -                     |
| 2023                     | 1,512,487                     | 3,944,099     | 1,000,000                  | -            | -                     |
| 2024                     | 1,616,732                     | 4,319,606     | 1,000,000                  | -            | -                     |
| 2025                     | 1,705,104                     | 4,725,091     | 1,000,000                  | -            | -                     |
| 2026                     | 1,787,568                     | 5,121,367     | 1,000,000                  | -            | -                     |
| 2027-2031                | 17,566,004                    | 14,495,241    | 7,500,000                  | -            | -                     |
| 2032-2036                | 22,965,000                    | 4,977,853     | 2,878,307                  | -            | -                     |
| 2037-2042                | 31,325,000                    | 2,409,330     | -                          | 6,307,031    | -                     |
|                          | \$ 80,064,823                 | \$ 43,866,594 | \$ 15,378,307              | \$ 6,307,031 |                       |

Contractual Agreement (EDA)

The County entered into a three-party agreement with the EDA and Capital One Bank (Capital One) in 2001. The County will pay a portion of the increase in real property taxes generated by a site owned by Capital One to the EDA, an aggregate amount of \$4,300,000. The carrying amount of the obligation represents the original contractual amount less payments made through June 30, 2021. \$ 1,079,174

During 2012, the County entered into a three-party agreement with the EDA and a private developer. The EDA reimbursed the developer \$250,000 for its costs related to water infrastructure over which the County would assume ownership. In exchange, the County agreed to reimburse this amount to the EDA. Payments to the EDA began in fiscal year 2013 and will be \$25,000 per year. 25,000

Total due to component unit \$ 1,104,174

| Primary Government      | Balance<br>July 1, 2020 | Additions | Reductions | Balance<br>June 30, 2021 | Due Within<br>One Year |
|-------------------------|-------------------------|-----------|------------|--------------------------|------------------------|
| Governmental activities | \$ 1,340,174            | \$ -      | \$ 236,000 | \$ 1,104,174             | \$ 235,000             |
| Due to component unit   | \$ 1,340,174            | \$ -      | \$ 236,000 | \$ 1,104,174             | \$ 235,000             |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

Capital Lease – Primary Government

The County has financed the acquisition of a communications system and other equipment by entering into capital lease agreements. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date. The capital assets acquired through capital leases, the future minimum lease payments, and the present value of the minimum lease payments are as follows:

| Asset Class                   | Primary<br>Government |
|-------------------------------|-----------------------|
| Building                      | \$ 4,552,318          |
| Machinery and equipment       | 5,863,959             |
| Total capital assets, at cost | 10,416,277            |
| Accumulated depreciation      | (2,424,744)           |
| Total capital assets, net     | <u>\$ 7,991,533</u>   |

| Fiscal Year(s) June 30,                 | Minimum<br>Lease Payments |
|-----------------------------------------|---------------------------|
| 2022                                    | \$ 1,111,176              |
| 2023                                    | 1,111,227                 |
| 2024                                    | 475,919                   |
| 2025                                    | 476,204                   |
| 2026                                    | 475,338                   |
| 2027-2031                               | 475,341                   |
| 2032-2033                               | 1,903,262                 |
| Total minimum lease payments            | 6,028,467                 |
| Portion representing interest           | (492,467)                 |
| Present value of minimum lease payments | <u>\$ 5,536,000</u>       |

The School Board has financed the acquisition of a copiers by entering into capital lease agreements. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

| Asset Class                   | Component Unit<br>School Board |
|-------------------------------|--------------------------------|
| Machinery and equipment       | \$ 213,660                     |
| Total capital assets, at cost | 213,660                        |
| Accumulated depreciation      | (85,464)                       |
| Total capital assets, net     | <u>\$ 128,196</u>              |

| Fiscal Year(s) June 30,                 | Minimum<br>Lease Payments |
|-----------------------------------------|---------------------------|
| 2022                                    | \$ 46,656                 |
| 2023                                    | 46,656                    |
| 2024                                    | 46,656                    |
| Total minimum lease payments            | 139,968                   |
| Portion representing interest           | (7,306)                   |
| Present value of minimum lease payments | <u>\$ 132,662</u>         |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**V. Other information**

**A. Risk Management**

The County and School Board utilize commercially available insurance to mitigate various risks of loss. The County and School Board have not had reductions in insurance coverage from the prior year and there were no settlements which exceeded insurance coverage in the past three years.

The County and School Board have contracted with private carriers to administer employee health insurance. Accounting for these activities is made in the General and School Operating Funds. The health insurance plans are fully insured. The County and School Board have no liability for claims incurred but not reported.

The County and School Board are fully self-insured for unemployment claims. The Virginia Employment Commission (VEC) bills the entities for all unemployment claims. No liability has been recorded for estimated unreported claims, as the amount of estimated unreported claims is not deemed significant based on historical trends.

The County and School Board contract with the Virginia Association of Counties Group Self Insurance Risk Pool (the Pool) and private insurance carriers to provide coverage for property damage, employee crime and dishonesty, and general liability. In the event of a loss deficit and depletion of all assets and available insurance of the Pool, the Pool may assess all members in the proportion to the premium each bears to the total premiums of all members in the year in which such deficit occurs. The property coverage is for specific amounts based on values assigned to the insured properties. Liability coverage is \$2,000,000 for the County and \$5,000,000 for the School Board.

The County and School Board also contract with the Pool for its workers' compensation coverage. These insurance pools have similar provisions as the Pool for assumptions of a loss deficit by the members.

**B. Fund Balance Classifications**

Specific purpose information for fund balance classifications is as follows:

|                                      | Primary Government |               |              | Total         | School Board |
|--------------------------------------|--------------------|---------------|--------------|---------------|--------------|
|                                      | General            | Capital       | Nonmajor     | Governmental  | School Board |
|                                      | Fund               | Projects      | Governmental | Funds         | Component    |
|                                      |                    | Fund          | Funds        |               | Unit         |
| <b>Nonspendable:</b>                 |                    |               |              |               |              |
| Prepaid items                        | \$ 187,334         | \$ -          | \$ 638       | \$ 187,972    | \$ -         |
| Inventories                          | 3,293              | -             | -            | 3,293         | 69,991       |
| Noncurrent notes receivable          | 117,634            | -             | -            | 117,634       | -            |
| <b>Restricted for:</b>               |                    |               |              |               |              |
| Forfeiture funds                     | -                  | -             | 40,534       | 40,534        | -            |
| Stewardship funds                    | 15,360             | -             | -            | 15,360        | -            |
| Courthouse maintenance               | 9,800              | -             | -            | 9,800         | -            |
| <b>Committed to:</b>                 |                    |               |              |               |              |
| Revenue stabilization                | 2,120,000          | -             | -            | 2,120,000     | -            |
| <b>Assigned to:</b>                  |                    |               |              |               |              |
| Office of Children's Services        | -                  | -             | 188,052      | 188,052       | -            |
| Transportation                       | 1,000,000          | -             | 1,803,655    | 2,803,655     | -            |
| Capital improvements                 | 10,939,000         | 13,354,459    | -            | 24,293,459    | -            |
| Education                            | 622,570            | -             | -            | 622,570       | 1,359,506    |
| Community development                | 340,000            | -             | -            | 340,000       | -            |
| Reserve for future debt service      | 4,000,000          | -             | -            | 4,000,000     | -            |
| Schools retiree healthcare liability | 120,000            | -             | -            | 120,000       | -            |
| County retiree healthcare liability  | 210,000            | -             | -            | 210,000       | -            |
| Citizen survey                       | 35,000             | -             | -            | 35,000        | -            |
| General government                   | 400,000            | -             | -            | 400,000       | -            |
| Park development                     | 43,000             | -             | -            | 43,000        | -            |
| Courthouse security                  | 150,000            | -             | -            | 150,000       | -            |
| Broadband plan                       | 200,000            | -             | -            | 200,000       | -            |
| Utilities future debt service        | 1,000,000          | -             | -            | 1,000,000     | -            |
| Public safety                        | 147,000            | -             | -            | 147,000       | -            |
| Social Services                      | 120,000            | -             | -            | 120,000       | -            |
| <b>Unassigned Fund Balance</b>       | 19,600,903         | -             | -            | 19,600,903    | -            |
| Total fund balances                  | \$ 41,380,894      | \$ 13,354,459 | \$ 2,032,879 | \$ 56,768,232 | \$ 1,429,497 |

COUNTY OF GOOCHLAND, VIRGINIA  
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**C. Commitments and contingent liabilities**

Other Commitments

At June 30, 2021, the primary government had commitments for capital projects totaling \$9,707,799 as follows:

|                           | Capital Projects<br>Fund | Utilities<br>Fund | Total<br>Primary<br>Government |
|---------------------------|--------------------------|-------------------|--------------------------------|
| Total capital commitments | \$ 9,707,799             | \$ 3,220,764      | \$ 12,928,563                  |

The total capital commitments in the Capital Project Fund include \$3,646,650 committed to the construction of the Fairground Road Extension with an additional \$455,000 committed to the Fairground Road Stub. Other major projects include the West Creek Public Safety Center, \$937,285, the VATI Broad Band Initiatives \$667,558, the Trails End East \$749,503 and other projects totaling \$3,251,803.

Encumbrances

Encumbrance accounting, under which purchase orders for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in governmental funds. In accordance with the County's adopted Budget Policy, encumbered funds are reappropriated annually by the Board of Supervisors in the succeeding year's budget resolution. Encumbrances represent the estimated amount of expenditures that will ultimately result if open purchase orders are paid. Encumbrances outstanding at the end of the fiscal year are disclosed below, in accordance with GAAP. However, encumbered amounts are already included within the restricted, committed or assigned fund balances, as appropriate, and are not in addition thereto.

|                                             | General<br>Fund | Capital<br>Projects<br>Fund | Utilities<br>Fund | Total<br>Primary<br>Government | School Board<br>Component<br>Unit |
|---------------------------------------------|-----------------|-----------------------------|-------------------|--------------------------------|-----------------------------------|
| Encumbrances outstanding at fiscal year end | \$ 146,412      | \$ 2,107,512                | \$ 149,334        | \$ 2,403,258                   | \$ 987,350                        |

Federal and State-Assisted Programs

Federal programs in which the County and the discretely presented School Board component unit participate are audited in accordance with the provisions of 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 the Uniform Guidance, all major programs, and certain other programs, were tested for compliance with applicable grant requirements. While matters of noncompliance may be disclosed by the audit, the grantors may also subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, future disallowance of current grant program expenditures, if any, would likely be immaterial.

Lease Commitments

The School Board has entered into operating lease agreements for copiers, computers and iPads, with varying expiration dates over the next four years.

The total minimum rental commitment at June 30, 2021, under these leases is as follows:

| Schools leases:            | Minimum Rental<br>Commitment |
|----------------------------|------------------------------|
| During the next five years | \$ 817,539                   |

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**D. Jointly governed organizations**

Jointly governed organizations are regional governments or other multi-governmental arrangements that are governed by representation from each of the governments that create the organizations, and the participants do not retain an ongoing financial interest or responsibility in the organization.

The following entities are jointly governed organizations and are excluded from the accompanying basic financial statements:

○ **Pamunkey Regional Library (Library)**

The Counties of King William, King and Queen, Hanover, and Goochland provide the financial support for the Library and appoint its governing board, in which is vested the ability to execute contracts and to budget and expend funds. The County appoints two (2) of the seven (7) members of the Board of Trustees. The County of Hanover provides over 50% of the Library's funding. The County has no equity interest in the Library and made operating contributions of \$464,768 to the Library in fiscal year 2021. Complete financial statements can be obtained from the office of the County Administrator of Goochland County.

○ **Central Virginia Waste Authority (Authority)**

The Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan and Prince George and the Municipalities of Colonial Heights, Hopewell, Petersburg, Richmond and the Town of Ashland provide financial support for the Authority and appoint its governing Board, in which is vested the ability to execute contracts and to budget and expend funds. The County appoints one or more members to the Board. No one locality contributes more than 50% of the Authority's funding or has oversight responsibility over its operations. The County has no equity interest in the Authority. Complete financial statements can be obtained from the office of the County Administrator of Goochland County.

○ **Goochland-Powhatan Community Services (Board)**

The Counties of Goochland and Powhatan provide the financial support for the Board and appoint its governing board in which is vested the ability to execute contracts and to budget and expend funds. No one locality contributes more than 50% of the Board's funding or has oversight responsibility over its operations. The County, which has no equity interest in the Board, made operating contributions of \$298,630 to the Board in fiscal year 2021. Complete financial statements can be obtained from the Goochland-Powhatan Community Services.

○ **Central Virginia Transportation Authority (CVTA)**

The Central Virginia Transportation Authority is a newly-created authority in central Virginia that provides new funding opportunities for priority transportation investments across the region. This Authority was established by the 2020 General Assembly of Virginia. It is a priority of the CVTA that its meetings and decision-making process is transparent and accessible to the general public.

The Central Virginia Transportation Authority comprises the counties and cities located in Planning District 15. The Authority will administer transportation funding generated through the imposition of an additional regional 0.7 percent sales and use tax (revenue collection begins October 2020) and a wholesale gas tax of 7.6 cents per gallon of gasoline and 7.7 cents per gallon of diesel fuel (revenue collection begins July 2020). The gas tax rates would be indexed for inflation. The bill requires a local maintenance of effort for transit funding of at least 50 percent of what was provided on July 1, 2020, with such amount to be indexed beginning in 2023.

COUNTY OF GOOCHLAND, VIRGINIA  
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**E. Pension plan – Virginia Retirement System**

Plan Description – County, School Board Professional and Non-Professional Plans

|                        |                                                        |
|------------------------|--------------------------------------------------------|
| Plan                   | Virginia Retirement System (VRS)                       |
| Identification of plan | Agent and Cost Sharing Multiple-Employer Pension Plans |
| Administering entity   | Virginia Retirement System (System)                    |

All full-time, salaried permanent employees of the County of Goochland and the Goochland County School Board are automatically covered by the VRS Retirement Plan or the VRS Teacher Retirement Plan upon employment. These plans are 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 duty military service, certain periods of leave, and previously refunded service.

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

| <b>Plan 1</b>                                                                                                                                                         | <b>Plan 2</b>                                                                                                                                                         | <b>Hybrid Retirement Plan</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>About Plan 1</b>                                                                                                                                                   | <b>About Plan 2</b>                                                                                                                                                   | <b>About the Hybrid Retirement Plan</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. | Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. | <p>The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan.</p> <ul style="list-style-type: none"> <li>• The defined benefit is based on a member's age, creditable service and average final compensation at retirement using a formula.</li> <li>• The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.</li> </ul> |

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- In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.

**Eligible Members**

Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013, and they have not taken a refund.

**Hybrid Opt-In Election**

VRS non-hazardous duty-covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.

The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.

If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.

Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.

**Eligible Members**

Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.

**Hybrid Opt-In Election**

Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.

The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.

If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.

Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.

**Eligible Members**

Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:

- Political subdivision employees\*
- Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1 through April 30, 2014; the plan's effective date for opt-in members was July 1, 2014.
- School division employees (teachers)

**\*Non-Eligible Members**

Some employees are not eligible to participate in the Hybrid Retirement Plan.

They include:

- Political subdivision employees who are covered by enhanced benefits for hazardous duty employees.

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Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.

**Retirement Contributions**

Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.

**Retirement Contributions**

Same as Plan 1.

**Retirement Contributions**

A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.

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**Service Credit**

Service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.

**Service Credit**

Same as Plan 1.

**Service Credit**

**Defined Benefit  
Component:**

Under the defined benefit component of the plan, service credit includes active service. Members earn service credit for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total service credit is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.

**Defined Contributions  
Component:**

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

**Vesting**

Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan.

**Vesting**

Same as Plan 1.

**Vesting**

**Defined Benefit  
Component:**

Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit.

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Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.

Members are always 100% vested in the contributions that they make.

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

**Defined Contributions Component:**

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

Members are always 100% vested in the contributions that they make.

Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.

- After two years, a member is 50% vested and may withdraw 50% of employer contributions.
- After three years, a member is 75% vested and may withdraw 75% of employer contributions.

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- After four or more years, a member is 100% vested and may withdraw 100% of employer contributions.

Distribution are not required, except as governed by law.

**Calculating the Benefit**

The Basic Benefit is calculated using the average final compensation, service credit and plan multiplier.

An early retirement reduction factor is applied to this amount if the member is retiring with a reduced benefit. In cases where the member has elected an optional form of retirement payment, an option factor specific to the option chosen is then applied.

**Calculating the Benefit**

See definition under Plan 1.

**Calculating the Benefit**

**Defined Benefit Component:**

See definition under Plan 1.

**Defined Contribution Component:**

The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.

**Average Final Compensation**

A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.

**Average Final Compensation**

A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.

**Average Final Compensation**

Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.

**Service Retirement Multiplier**

**VRS:** The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%.

**Service Retirement Multiplier**

**VRS:** Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for service credit earned, purchased or granted on or after January 1, 2013.

**Service Retirement Multiplier**

**Defined Benefit Component:**

**VRS:** The retirement multiplier for the defined benefit component is 1.00%.

For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

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**Sheriffs and regional jail superintendents:** The retirement multiplier for sheriffs and regional jail superintendents is 1.85%.

**Political subdivision hazardous duty employees:** The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.

**Normal Retirement Age**

Age 65.

**Political subdivisions hazardous duty employees:** Age 60.

**Earliest Unreduced Retirement Eligibility**

Age 65 with at least five years (60 months) of service credit or at age 50 with at least 30 years of creditable service.

**Political subdivisions hazardous duty employees:** Age 60 with at least five years of service credit or age 50 with at least 25 years of creditable service.

**Sheriffs and regional jail superintendents:** Same as Plan 1.

**Political subdivision hazardous duty employees:** Same as Plan 1.

**Normal Retirement Age**

Normal Social Security retirement age.

**Political subdivisions hazardous duty employees:** Same as Plan 1.

**Earliest Unreduced Retirement Eligibility**

Normal Social Security retirement age and have at least five years (60 months) of service credit or when their age and service equal 90.

**Political subdivisions hazardous duty employees:** Same as Plan 1.

**Sheriffs and regional jail superintendents:** Not applicable.

**Political subdivision hazardous duty employees:** Not applicable.

**Defined Contribution Component:**

Not applicable.

**Normal Retirement Age**

**Defined Benefit Component:**

Same as Plan 2.

**Political subdivisions hazardous duty employees:** Not applicable.

**Defined Contribution Component:**

Members are eligible to receive distributions upon leaving employment, subject to restrictions.

**Earliest Unreduced Retirement Eligibility**

**Defined Benefit Component:**

Normal Social Security retirement age and have at least five years (60 months) of service credit or when their age and service equal 90.

**Political subdivisions hazardous duty employees:** Not applicable.

**Defined Contribution Component:**

Members are eligible to receive distributions upon leaving employment, subject to restrictions.

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**Earliest Reduced Retirement Eligibility**

Age 55 with at least five years (60 months) of service credit or age 50 with at least 10 years of service credit.

**Political subdivisions hazardous duty employees:**

Age 50 with at least five years of service credit.

**Earliest Reduced Retirement Eligibility**

Age 60 with at least five years (60 months) of service credit.

**Political subdivisions hazardous duty employees:** Same as Plan 1.

**Earliest Reduced Retirement Eligibility**

**Defined Benefit**

**Component:**

Age 60 with at least five years (60 months) of service credit.

**Political subdivisions hazardous duty employees:**

Not applicable.

**Cost-of-Living Adjustment (COLA) in Retirement**

The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.

**Eligibility:**

For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date.

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

**Cost-of-Living Adjustment (COLA) in Retirement**

The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), to a maximum COLA of 3%.

**Eligibility:**

Same as Plan 1.

**Defined Contribution**

**Component:**

Members are eligible to receive distributions upon leaving employment, subject to restrictions.

**Cost-of-Living Adjustment (COLA) in Retirement**

**Defined Benefit**

**Component:**

Same as Plan 2.

**Defined Contribution**

**Component:**

Not applicable.

**Eligibility:**

Same as Plan 1 and Plan 2.

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**Exceptions to COLA Effective Dates:**

**School Division (Teachers) and Political Subdivision Employees:**

The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:

- The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013.
- The member retires on disability.
- The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program.
- The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.

**Political Subdivision Employees:**

- The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP).

**Exceptions to COLA Effective Dates:**

**School Division (Teachers) and Political Subdivision Employees:**

Same as Plan 1.

**Exceptions to COLA Effective Dates:**

**School Division (Teachers) and Political Subdivision Employees:**

Same as Plan 1 and Plan 2.

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**Disability Coverage**

Political Subdivision  
Employees:

Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.

**Disability Coverage**

Political Subdivision Employees:

Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.

**Disability Coverage**

Employees of political subdivisions and school divisions (teachers), including Plan 1 and Plan 2 opt-ins, participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members.

Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.

**Purchase of Prior Service**

Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. Members also may be eligible to purchase periods of leave without pay.

**Purchase of Prior Service**

Same as Plan 1.

**Purchase of Prior Service**

**Defined Benefit  
Component:**

Same as Plan 1, with the following exceptions:

- Hybrid Retirement Plan members are ineligible for ported service.

**Defined Contribution  
Component:**

Not applicable.

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***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<br>Target Asset<br>Allocation | Arithmetic Long-<br>Term Expected<br>Rate of Return | Weighted<br>Average Long-<br>Term Expected<br>Rate of Return* |
|--------------------------------------|-----------------------------------------|-----------------------------------------------------|---------------------------------------------------------------|
| Public Equity                        | 34.00%                                  | 4.65%                                               | 1.58%                                                         |
| Fixed Income                         | 15.00%                                  | 0.46%                                               | 0.07%                                                         |
| Credit Strategies                    | 14.00%                                  | 5.38%                                               | 0.75%                                                         |
| Real Assets                          | 14.00%                                  | 5.01%                                               | 0.70%                                                         |
| Private Equity                       | 14.00%                                  | 8.34%                                               | 1.17%                                                         |
| MAPS - Multi-Asset Public Strategies | 6.00%                                   | 3.04%                                               | 0.18%                                                         |
| PIP - Private Investment Partnership | 3.00%                                   | 6.49%                                               | 0.19%                                                         |
| <b>Total</b>                         | <b>100.00%</b>                          |                                                     | <b>4.64%</b>                                                  |
| Expected arithmetic nominal return*  |                                         |                                                     | Inflation 2.50%                                               |
|                                      |                                         |                                                     | <b>7.14%</b>                                                  |

\* The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected returns for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations, provide a median return of 6.81%.

**County Plan (Agent Plan)**

***Employees Covered by Benefit Terms***

As of the June 30, 2019 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

|                                                                      | Number |
|----------------------------------------------------------------------|--------|
| Inactive members or their beneficiaries currently receiving benefits | 114    |
| Inactive members:                                                    |        |
| Vested inactive members                                              | 41     |
| Non-vested inactive members                                          | 51     |
| Active elsewhere in VRS                                              | 72     |
| Total inactive members                                               | 164    |
| Active members                                                       | 227    |
| Total covered employees                                              | 505    |

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***Contributions***

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

The County's contractually required contribution rate for the year-ended June 30, 2021 was 9.89% 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 an employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the political subdivision were \$1,381,278 and \$1,146,002 for the years ended June 30, 2021 and June 30, 2020, respectively.

***Net Pension Liability***

The net pension liability (NPL) is calculated separately for each employer and represents the County's total pension liability determined in accordance with GASB Statement No. 68, less the County's fiduciary net position. The County's net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2019 rolled forward to the measurement date of June 30, 2020.

***Actuarial Assumptions – General Employees***

The total pension liability for General Employees in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

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

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

Mortality rates: 15 % of deaths are assumed to be service related.

***Pre-Retirement:***

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

***Post-Retirement:***

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

***Post-Disablement:***

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

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

|                                                                               |                                                                                                         |
|-------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| Mortality Rates<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014<br>projected to 2020                                |
| Retirement Rates                                                              | Lowered retirement rates at older ages and extended final<br>retirement age from 70 to 75               |
| Withdrawal Rates                                                              | Adjusted rates to better fit experience at each year, age, and<br>service through nine years of service |
| Disability Rates                                                              | Lowered rates                                                                                           |
| Salary Scale                                                                  | No change                                                                                               |
| Line of Duty Disability                                                       | Increased rate from 14% to 15%                                                                          |
| Discount Rate                                                                 | Decreased rate from 7.0% to 6.75%                                                                       |

***Actuarial Assumptions – Public Safety Employees***

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, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

|                                          |                                                                        |
|------------------------------------------|------------------------------------------------------------------------|
| Inflation                                | 2.5%                                                                   |
| Salary increases, including<br>inflation | 3.5% – 4.75%                                                           |
| Investment rate of return                | 6.75%, net of pension plan investment<br>expense, including inflation* |

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

Mortality rates: 45% of deaths are assumed to be service related.

**Pre-Retirement:**

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

**Post-Retirement:**

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

**Post-Disablement:**

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

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except for 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<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014 projected to 2020                             |
| Retirement Rates                                                              | Increased age 50 rates, and lowered rates at older ages                                           |
| Withdrawal Rates                                                              | Adjusted rates to better fit experience each year, age, and service through nine years of service |
| Disability Rates                                                              | Adjusted rates to better fit experience                                                           |
| Salary Scale                                                                  | No change                                                                                         |
| Line of Duty Disability                                                       | Decreased rate from 60% to 45%                                                                    |
| Discount Rate                                                                 | Decreased rate from 7.0% to 6.75%                                                                 |

***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; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2020, the alternate rate was the employer contribution rate used in FY2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017, actuarial valuations, whichever was greater. From July 1, 2020 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current 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.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Changes in Net Pension Liability***

|                                                                  | Increase (Decrease)                  |                                          |                                        |
|------------------------------------------------------------------|--------------------------------------|------------------------------------------|----------------------------------------|
|                                                                  | Total<br>Pension<br>Liability<br>(a) | Plan<br>Fiduciary<br>Net Position<br>(b) | Net<br>Pension<br>Liability<br>(a)-(b) |
| Balances at June 30, 2019                                        | \$ 37,204,637                        | \$ 35,931,260                            | \$ 1,273,377                           |
| Changes for the year:                                            |                                      |                                          |                                        |
| Service cost                                                     | 1,622,459                            | -                                        | 1,622,459                              |
| Interest                                                         | 2,455,052                            | -                                        | 2,455,052                              |
| Difference between expected and actual<br>experience             | 1,475,868                            | -                                        | 1,475,868                              |
| Contributions - employer                                         | -                                    | 1,146,002                                | (1,146,002)                            |
| Contributions - employee                                         | -                                    | 653,061                                  | (653,061)                              |
| Net investment income                                            | -                                    | 691,450                                  | (691,450)                              |
| Benefit payments, including refunds of<br>employee contributions | (1,667,002)                          | (1,667,002)                              | -                                      |
| Administrative expense                                           | -                                    | (22,963)                                 | 22,963                                 |
| Other changes                                                    | -                                    | (828)                                    | 828                                    |
| Net changes                                                      | 3,886,377                            | 799,720                                  | 3,086,657                              |
| Balances at June 30, 2020                                        | \$ 41,091,014                        | \$ 36,730,980                            | \$ 4,360,034                           |

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

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

|                                        | 1%<br>Decrease<br>(5.75%) | Current<br>Discount<br>Rate (6.75%) | 1%<br>Increase<br>(7.75%) |
|----------------------------------------|---------------------------|-------------------------------------|---------------------------|
| County's net pension liability (asset) | \$ 9,801,714              | \$ 4,360,034                        | \$ (116,776)              |

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

For the year-ended June 30, 2021, the County recognized pension expense of \$1,832,480. The County also reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                             | Deferred<br>Outflows<br>of Resources | Deferred<br>Inflows<br>of Resources |
|-----------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience                          | \$ 1,160,657                         | \$ 212,640                          |
| Changes of assumptions                                                      | 531,710                              | -                                   |
| Net difference between projected and<br>actual earnings on plan investments | 1,097,986                            | -                                   |
| Employer contributions subsequent to the<br>measurement date                | 1,381,278                            | -                                   |
|                                                                             | \$ 4,171,631                         | \$ 212,640                          |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

The \$1,381,278 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year(s) June 30, | Amount              |
|-------------------------|---------------------|
| 2022                    | \$ 673,612          |
| 2023                    | 866,323             |
| 2024                    | 690,266             |
| 2025                    | 347,512             |
|                         | <u>\$ 2,577,713</u> |

***Pension Plan Data***

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at [www.varetire.org/Pdf/Publications/2020-annual-report.pdf](http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf), or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

**School Board Professional Plan (Cost-Sharing Plan)**

***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 school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. The School Board Professional's contractually required contribution rate for the year-ended June 30, 2021 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 Board for the professional plan were \$2,709,831 and \$2,471,825 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

At June 30, 2021, the School Board reported a liability of \$27,070,795 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability was based on the School Board's actuarially determined employer contributions to the pension plan for the year-ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, the School Board's proportion was 0.18602% as compared to 0.1852% at June 30, 2019.

For the year-ended June 30, 2021, the School Board recognized pension expense related to the professional plan of \$3,193,597. 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 GOOCHLAND, VIRGINIA  
Notes to Financial Statements

At June 30, 2021, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                                                  | Deferred<br>Outflows<br>of Resources | Deferred<br>Inflows<br>of Resources |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience                                                               | \$ -                                 | \$ 1,586,766                        |
| Net difference between projected and<br>actual earnings on plan investments                                      | 2,059,034                            | -                                   |
| Change in assumptions                                                                                            | 1,847,921                            | -                                   |
| Changes in proportion and differences between employer<br>contributions and proportionate share of contributions | 235,485                              | 331,808                             |
| Employer contributions subsequent to the<br>measurement date                                                     | 2,709,831                            | -                                   |
|                                                                                                                  | <u>\$ 6,852,271</u>                  | <u>\$ 1,918,574</u>                 |

The \$2,709,831 reported as deferred outflows of resources related to pensions resulting from the School Board's contributions for the professional plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year(s) June 30, | Amount              |
|-------------------------|---------------------|
| 2022                    | \$ (30,080)         |
| 2023                    | 690,211             |
| 2024                    | 897,426             |
| 2025                    | 693,570             |
| 2026                    | (27,261)            |
|                         | <u>\$ 2,223,866</u> |

***Actuarial Assumptions***

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

|                                          |                                                                        |
|------------------------------------------|------------------------------------------------------------------------|
| Inflation                                | 2.5%                                                                   |
| Salary increases, including<br>inflation | 3.5% – 5.95%                                                           |
| Investment rate of return                | 6.75%, net of pension plan investment<br>expense, including inflation* |

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

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

Mortality rates:

Pre-Retirement:

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

Post-Retirement:

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

Post-Disablement:

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

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board actions 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<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014 projected to 2020                            |
| Retirement Rates                                                              | Lowered rates at older ages and changed final retirement from 70 to 75                           |
| Withdrawal Rates                                                              | Adjusted rates to better fit experience each year, age and service through nine years of service |
| Disability Rates                                                              | Adjusted rates to better match experience                                                        |
| Salary Scale                                                                  | No change                                                                                        |
| Discount Rate                                                                 | Decreased rate from 7.00% to 6.75%                                                               |

**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, 2020, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

|                                                                               |                                        |
|-------------------------------------------------------------------------------|----------------------------------------|
|                                                                               | Teacher<br>Employee<br>Retirement Plan |
| Total pension liability                                                       | \$ 51,001,855                          |
| Plan fiduciary net position                                                   | 36,449,229                             |
| Employers' net pension liability                                              | <u>\$ 14,552,626</u>                   |
| Plan fiduciary net position as a percentage<br>of the total pension liability | 71.47%                                 |

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 financial statements and required supplementary information.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

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

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

|                                                 | 1%<br>Decrease<br>(5.75%) | Current<br>Discount<br>Rate (6.75%) | 1%<br>Increase<br>(7.75%) |
|-------------------------------------------------|---------------------------|-------------------------------------|---------------------------|
| School Board professional net pension liability | \$ 39,718,937             | \$ 27,070,795                       | \$ 16,609,184             |

***Pension Plan Fiduciary Net Position***

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2020 Comprehensive Annual Financial Report. A copy of the 2020 VRS Comprehensive Annual Financial Report may be downloaded from the VRS website at [www.varetire.org/Pdf/Publications/2020-annual-report.pdf](http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf), or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia 23218-2500.

**School Board Non-Professional Plan (Agent Plan)**

***Employees Covered by Benefit Terms***

As of the June 30, 2019 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

|                                                                      | Number |
|----------------------------------------------------------------------|--------|
| Inactive members or their beneficiaries currently receiving benefits | 25     |
| Inactive members:                                                    |        |
| Vested inactive members                                              | 3      |
| Non-vested inactive members                                          | 11     |
| Active elsewhere in VRS                                              | 9      |
| Total inactive members                                               | 23     |
| Active members                                                       | 21     |
| Total covered employees                                              | 69     |

***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 School Board non-professional's contractually required contribution rate for the year-ended June 30, 2021 was 5.88% 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 School Board for the non-professional plan were \$52,433 and \$42,568 for the years ended June 30, 2021 and June 30, 2020, respectively.

***Net Pension Liability***

The School Board's non-professional net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2019, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Actuarial Assumptions – General Employees – School Board Non-Professional Plan***

The total pension liability for General Employees in the School Board non-professional retirement plan was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

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

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

Mortality rates: 15 % of deaths are assumed to be service related.

**Pre-Retirement:**

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

**Post-Retirement:**

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

**Post-Disablement:**

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

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except for 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<br>(pre-retirement, post-retirement healthy, and disabled) | Updated to a more current mortality table – RP-2014 projected to 2020                                 |
| Retirement Rates                                                           | Lowered rates at older ages and changed final retirement from 70 to 75                                |
| Withdrawal Rates                                                           | Adjusted rates to better fit experience at each year of age and service through nine years of service |
| Disability Rates                                                           | Lowered rates                                                                                         |
| Salary Scale                                                               | No change                                                                                             |
| Discount Rate                                                              | Decreased rate from 7.00% to 6.75%                                                                    |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Changes in Net Pension Liability (Asset)***

|                                                               | Increase (Decrease)                  |                                          |                                                |
|---------------------------------------------------------------|--------------------------------------|------------------------------------------|------------------------------------------------|
|                                                               | Total<br>Pension<br>Liability<br>(a) | Plan<br>Fiduciary<br>Net Position<br>(b) | Net<br>Pension<br>Liability (Asset)<br>(a)-(b) |
| Balances at June 30, 2019                                     | \$ 4,504,131                         | \$ 4,424,067                             | \$ 80,064                                      |
| Changes for the year:                                         |                                      |                                          |                                                |
| Service cost                                                  | 81,613                               | -                                        | 81,613                                         |
| Interest                                                      | 296,794                              | -                                        | 296,794                                        |
| Difference between expected and actual experience             | 2,872                                | -                                        | 2,872                                          |
| Contributions - employer                                      | -                                    | 42,568                                   | (42,568)                                       |
| Contributions - employee                                      | -                                    | 39,821                                   | (39,821)                                       |
| Net investment income                                         | -                                    | 84,140                                   | (84,140)                                       |
| Benefit payments, including refunds of employee contributions | (214,373)                            | (214,373)                                | -                                              |
| Administrative expense                                        | -                                    | (2,920)                                  | 2,920                                          |
| Other changes                                                 | -                                    | (99)                                     | 99                                             |
| Net changes                                                   | 166,906                              | (50,863)                                 | 217,769                                        |
| Balances at June 30, 2020                                     | \$ 4,671,037                         | \$ 4,373,204                             | \$ 297,833                                     |

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

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

|                                                             | 1%<br>Decrease<br>(5.75%) | Current<br>Discount<br>Rate (6.75%) | 1%<br>Increase<br>(7.75%) |
|-------------------------------------------------------------|---------------------------|-------------------------------------|---------------------------|
| School Board non-professional net pension liability (asset) | \$ 803,037                | \$ 297,833                          | \$ (133,403)              |

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

For the year ended June 30, 2021, the School Board recognized pension expense related to its non-professional plan of \$147,464. The School Board also reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                          | Deferred<br>Outflows<br>of Resources |
|--------------------------------------------------------------------------|--------------------------------------|
| Differences between expected and actual experience                       | \$ 1,360                             |
| Net difference between projected and actual earnings on plan investments | 130,011                              |
| Employer contributions subsequent to the measurement date                | 52,433                               |
|                                                                          | <u>\$ 183,804</u>                    |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

The \$52,433 reported as deferred outflows of resources related to pensions resulting from the School Board non-professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the School Board non-professional plan will be recognized in pension expense as follows:

| Fiscal Year(s) June 30, | Amount     |
|-------------------------|------------|
| 2022                    | \$ 3,789   |
| 2023                    | 40,992     |
| 2024                    | 44,605     |
| 2025                    | 41,985     |
|                         | \$ 131,371 |

**F. Other Postemployment Benefits – Retiree Healthcare Plans**

***Plan Description***

**Goochland County Retiree Healthcare Plan**

The Goochland County Retiree Healthcare Plan (County's plan) is a defined benefit other postemployment benefit (OPEB) plan which provides OPEB for all permanent full-time general and public safety employees of the County. The County's plan was established by the County's Board of Supervisors and any amendments to the plan must be approved by the Board of Supervisors. This plan is a single-employer defined benefit OPEB plan administered by the County. No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75. This plan does not issue stand-alone financial reports.

**Goochland County Public Schools Retiree Healthcare Plan**

The Goochland County Public Schools Retiree Healthcare Plan (School Board's plan) is a defined benefit plan which provides OPEB for all permanent full-time employees of the County's schools. The School Board's plan was established by the School Board and any amendments to the plan must be approved by the School Board. This plan is a single employer defined benefit OPEB plan administered by the School Board. No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75. This plan does not issue stand-alone financial reports.

The specific information for the County's plan and School Board's plan (collectively referred to as "County Retiree Healthcare Plans"), including eligibility, is set out in the tables below:

**County's Plan**

| COUNTY'S PLAN PROVISIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b><i>Eligible Employees</i></b></p> <p>Full-time employees are eligible to participate in the County sponsored Healthcare plan if they terminate employment from the County, are eligible for retirement under the VRS and meet the eligibility requirements. Spouses of eligible retirees may also participate in the plan.</p>                                                                                                                                                                                                                                                                                                                                       |
| <p><b><i>Retirement Eligibility</i></b></p> <p>Employees must be eligible for retirement under the VRS and meet the following County years of service requirement:</p> <ul style="list-style-type: none"> <li>• If retiring under VRS Plan 1, must be at least age 50 with 5 consecutive years of County service;</li> <li>• If retiring under VRS Plan 2, must be at leaset age 60 with 5 consecutive years of County service;</li> <li>• If a County public safety employee under LEOS and retiring under VRS with an unreduced pension, must be age 50 with 25 years of VRS service and 5 years of County service, or age 65 with 5 years of County service.</li> </ul> |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Benefit Amounts***

Retirees must pay the full, aggregate active employee rate for both individual and spousal coverage. For retirees who have completed the above requirements, who began service with the County prior to July 1, 2011, and who have at least 15 years of VRS service, a premium credit is provided to offset the cost of medical coverage. The amount of the credit is \$4 per month for each year of service, up to a maximum monthly credit of \$140 per month. The credit is payable for the lifetime of the retiree only; it is not paid on behalf of surviving spouses of retirees. The credit is payable to any eligible retiree, regardless of whether they choose to obtain postretirement healthcare coverage through the County.

***Death of a Retiree***

Surviving spouses of current retirees may continue healthcare coverage upon the retiree's death, but do not receive the premium credit described in "Benefit Amounts."

**School Board's Plan**

**SCHOOL BOARD'S PLAN PROVISIONS**

***Eligible Employees***

Full-time employees are eligible for post-retirement health insurance coverage if they terminate employment from Goochland Schools and are eligible for retirement under the VRS. Part-time employees who were hired prior to July 1, 2013 and who were covered under the active-employee healthcare plan as of July 1, 2013, are eligible for post-retirement health insurance coverage on the same basis as full-time employees. Part-time employees hired after July 1, 2013 are not eligible for post-retirement healthcare coverage. For those retirees who are eligible for post-retirement healthcare coverage, coverage is provided to both retirees and their spouses for their lifetimes.

***Retirement Eligibility***

School Board employees may retire under the VRS according to the same eligibility requirements as the County employees described above.

***Benefit Amounts***

Retirees must pay the full, aggregate active employee rate for both individual and spousal coverage. Medical coverage is provided through the same plans as are available to active employees. Currently, the plans offered are three plans sponsored through The Local Choice Health Benefits Program (TLC). The three TLC plans available to Schools employees are Key Advantage 250, Key Advantage 500 and Key Advantage HDHP. However, for Medicare-eligible retirees, the full aggregate rate for the TLC Advantage 65 plan must be paid for both individual and spousal coverage.

***Death of a Retiree***

Upon death of a current retiree, the surviving spouse is eligible for coverage until age 65. Survivors of actives are not eligible for postretirement benefits, even if the deceased active was eligible to retire at the time of death.

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***Employees Covered by Benefit Terms***

At June 30, 2021, the following employees were covered by the benefit terms:

**County's Plan**

|                                                                          | Number     |
|--------------------------------------------------------------------------|------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 22         |
| Active employees                                                         | 252        |
| <b>Total</b>                                                             | <b>274</b> |

**School Board's Plan**

|                                                                          | Number     |
|--------------------------------------------------------------------------|------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 25         |
| Active employees                                                         | 317        |
| <b>Total</b>                                                             | <b>342</b> |

***Total Retiree Healthcare Plans' OPEB Liabilities***

The County's total OPEB liability of \$2,738,545 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2020. The School Board's total OPEB liability of \$1,768,390 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2020.

***Actuarial Assumptions and Other Inputs***

The total OPEB liabilities were based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                             |                                       |
|-----------------------------|---------------------------------------|
| Inflation                   | 2.5%                                  |
| Salary increases            | 1.5%                                  |
| Discount rate               | 2.30%                                 |
| Healthcare cost trend rates | 5.2% (2021) declining to 4.0% (2075+) |

The discount rate was based on 20-year general obligation bonds as of June 30, 2020.

**County's Plan**

**Mortality Rates**

The following mortality assumptions were chosen to match the mortality assumptions used in the June 30, 2016 Annual Financial Statement for the Virginia Retirement System.

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

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2012 – June 30, 2016.

COUNTY OF GOOCHLAND, VIRGINIA  
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**School Board's Plan**

**Mortality Rates**

The following mortality assumptions were chosen to match the mortality assumptions used in the June 30, 2016 Annual Financial Statement for the Virginia Retirement System.

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

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2012 – June 30, 2016.

***Changes in the Total OPEB Liabilities***

**County's Plan**

|                                                    | Total OPEB<br>Liability |
|----------------------------------------------------|-------------------------|
| Balance at June 30, 2019                           | \$ 2,049,513            |
| Changes for the year:                              |                         |
| Service cost                                       | 78,719                  |
| Interest                                           | 66,156                  |
| Changes in benefit terms                           | 597,080                 |
| Differences between expected and actual experience | (177,559)               |
| Changes in assumptions or other inputs             | 214,202                 |
| Benefit payments                                   | (89,566)                |
| <b>Net changes</b>                                 | <b>689,032</b>          |
| Balance at June 30, 2020                           | \$ 2,738,545            |

The County's plan has been amended since the prior valuation. Prior to the amendment, only employees hired prior to July 1, 2011 were eligible for post-retirement healthcare amendments. Under the terms of the amendment effective July 1, 2020, all full-time employees are eligible for post-retirement healthcare benefits, provided they retire immediately and collect a VRS benefit, and have completed five consecutive years of service with the County.

Employees hired on or after July 1, 2011, however are not eligible for the fixed dollar premium subsidy.

**School Board's Plan**

|                                                    | Total OPEB<br>Liability |
|----------------------------------------------------|-------------------------|
| Balance at June 30, 2019                           | \$ 2,069,552            |
| Changes for the year:                              |                         |
| Service cost                                       | 187,593                 |
| Interest                                           | 66,894                  |
| Changes in benefit terms                           |                         |
| Differences between expected and actual experience | (437,562)               |
| Changes in assumptions or other inputs             | (33,162)                |
| Benefit payments                                   | (84,925)                |
| <b>Net changes</b>                                 | <b>(301,162)</b>        |
| Balance at June 30, 2020                           | \$ 1,768,390            |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Sensitivity of the Total OPEB Liabilities to Changes in the Discount Rate***

The following presents the total OPEB liabilities of the County's plan and the School Board's plan calculated using the stated discount rate, as well as what the County's plan and the School Board's plan total OPEB liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower (1.3%) or 1-percentage-point higher (3.3%) than the current discount rate:

|                     | 1% Decrease<br>(1.3%) | Current Discount<br>Rate<br>(2.3%) | 1% Increase<br>(3.3%) |
|---------------------|-----------------------|------------------------------------|-----------------------|
| County's Plan       | \$ 3,126,967          | \$ 2,738,545                       | \$ 2,407,805          |
| School Board's Plan | 1,945,664             | 1,768,390                          | 1,606,931             |

***Sensitivity of the Total OPEB Liabilities to Changes in Healthcare Cost Trend Rate***

The following represents the total OPEB liabilities of the County's plan and the School Board's plan calculated using the stated discount rate, as well as what the County's plan and the School Board's plan total OPEB liabilities would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.2% increasing to 3.0% over 56 years) or 1-percentage-point higher (6.2% increasing to 5.0% over 56 years) than the current healthcare cost trend:

|                     | 1% Decrease<br>(4.2% increasing<br>to 3.0% over 56<br>years) | Current Medical<br>Trend Rate<br>(5.2% decreasing<br>to 4.0% over 56<br>years) | 1% Increase<br>(6.2%<br>decreasing to<br>5.0% over 56<br>years) |
|---------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------|
| County's Plan       | \$ 2,463,337                                                 | \$ 2,738,545                                                                   | \$ 3,077,114                                                    |
| School Board's Plan | 1,538,534                                                    | 1,768,390                                                                      | 2,049,101                                                       |

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

For the year ended June 30, 2021, the County's plan recognized an OPEB expense of \$596,569 and the School Board's plan recognized an OPEB expense of \$109,133. At June 30, 2020, the employers reported deferred outflows of resources and deferred inflows of resources related to the Retiree Healthcare OPEB from the following sources:

**County's Plan**

|                                                    | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|----------------------------------------------------|--------------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ -                                 | \$ 383,570                       |
| Change in assumptions                              | 260,829                              | -                                |
| <b>Total</b>                                       | <b>\$ 260,829</b>                    | <b>\$ 383,570</b>                |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**School Board's Plan**

|                                                    | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|----------------------------------------------------|--------------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ -                                 | \$ 404,624                       |
| Change in assumptions                              | 67,634                               | 146,820                          |
| <b>Total</b>                                       | <b>\$ 67,634</b>                     | <b>\$ 551,444</b>                |

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

**County's Plan**

| Fiscal Year(s) June 30, | Amount              |
|-------------------------|---------------------|
| 2022                    | \$ (55,820)         |
| 2023                    | (55,820)            |
| 2024                    | (43,121)            |
| 2025                    | 20,612              |
| 2026                    | 5,047               |
| Thereafter              | 6,361               |
| <b>Total</b>            | <b>\$ (122,741)</b> |

**School Board's Plan**

| Fiscal Year(s) June 30, | Amount              |
|-------------------------|---------------------|
| 2022                    | \$ (60,429)         |
| 2023                    | (60,429)            |
| 2024                    | (60,429)            |
| 2025                    | (60,429)            |
| 2026                    | (60,429)            |
| Thereafter              | (181,665)           |
| <b>Total</b>            | <b>\$ (483,810)</b> |

**G. Other Postemployment Benefits – Group Life Insurance Program**

***Plan Description***

All full-time, salaried permanent employees of the County, and the School Board non-professional and the School Board professional employees are automatically covered by the VRS Group Life Insurance Program (GLI) upon employment. This plan is administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

COUNTY OF GOOCHLAND, VIRGINIA  
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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. For members who elect the optional GLI coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from the 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 OPEB.

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

| <b>GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b><i>Eligible Employees</i></b></p> <p>The GLI was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program.</p> <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p><b><i>Benefit Amounts</i></b></p> <p>The benefits payable under the GLI have several components.</p> <ul style="list-style-type: none"><li>• Natural Death Benefit – The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled.</li><li>• Accidental Death Benefit – The accidental death benefit is double the natural death benefit.</li><li>• Other Benefit Provisions – In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include:<ul style="list-style-type: none"><li>○ Accidental dismemberment benefit</li><li>○ Safety belt benefit</li><li>○ Repatriation benefit</li><li>○ Felonious assault benefit</li><li>○ Accelerated death benefit option</li></ul></li></ul> |
| <p><b><i>Reduction in Benefit Amounts</i></b></p> <p>The benefit amounts provided to members covered under the GLI 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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p><b><i>Minimum Benefit Amount and Cost-of-Living Adjustment (COLA)</i></b></p> <p>For covered members with at least 30 years of creditable service, there is a minimum benefit payable under GLI. The minimum benefit was set at \$8,000 by statute. This amount will be increased annually based on the VRS Plan 2 COLA and was increased to \$8,616 effective July 1, 2021.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

COUNTY OF GOOCHLAND, VIRGINIA  
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**Contributions**

The contribution requirements for the GLI are governed by Sections 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 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% (1.31% X 60%) and the employer component was 0.54% (1.31% X 40%). Employers may elect to pay all or part of the employee contribution, however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2021 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI from the participating employers for the years ended June 30, 2021 and June 30, 2020 were as follows.

|                               | 2021      | 2020      |
|-------------------------------|-----------|-----------|
| County                        | \$ 75,742 | \$ 70,378 |
| School Board Non-Professional | 4,815     | 4,417     |
| School Board Professional     | 88,173    | 86,084    |

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

At June 30, 2021, the participating employers' reported liabilities for their proportionate share of the net GLI OPEB liabilities are as follows:

|                               | Amount       |
|-------------------------------|--------------|
| County                        | \$ 1,097,428 |
| School Board Non-Professional | 68,923       |
| School Board Professional     | 1,342,412    |

The net GLI OPEB liability was measured as of June 30, 2020 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, 2019, and rolled forward to the measurement date of June 30, 2020. The covered employers' proportion of the net GLI OPEB liability was based on the covered employer's actuarially determined employer contributions to the GLI for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, comparisons of the participating employers' proportions to June 30, 2019 are as follows:

|                               | 2020     | 2019     |
|-------------------------------|----------|----------|
| County                        | 0.06576% | 0.06261% |
| School Board Non-Professional | 0.00413% | 0.00422% |
| School Board Professional     | 0.08044% | 0.08072% |

For the year ended June 30, 2021, the County, School Board non-professional, and School Board professional employees recognized GLI OPEB expense of \$72,435, \$1,433 and \$53,644, respectively. Since there was a change in the proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

At June 30, 2021, the employers reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

**County**

|                                                                                         | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|-----------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience                                      | \$ 70,390                            | \$ 9,856                            |
| Net difference between projected and actual earnings on<br>GLI OPEB program investments | 32,966                               | -                                   |
| Change in assumptions                                                                   | 54,884                               | 22,915                              |
| Changes in proportion                                                                   | 117,559                              | -                                   |
| Employer contributions subsequent to the measurement date                               | 75,742                               | -                                   |
| <b>Total</b>                                                                            | <b>\$ 351,541</b>                    | <b>\$ 32,771</b>                    |

The \$75,742 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, 2022. 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:

| Fiscal Year(s) June 30, | Amount            |
|-------------------------|-------------------|
| 2022                    | \$ 47,115         |
| 2023                    | 56,425            |
| 2024                    | 63,562            |
| 2025                    | 54,878            |
| 2026                    | 18,656            |
| Thereafter              | 2,392             |
| <b>Total</b>            | <b>\$ 243,028</b> |

**School Board Non-Professional Plan**

|                                                                                         | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|-----------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience                                      | \$ 4,421                             | \$ 619                              |
| Net difference between projected and actual earnings on<br>GLI OPEB program investments | 2,070                                | -                                   |
| Change in assumptions                                                                   | 3,447                                | 1,439                               |
| Changes in proportion                                                                   | 2,275                                | 5,002                               |
| Employer contributions subsequent to the measurement date                               | 4,815                                | -                                   |
| <b>Total</b>                                                                            | <b>\$ 17,028</b>                     | <b>\$ 7,060</b>                     |

COUNTY OF GOOCHLAND, VIRGINIA  
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The \$4,815 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, 2022. 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:

| Fiscal Year(s) June 30, | Amount          |
|-------------------------|-----------------|
| 2022                    | \$ (157)        |
| 2023                    | 428             |
| 2024                    | 1,826           |
| 2025                    | 2,558           |
| 2026                    | 506             |
| Thereafter              | (8)             |
| <b>Total</b>            | <b>\$ 5,153</b> |

**School Board Professional Plan**

|                                                                                         | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|-----------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience                                      | \$ 86,103                            | \$ 12,057                           |
| Net difference between projected and actual earnings on<br>GLI OPEB program investments | 40,325                               | -                                   |
| Change in assumptions                                                                   | 67,136                               | 28,030                              |
| Changes in proportion                                                                   | 8,330                                | 8,341                               |
| Employer contributions subsequent to the measurement date                               | 88,353                               | -                                   |
| <b>Total</b>                                                                            | <b>\$ 290,247</b>                    | <b>\$ 48,428</b>                    |

The \$88,353 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, 2022. 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:

| Fiscal Year(s) June 30, | Amount            |
|-------------------------|-------------------|
| 2022                    | \$ 22,672         |
| 2023                    | 34,060            |
| 2024                    | 43,714            |
| 2025                    | 42,646            |
| 2026                    | 9,767             |
| Thereafter              | 607               |
| <b>Total</b>            | <b>\$ 153,466</b> |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Actuarial Assumptions***

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

|                                        |                                                         |
|----------------------------------------|---------------------------------------------------------|
| Inflation                              | 2.5%                                                    |
| Salary increases, including inflation: |                                                         |
| 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* |

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

**School Board Professional Plan**

***Mortality Rates – Teachers***

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

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

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

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

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

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Notes to Financial Statements

**County and School Board Non-Professional Plans**

**Mortality Rates – General Employees**

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

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

*Post-Disablement:* RP-2014 Disability Life Mortality Table projected with Scale BB to 2020; males set forward two years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in 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 are as follows:

|                                                                               |                                                                                           |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Mortality Rates<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014<br>projected to 2020                  |
| Retirement Rates                                                              | Lowered retirement rates at older ages and extended final<br>retirement age from 70 to 75 |
| Withdrawal Rates                                                              | Adjusted termination rates to better fit experience at each<br>age and service year       |
| Disability Rates                                                              | Lowered disability rates                                                                  |
| Salary Scale                                                                  | No change                                                                                 |
| Line of Duty Disability                                                       | Increased rate from 14% to 15%                                                            |
| Discount rate                                                                 | Decreased rate from 7.00% to 6.75%                                                        |

**Mortality Rates – Hazardous Duty Employees**

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

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

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

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in 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 are as follows:

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|                                                                               |                                                                                     |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Mortality Rates<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014<br>projected to 2020            |
| Retirement Rates                                                              | Increased age 50 rates and lowered rates at older ages                              |
| Withdrawal Rates                                                              | Adjusted termination rates to better fit experience at each<br>age and service year |
| Disability Rates                                                              | Adjusted rates to better match experience                                           |
| Salary Scale                                                                  | No change                                                                           |
| Line of Duty Disability                                                       | Decreased rate from 60% to 45%                                                      |
| Discount rate                                                                 | Decreased rate from 7.00% to 6.75%                                                  |

***Net GLI OPEB Liability***

The net OPEB liability (NOL) for the GLI 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, 2020, NOL amounts for the GLI are as follows (amounts expressed in thousands):

|                                                                                | Group Life<br>Insurance OPEB<br>Program |
|--------------------------------------------------------------------------------|-----------------------------------------|
| Total GLI OPEB liability                                                       | \$ 3,523,937                            |
| Plan fiduciary net position                                                    | <u>1,855,102</u>                        |
| <b>Employers' net GLI OPEB liability</b>                                       | <b><u><u>\$ 1,668,835</u></u></b>       |
| Plan fiduciary net position as a percentage of the total<br>GLI OPEB liability | 52.64%                                  |

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 financial statements and required supplementary information.

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Notes to Financial Statements

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

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

| Asset Class (Strategy)               | Logn-Term<br>Target Asset<br>Allocation | Arithmetic<br>Long-Term<br>Expected Rate<br>of Return | Weighted<br>Average<br>Long-Term<br>Expected<br>Rate of<br>Return* |
|--------------------------------------|-----------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------|
| Public Equity                        | 34.00%                                  | 4.65%                                                 | 1.58%                                                              |
| Fixed Income                         | 15.00%                                  | 0.46%                                                 | 0.07%                                                              |
| Credit Strategies                    | 14.00%                                  | 5.38%                                                 | 0.75%                                                              |
| Real Assets                          | 14.00%                                  | 5.01%                                                 | 0.70%                                                              |
| Private Equity                       | 14.00%                                  | 8.34%                                                 | 1.17%                                                              |
| MAPS - Multi-Asset Public Strategies | 6.00%                                   | 3.04%                                                 | 0.18%                                                              |
| PIP - Private Investment Partnership | 3.00%                                   | 6.49%                                                 | 0.19%                                                              |
| <b>Total</b>                         | <b>100.00%</b>                          |                                                       | <b>4.64%</b>                                                       |
|                                      | Inflation                               |                                                       | 2.50%                                                              |
|                                      | * Expected arithmetic nominal return    |                                                       | <b>7.14%</b>                                                       |

\* The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations proved a median return of 6.81%

***Discount Rate***

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2020, the rate contributed by the participating employers for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2020 on, employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Sensitivity of the Participating Employers' Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate***

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

|                               | 1% Decrease<br>(5.75%) | Current<br>Discount Rate<br>(6.75%) | 1%<br>Increase<br>(7.75%) |
|-------------------------------|------------------------|-------------------------------------|---------------------------|
| County                        | \$ 1,442,652           | \$ 1,097,428                        | \$ 817,072                |
| School Board Non-Professional | 90,604                 | 68,923                              | 51,315                    |
| School Board Professional     | 1,764,704              | 1,342,412                           | 999,472                   |

***GLI Fiduciary Net Position***

Detailed information about the GLI's fiduciary net position is available in the separately issued VRS 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at [www.varetire.org/Pdf/Publications/2020-annual-report.pdf](http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf), or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia, 23218-2500.

**H. Other Postemployment Benefits – Health Insurance Credit Program**

***Plan Description***

The County has two types of Health Insurance Credit (HIC) OPEB plans. The first plan, the School Board non-professional plan, is a single-employer plan for political subdivisions. The second plan, the School Board professional plan, is a multiple-employer, cost-sharing employer plan for VRS teacher employees. For the School Board non-professional plan, all full-time, salaried permanent employees of participating political subdivision are automatically covered by the HIC plan upon employment. For the School Board professional plan, all full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the HIC plan upon employment. These plans are administered by the System, along with pension and other OPEB plans, for eligible public employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which their employer contributes to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

The School Board non-professional employees joined the HIC plan effective July 1, 2020.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

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

| POLITICAL SUBDIVISION AND TEACHER EMPLOYEE HIC PLAN PROVISIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>School Board Non-professional plan</b><br/> <b>Eligible Employees</b><br/> The Political Subdivision Retiree HIC was established July 1, 1993 for retired political subdivision employees of employers who elect the benefit and who retire with at least 15 years of service credit.</p> <p>Eligible employees are enrolled automatically upon employment. They include:</p> <ul style="list-style-type: none"> <li>• Full-time permanent salaried employees of the participating political subdivision who are covered under VRS.</li> </ul> <p><b>School Board Professional plan</b><br/> <b>Eligible Employees</b><br/> The Teacher Employee Retiree HIC was established July 1, 1993 for retired Teacher Employees covered under VRS who retire with at least 15 years of service credit.</p> <p>Eligible employees are enrolled automatically upon employment. They include:</p> <ul style="list-style-type: none"> <li>• Full-time permanent (professional) salaried employees of public school divisions covered under VRS.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p><b>School Board Non-professional plan</b><br/> <b>Benefit Amounts</b><br/> The political subdivision's Retiree HIC provides the following benefits for eligible employees:</p> <ul style="list-style-type: none"> <li>• At Retirement – for employees who retire with at least 15 years of service credit, the monthly benefit is \$1.50 per year of service per month with a maximum benefit of \$45.00 per month.</li> <li>• Disability Retirement – for employees who retire on disability or go on long-term disability under the VLDP, the monthly benefit is \$45.00 per month.</li> </ul> <p><b>School Board Professional plan</b><br/> <b>Benefit Amounts</b><br/> The Teacher Employee Retiree HIC provides the following benefits for eligible employees:</p> <ul style="list-style-type: none"> <li>• At Retirement – 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.</li> <li>• Disability Retirement – for teacher and other professional school employees who retire on disability or go on long-term disability under the VLDP, the monthly benefit is either: <ul style="list-style-type: none"> <li>○ \$4.00 per month, multiplied by twice the amount of service credit, or</li> <li>○ \$4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.</li> </ul> </li> </ul> |
| <p><b>Health Insurance Credit Program Notes</b></p> <ul style="list-style-type: none"> <li>• The monthly HIC benefit cannot exceed the individual premium amount</li> <li>• 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.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Employees Covered by Benefit Terms***

**School Board Professional Plan**

As of the June 30, 2019 actuarial valuation, the following employees were covered by the benefit terms of the HIC OPEB plan:

|                         | Number |
|-------------------------|--------|
| Active members          | 21     |
| Total covered employees | 21     |

***Contributions***

**School Board Professional Plan**

The contribution requirement for active employees is governed by Section 51.1-1402(E) of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. For the year ended June 30, 2021, the contractually required employer contribution rates for the School Board non-professional and the School Board professional were 0.56% and 1.21%, respectively, of covered employee compensation. These rates were 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 to the HIC Program from the participating employers for the years ended June 30, 2021 and June 30, 2020 were as follows:

|                               | 2021     | 2020    |
|-------------------------------|----------|---------|
| School Board Non-Professional | \$ 4,994 | \$ -    |
| School Board Professional     | 197,246  | 198,405 |

***HIC OPEB Liability, HIC OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIC OPEB***

At June 30, 2021, the School Board non-professional and professional plans reported liabilities of \$55,510 and \$2,460,318 for their proportionate share of their HIC total OPEB liabilities. The HIC net OPEB liabilities were measured as of June 30, 2020 and the total HIC OPEB liabilities used to calculate the HIC OPEB liabilities were determined by an actuarial valuation performed as of June 30, 2019 and rolled forward to the measurement date of June 30, 2020. The School Board non-professional and professional plan's proportions of the HIC net OPEB liabilities were based on the School Board non-professional and School Board professional plans' actuarially determined employer contributions to their HIC OPEB plans for the year ended June 30, 2019 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, comparisons of the participating employers' proportions to June 30, 2019 are as follows:

|                           | 2020     | 2019     |
|---------------------------|----------|----------|
| School Board Professional | 0.18860% | 0.18782% |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

For the year ended June 30, 2021, the School Board non-professional and School board professional plans recognized HIC OPEB expenses of \$55,510 and \$203,894, respectively. Since there was a change in proportionate share between measurement dates, a portion of the HIC net OPEB expense was related to deferred amounts from changes in proportion.

**School Board Non-professional Plan**

At June 30, 2021, the School Board non-professional plan reported deferred outflows of resources and deferred inflows of resources related to the HIC OPEB from the following sources:

|                                                           | Deferred<br>Outflows of<br>Resources |
|-----------------------------------------------------------|--------------------------------------|
| Employer contributions subsequent to the measurement date | \$ 4,994                             |
| <b>Total</b>                                              | <b>\$ 4,994</b>                      |

The \$4,994 reported as deferred outflows of resources related to the HIC OPEB resulting from the School Board non-professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net HIC OPEB liability in the fiscal year ending June 30, 2022. No other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB are reported until the second year of participation.

**School Board Professional Plan**

At June 30, 2021, the School Board professional plan reported deferred outflows of resources and deferred inflows of resources related to the HIC OPEB from the following sources:

|                                                                                         | Deferred<br>Outflows of<br>Resources | Deferred Inflows of<br>Resources |
|-----------------------------------------------------------------------------------------|--------------------------------------|----------------------------------|
| Differences between expected and actual experience                                      | \$ -                                 | \$ 32,857                        |
| Net difference between projected and actual earnings on<br>HIC OPEB program investments | 10,903                               | -                                |
| Change in assumptions                                                                   | 48,637                               | 13,442                           |
| Changes in proportionate share                                                          | 26,111                               | 21,725                           |
| Employer contributions subsequent to the measurement date                               | 197,246                              | -                                |
| <b>Total</b>                                                                            | <b>\$ 282,897</b>                    | <b>\$ 68,024</b>                 |

The \$197,246 reported as deferred outflows of resources related to the HIC OPEB resulting from the School Board professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net HIC OPEB liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

| Fiscal Year(s) June 30, | Amount           |
|-------------------------|------------------|
| 2022                    | \$ 2,410         |
| 2023                    | 3,490            |
| 2024                    | 3,128            |
| 2025                    | 4,639            |
| 2026                    | 4,137            |
| Thereafter              | (177)            |
| <b>Total</b>            | <b>\$ 17,627</b> |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Actuarial Assumptions***

The total HIC OPEB liability was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

|                                        |                                                         |
|----------------------------------------|---------------------------------------------------------|
| Inflation                              | 2.5%                                                    |
| Salary increases, including inflation: |                                                         |
| Political subdivision employees        | 3.5%-5.35%                                              |
| Teacher employees                      | 3.5%-5.95%                                              |
| Investment rate of return              | 6.75%, net of investment expenses, including inflation* |

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

**School Board NonProfessional Plan**

**Mortality Rates – Non-largest Ten Locality Employers – General and Non-Hazardous Duty Employees**

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

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

*Post-Disablement:* RP-2014 Disability Life Mortality Table projected with Scale BB to 2020; males set forward two years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in 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 are as follows:

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

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**School Board Professional Plan**

**Mortality Rates – Teachers**

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

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

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

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in 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 are as follows:

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

***Net HIC OPEB Liability***

The net OPEB liability (NOL) for the School Board professional plan's HIC 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, 2020, NOL amounts for the School board professional plan's HIC is as follows (amounts expressed in thousands):

|                                           | Teacher<br>Employee HIC<br>OPEB Plan |
|-------------------------------------------|--------------------------------------|
| Total teacher employee HIC OPEB liability | \$ 1,448,676                         |
| Plan fiduciary net position               | <u>144,160</u>                       |
| Teacher employee net HIC OPEB liability   | <u><u>\$ 1,304,516</u></u>           |

|                                                                                                 |       |
|-------------------------------------------------------------------------------------------------|-------|
| Plan fiduciary net position as a percentage of the total<br>teacher employee HIC OPEB liability | 9.95% |
|-------------------------------------------------------------------------------------------------|-------|

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 financial statements and required supplementary information.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

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

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

| Asset Class (Strategy)               | Long-Term<br>Target Asset<br>Allocation | Arithmetic Long-<br>Term Expected Rate<br>of Return | Weighted<br>Average Long-<br>Term Expected<br>Rate of Return* |
|--------------------------------------|-----------------------------------------|-----------------------------------------------------|---------------------------------------------------------------|
| Public Equity                        | 34.00%                                  | 4.65%                                               | 1.58%                                                         |
| Fixed Income                         | 15.00%                                  | 0.46%                                               | 0.07%                                                         |
| Credit Strategies                    | 14.00%                                  | 5.38%                                               | 0.75%                                                         |
| Real Assets                          | 14.00%                                  | 5.01%                                               | 0.70%                                                         |
| Private Equity                       | 14.00%                                  | 8.34%                                               | 1.17%                                                         |
| MAPS - Multi-Asset Public Strategies | 6.00%                                   | 3.04%                                               | 0.18%                                                         |
| PIP - Private Investment Partnership | 3.00%                                   | 6.49%                                               | 0.19%                                                         |
| <b>Total</b>                         | <b>100.00%</b>                          |                                                     | <b>4.64%</b>                                                  |
|                                      | Inflation                               |                                                     | 2.50%                                                         |
|                                      |                                         | * Expected arithmetic nominal return                | <b>7.14%</b>                                                  |

\* The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation. More recent capital assumptions compiled for the FY2020 actuarial valuations provide a median return of 6.81%.

***Discount Rate***

The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2020, the rate contributed by the School Board professional plan for the HIC OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2020 on, employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the HIC OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total HIC OPEB liability.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Changes in Net HIC OPEB Liability***

**School Board Non-professional Plan**

***Sensitivity of the HIC Net OPEB Liability to Changes in the Discount Rate***

The following presents the net HIC OPEB liability using the discount rate of 6.75%, as well as what the net HIC OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate (amounts expressed in thousands):

|                               | 1% Decrease<br>(5.75%) | Current Discount<br>Rate<br>(6.75%) | 1% Increase<br>(7.75%) |
|-------------------------------|------------------------|-------------------------------------|------------------------|
| School Board Non-Professional | \$ 61,196              | \$ 55,510                           | \$ 50,580              |
| School Board Professional     | 2,754,070              | 2,460,318                           | 2,210,651              |

***HIC Credit Program Plan Data***

Information about the VRS Political Subdivision HIC is available in the separately issued VRS 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at [www.varetire.org/Pdf/Publications/2020-annual-report.pdf](http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf), or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia, 23218-2500.

**I. Other Postemployment Benefits – Virginia Local Disability Program**

***Plan Description***

The County has two types of Virginia Local Disability Programs (VLDP) OPEB plans. The first plan, the School Board non-professional plan, is a single-employer plan for political subdivisions. The second plan, the School Board professional plan, is a multiple-employer, cost-sharing employer plan for VRS teacher employees. For the School Board non-professional plan, all full-time, salaried general employees, including local law enforcement officers, firefighters, or emergency medical technicians of the School Board non-professional plan who do not provide enhanced hazardous duty benefits; who are in the VRS Hybrid Retirement Plan benefit structure and whose employer has not elected to opt out of the VRS-sponsored program are automatically covered by the VRS Political Subdivision Employee VLDP. For the School Board professional plan, all full-time, salaried permanent (professional) employees of public school divisions who are in the VRS Hybrid Retirement Plan benefit structure and whose employer has not elected to opt out of the VRS-sponsored program are automatically covered by the VRS Teacher Employee VLDP. These plans are administered by the System, along with pension and other OPEB plans, for eligible public employer groups in the Commonwealth of Virginia. These plans are required by Title 51.1 of the Code of Virginia, as amended, to provide short-term and long-term disability benefits for their Hybrid employees either through a local plan or through the VLDP.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

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

| POLITICAL SUBDIVISION AND TEACHER EMPLOYEE VLDP PLAN PROVISIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>School Board Non-Professional Plan</b></p> <p><i><b>Eligible Employees</b></i></p> <p>The Political Subdivision Employee VLDP was implemented January 1, 2014 to provide short-term and long-term disability benefits for non-work-related and work-related disabilities for employees with Hybrid retirement benefits. Eligible employees are enrolled automatically upon employment, unless their employer has elected to provide comparable coverage. They include:</p> <ul style="list-style-type: none"> <li>• Full-time general employees; including local law enforcement officers, firefighters, or emergency medical technicians who do not have enhanced hazardous duty benefits; of public political subdivisions covered under VRS.</li> </ul> <p><b>School Board Professional Plan</b></p> <p><i><b>Eligible Employees</b></i></p> <p>The Teacher Employee Virginia Local Disability Program was implemented January 1, 2014 to provide short-term and long-term disability benefits for non-work-related and work-related disabilities for employees with Hybrid retirement benefits. Eligible employees are enrolled automatically upon employment, unless their employer has elected to provide comparable coverage. They include:</p> <ul style="list-style-type: none"> <li>• Teachers and other full-time permanent (professional) salaried employees of public school divisions covered under VRS.</li> </ul>                                                                                                                                               |
| <p><b>Benefit Amounts</b></p> <p>The Political Subdivision VLDP provides the following benefits for eligible employees:</p> <ul style="list-style-type: none"> <li>• Short-Term Disability: <ul style="list-style-type: none"> <li>○ The program provides a short-term disability benefit beginning after a seven-calendar-day waiting period from the first day of disability. Employees become eligible for non-work-related short-term disability coverage after one year of continuous participation in VLDP with their current employer.</li> <li>○ During the first five years of continuous participation in VLDP with their current employer, employees are eligible for 60% of their pre-disability income if they go out on non-work-related or work-related disability.</li> <li>○ Once the eligibility period is satisfied, employees are eligible for higher income replacement levels.</li> </ul> </li> <li>• Long-Term Disability: <ul style="list-style-type: none"> <li>○ The VLDP program provides a long-term disability benefit beginning after 125 workdays of short-term disability. Members are eligible if they are unable to work at all or are working fewer than 20 hours per week.</li> <li>○ Members approved for long-term disability will receive 60% of their pre-disability income. If approved for work-related long-term disability, the VLDP benefit will be offset by the workers' compensation benefit. Members will not receive a VLDP benefit if their workers' compensation benefit is greater than the VLDP benefit.</li> </ul> </li> </ul> |
| <p><b>Virginia Local Disability Program Notes</b></p> <ul style="list-style-type: none"> <li>• Members approved for short-term or long-term disability at age 60 or older will be eligible for a benefit, provided they remain medically eligible.</li> <li>• VLDP Long-Term Care Plan is a self-funded program that assists with the cost of covered long-term care services.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**Contributions**

The contribution requirement for active Hybrid employees is governed by Section 51.1-1178(C) of the Code of Virginia, as amended, but may be impacted as a result of funding provided to the School Board non-professional and School Board professional plans by the Virginia General Assembly. For the year ended June 30, 2021, the contractually required employer contribution rates of covered employee compensation for employees in the VLDP for the School Board non-professional and School Board professional plans were 0.83% and 0.47%, respectively. These rates were 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 to the VLDP from the School Board non-professional plan and School Board professional plan to the VLDP from the participating employers for the years ended June 30, 2021 and June 30, 2020 were as follows:

|                               | 2021     | 2020     |
|-------------------------------|----------|----------|
| School Board Non-Professional | \$ 1,913 | \$ 1,318 |
| School Board Professional     | 25,343   | 20,920   |

***VLDP OPEB Liability, VLDP OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the VLDP OPEB***

At June 30, 2021, the School Board non-professional and School Board professional plans reported liabilities of \$490 and \$6,921 for their proportionate share of their VLDP net OPEB liabilities. The VLDP net OPEB liabilities were measured as of June 30, 2020 and the total VLDP OPEB liabilities used to calculate the VLDP net OPEB liabilities were determined by an actuarial valuations performed as of June 30, 2019 and rolled forward to the measurement date of June 30, 2020. The School Board non-professional and School Board professional plans' proportions of the VLDP net OPEB liabilities were based on the School Board non-professional and School Board professional plans' actuarially determined employer contributions to their VLDP OPEB plans for the year ended June 30, 2020 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2020, comparisons of the participating employers' proportions to June 30, 2019 are as follows:

|                               | 2020     | 2019     |
|-------------------------------|----------|----------|
| School Board Non-Professional | 0.04912% | 0.04463% |
| School Board Professional     | 0.95230% | 0.86263% |

For the year ended June 30, 2021, the School Board non-professional and School Board professional plans recognized VLDP OPEB expenses of \$1,396 and \$18,777, respectively. Since there was a change in proportionate share between measurement dates, a portion of the VLDP net OPEB expenses were related to deferred amounts from changes in proportion.

**School Board Non-Professional Plan**

At June 30, 2021, the School Board non-professional plan reported deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB from the following sources:

|                                                                                      | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|--------------------------------------------------------------------------------------|--------------------------------------|----------------------------------|
| Differences between expected and actual experience                                   | \$ 397                               | \$ 575                           |
| Net difference between projected and actual earnings on GLI OPEB program investments | 52                                   | -                                |
| Change in assumptions                                                                | 23                                   | 33                               |
| Changes in proportion                                                                | 43                                   | 80                               |
| Employer contributions subsequent to the measurement date                            | 1,913                                | -                                |
| <b>Total</b>                                                                         | <b>\$ 2,428</b>                      | <b>\$ 688</b>                    |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

The \$1,913 reported as deferred outflows of resources related to the VLDP OPEB resulting from the School Board non-professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net VLDP OPEB liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB will be recognized in the VLDP OPEB expense in future reporting periods as follows:

| Fiscal Year(s) June 30, | Amount          |
|-------------------------|-----------------|
| 2022                    | \$ 31           |
| 2023                    | 30              |
| 2024                    | 31              |
| 2025                    | 31              |
| 2026                    | (62)            |
| Thereafter              | (234)           |
| <b>Total</b>            | <b>\$ (173)</b> |

**School Board Professional Plan**

At June 30, 2021, the School Board professional plan reported deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB from the following sources:

|                                                                                          | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|------------------------------------------------------------------------------------------|--------------------------------------|----------------------------------|
| Differences between expected and actual experience                                       | \$ 3,272                             | \$ 534                           |
| Net difference between projected and actual earnings on<br>VLDP OPEB program investments | 747                                  | -                                |
| Change in assumptions                                                                    | 776                                  | -                                |
| Changes in proportionate share                                                           | -                                    | 783                              |
| Employer contributions subsequent to the measurement date                                | 25,343                               | -                                |
| <b>Total</b>                                                                             | <b>\$ 30,138</b>                     | <b>\$ 1,317</b>                  |

The \$25,343 reported as deferred outflows of resources related to the VLDP OPEB resulting from the School Board professional plan's contributions subsequent to the measurement date will be recognized as a reduction of the net VLDP OPEB liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the VLDP OPEB will be recognized in the VLDP OPEB expense in future reporting periods as follows:

| Fiscal Year(s) June 30, | Amount          |
|-------------------------|-----------------|
| 2022                    | \$ 373          |
| 2023                    | 356             |
| 2024                    | 350             |
| 2025                    | 358             |
| 2026                    | 173             |
| Thereafter              | 1,868           |
| <b>Total</b>            | <b>\$ 3,478</b> |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Actuarial Assumptions***

The total VLDP OPEB liability was based on an actuarial valuation as of June 30, 2019, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020.

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

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

**School Board Non-Professional Plan**

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

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

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

*Post-Disablement:* RP-2014 Disability Life Mortality Table projected with Scale BB to 2020; males set forward two years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in 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 are as follows:

|                                                                               |                                                                                           |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Mortality Rates<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014<br>projected to 2020                  |
| Retirement Rates                                                              | Lowered retirement rates at older ages and extended final<br>retirement age from 70 to 75 |
| Withdrawal Rates                                                              | Adjusted termination rates to better fit experience at each<br>year, age and service      |
| Disability Rates                                                              | Lowered disability rates                                                                  |
| Salary Scale                                                                  | No change                                                                                 |
| Line of Duty Disability                                                       | Increased rate from 14% to 15%                                                            |
| Discount rate                                                                 | Decreased rate from 7.00 to 6.75%                                                         |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

**School Board Professional Plan**

**Mortality Rates – Teachers**

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

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

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

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in 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 are as follows:

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

***Net VLDP OPEB Liability***

The net OPEB liabilities (NOL) for the School Board non-professional and School Board professional plans VLDP represents the programs' total OPEB liabilities determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2020, NOL amounts for the School Board non-professional and School Board professional plans VLDP is as follows (amounts expressed in thousands):

|                                                                                 | School Board             |                                   |
|---------------------------------------------------------------------------------|--------------------------|-----------------------------------|
|                                                                                 | Non-Professional<br>Plan | School Board<br>Professional Plan |
|                                                                                 | VLDP OPEB Plans          |                                   |
| Total VLDP OPEB liability                                                       | \$ 4,317                 | \$ 3,687                          |
| Plan fiduciary net position                                                     | 3,317                    | 2,886                             |
| <b>Employers' net VLDP OPEB liability</b>                                       | <b>\$ 1,000</b>          | <b>\$ 801</b>                     |
| Plan fiduciary net position as a percentage of the total<br>VLDP OPEB liability | 76.84%                   | 78.28%                            |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

The total VLDP OPEB liabilities are calculated by the System's actuary, and the plan's fiduciary net positions are reported in the System's financial statements. The net VLDP OPEB liabilities are disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to financial statements and required supplementary information.

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

The long-term expected rate of return on VRS System investments was determined using a lognormal 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<br>Target Asset<br>Allocation | Arithmetic<br>Long-Term<br>Expected Rate<br>of Return | Weighted<br>Average Long-<br>Term Expected<br>Rate of Return* |
|--------------------------------------|-----------------------------------------|-------------------------------------------------------|---------------------------------------------------------------|
| Public Equity                        | 34.00%                                  | 4.65%                                                 | 1.58%                                                         |
| Fixed Income                         | 15.00%                                  | 0.46%                                                 | 0.07%                                                         |
| Credit Strategies                    | 14.00%                                  | 5.38%                                                 | 0.75%                                                         |
| Real Assets                          | 14.00%                                  | 5.01%                                                 | 0.70%                                                         |
| Private Equity                       | 14.00%                                  | 8.34%                                                 | 1.17%                                                         |
| MAPS - Multi-Asset Public Strategies | 6.00%                                   | 3.04%                                                 | 0.18%                                                         |
| PIP - Private Investment Partnership | 3.00%                                   | 6.49%                                                 | 0.19%                                                         |
| <b>Total</b>                         | <b>100.00%</b>                          |                                                       | <b>4.64%</b>                                                  |
|                                      | Inflation                               |                                                       | <b>2.50%</b>                                                  |
|                                      |                                         |                                                       | <b>7.14%</b>                                                  |

\* Expected arithmetic nominal return

\* The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations provide a median return of 6.81%.

***Discount Rate***

The discount rate used to measure the total VLDP 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 at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2020, the rate contributed by the School Board non-professional and School Board professional plans for the VLDP will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2020 on, all agencies are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the School Board non-professional and School board professional plans VLDP OPEB plans' fiduciary net positions were 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 School Board non-professional School Board professional plans VLDP OPEB liabilities.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

***Sensitivity of the VLDP Net OPEB Liability to Changes in the Discount Rate***

The following presents the proportionate share of the net VLDP OPEB liabilities using the discount rate of 6.75%, as well as what the proportionate share of the net VLDP OPEB liabilities would be if they 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:

| Proportionate Share of the VLDP OPEB<br>Plan Net VLDP OPEB Liability | 1% Decrease<br>(5.75%) | Current<br>Discount Rate<br>(6.75%) | 1% Increase<br>(7.75%) |
|----------------------------------------------------------------------|------------------------|-------------------------------------|------------------------|
| School Board Non-Professional                                        | \$ 658                 | \$ 490                              | \$ 345                 |
| School Board Professional                                            | 10,775                 | 6,921                               | 3,594                  |

***VLDP OPEB Fiduciary Net Position***

Detailed information about the School Board non-professional plan VLDP's Fiduciary Net Position is available in the separately issued VRS 2020 Comprehensive Annual Financial Report (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at [www.varetire.org/Pdf/Publications/2020-annual-report.pdf](http://www.varetire.org/Pdf/Publications/2020-annual-report.pdf), or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

**J. Tax abatements**

Goochland County enters into property tax abatement agreements with local businesses on an individual basis. All property tax abatement agreements are based on performance agreements between Goochland County, the EDA, and the local business and are approved by the Goochland County Board of Supervisors and the EDA Board. The County provides the agreed upon tax abatement payments to the EDA, and then the EDA pays the local business if the terms of the agreement have been met. Goochland County and the EDA have tax abatement agreements with four entities as of June 30, 2021.

For the fiscal year-ended June 30, 2021, the County abated \$92,009 in property taxes.

**K. Pending GASB statements**

At June 30, 2021, the Governmental Accounting Standards Board (GASB) had issued statements not yet implemented by the County. The statements which might impact the County are as follows:

GASB Statement No. 87, *Leases*, will increase the usefulness of the Company's financial statements by requiring reporting of certain lease assets and liabilities and deferred inflows of resources for leases that previously were classified as operating leases. Statement No. 87 will be effective for fiscal years beginning after June 15, 2021.

GASB Statement No. 91, *Conduit Debt Obligations*, The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Statement No. 91 will be effective for reporting periods beginning after December 15, 2021.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements

GASB Statement No. 92, *Omnibus 2020*, provides guidance to enhance comparability in accounting and financial reporting for leases, pension plans, postemployment benefit arrangements, and a wide range of other accounting and financial reporting issues that have been identified during the implementation and application of certain GASB statements. The requirements related to GASB Statement No. 87, *Leases*, and its associated Implementation Guide are effective upon issuance. The requirements related to GASB statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assess That Are Not within Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement 67 and 68*, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and GASB Statement No. 84, *Fiduciary Activities*, and the measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition will be effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, addresses the accounting and financial reporting implications resulting from global reference rate reform, specifically, the extinction of the London Interbank Offered Rate (LIBOR). This statement would remove LIBOR as an appropriate benchmark interest rate for qualitative evaluation of the effectiveness of an interest rate swap. Portions of Statement 93 will be effective for reporting periods beginning after June 15, 2021 and December 31, 2021.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, will improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. Statement No. 94 will be effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based information Technology Arrangements*, will provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). Statement No. 96 will be effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, will (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Statement No. 97 will be effective for fiscal years beginning after June 15, 2021.

Management has not determined the effects these new Statements may have on prospective financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**Schedule of Changes in the County Net Pension Liability and Related Ratios -  
Virginia Retirement System**

|                                                                            | Fiscal Year June 30, |               |               |               |               |               |               |
|----------------------------------------------------------------------------|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                                            | 2014                 | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          |
| Total pension liability:                                                   |                      |               |               |               |               |               |               |
| Service Cost                                                               | \$ 1,009,510         | \$ 1,130,059  | \$ 1,224,914  | \$ 1,222,010  | \$ 1,310,519  | \$ 1,391,535  | \$ 1,622,459  |
| Interest                                                                   | 1,697,680            | 1,815,347     | 1,944,652     | 2,091,477     | 2,179,856     | 2,347,851     | 2,455,052     |
| Changes of assumptions                                                     | -                    | -             | -             | (232,989)     | -             | 1,112,814     | -             |
| Difference between expected and actual experience                          | -                    | 17,229        | 119,708       | (476,088)     | 305,794       | (445,032)     | 1,475,868     |
| Benefit Payments, including refunds of employee contributions              | (827,416)            | (1,225,029)   | (1,005,819)   | (1,377,730)   | (1,305,975)   | (1,486,516)   | (1,667,002)   |
| Net change in total pension liability                                      | 1,879,774            | 1,737,606     | 2,283,455     | 1,226,680     | 2,490,194     | 2,920,652     | 3,886,377     |
| Total pension liability, beginning                                         | 24,666,276           | 26,546,050    | 28,283,656    | 30,567,111    | 31,793,791    | 34,283,985    | 37,204,637    |
| Total pension liability, ending (a)                                        | \$ 26,546,050        | \$ 28,283,656 | \$ 30,567,111 | \$ 31,793,791 | \$ 34,283,985 | \$ 37,204,637 | \$ 41,091,014 |
| Plan fiduciary net position:                                               |                      |               |               |               |               |               |               |
| Contributions - employer                                                   | \$ 1,098,298         | \$ 939,774    | \$ 984,325    | \$ 879,535    | \$ 978,181    | \$ 1,044,355  | \$ 1,146,002  |
| Contributions - employee                                                   | 438,821              | 460,160       | 477,799       | 494,180       | 551,069       | 597,243       | 653,061       |
| Net investment income                                                      | 3,429,951            | 1,172,620     | 487,177       | 3,387,664     | 2,309,297     | 2,267,305     | 691,450       |
| Benefit payments, including refunds of employee contributions              | (827,416)            | (1,225,029)   | (1,005,819)   | (1,377,730)   | (1,305,975)   | (1,486,516)   | (1,667,002)   |
| Administrative expense                                                     | (17,703)             | (15,681)      | (16,227)      | (19,177)      | (19,386)      | (21,628)      | (22,963)      |
| Other                                                                      | 181                  | (249)         | (202)         | (3,032)       | (2,081)       | (1,434)       | (828)         |
| Net change in plan fiduciary net position                                  | 4,122,132            | 1,331,595     | 927,053       | 3,361,440     | 2,511,105     | 2,399,325     | 799,720       |
| Plan fiduciary net position - beginning                                    | 21,278,610           | 25,400,742    | 26,732,337    | 27,659,390    | 31,020,830    | 33,531,935    | 35,931,260    |
| Plan fiduciary net position - ending (b)                                   | \$ 25,400,742        | \$ 26,732,337 | \$ 27,659,390 | \$ 31,020,830 | \$ 33,531,935 | \$ 35,931,260 | \$ 36,730,980 |
| Net pension liability - ending (a)-(b)                                     | \$ 1,145,308         | \$ 1,551,319  | \$ 2,907,721  | \$ 772,961    | \$ 752,050    | \$ 1,273,377  | \$ 4,360,034  |
| Plan fiduciary net position as a percentage of the total pension liability | 95.69%               | 94.52%        | 90.49%        | 97.57%        | 97.81%        | 96.58%        | 89.39%        |
| Covered payroll                                                            | \$ 9,355,179         | \$ 9,186,452  | \$ 9,621,945  | \$ 9,904,673  | \$ 11,015,552 | \$ 11,854,200 | \$ 13,007,968 |
| Net pension liability as a percentage of covered payroll                   | 12.24%               | 16.89%        | 30.22%        | 7.80%         | 6.83%         | 10.74%        | 33.52%        |

**Note to Schedule:**

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years which information is available.

**Schedule of Changes in the School Board Non-Professional Net Pension Liability and Related Ratios - Virginia Retirement System**

|                                                                            | Fiscal Year June 30, |              |              |              |              |              |              |
|----------------------------------------------------------------------------|----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                                                            | 2014                 | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         |
| Total pension liability:                                                   |                      |              |              |              |              |              |              |
| Service Cost                                                               | \$ 85,613            | \$ 87,520    | \$ 83,222    | \$ 83,351    | \$ 71,494    | \$ 77,102    | \$ 81,613    |
| Interest                                                                   | 231,123              | 245,059      | 266,650      | 273,513      | 282,676      | 288,724      | 296,794      |
| Changes of assumptions                                                     | -                    | -            | -            | (8,144)      | -            | 114,979      | -            |
| Difference between expected and actual experience                          | -                    | 107,899      | (96,074)     | (33,951)     | (71,899)     | (876)        | 2,872        |
| Benefit Payments, including refunds of employee contributions              | (105,866)            | (129,446)    | (134,628)    | (176,864)    | (190,884)    | (200,855)    | (214,373)    |
| Net change in total pension liability                                      | 210,870              | 311,032      | 119,170      | 137,905      | 91,387       | 279,074      | 166,906      |
| Total pension liability, beginning                                         | 3,354,693            | 3,565,563    | 3,876,595    | 3,995,765    | 4,133,670    | 4,225,057    | 4,504,131    |
| Total pension liability, ending (a)                                        | \$ 3,565,563         | \$ 3,876,595 | \$ 3,995,765 | \$ 4,133,670 | \$ 4,225,057 | \$ 4,504,131 | \$ 4,671,037 |
| Plan fiduciary net position:                                               |                      |              |              |              |              |              |              |
| Contributions - employer                                                   | \$ 78,372            | \$ 68,960    | \$ 71,588    | \$ 48,627    | \$ 51,794    | \$ 42,929    | \$ 42,568    |
| Contributions - employee                                                   | 51,366               | 37,319       | 38,550       | 34,502       | 36,688       | 39,770       | 39,821       |
| Net investment income                                                      | 481,752              | 162,620      | 64,336       | 449,637      | 299,296      | 281,143      | 84,140       |
| Benefit Payments, including refunds of employee contributions              | (105,866)            | (129,446)    | (134,628)    | (176,864)    | (190,884)    | (200,855)    | (214,373)    |
| Administrative expense                                                     | (2,549)              | (2,217)      | (2,281)      | (2,638)      | (2,617)      | (2,841)      | (2,920)      |
| Other                                                                      | 25                   | (33)         | (27)         | (398)        | (265)        | (177)        | (99)         |
| Net change in plan fiduciary net position                                  | 503,100              | 137,203      | 37,538       | 352,866      | 194,012      | 159,969      | (50,863)     |
| Plan fiduciary net position - beginning                                    | 3,039,379            | 3,542,479    | 3,679,682    | 3,717,220    | 4,070,086    | 4,264,098    | 4,424,067    |
| Plan fiduciary net position - ending (b)                                   | \$ 3,542,479         | \$ 3,679,682 | \$ 3,717,220 | \$ 4,070,086 | \$ 4,264,098 | \$ 4,424,067 | \$ 4,373,204 |
| Net pension liability (asset) - ending (a)-(b)                             | \$ 23,084            | \$ 196,913   | \$ 278,545   | \$ 63,584    | \$ (39,041)  | \$ 80,064    | \$ 297,833   |
| Plan fiduciary net position as a percentage of the total pension liability | 99.35%               | 94.92%       | 93.03%       | 98.46%       | 100.92%      | 98.22%       | 93.62%       |
| Covered payroll                                                            | \$ 769,107           | \$ 747,129   | \$ 775,601   | \$ 694,671   | \$ 739,914   | \$ 794,981   | \$ 788,296   |
| Net pension liability (asset) as a percentage of covered payroll           | 3.00%                | 26.36%       | 35.91%       | 9.15%        | -5.28%       | 10.07%       | 37.78%       |

**Note to Schedule:**

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board will present information for those years which information is available.

Schedule of Employer's Share of Net Pension Liability - VRS Teacher Retirement Plan  
(Cost-Sharing)

|                                                                                                    | Fiscal Year June 30, |               |               |               |               |               |               |
|----------------------------------------------------------------------------------------------------|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                                                                    | 2014                 | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          |
| Employer's proportion of the net pension liability                                                 | 0.18686%             | 0.18865%      | 0.18811%      | 0.18557%      | 0.18799%      | 0.18520%      | 0.18602%      |
| Employer's proportionate share of the net pension liability                                        | \$ 22,581,000        | \$ 23,744,000 | \$ 26,362,000 | \$ 22,821,000 | \$ 22,108,000 | \$ 24,373,372 | \$ 27,070,795 |
| Employer's covered payroll                                                                         | 13,665,309           | 14,026,124    | 14,342,930    | 14,793,145    | 15,312,028    | 15,136,856    | 15,764,190    |
| Employer's proportionate share of the net pension liability as a percentage of its covered payroll | 165.24%              | 169.28%       | 183.80%       | 154.27%       | 144.38%       | 161.02%       | 171.72%       |
| Plan fiduciary net position as a percentage of the total pension liability                         | 70.88%               | 70.68%        | 68.28%        | 72.92%        | 74.81%        | 73.51%        | 71.47%        |

Note to Schedule:

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board will present information for those years which information is available.

## Schedule of Employer Contributions - Virginia Retirement System

| County                                           | Fiscal Year June 30, |              |              |              |               |               |               |               |
|--------------------------------------------------|----------------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
|                                                  | 2014                 | 2015         | 2016         | 2017         | 2018          | 2019          | 2020          | 2021          |
| Contractually required contribution (CRC)        | \$ 1,098,298         | \$ 939,774   | \$ 984,325   | \$ 879,535   | \$ 978,181    | \$ 1,044,355  | \$ 1,146,002  | \$ 1,381,278  |
| Contributions in relation to the CRC             | 1,098,298            | 939,774      | 984,325      | 879,535      | 978,181       | 1,044,355     | 1,146,002     | 1,381,278     |
| Contribution deficiency                          | \$ -                 | \$ -         | \$ -         | \$ -         | \$ -          | \$ -          | \$ -          | \$ -          |
| Employer's covered payroll                       | \$ 9,355,179         | \$ 9,186,452 | \$ 9,621,945 | \$ 9,904,673 | \$ 11,015,552 | \$ 11,854,200 | \$ 13,007,968 | \$ 13,966,411 |
| Contributions as a percentage of covered payroll | 11.74%               | 10.23%       | 10.23%       | 8.88%        | 8.88%         | 8.81%         | 8.81%         | 9.89%         |

| School Board Non-professional                    | Fiscal Year June 30, |            |            |            |            |            |            |            |
|--------------------------------------------------|----------------------|------------|------------|------------|------------|------------|------------|------------|
|                                                  | 2014                 | 2015       | 2016       | 2017       | 2018       | 2019       | 2020       | 2021       |
| Contractually required contribution (CRC)        | \$ 78,372            | \$ 68,960  | \$ 71,588  | \$ 48,627  | \$ 51,794  | \$ 42,929  | \$ 42,568  | \$ 52,433  |
| Contributions in relation to the CRC             | 78,372               | 68,960     | 71,588     | 48,627     | 51,794     | 42,929     | 42,568     | 52,433     |
| Contribution deficiency                          | \$ -                 | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       |
| Employer's covered payroll                       | \$ 769,107           | \$ 747,129 | \$ 775,601 | \$ 694,671 | \$ 739,914 | \$ 794,981 | \$ 788,296 | \$ 891,718 |
| Contributions as a percentage of covered payroll | 10.19%               | 9.23%      | 9.23%      | 7.0%       | 7.0%       | 5.4%       | 5.4%       | 5.9%       |

| School Board Professional                        | Fiscal Year June 30, |               |               |               |               |               |               |               |
|--------------------------------------------------|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                  | 2014                 | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          |
| Contractually required contribution (CRC)        | \$ 1,593,375         | \$ 2,033,788  | \$ 2,016,616  | \$ 2,168,675  | \$ 2,498,923  | \$ 2,373,459  | \$ 2,471,825  | \$ 2,709,831  |
| Contributions in relation to the CRC             | 1,593,375            | 2,033,788     | 2,016,616     | 2,168,675     | 2,498,923     | 2,373,459     | 2,471,825     | 2,709,831     |
| Contribution deficiency                          | \$ -                 | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| Employer's covered payroll                       | \$ 13,665,309        | \$ 14,026,124 | \$ 14,342,930 | \$ 14,793,145 | \$ 15,312,028 | \$ 15,136,856 | \$ 15,764,190 | \$ 16,304,639 |
| Contributions as a percentage of covered payroll | 11.66%               | 14.50%        | 14.06%        | 14.66%        | 16.32%        | 15.68%        | 15.68%        | 16.62%        |

**Note to Schedule:**

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Required Supplementary Information – Virginia Retirement System  
Year Ended June 30, 2021

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

**County and School Board Non-Professional:**

***General Employees***

|                                                                               |                                                                                                     |
|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Mortality Rates<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014 projected<br>to 2020                            |
| Retirement Rates                                                              | Lowered retirement rates at older ages and extended final<br>retirement age from 70 to 75           |
| Withdrawal Rates                                                              | Adjusted rates to better fit experience each year, age and<br>service through nine years of service |
| Disability Rates                                                              | Lowered rates                                                                                       |
| Salary Scale                                                                  | No change                                                                                           |
| Line of Duty Disability                                                       | Increased rate from 14% to 15%                                                                      |
| Discount rate                                                                 | Decreased rate from 7.00% to 6.75%                                                                  |

***Public Safety Employees with Hazardous Duty Benefits***

|                                                                               |                                                                                                     |
|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Mortality Rates<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014 projected<br>to 2020                            |
| Retirement Rates                                                              | Increased age 50 rates, and lowered rates at older ages                                             |
| Withdrawal Rates                                                              | Adjusted rates to better fit experience each year, age and<br>service through nine years of service |
| Disability Rates                                                              | Adjusted rates to better fit experience                                                             |
| Salary Scale                                                                  | No change                                                                                           |
| Line of Duty Disability                                                       | Decreased rate from 60% to 45%                                                                      |
| Discount rate                                                                 | Decreased rate from 7.00% to 6.75%                                                                  |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Required Supplementary Information – Virginia Retirement System  
Year Ended June 30, 2021

**School Board Professional:**

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

**Schedules of Changes in the County's Total OPEB Liability and Related Ratios -  
Retiree Healthcare Plan**

|                                                           | Fiscal Year June 30, |              |               |
|-----------------------------------------------------------|----------------------|--------------|---------------|
|                                                           | 2018                 | 2019         | 2020          |
| Total OPEB liability:                                     |                      |              |               |
| Service cost                                              | \$ 101,564           | \$ 69,571    | \$ 78,719     |
| Interest                                                  | 78,797               | 69,288       | 66,156        |
| Changes of benefit terms                                  | -                    | -            | 597,080       |
| Differences between expected and actual actual experience | (473,918)            | -            | (177,559)     |
| Changes of assumptions or other inputs                    | (83,233)             | 108,205      | 214,202       |
| Benefit payments                                          | (86,881)             | (90,442)     | (89,566)      |
| Net change in total OPEB liability                        | (463,671)            | 156,622      | 689,032       |
| Total OPEB liability - beginning                          | 2,356,562            | 1,892,891    | 2,049,513     |
| Total OPEB liability - ending                             | \$ 1,892,891         | \$ 2,049,513 | \$ 2,738,545  |
| Covered payroll                                           | \$ 4,900,000         | \$ 5,047,000 | \$ 13,677,636 |
| Total OPEB liability as a percentage of covered payroll   | 38.63%               | 40.61%       | 20.02%        |

**Note to Schedule:**

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years which information is available.

**Schedules of Changes in the School Board's Total OPEB Liability and Related Ratios - Retiree Healthcare Plan**

|                                                         | Fiscal Year June 30, |               |               |
|---------------------------------------------------------|----------------------|---------------|---------------|
|                                                         | 2018                 | 2019          | 2020          |
| Total OPEB liability:                                   |                      |               |               |
| Service cost                                            | \$ 152,052           | \$ 167,803    | \$ 187,593    |
| Interest                                                | 66,186               | 66,993        | 66,894        |
| Differences between expected and actual experience      | (18,395)             | -             | (437,562)     |
| Changes of assumptions or other inputs                  | (264,617)            | 86,766        | (33,162)      |
| Benefit payments                                        | (128,575)            | (76,999)      | (84,925)      |
| Net change in total OPEB liability                      | (193,349)            | 244,563       | (301,162)     |
| Total OPEB liability - beginning                        | 2,018,338            | 1,824,989     | 2,069,552     |
| Total OPEB liability - ending                           | \$ 1,824,989         | \$ 2,069,552  | \$ 1,768,390  |
| Covered payroll                                         | \$ 18,879,003        | \$ 19,445,373 | \$ 20,041,618 |
| Total OPEB liability as a percentage of covered payroll | 9.67%                | 10.64%        | 8.82%         |

**Note to Schedule:**

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board will present information for those years which information is available.

**Schedule of Employer's Share of Net OPEB Liability -  
Group Life Insurance Program**

|                                                                                                     | Fiscal Year June 30, |               |               |               |
|-----------------------------------------------------------------------------------------------------|----------------------|---------------|---------------|---------------|
|                                                                                                     | 2017                 | 2018          | 2019          | 2020          |
| County:                                                                                             |                      |               |               |               |
| Employer's proportion of the net GLI OPEB liability                                                 | 0.05508%             | 0.06003%      | 0.06261%      | 0.06576%      |
| Employer's proportionate share of the net GLI OPEB liability                                        | \$ 829,000           | \$ 912,000    | \$ 1,018,831  | \$ 1,097,428  |
| Employer's covered payroll                                                                          | \$ 10,160,000        | \$ 11,423,077 | \$ 12,273,077 | \$ 13,534,423 |
| Employer's proportionate share of the net GLI OPEB liability as a percentage of its covered payroll | 8.16%                | 7.98%         | 8.30%         | 8.11%         |
| Plan fiduciary net position as a percentage of the total GLI OPEB liability                         | 48.86%               | 51.22%        | 52.00%        | 52.64%        |
| School Board Non-Professional:                                                                      |                      |               |               |               |
| Employer's proportion of the net GLI OPEB liability                                                 | 0.00386%             | 0.00401%      | 0.00422%      | 0.41300%      |
| Employer's proportionate share of the net GLI OPEB liability                                        | \$ 59,000            | \$ 61,000     | \$ 68,671     | \$ 68,923     |
| Employer's covered payroll                                                                          | \$ 711,346           | \$ 761,731    | \$ 826,923    | \$ 849,423    |
| Employer's proportionate share of the net GLI OPEB liability as a percentage of its covered payroll | 8.29%                | 8.01%         | 8.30%         | 8.11%         |
| Plan fiduciary net position as a percentage of the total GLI OPEB liability                         | 48.86%               | 51.22%        | 52.00%        | 52.64%        |
| School Board Professional:                                                                          |                      |               |               |               |
| Employer's proportion of the net GLI OPEB liability                                                 | 0.08065%             | 0.08116%      | 0.08072%      | 0.80440%      |
| Employer's proportionate share of the net GLI OPEB liability                                        | \$ 1,214,000         | \$ 1,233,000  | \$ 1,313,529  | \$ 1,342,412  |
| Employer's covered payroll                                                                          | \$ 14,875,962        | \$ 15,432,115 | \$ 15,826,923 | \$ 16,554,615 |
| Employer's proportionate share of the net GLI OPEB liability as a percentage of its covered payroll | 8.16%                | 7.99%         | 8.30%         | 8.11%         |
| Plan fiduciary net position as a percentage of the total GLI OPEB liability                         | 48.86%               | 51.22%        | 52.00%        | 52.64%        |

**Note to Schedule:**

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County and the School Board non-professional, and the School Board professional will present information for those years for which information is available.

**Schedule of Employer Contributions - OPEB -  
Group Life Insurance Program**

| County                                           | Fiscal Year June 30, |              |              |               |               |               |               |               |               |               |
|--------------------------------------------------|----------------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                  | 2012                 | 2013         | 2014         | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          |
| Contractually required contribution (CRC)        | \$ 31,889            | \$ 41,558    | \$ 46,143    | \$ 48,960     | \$ 51,657     | \$ 52,832     | \$ 59,400     | \$ 63,820     | \$ 70,379     | \$ 75,742     |
| Contributions in relation to the CRC             | 31,889               | 41,558       | 46,143       | 48,960        | 51,657        | 52,832        | 59,400        | 63,820        | 70,379        | 75,742        |
| Contribution deficiency (excess)                 | \$ -                 | \$ -         | \$ -         | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| Employer's covered payroll                       | \$ 11,388,929        | \$ 8,657,917 | \$ 9,613,125 | \$ 10,200,000 | \$ 10,761,875 | \$ 10,160,000 | \$ 11,423,077 | \$ 12,273,077 | \$ 13,534,423 | \$ 14,026,296 |
| Contributions as a percentage of covered payroll | 0.28%                | 0.48%        | 0.48%        | 0.48%         | 0.48%         | 0.52%         | 0.52%         | 0.52%         | 0.52%         | 0.54%         |

| School Board Non-Professional                    | Fiscal Year June 30, |            |            |            |            |            |            |            |            |            |
|--------------------------------------------------|----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                                                  | 2012                 | 2013       | 2014       | 2015       | 2016       | 2017       | 2018       | 2019       | 2020       | 2021       |
| Contractually required contribution (CRC)        | \$ 3,316             | \$ 3,934   | \$ 4,076   | \$ 3,964   | \$ 4,140   | \$ 3,699   | \$ 3,961   | \$ 4,300   | \$ 4,417   | \$ 4,815   |
| Contributions in relation to the CRC             | 3,316                | 3,934      | 4,076      | 3,964      | 4,140      | 3,699      | 3,961      | 4,300      | 4,417      | 4,815      |
| Contribution deficiency (excess)                 | \$ -                 | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       |
| Employer's covered payroll                       | \$ 1,184,286         | \$ 819,583 | \$ 849,167 | \$ 825,833 | \$ 862,500 | \$ 711,346 | \$ 761,731 | \$ 826,923 | \$ 849,423 | \$ 891,667 |
| Contributions as a percentage of covered payroll | 0.28%                | 0.48%      | 0.48%      | 0.48%      | 0.48%      | 0.52%      | 0.52%      | 0.52%      | 0.52%      | 0.54%      |

| School Board Professional                        | Fiscal Year June 30, |               |               |               |               |               |               |               |               |               |
|--------------------------------------------------|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                  | 2012                 | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          |
| Contractually required contribution (CRC)        | \$ 56,035            | \$ 67,239     | \$ 72,520     | \$ 74,477     | \$ 76,287     | \$ 77,355     | \$ 80,247     | \$ 82,300     | \$ 86,084     | \$ 88,353     |
| Contributions in relation to the CRC             | 56,035               | 67,239        | 72,520        | 74,477        | 76,287        | 77,355        | 80,247        | 82,300        | 86,084        | 88,353        |
| Contribution deficiency (excess)                 | \$ -                 | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| Employer's covered payroll                       | \$ 20,012,500        | \$ 14,008,125 | \$ 15,108,333 | \$ 15,516,042 | \$ 15,893,125 | \$ 14,875,962 | \$ 15,432,115 | \$ 15,826,923 | \$ 16,554,615 | \$ 16,361,667 |
| Contributions as a percentage of covered payroll | 0.28%                | 0.48%         | 0.48%         | 0.48%         | 0.48%         | 0.52%         | 0.52%         | 0.52%         | 0.52%         | 0.54%         |

**Schedule of Changes in the School Board Non-professional Plan Net OPEB Liability  
and Related Ratios - Health Insurance Credit Program**

|                                                                            | Fiscal Year June 30,<br>2020 |
|----------------------------------------------------------------------------|------------------------------|
| Total OPEB liability:                                                      |                              |
| Service Cost                                                               | \$ -                         |
| Interest                                                                   | -                            |
| Change in benefit terms                                                    | 55,510                       |
| Changes of assumptions                                                     | -                            |
| Difference between expected and actual experience                          | -                            |
| Benefit Payments, including refunds of employee contributions              | -                            |
| Net change in total pension liability                                      | 55,510                       |
| Total OPEB liability, beginning                                            | -                            |
| Total OPEB liability, ending (a)                                           | \$ 55,510                    |
| Plan fiduciary net position:                                               |                              |
| Contributions - employer                                                   | \$ -                         |
| Contributions - employee                                                   | -                            |
| Net investment income                                                      | -                            |
| Benefit payments, including refunds of employee contributions              | -                            |
| Administrative expense                                                     | -                            |
| Other                                                                      | -                            |
| Net change in plan fiduciary net position                                  | -                            |
| Plan fiduciary net position - beginning                                    | -                            |
| Plan fiduciary net position - ending (b)                                   | \$ -                         |
| Net OPEB liability - ending (a)-(b)                                        | \$ 55,510                    |
| Plan fiduciary net position as a percentage of the total pension liability | 0.00%                        |
| Covered payroll                                                            | \$ 788,296                   |
| Net OPEB liability as a percentage of covered payroll                      | 7.04%                        |

**Note to Schedule:**

(1)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board will present information for those years which information is available.

(2) School Board Non-professional employees joined the Health Insurance Credit Program Plan effective July 1, 2020.

**Schedule of Changes in the School Board Professional Plan Net OPEB Liability and Related Ratios - Health Insurance Credit Program**

| <i>School Board Profesional</i>                                                                     | Fiscal Year June 30, |               |               |               |
|-----------------------------------------------------------------------------------------------------|----------------------|---------------|---------------|---------------|
|                                                                                                     | 2017                 | 2018          | 2019          | 2020          |
| Employer's proportion of the net HIC OPEB liability                                                 | 0.18745%             | 0.18971%      | 0.18782%      | 0.18860%      |
| Employer's proportionate share of the net HIC OPEB liability                                        | \$ 2,378,000         | \$ 2,408,000  | \$ 2,458,747  | \$ 2,460,318  |
| Employer's covered payroll                                                                          | \$ 16,393,243        | \$ 15,258,226 | \$ 15,753,750 | \$ 16,533,750 |
| Employer's proportionate share of the net HIC OPEB liability as a percentage of its covered payroll | 14.51%               | 15.78%        | 15.61%        | 14.88%        |
| Plan fiduciary net position as a percentage of the total HIC OPEB liability                         | 7.04%                | 8.08%         | 8.97%         | 9.95%         |

**Note to Schedule:**

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board professional and non-professional plans will present information for those years which information is available.

***Schedule of School Board Non-Professional Plan Contributions - OPEB -  
Health Insurance Credit Program***

|                                           | Fiscal Year June 30, |         |
|-------------------------------------------|----------------------|---------|
|                                           | 2021                 |         |
| Contractually required contribution (CRC) | \$                   | 4,994   |
| Contributions in relation to the CRC      |                      | 4,994   |
| Contribution deficiency (excess)          | \$                   | -       |
| Employer's covered payroll                | \$                   | 891,786 |
| payroll                                   |                      | 0.56%   |

**Schedule of School Board Professional Plan Contributions - OPEB -  
Health Insurance Credit Program**

|                                                  | Fiscal Year June 30, |               |               |               |               |               |               |               |               |               |
|--------------------------------------------------|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                  | 2012                 | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          |
| Contractually required contribution (CRC)        | \$ 137,547           | \$ 147,734    | \$ 159,884    | \$ 165,508    | \$ 169,247    | \$ 181,965    | \$ 189,202    | \$ 189,045    | \$ 198,405    | \$ 197,246    |
| Contributions in relation to the CRC             | 137,547              | 147,734       | 159,884       | 165,508       | 169,247       | 181,965       | 189,202       | 189,045       | 198,405       | 197,246       |
| Contribution deficiency (excess)                 | \$ -                 | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| Employer's covered payroll                       | \$ 22,924,500        | \$ 13,309,369 | \$ 14,403,964 | \$ 15,613,962 | \$ 15,966,698 | \$ 16,393,243 | \$ 15,258,226 | \$ 15,753,750 | \$ 16,533,750 | \$ 16,301,322 |
| Contributions as a percentage of covered payroll | 0.60%                | 1.11%         | 1.11%         | 1.06%         | 1.06%         | 1.11%         | 1.24%         | 1.20%         | 1.20%         | 1.21%         |

**Schedule of School Board Plan Share of Net OPEB Liability -  
Virginia Local Disability Program**

| <b>School Board Non-Professional</b>                                                                 | Fiscal Year June 30, |            |            |            |
|------------------------------------------------------------------------------------------------------|----------------------|------------|------------|------------|
|                                                                                                      | 2017                 | 2018       | 2019       | 2020       |
| Employer's proportion of the net VLDP OPEB liability                                                 | 0.0588%              | 0.05765%   | 0.04463%   | 0.04912%   |
| Employer's proportionate share of the net VLDP OPEB liability                                        | \$ 1,000             | \$ 1,000   | \$ 904     | \$ 490     |
| Employer's covered payroll                                                                           | \$ 108,001           | \$ 139,976 | \$ 137,917 | \$ 183,056 |
| Employer's proportionate share of the net VLDP OPEB liability as a percentage of its covered payroll | 0.9259%              | 0.7144%    | 0.6555%    | 0.2677%    |
| Plan fiduciary net position as a percentage of the total VLDP OPEB liability                         | 38.40%               | 51.39%     | 49.19%     | 76.84%     |

| <b>School Board Professional</b>                                                                     | Fiscal Year June 30, |              |              |              |
|------------------------------------------------------------------------------------------------------|----------------------|--------------|--------------|--------------|
|                                                                                                      | 2017                 | 2018         | 2019         | 2020         |
| Employer's proportion of the net VLDP OPEB liability                                                 | 1.04436%             | 1.00484%     | 0.86263%     | 0.95230%     |
| Employer's proportionate share of the net VLDP OPEB liability                                        | \$ 6,000             | \$ 7,000     | \$ 5,536     | \$ 6,921     |
| Employer's covered payroll                                                                           | \$ 2,947,192         | \$ 3,746,746 | \$ 4,556,540 | \$ 5,097,477 |
| Employer's proportionate share of the net VLDP OPEB liability as a percentage of its covered payroll | 0.2036%              | 0.1868%      | 0.1215%      | 0.1358%      |
| Plan fiduciary net position as a percentage of the total VLDP OPEB liability                         | 31.96%               | 46.18%       | 74.12%       | 78.28%       |

**Note to Schedule:**

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Board non-

**Schedule of School Board Plan Contributions - OPEB -  
Virginia Local Disability Program**

| School Board Non-Professional                    | Fiscal Year June 30, |      |      |          |           |            |            |            |            |            |
|--------------------------------------------------|----------------------|------|------|----------|-----------|------------|------------|------------|------------|------------|
|                                                  | 2012                 | 2013 | 2014 | 2015     | 2016      | 2017       | 2018       | 2019       | 2020       | 2021       |
| Contractually required contribution (CRC)        | \$ -                 | \$ - | \$ - | \$ 49    | \$ 302    | \$ 648     | \$ 840     | \$ 993     | \$ 1,318   | \$ 1,913   |
| Contributions in relation to the CRC             | -                    | -    | -    | 49       | 302       | 648        | 840        | 993        | 1,318      | 1,913      |
| Contribution deficiency (excess)                 | \$ -                 | \$ - | \$ - | \$ -     | \$ -      | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       |
| Employer's covered payroll                       | N/A                  | N/A  | N/A  | \$ 8,223 | \$ 50,285 | \$ 108,001 | \$ 139,976 | \$ 137,917 | \$ 183,056 | \$ 230,482 |
| Contributions as a percentage of covered payroll | N/A                  | N/A  | N/A  | 0.60%    | 0.60%     | 0.60%      | 0.60%      | 0.72%      | 0.72%      | 0.83%      |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements – Other Postemployment Benefits  
Year Ended June 30, 2021

**I. Retiree Healthcare Plan**

***Changes of Benefit Terms***

Since the prior actuarial valuation, the Retiree Healthcare Plan eligibility has been expanded. Previously, only employees hired prior to July 1, 2011 could participate in the plan. Changes to the plan have been made such that employees hired after July 1, 2011 can participate in the plan if they meet all of the other eligibility requirements. Employees hired after July 1, 2011 are not eligible for the premium credit.

***Changes of Assumptions***

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following is the discount rate used for the period presented:

|      |      |
|------|------|
| 2021 | 2.3% |
|------|------|

**II. Group Life Insurance Program**

***Changes of Benefit Terms***

There have been no actuarially material changes to the Virginia Retirement System benefit provisions since the prior actuarial valuation.

***Changes of Assumptions***

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

**School Board Professional**

*Teachers*

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

**County and School Board Non-Professional Plans**

*General Employees*

|                                                                               |                                                                                        |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Mortality Rates<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014 projected to 2020                  |
| Retirement Rates                                                              | Lowered retirement rates at older ages and extended final retirement age from 70 to 75 |
| Withdrawal Rates                                                              | Adjusted termination rates to better fit experience at each age and service year       |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements – Other Postemployment Benefits  
Year Ended June 30, 2021

|                         |                                    |
|-------------------------|------------------------------------|
| Disability Rates        | Lowered disability rates           |
| Salary Scale            | No change                          |
| Line of Duty Disability | Increased rate from 14% to 15%     |
| Discount rate           | Decreased rate from 7.00% to 6.75% |

*Hazardous Duty Employees*

|                                                                               |                                                                                  |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| Mortality Rates<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014 projected to 2020            |
| Retirement Rates                                                              | Increased age 50 rates and lowered rates at older ages                           |
| Withdrawal Rates                                                              | Adjusted termination rates to better fit experience at each age and service year |
| Disability Rates                                                              | Adjusted rates to better match experience                                        |
| Salary Scale                                                                  | No change                                                                        |
| Line of Duty Disability                                                       | Decreased rate from 60% to 45%                                                   |
| Discount rate                                                                 | Decreased rate from 7.00% to 6.75%                                               |

**III. Health Insurance Credit Program**

***Changes of Benefit Terms***

There have been no actuarially material changes to the Virginia Retirement System benefit provisions since the prior actuarial valuation.

***Changes of Assumptions***

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

**School Board Non-Professional Plan**

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

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements – Other Postemployment Benefits  
Year Ended June 30, 2021

**School Board Professional Plan**

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

**IV. Virginia Local Disability Program**

***Changes of Benefit Terms***

There have been no actuarially material changes to the Virginia Retirement System benefit provisions since the prior actuarial valuation.

***Changes of Assumptions***

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

**School Board Non-Professional Plan**

*Non-Largest Ten Locality Employers – General and Non-Hazardous Duty Employees*

|                                                                               |                                                                                        |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Mortality Rates<br>(pre-retirement, post-retirement<br>healthy, and disabled) | Updated to a more current mortality table – RP-2014 projected to 2020                  |
| Retirement Rates                                                              | Lowered retirement rates at older ages and extended final retirement age from 70 to 75 |
| Withdrawal Rates                                                              | Adjusted termination rates to better fit experience at each age and service year       |
| Disability Rates                                                              | Lowered disability rates                                                               |
| Salary Scale                                                                  | No change                                                                              |
| Line of Duty Disability                                                       | Increased rate from 14% to 15%                                                         |
| Discount Rate                                                                 | Decreased rate from 7.00% to 6.75%                                                     |

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Financial Statements – Other Postemployment Benefits  
Year Ended June 30, 2021

**School Board Professional Plan**

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

## **SUPPLEMENTARY INFORMATION**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund****Year Ended June 30, 2021**

|                                                        | Original<br>Budget | Final<br>Budget | Actual        | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--------------------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| <b>REVENUES</b>                                        |                    |                 |               |                                                           |
| Revenue from local sources:                            |                    |                 |               |                                                           |
| General property taxes:                                |                    |                 |               |                                                           |
| Real property taxes                                    | \$ 28,664,943      | \$ 29,907,825   | \$ 32,220,222 | \$ 2,312,397                                              |
| TCSD property tax revenue share                        | (1,800,000)        | (1,800,000)     | (2,130,992)   | (330,992)                                                 |
| Public service corporation property taxes              | 820,000            | 820,000         | 877,468       | 57,468                                                    |
| Personal property taxes                                | 12,141,500         | 12,141,500      | 15,054,036    | 2,912,536                                                 |
| Penalties and interest                                 | 400,000            | 400,000         | 499,714       | 99,714                                                    |
| Total general property taxes                           | 40,226,443         | 41,469,325      | 46,520,448    | 5,051,123                                                 |
| Other local taxes:                                     |                    |                 |               |                                                           |
| Local sales and use taxes                              | 3,300,000          | 3,300,000       | 4,143,077     | 843,077                                                   |
| Consumer utility taxes                                 | 480,000            | 480,000         | 517,217       | 37,217                                                    |
| Consumption taxes                                      | 95,000             | 95,000          | 105,064       | 10,064                                                    |
| Business license taxes                                 | 900,000            | 900,000         | 1,105,062     | 205,062                                                   |
| Bank stock taxes                                       | 600,000            | 600,000         | 700,995       | 100,995                                                   |
| Taxes on recordation and wills                         | 600,000            | 600,000         | 1,091,341     | 491,341                                                   |
| Other local taxes                                      | 10,000             | 10,000          | 50,106        | 40,106                                                    |
| Total other local taxes                                | 5,985,000          | 5,985,000       | 7,712,862     | 1,727,862                                                 |
| Permits, privilege fees, and regulatory licenses:      |                    |                 |               |                                                           |
| General Government Administration:                     |                    |                 |               |                                                           |
| Land use application fees                              | 2,500              | 2,500           | 3,350         | 850                                                       |
| Other general government                               | 1,000              | 1,000           | 316           | (684)                                                     |
| Public Safety:                                         |                    |                 |               |                                                           |
| Animal licenses                                        | 10,000             | 10,000          | 10,197        | 197                                                       |
| Building permits                                       | 600,000            | 600,000         | 1,228,515     | 628,515                                                   |
| Other public safety                                    | 4,000              | 4,000           | 7,150         | 3,150                                                     |
| Community Development                                  |                    |                 |               |                                                           |
| Planning fees                                          | 261,000            | 261,000         | 272,200       | 11,200                                                    |
| Total permits, privilege fees, and regulatory licenses | 878,500            | 878,500         | 1,521,728     | 643,228                                                   |
| Fines and forfeitures:                                 |                    |                 |               |                                                           |
| Judicial administration                                |                    |                 |               |                                                           |
| Court fines and forfeitures                            | 70,000             | 70,000          | 60,398        | (9,602)                                                   |
| Revenue from use of money and property:                |                    |                 |               |                                                           |
| Revenue from use of money                              | 800,000            | 800,000         | 79,905        | (720,095)                                                 |
| Revenue from use of property                           | 30,000             | 30,000          | 62,064        | 32,064                                                    |
| Total revenue from use of money and property           | 830,000            | 830,000         | 141,969       | (688,031)                                                 |
| Charges for services:                                  |                    |                 |               |                                                           |
| Sheriff fees                                           | 5,000              | 5,000           | 6,495         | 1,495                                                     |
| Commonwealth's Attorney                                | 1,500              | 1,500           | 1,360         | (140)                                                     |
| Courthouse security                                    | 50,000             | 50,000          | 42,265        | (7,735)                                                   |
| Other court services                                   | 3,000              | 3,000           | 1,922         | (1,078)                                                   |
| Sanitation and waste removal                           | 35,000             | 35,000          | 39,088        | 4,088                                                     |
| Parks and recreation                                   | 160,000            | 160,000         | 107,671       | (52,329)                                                  |
| Fire and rescue                                        | 650,000            | 650,000         | 796,686       | 146,686                                                   |
| Total charges for services                             | 904,500            | 904,500         | 995,487       | 90,987                                                    |
| Miscellaneous:                                         |                    |                 |               |                                                           |
| Miscellaneous revenues                                 | 20,000             | 20,000          | 132,496       | 112,496                                                   |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund****Year Ended June 30, 2021**

|                                           | Original<br>Budget | Final<br>Budget | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-------------------------------------------|--------------------|-----------------|------------|-----------------------------------------------------------|
| <b>REVENUES (Continued)</b>               |                    |                 |            |                                                           |
| Revenues from local sources (continued):  |                    |                 |            |                                                           |
| Recovered costs:                          |                    |                 |            |                                                           |
| General government                        | \$ 18,000          | \$ 18,000       | \$ 21,091  | \$ 3,091                                                  |
| Judicial administration                   | 5,000              | 5,000           | 9,551      | 4,551                                                     |
| Public safety                             | 70,000             | 70,000          | 35,597     | (34,403)                                                  |
| General services                          | 169,000            | 169,000         | 192,301    | 23,301                                                    |
| Health and human services                 | -                  | -               | 12,743     | 12,743                                                    |
| Parks and recreation                      | -                  | 9,090           | 9,033      | (57)                                                      |
| Community development                     | 1,000              | 1,000           | 875        | (125)                                                     |
| Total revenue from recovered costs        | 263,000            | 272,090         | 281,191    | 9,101                                                     |
| Total revenue from local sources          | 49,177,443         | 50,429,415      | 57,366,579 | 6,937,164                                                 |
| Intergovernmental:                        |                    |                 |            |                                                           |
| Revenue from the Commonwealth:            |                    |                 |            |                                                           |
| Noncategorical aid:                       |                    |                 |            |                                                           |
| Communications sales and use tax          | 725,000            | 725,000         | 629,576    | (95,424)                                                  |
| Other noncategorical aid                  | 285,000            | 285,000         | 171,531    | (113,469)                                                 |
| Personal property tax relief funds        | 2,853,012          | 2,853,012       | 2,853,012  | -                                                         |
| Total noncategorical aid                  | 3,863,012          | 3,863,012       | 3,654,119  | (208,893)                                                 |
| Categorical aid:                          |                    |                 |            |                                                           |
| Shared expenses:                          |                    |                 |            |                                                           |
| Commonwealth's Attorney                   | 274,800            | 274,800         | 280,467    | 5,667                                                     |
| Sheriff                                   | 935,000            | 935,000         | 967,884    | 32,884                                                    |
| Commissioner of Revenue                   | 89,500             | 89,500          | 102,438    | 12,938                                                    |
| Treasurer                                 | 111,000            | 111,000         | 105,323    | (5,677)                                                   |
| Registrar/electoral board                 | 37,500             | 37,500          | 41,184     | 3,684                                                     |
| Clerk of the Circuit Court                | 235,000            | 235,000         | 255,188    | 20,188                                                    |
| Total shared expenses                     | 1,682,800          | 1,682,800       | 1,752,484  | 69,684                                                    |
| Other categorical aid:                    |                    |                 |            |                                                           |
| Social Services                           | 587,154            | 587,154         | 457,901    | (129,253)                                                 |
| Fire-rescue                               | 101,296            | 111,437         | 82,764     | (28,673)                                                  |
| DMV agent compensation                    | 130,000            | 130,000         | 409,331    | 279,331                                                   |
| Other categorical aid                     | 81,000             | 98,295          | 142,853    | 44,558                                                    |
| Total other categorical aid               | 899,450            | 926,886         | 1,092,849  | 165,963                                                   |
| Total categorical aid                     | 2,582,250          | 2,609,686       | 2,845,333  | 235,647                                                   |
| Total revenue from the Commonwealth       | 6,445,262          | 6,472,698       | 6,499,452  | 26,754                                                    |
| Revenue from the Federal government:      |                    |                 |            |                                                           |
| Categorical aid:                          |                    |                 |            |                                                           |
| CARES Act                                 | -                  | 539,794         | 558,203    | 18,409                                                    |
| ARPA Act                                  | -                  | 63,000          | 62,808     | (192)                                                     |
| General Government                        | 100,000            | 100,000         | 108,893    | 8,893                                                     |
| Judicial Administration                   | 60,000             | 60,000          | 53,161     | (6,839)                                                   |
| Public Safety                             | 51,904             | 51,904          | 51,754     | (150)                                                     |
| Social Services                           | 1,323,868          | 1,539,978       | 1,392,904  | (147,074)                                                 |
| Total categorical aid                     | 1,535,772          | 2,354,676       | 2,227,723  | (126,953)                                                 |
| Total revenue from the Federal government | 1,535,772          | 2,354,676       | 2,227,723  | (126,953)                                                 |
| Total intergovernmental                   | 7,981,034          | 8,827,374       | 8,727,175  | (100,199)                                                 |
| Total revenues                            | 57,158,477         | 59,256,789      | 66,093,754 | 6,836,965                                                 |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund****Year Ended June 30, 2021**

|                                            | Original<br>Budget | Final<br>Budget | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--------------------------------------------|--------------------|-----------------|------------|-----------------------------------------------------------|
| <b>EXPENDITURES</b>                        |                    |                 |            |                                                           |
| General government administration:         |                    |                 |            |                                                           |
| Legislative:                               |                    |                 |            |                                                           |
| Board of Supervisors                       | \$ 198,425         | \$ 223,335      | \$ 196,280 | \$ 27,055                                                 |
| General and financial administration:      |                    |                 |            |                                                           |
| County Administrator                       | 644,878            | 707,337         | 704,598    | 2,739                                                     |
| County Attorney                            | 415,910            | 420,754         | 402,475    | 18,279                                                    |
| Human resources                            | 283,012            | 284,627         | 260,582    | 24,045                                                    |
| Commissioner of the Revenue                | 450,439            | 462,998         | 440,843    | 22,155                                                    |
| Assessor                                   | 505,326            | 521,207         | 508,172    | 13,035                                                    |
| Other general and financial administration | 663,116            | 292,415         | 280,190    | 12,225                                                    |
| Treasurer                                  | 552,838            | 575,141         | 529,445    | 45,696                                                    |
| Information systems                        | 1,238,271          | 1,369,382       | 1,393,356  | (23,974)                                                  |
| Finance                                    | 494,424            | 511,479         | 464,326    | 47,153                                                    |
| Purchasing                                 | 111,993            | 114,608         | 112,299    | 2,309                                                     |
| Total general and financial administration | 5,360,207          | 5,259,948       | 5,096,286  | 163,662                                                   |
| Board of Elections:                        |                    |                 |            |                                                           |
| Registrar                                  | 288,586            | 345,696         | 299,945    | 45,751                                                    |
| Total general government administration    | 5,847,218          | 5,828,979       | 5,592,511  | 236,468                                                   |
| Judicial administration:                   |                    |                 |            |                                                           |
| Courts:                                    |                    |                 |            |                                                           |
| Circuit Court                              | 39,370             | 52,545          | 58,891     | (6,346)                                                   |
| General District Court                     | 23,617             | 19,567          | 14,746     | 4,821                                                     |
| Sheriff - court services                   | 591,569            | 661,133         | 591,626    | 69,507                                                    |
| Clerk of the Circuit Court                 | 622,871            | 674,975         | 650,324    | 24,651                                                    |
| Total courts                               | 1,277,427          | 1,408,220       | 1,315,587  | 92,633                                                    |
| Commonwealth's Attorney                    | 564,290            | 572,364         | 569,371    | 2,993                                                     |
| Total judicial administration              | 1,841,717          | 1,980,584       | 1,884,958  | 95,626                                                    |
| Public safety:                             |                    |                 |            |                                                           |
| Law enforcement and traffic control:       |                    |                 |            |                                                           |
| Sheriff                                    | 4,039,010          | 4,352,263       | 3,982,446  | 369,817                                                   |
| Sheriff's grants                           | 35,000             | 35,000          | 30,508     | 4,492                                                     |
| Total law enforcement and traffic control  | 4,074,010          | 4,387,263       | 4,012,954  | 374,309                                                   |
| Fire and rescue services:                  |                    |                 |            |                                                           |
| Fire and rescue                            | 5,599,565          | 5,797,213       | 5,491,503  | 305,710                                                   |
| Emergency planning                         | 139,032            | 149,173         | 145,245    | 3,928                                                     |
| Total fire and rescue services             | 5,738,597          | 5,946,386       | 5,636,748  | 309,638                                                   |
| Correction and detention:                  |                    |                 |            |                                                           |
| Confinement and care of prisoners          | 434,412            | 438,462         | 466,269    | (27,807)                                                  |
| Inspections:                               |                    |                 |            |                                                           |
| Building inspections                       | 772,692            | 789,725         | 766,064    | 23,661                                                    |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund****Year Ended June 30, 2021**

|                                                    | Original<br>Budget | Final<br>Budget | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|----------------------------------------------------|--------------------|-----------------|------------|-----------------------------------------------------------|
| <b>EXPENDITURES (Continued)</b>                    |                    |                 |            |                                                           |
| Public safety (continued):                         |                    |                 |            |                                                           |
| Other protection:                                  |                    |                 |            |                                                           |
| Animal control                                     | \$ 605,354         | \$ 619,772      | \$ 621,175 | \$ (1,403)                                                |
| Emergency dispatch services                        | 1,074,665          | 1,119,872       | 1,052,385  | 67,487                                                    |
| E911 System                                        | 536,700            | 536,700         | 486,175    | 50,525                                                    |
| Total other protection                             | 2,216,719          | 2,276,344       | 2,159,735  | 116,609                                                   |
| Total public safety                                | 13,236,430         | 13,838,180      | 13,041,770 | 796,410                                                   |
| General services:                                  |                    |                 |            |                                                           |
| Convenience centers                                | 960,531            | 1,063,719       | 1,113,697  | (49,978)                                                  |
| Facilities management                              | 1,252,002          | 1,323,394       | 1,212,375  | 111,019                                                   |
| Grounds management                                 | 575,514            | 680,030         | 642,060    | 37,970                                                    |
| Total general services                             | 2,788,047          | 3,067,143       | 2,968,132  | 99,011                                                    |
| Health and human services:                         |                    |                 |            |                                                           |
| Health:                                            |                    |                 |            |                                                           |
| Supplement of local health department              | 287,902            | 287,902         | 287,902    | -                                                         |
| Mental health and mental retardation:              |                    |                 |            |                                                           |
| Goochland Powhatan Community Services              | 302,010            | 302,010         | 298,826    | 3,184                                                     |
| Human Services:                                    |                    |                 |            |                                                           |
| Public assistance and welfare administration       | 2,768,698          | 3,021,948       | 2,597,818  | 424,130                                                   |
| Tax relief for the elderly and disabled            | 490,000            | 490,000         | 499,251    | (9,251)                                                   |
| Goochland Cares                                    | 198,000            | 198,000         | 190,014    | 7,986                                                     |
| Contributions                                      | 67,706             | 67,706          | 69,790     | (2,084)                                                   |
| Total health and human services                    | 4,114,316          | 4,367,566       | 3,943,601  | 423,965                                                   |
| Parks, recreation, and facilities management:      |                    |                 |            |                                                           |
| Parks, recreation, and facilities management       | 616,231            | 678,879         | 635,087    | 43,792                                                    |
| Contribution to regional library                   | 465,456            | 465,456         | 465,050    | 406                                                       |
| Total parks, recreation, and facilities management | 1,081,687          | 1,144,335       | 1,100,137  | 44,198                                                    |
| Community development:                             |                    |                 |            |                                                           |
| Planning and community development:                |                    |                 |            |                                                           |
| Planning and zoning                                | 669,603            | 742,461         | 600,563    | 141,898                                                   |
| Community development                              | 180,322            | 182,475         | 146,727    | 35,748                                                    |
| Plan review and code enforcement                   | 411,538            | 416,768         | 306,292    | 110,476                                                   |
| Extension office                                   | 63,953             | 64,761          | 52,156     | 12,605                                                    |
| Economic development                               | 317,736            | 321,504         | 329,213    | (7,709)                                                   |
| Appropriation to Economic Development Authority    | 275,000            | 431,474         | 484,482    | (53,008)                                                  |
| Total community development                        | 1,918,152          | 2,159,443       | 1,919,433  | 240,010                                                   |
| Education:                                         |                    |                 |            |                                                           |
| Appropriation to the County School Board           | 23,330,000         | 24,607,796      | 23,370,660 | 1,237,136                                                 |
| Total education                                    | 23,330,000         | 24,607,796      | 23,370,660 | 1,237,136                                                 |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund****Year Ended June 30, 2021**

|                                                           | Original<br>Budget | Final<br>Budget | Actual        | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-----------------------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| <b>EXPENDITURES (Continued)</b>                           |                    |                 |               |                                                           |
| Debt service:                                             |                    |                 |               |                                                           |
| Principal retirement                                      | \$ 2,413,000       | \$ 2,413,000    | \$ 1,524,000  | \$ 889,000                                                |
| Interest and other fiscal charges                         | 288,000            | 288,000         | 244,845       | 43,155                                                    |
| Total debt service                                        | 2,701,000          | 2,701,000       | 1,768,845     | 932,155                                                   |
| <br>Total expenditures                                    | 56,858,567         | 59,695,026      | 55,590,047    | 4,104,979                                                 |
| Excess (deficiency) of revenues over (under) expenditures | 299,910            | (438,237)       | 10,503,707    | 10,941,944                                                |
| <br><b>OTHER FINANCING USES</b>                           |                    |                 |               |                                                           |
| Transfer to Capital Projects Fund                         | (2,319,818)        | (6,588,156)     | (6,588,156)   | -                                                         |
| Transfer to Office of Children's Services Fund            | (900,000)          | (900,000)       | (474,580)     | (425,420)                                                 |
| Total other financing uses                                | (3,219,818)        | (7,488,156)     | (7,062,736)   | (425,420)                                                 |
| <br>Net change in fund balance                            | (2,919,908)        | (7,926,393)     | 3,440,971     | 11,367,364                                                |
| Fund balance - beginning                                  | (4,424,000)        | 37,939,923      | 37,939,923    | -                                                         |
| <br>Fund balance - ending                                 | \$ (7,343,908)     | \$ 30,013,530   | \$ 41,380,894 | \$ 11,367,364                                             |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -  
Capital Projects Fund**

**Year Ended June 30, 2021**

|                                           | Original<br>Budget | Final<br>Budget | Actual        | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-------------------------------------------|--------------------|-----------------|---------------|-----------------------------------------------------------|
| <b>REVENUES</b>                           |                    |                 |               |                                                           |
| Revenue from local sources:               |                    |                 |               |                                                           |
| Miscellaneous                             | \$ -               | \$ 850,000      | \$ 1,864,726  | \$ 1,014,726                                              |
| Intergovernmental:                        |                    |                 |               |                                                           |
| Revenue from the Commonwealth             | -                  | 3,100,188       | -             | (3,100,188)                                               |
| Revenue from the Federal government       | -                  | 789,454         | 777,628       | (11,826)                                                  |
| Total revenues                            | -                  | 4,739,642       | 2,642,354     | (2,097,288)                                               |
| <b>EXPENDITURES</b>                       |                    |                 |               |                                                           |
| General government administration         | 50,000             | 4,147,961       | 1,765,478     | 2,382,483                                                 |
| Judicial administration                   | -                  | 310,081         | 304,147       | 5,934                                                     |
| Public safety                             | 1,450,000          | 5,565,516       | 1,996,082     | 3,569,434                                                 |
| General services                          | 185,000            | 1,189,291       | 736,550       | 452,741                                                   |
| Education                                 | 859,818            | 3,978,731       | 2,038,494     | 1,940,237                                                 |
| Parks and cultural                        | -                  | 1,530,691       | 561,448       | 969,243                                                   |
| Community development                     | -                  | 4,451,052       | 15,574        | 4,435,478                                                 |
| Total expenditures                        | 2,544,818          | 21,173,323      | 7,417,773     | 13,755,550                                                |
| Deficiency of revenues under expenditures | (2,544,818)        | (16,433,681)    | (4,775,419)   | 11,658,262                                                |
| <b>OTHER FINANCING SOURCES</b>            |                    |                 |               |                                                           |
| Transfers in                              | 2,319,818          | 6,588,156       | 6,588,156     | -                                                         |
| Total other financing sources             | 2,319,818          | 6,588,156       | 6,588,156     | -                                                         |
| Net change in fund balance                | (225,000)          | (9,845,525)     | 1,812,737     | 11,658,262                                                |
| Fund balance - beginning                  | -                  | 1,167,863       | 11,541,722    | 10,373,859                                                |
| Fund balance - ending                     | \$ (225,000)       | \$ (8,677,662)  | \$ 13,354,459 | \$ 22,032,121                                             |

## Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2021

|                                     | Nonmajor Governmental Funds |                                  |                                    |              |
|-------------------------------------|-----------------------------|----------------------------------|------------------------------------|--------------|
|                                     | Asset<br>Forfeiture         | Office of<br>Children's Services | Central Virginia<br>Transportation | Totals       |
| <b>ASSETS</b>                       |                             |                                  |                                    |              |
| Cash and cash equivalents           | \$ 57,636                   | \$ 254,530                       | \$ 1,459,619                       | \$ 1,771,785 |
| Prepaid items                       | -                           | 638                              | -                                  | 638          |
| Due from other governmental units   | -                           | 107,220                          | 344,036                            | 451,256      |
| Total assets                        | \$ 57,636                   | \$ 362,388                       | \$ 1,803,655                       | \$ 2,223,679 |
| <b>LIABILITIES</b>                  |                             |                                  |                                    |              |
| Accounts payable                    | \$ -                        | \$ 173,698                       | \$ -                               | \$ 173,698   |
| Unearned revenue                    | 17,102                      | -                                | -                                  | 17,102       |
| Total liabilities                   | 17,102                      | 173,698                          | -                                  | 190,800      |
| <b>FUND BALANCES</b>                |                             |                                  |                                    |              |
| Nonspendable                        | -                           | 638                              | -                                  | 638          |
| Restricted                          | 40,534                      | -                                | -                                  | 40,534       |
| Assigned                            | -                           | 188,052                          | 1,803,655                          | 1,991,707    |
| Total fund balances                 | 40,534                      | 188,690                          | 1,803,655                          | 2,032,879    |
| Total liabilities and fund balances | \$ 57,636                   | \$ 362,388                       | \$ 1,803,655                       | \$ 2,223,679 |

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Nonmajor Governmental Funds**

**Year Ended June 30, 2021**

|                                                           | Nonmajor Governmental Funds |                                  |                                              |              |
|-----------------------------------------------------------|-----------------------------|----------------------------------|----------------------------------------------|--------------|
|                                                           | Asset<br>Forfeiture         | Office of<br>Children's Services | Central Virginia<br>Transportation Authority | Totals       |
| <b>REVENUES</b>                                           |                             |                                  |                                              |              |
| Revenue from local sources:                               |                             |                                  |                                              |              |
| Local sales and use tax                                   | \$ -                        | \$ -                             | \$ 1,803,655                                 | \$ 1,803,655 |
| Revenue from use of money and property                    | 6                           | -                                | -                                            | 6            |
| Miscellaneous                                             | -                           | 21,460                           | -                                            | 21,460       |
| Intergovernmental:                                        |                             |                                  |                                              |              |
| Revenue from the Commonwealth                             | 120                         | 450,029                          | -                                            | 450,149      |
| Total revenues                                            | 126                         | 471,489                          | 1,803,655                                    | 2,275,270    |
| <b>EXPENDITURES</b>                                       |                             |                                  |                                              |              |
| Judicial administration                                   | 120                         | -                                | -                                            | 120          |
| Health and welfare                                        | -                           | 914,575                          | -                                            | 914,575      |
| Total expenditures                                        | 120                         | 914,575                          | -                                            | 914,695      |
| Excess (deficiency) of revenues over (under) expenditures | 6                           | (443,086)                        | 1,803,655                                    | 1,360,575    |
| <b>OTHER FINANCING SOURCES</b>                            |                             |                                  |                                              |              |
| Transfers in                                              | -                           | 474,580                          | -                                            | 474,580      |
| Net change in fund balances                               | 6                           | 31,494                           | 1,803,655                                    | 1,835,155    |
| Fund balances - beginning                                 | 40,528                      | 157,196                          | -                                            | 197,724      |
| Fund balances - ending                                    | \$ 40,534                   | \$ 188,690                       | \$ 1,803,655                                 | \$ 2,032,879 |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -  
Asset Forfeiture Fund**

**Year Ended June 30, 2021**

|                                        | Original<br>Budget | Final<br>Budget | Actual    | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|----------------------------------------|--------------------|-----------------|-----------|-----------------------------------------------------------|
| <b>REVENUES</b>                        |                    |                 |           |                                                           |
| Revenue from local sources:            |                    |                 |           |                                                           |
| Revenue from use of money and property | \$ -               | \$ -            | \$ 6      | \$ 6                                                      |
| Intergovernmental:                     |                    |                 |           |                                                           |
| Revenue from the Commonwealth          | -                  | -               | 120       | 120                                                       |
| Total revenues                         | -                  | -               | 126       | 126                                                       |
| <b>EXPENDITURES</b>                    |                    |                 |           |                                                           |
| Judicial administration                | -                  | -               | 120       | (120)                                                     |
| Total expenditures                     | -                  | -               | 120       | (120)                                                     |
| Excess of revenues over expenditures   | -                  | -               | 6         | 6                                                         |
| Net change in fund balance             | -                  | -               | 6         | 6                                                         |
| Fund balance - beginning               | -                  | -               | 40,528    | 40,528                                                    |
| Fund balance - ending                  | \$ -               | \$ -            | \$ 40,534 | \$ 40,534                                                 |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -  
Office of Children's Services Fund**

**Year Ended June 30, 2021**

|                                           | Original<br>Budget | Final<br>Budget | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-------------------------------------------|--------------------|-----------------|------------|-----------------------------------------------------------|
| <b>REVENUES</b>                           |                    |                 |            |                                                           |
| Revenue from local sources:               |                    |                 |            |                                                           |
| Charges for services                      | \$ 1,100           | \$ 1,100        | \$ -       | \$ (1,100)                                                |
| Miscellaneous                             | 25,000             | 25,000          | 21,460     | (3,540)                                                   |
| Intergovernmental:                        |                    |                 |            |                                                           |
| Revenue from the Commonwealth             | 833,976            | 833,976         | 450,029    | (383,947)                                                 |
| Revenue from the Federal government       | 8,000              | 8,000           | -          | (8,000)                                                   |
| Total revenues                            | 868,076            | 868,076         | 471,489    | (396,587)                                                 |
| <b>EXPENDITURES</b>                       |                    |                 |            |                                                           |
| Health and human services                 | 1,851,076          | 1,851,076       | 914,575    | 936,501                                                   |
| Total expenditures                        | 1,851,076          | 1,851,076       | 914,575    | 936,501                                                   |
| Deficiency of revenues under expenditures | (983,000)          | (983,000)       | (443,086)  | 539,914                                                   |
| <b>OTHER FINANCING SOURCES</b>            |                    |                 |            |                                                           |
| Transfers in                              | 900,000            | 900,000         | 474,580    | (425,420)                                                 |
| Net change in fund balance                | (83,000)           | (83,000)        | 31,494     | 114,494                                                   |
| Fund balance - beginning                  | (46,753)           | 36,658          | 157,196    | 120,538                                                   |
| Fund balance - ending                     | \$ (129,753)       | \$ (46,342)     | \$ 188,690 | \$ 235,032                                                |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -  
Central Virginia Transportation Authority**

**Year Ended June 30, 2021**

|                                      | Original<br>Budget | Final<br>Budget | Actual       | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--------------------------------------|--------------------|-----------------|--------------|-----------------------------------------------------------|
| <b>REVENUES</b>                      |                    |                 |              |                                                           |
| Revenue from local sources:          |                    |                 |              |                                                           |
| Local sales and use tax              | \$ -               | \$ -            | \$ 1,803,655 | \$ 1,803,655                                              |
| Total revenues                       | -                  | -               | 1,803,655    | 1,803,655                                                 |
| <b>EXPENDITURES</b>                  |                    |                 |              |                                                           |
| Total expenditures                   | -                  | -               | -            | -                                                         |
| Excess of revenues over expenditures | -                  | -               | 1,803,655    | 1,803,655                                                 |
| Net change in fund balance           | -                  | -               | 1,803,655    | 1,803,655                                                 |
| Fund balance - beginning             | -                  | -               | -            | -                                                         |
| Fund balance - ending                | \$ -               | \$ -            | \$ 1,803,655 | \$ 1,803,655                                              |

## Combining Balance Sheet - Discretely Presented Component Unit - School Board

June 30, 2021

|                                                                       | Governmental Funds  |                   |                   |                    |                     |
|-----------------------------------------------------------------------|---------------------|-------------------|-------------------|--------------------|---------------------|
|                                                                       | School<br>Operating | Textbook          | Cafeteria         | Special<br>Revenue | Totals              |
| <b>ASSETS</b>                                                         |                     |                   |                   |                    |                     |
| Cash and cash equivalents                                             | \$ 1,875,083        | \$ 369,572        | \$ -              | \$ 237,895         | \$ 2,482,550        |
| Accounts receivable                                                   | 31,279              | -                 | 1,026             | 695                | 33,000              |
| Due from other governmental units                                     | 981,715             | -                 | 136,827           | 235,407            | 1,353,949           |
| Due from other funds                                                  | 90,136              | -                 | -                 | -                  | 90,136              |
| Inventories                                                           | -                   | -                 | 69,991            | -                  | 69,991              |
| Total assets                                                          | <u>\$ 2,978,213</u> | <u>\$ 369,572</u> | <u>\$ 207,844</u> | <u>\$ 473,997</u>  | <u>\$ 4,029,626</u> |
| <b>LIABILITIES</b>                                                    |                     |                   |                   |                    |                     |
| Accounts payable                                                      | \$ 357,406          | \$ -              | \$ 10,820         | \$ 299,309         | \$ 667,535          |
| Accrued liabilities                                                   | 1,542,264           | -                 | 35,908            | 15,289             | 1,593,461           |
| Due to other funds                                                    | -                   | -                 | 90,136            | -                  | 90,136              |
| Unearned revenue                                                      | 248,997             | -                 | -                 | -                  | 248,997             |
| Total liabilities                                                     | <u>2,148,667</u>    | <u>-</u>          | <u>136,864</u>    | <u>314,598</u>     | <u>2,600,129</u>    |
| <b>FUND BALANCES</b>                                                  |                     |                   |                   |                    |                     |
| Nonspendable                                                          | -                   | -                 | 69,991            | -                  | 69,991              |
| Assigned                                                              | 829,546             | 369,572           | 989               | 159,399            | 1,359,506           |
| Total fund balances                                                   | <u>829,546</u>      | <u>369,572</u>    | <u>70,980</u>     | <u>159,399</u>     | <u>1,429,497</u>    |
| Total liabilities, deferred inflows of resources<br>and fund balances | <u>\$ 2,978,213</u> | <u>\$ 369,572</u> | <u>\$ 207,844</u> | <u>\$ 473,997</u>  | <u>\$ 4,029,626</u> |

## Reconciliation of the School Board's Combining Balance Sheet to the Statement of Net Position (Exhibit 1)

|                                                                                                                                                                                                                                                     |                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Total fund balances per above                                                                                                                                                                                                                       | \$ 1,429,497        |
| Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:                                                                                                                                    |                     |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:                                                                                                      |                     |
| Capital assets, cost                                                                                                                                                                                                                                | 71,994,704          |
| Less - accumulated depreciation and amortization                                                                                                                                                                                                    | (35,357,217)        |
|                                                                                                                                                                                                                                                     | <u>36,637,487</u>   |
| Deferred outflows of resources - pension and other postemployment plans represent a consumption of net position that applies to a future period and, therefore, are not recognized as deferred outflows of resources in the governmental funds.     | 7,731,441           |
| Deferred inflows of resources - pension plan and other postemployment plans represent an acquisition of net position that applies to a future period and, therefore, are not recognized as deferred inflows of resources in the governmental funds. | (2,595,535)         |
| Long-term obligations are not due and payable in the current period and, therefore, are not reported in the governmental funds:                                                                                                                     |                     |
| Capital leases                                                                                                                                                                                                                                      | (132,662)           |
| Compensated absences                                                                                                                                                                                                                                | (440,573)           |
| Net pension liability                                                                                                                                                                                                                               | (27,368,628)        |
| Other postemployment benefits                                                                                                                                                                                                                       | (5,702,964)         |
|                                                                                                                                                                                                                                                     | <u>(33,644,827)</u> |
| Net position of governmental activities                                                                                                                                                                                                             | <u>\$ 9,558,063</u> |

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Discretely Presented Component Unit - School Board**

**Year Ended June 30, 2021**

|                                        | Governmental Funds  |            |           |                    |              |
|----------------------------------------|---------------------|------------|-----------|--------------------|--------------|
|                                        | School<br>Operating | Textbook   | Cafeteria | Special<br>Revenue | Totals       |
| <b>REVENUES</b>                        |                     |            |           |                    |              |
| Revenue from local sources:            |                     |            |           |                    |              |
| Revenue from use of money and property | \$ 33,513           | \$ -       | \$ -      | \$ -               | \$ 33,513    |
| Charges for services                   | 63,457              | -          | 19,464    | 193,171            | 276,092      |
| Miscellaneous                          | 208,430             | -          | 10,493    | -                  | 218,923      |
| Recovered costs                        | 117,333             | -          | -         | -                  | 117,333      |
| Payments from primary government       | 23,155,828          | 214,832    | -         | -                  | 23,370,660   |
| Intergovernmental revenues:            |                     |            |           |                    |              |
| Revenue from the Commonwealth          | 8,124,820           | 53,708     | 10,100    | -                  | 8,188,628    |
| Revenue from the Federal government    | 3,347,218           | -          | 908,929   | -                  | 4,256,147    |
| Total revenues                         | 35,050,599          | 268,540    | 948,986   | 193,171            | 36,461,296   |
| <b>EXPENDITURES</b>                    |                     |            |           |                    |              |
| Education                              | 34,388,980          | -          | 908,930   | 193,171            | 35,491,081   |
| Debt service:                          |                     |            |           |                    |              |
| Principal retirement                   | 41,209              | -          | -         | -                  | 41,209       |
| Interest and other fiscal charges      | 5,447               | -          | -         | -                  | 5,447        |
| Total expenditures                     | 34,435,636          | -          | 908,930   | 193,171            | 35,537,737   |
| Excess of revenues over expenditures   | 614,963             | 268,540    | 40,056    | -                  | 923,559      |
| Net change in fund balances            | 614,963             | 268,540    | 40,056    | -                  | 923,559      |
| Fund balances - beginning              | 214,583             | 101,032    | 30,924    | 159,399            | 505,938      |
| Fund balances - ending                 | \$ 829,546          | \$ 369,572 | \$ 70,980 | \$ 159,399         | \$ 1,429,497 |

Net change in fund balances - total governmental funds - per above \$ 923,559

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

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 and amortization expense. This is the amount by which capital assets were impacted by capital outlays, depreciation, amortization, and transfers of joint tenancy assets in the current period:

|                                                                                                           |                  |
|-----------------------------------------------------------------------------------------------------------|------------------|
| Capital outlay                                                                                            | 1,257,055        |
| Depreciation and amortization                                                                             | (2,071,102)      |
| Transfer of depreciation and amortization expense related to joint tenancy assets from Primary Government | (209,542)        |
| Transfer of joint tenancy assets from Primary Government                                                  | 644,460          |
|                                                                                                           | <u>(379,129)</u> |

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

Acquisition value of donated assets 2,102,824

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:

|                               |                  |
|-------------------------------|------------------|
| Capital lease                 | 41,209           |
| Pension expense               | (524,797)        |
| Other postemployment benefits | (120,887)        |
| Compensated absences          | (27,475)         |
|                               | <u>(631,950)</u> |

Change in net position of governmental activities \$ 2,015,304

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -  
School Operating Fund - School Board**

**Year Ended June 30, 2021**

|                                                              | Original<br>Budget | Final<br>Budget | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--------------------------------------------------------------|--------------------|-----------------|------------|-----------------------------------------------------------|
| <b>REVENUES</b>                                              |                    |                 |            |                                                           |
| Revenue from local sources:                                  |                    |                 |            |                                                           |
| Revenue from use of money and property                       | \$ 31,490          | \$ 31,490       | \$ 33,513  | \$ 2,023                                                  |
| Charges for services                                         | 109,764            | 109,764         | 63,457     | (46,307)                                                  |
| Miscellaneous                                                | 58,100             | 184,451         | 208,430    | 23,979                                                    |
| Recovered costs                                              | 121,987            | 125,867         | 117,333    | (8,534)                                                   |
| Payments from primary government                             | 23,115,060         | 23,776,408      | 23,155,828 | (620,580)                                                 |
| Intergovernmental revenues:                                  |                    |                 |            |                                                           |
| Revenue from the Commonwealth:                               |                    |                 |            |                                                           |
| Share of State sales tax                                     | 3,150,020          | 3,150,020       | 4,031,986  | 881,966                                                   |
| Basic school aid                                             | 2,477,548          | 2,477,548       | 2,485,892  | 8,344                                                     |
| Instructional fringe benefits                                | 524,000            | 524,000         | 523,735    | (265)                                                     |
| Special education                                            | 477,624            | 477,624         | 407,867    | (69,757)                                                  |
| VPSA technology grant                                        | 180,000            | 184,277         | -          | (184,277)                                                 |
| Other state categorical aid                                  | 586,110            | 664,117         | 675,340    | 11,223                                                    |
| Revenue from the Federal government:                         |                    |                 |            |                                                           |
| CARES Act Coronavirus Relief                                 | -                  | 1,956,972       | 1,718,178  | (238,794)                                                 |
| CARES Act ESSER/GEER                                         | 255,000            | 385,751         | 351,527    | (34,224)                                                  |
| Other Covid-19 stimulus aid                                  | -                  | 300,925         | 196,044    | (104,881)                                                 |
| IDEA Part B Special Education                                | 628,329            | 738,115         | 641,962    | (96,153)                                                  |
| Title I Part A Basic Education                               | 340,855            | 431,224         | 252,614    | (178,610)                                                 |
| Other federal categorical aid                                | 195,486            | 233,523         | 186,893    | (46,630)                                                  |
| Total revenues                                               | 32,251,373         | 35,752,076      | 35,050,599 | (701,477)                                                 |
| <b>EXPENDITURES</b>                                          |                    |                 |            |                                                           |
| Education:                                                   |                    |                 |            |                                                           |
| Instruction                                                  | 23,014,202         | 24,112,138      | 23,178,380 | 933,758                                                   |
| Administration, attendance, and health                       | 2,027,339          | 2,661,998       | 2,364,153  | 297,845                                                   |
| Pupil transportation                                         | 2,317,561          | 2,539,878       | 2,193,039  | 346,839                                                   |
| Operation and maintenance                                    | 2,672,715          | 4,199,598       | 3,207,739  | 991,859                                                   |
| Food services                                                | -                  | -               | 31,777     | (31,777)                                                  |
| Facilities                                                   | 5,000              | 57,050          | 654,209    | (597,159)                                                 |
| Technology                                                   | 2,214,556          | 2,967,308       | 2,759,683  | 207,625                                                   |
| Debt service:                                                |                    |                 |            |                                                           |
| Principal retirement                                         | -                  | 41,209          | 41,209     | -                                                         |
| Interest and other fiscal charges                            | -                  | 5,447           | 5,447      | -                                                         |
| Total expenditures                                           | 32,251,373         | 36,584,626      | 34,435,636 | 2,148,990                                                 |
| Excess (deficiency) of revenues over<br>(under) expenditures | -                  | (832,550)       | 614,963    | 1,447,513                                                 |
| Net change in fund balance                                   | -                  | (832,550)       | 614,963    | 1,447,513                                                 |
| Fund balance - beginning                                     | -                  | 214,583         | 214,583    | -                                                         |
| Fund balance - ending                                        | \$ -               | \$ (617,967)    | \$ 829,546 | \$ 1,447,513                                              |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -  
Textbook Fund - School Board**

**Year Ended June 30, 2021**

|                                                              | Original<br>Budget | Final<br>Budget | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--------------------------------------------------------------|--------------------|-----------------|------------|-----------------------------------------------------------|
| <b>REVENUES</b>                                              |                    |                 |            |                                                           |
| Revenue from local sources:                                  |                    |                 |            |                                                           |
| Payments from primary government                             | \$ 214,940         | \$ 214,940      | \$ 214,832 | \$ (108)                                                  |
| Intergovernmental:                                           |                    |                 |            |                                                           |
| Revenue from the Commonwealth                                | 53,735             | 53,735          | 53,708     | (27)                                                      |
| Total revenues                                               | 268,675            | 268,675         | 268,540    | (135)                                                     |
| <b>EXPENDITURES</b>                                          |                    |                 |            |                                                           |
| Education                                                    | 268,675            | 269,667         | -          | 269,667                                                   |
| Total expenditures                                           | 268,675            | 269,667         | -          | 269,667                                                   |
| Excess (deficiency) of revenues over<br>(under) expenditures | -                  | (992)           | 268,540    | 269,532                                                   |
| Net change in fund balance                                   | -                  | (992)           | 268,540    | 269,532                                                   |
| Fund balance - beginning                                     | -                  | 101,032         | 101,032    | -                                                         |
| Fund balance - ending                                        | \$ -               | \$ 100,040      | \$ 369,572 | \$ 269,532                                                |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -  
Cafeteria Fund - School Board**

**Year Ended June 30, 2021**

|                                      | Original<br>Budget | Final<br>Budget | Actual    | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--------------------------------------|--------------------|-----------------|-----------|-----------------------------------------------------------|
| <b>REVENUES</b>                      |                    |                 |           |                                                           |
| Revenue from local sources:          |                    |                 |           |                                                           |
| Charges for services                 | \$ 562,825         | \$ 562,825      | \$ 19,464 | \$ (543,361)                                              |
| Miscellaneous                        | 2,500              | 2,500           | 10,493    | 7,993                                                     |
| Intergovernmental:                   |                    |                 |           |                                                           |
| Revenue from the Commonwealth        | 10,952             | 10,952          | 10,100    | (852)                                                     |
| Revenue from the Federal government: |                    |                 |           |                                                           |
| Federal CARES Act                    | -                  | 88,000          | 88,000    | -                                                         |
| Other Federal revenue                | 538,078            | 538,078         | 820,929   | 282,851                                                   |
| Total revenues                       | 1,114,355          | 1,202,355       | 948,986   | (253,369)                                                 |
| <b>EXPENDITURES</b>                  |                    |                 |           |                                                           |
| Education                            | 1,114,355          | 1,202,355       | 908,930   | 293,425                                                   |
| Total expenditures                   | 1,114,355          | 1,202,355       | 908,930   | 293,425                                                   |
| Excess of revenues over expenditures | -                  | -               | 40,056    | 40,056                                                    |
| Net change in fund balance           | -                  | -               | 40,056    | 40,056                                                    |
| Fund balance - beginning             | -                  | 30,924          | 30,924    | -                                                         |
| Fund balance - ending                | \$ -               | \$ 30,924       | \$ 70,980 | \$ 40,056                                                 |

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -  
Special Revenue Fund - School Board**

**Year Ended June 30, 2021**

|                             | Original<br>Budget | Final<br>Budget | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-----------------------------|--------------------|-----------------|------------|-----------------------------------------------------------|
| <b>REVENUES</b>             |                    |                 |            |                                                           |
| Revenue from local sources: |                    |                 |            |                                                           |
| Charges for services        | \$ 232,863         | \$ 232,863      | \$ 193,171 | \$ (39,692)                                               |
| Miscellaneous               | 1,000              | 1,000           | -          | (1,000)                                                   |
| Total revenues              | 233,863            | 233,863         | 193,171    | (40,692)                                                  |
| <b>EXPENDITURES</b>         |                    |                 |            |                                                           |
| Education                   | 233,863            | 233,863         | 193,171    | 40,692                                                    |
| Total expenditures          | 233,863            | 233,863         | 193,171    | 40,692                                                    |
| Net change in fund balance  | -                  | -               | -          | -                                                         |
| Fund balance - beginning    | -                  | 159,399         | 159,399    | -                                                         |
| Fund balance - ending       | \$ -               | \$ 159,399      | \$ 159,399 | \$ -                                                      |

**Statement of Net Position - Discretely Presented Component Unit -  
Economic Development Authority**

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**June 30, 2021**

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**ASSETS**

## Current assets:

|                           |                |
|---------------------------|----------------|
| Cash and cash equivalents | \$ 725,647     |
| Total current assets      | <u>725,647</u> |

## Noncurrent assets:

|                             |                  |
|-----------------------------|------------------|
| Due from primary government | 1,104,174        |
| Land held for resale        | <u>28,642</u>    |
| Total noncurrent assets     | <u>1,132,816</u> |
| Total assets                | <u>1,858,463</u> |

**LIABILITIES**

## Current liabilities:

|                               |                |
|-------------------------------|----------------|
| Contractual agreement payable | <u>210,000</u> |
| Total current liabilities     | <u>210,000</u> |

## Non-current liabilities:

|                                                        |                  |
|--------------------------------------------------------|------------------|
| Contractual agreement payable - net of current portion | <u>869,174</u>   |
| Total liabilities                                      | <u>1,079,174</u> |

**NET POSITION**

## Unrestricted

|                    |                   |
|--------------------|-------------------|
| Total net position | <u>\$ 779,289</u> |
|--------------------|-------------------|

**Schedule of Revenues, Expenses, and Change in Net Position -  
Discretely Presented Component Unit - Economic Development Authority**

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**Year Ended June 30, 2021**

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**OPERATING REVENUES**

|                      |          |
|----------------------|----------|
| Charges for services | \$ 1,098 |
|----------------------|----------|

---

**OPERATING EXPENSES**

|                      |         |
|----------------------|---------|
| Economic development | 266,118 |
|----------------------|---------|

|                |           |
|----------------|-----------|
| Operating loss | (265,020) |
|----------------|-----------|

---

**NONOPERATING REVENUES**

|                           |     |
|---------------------------|-----|
| Revenue from use of money | 866 |
|---------------------------|-----|

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|                                  |     |
|----------------------------------|-----|
| Total nonoperating revenues, net | 866 |
|----------------------------------|-----|

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|                                              |           |
|----------------------------------------------|-----------|
| Loss before capital grants and contributions | (264,154) |
|----------------------------------------------|-----------|

---

|                                                       |         |
|-------------------------------------------------------|---------|
| Capital grants and contributions - primary government | 248,482 |
|-------------------------------------------------------|---------|

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|                        |          |
|------------------------|----------|
| Change in net position | (15,672) |
|------------------------|----------|

|                                |         |
|--------------------------------|---------|
| Total net position - beginning | 794,961 |
|--------------------------------|---------|

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|                             |            |
|-----------------------------|------------|
| Total net position - ending | \$ 779,289 |
|-----------------------------|------------|

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## STATISTICAL SECTION

# COUNTY OF GOOCHLAND, VIRGINIA

## Statistical Section (Unaudited)

The statistical section of the Annual Comprehensive Financial Report provides readers with additional detailed information as a context to assist in understanding what the information in the financial statements, accompanying notes, and required supplementary information indicates about the County's economic condition over an extended period of time. Information is presented in the following five categories:

### Tables

|                                                                                                                                                                                                                                                                        |              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| <b>Financial trends information .....</b>                                                                                                                                                                                                                              | <b>1-4</b>   |
| Financial trends information is intended to help the reader understand and assess how the County's financial position has changed over time.                                                                                                                           |              |
| <b>Revenue capacity information .....</b>                                                                                                                                                                                                                              | <b>5-8</b>   |
| Revenue capacity information is intended to help the reader understand and assess the County's ability to generate its most significant local revenue source, the property tax.                                                                                        |              |
| <b>Debt capacity information.....</b>                                                                                                                                                                                                                                  | <b>9-10</b>  |
| Debt capacity information is intended to help the reader understand and assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.                                                   |              |
| <b>Demographic and economic information.....</b>                                                                                                                                                                                                                       | <b>11-12</b> |
| Demographic and economic information is intended to help the reader understand the socioeconomic environment within which the County's financial activities take place.                                                                                                |              |
| <b>Operating information.....</b>                                                                                                                                                                                                                                      | <b>13-15</b> |
| Operating information is intended to provide information about the County's services and capital asset resources to help the reader understand how the information in the financial report relates to the services the County provides and the activities it performs. |              |

County of Goochland, Virginia

Table 1

**Net Position by Component (Unaudited)**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

|                                             | June 30,      |               |                     |               |               |                     |               |               |               |                |
|---------------------------------------------|---------------|---------------|---------------------|---------------|---------------|---------------------|---------------|---------------|---------------|----------------|
|                                             | 2012          | 2013          | 2014 <sup>(1)</sup> | 2015          | 2016          | 2017 <sup>(2)</sup> | 2018          | 2019          | 2020          | 2021           |
| <b>Governmental activities</b>              |               |               |                     |               |               |                     |               |               |               |                |
| Net investment in capital assets            | \$ 20,135,687 | \$ 21,842,273 | \$ 22,927,053       | \$ 23,112,562 | \$ 28,321,068 | \$ 25,282,032       | \$ 29,497,738 | \$ 34,256,767 | \$ 39,575,403 | \$ 41,990,117  |
| Restricted                                  | -             | -             | 209,922             | 109,498       | 138,572       | 3,341,960           | 539,165       | 65,458        | 73,888        | 65,694         |
| Unrestricted                                | 24,303,629    | 32,334,297    | 36,164,646          | 36,331,089    | 36,851,707    | 39,760,233          | 40,858,215    | 40,847,962    | 43,949,118    | 49,867,691     |
| Total governmental activities net position  | \$ 44,439,316 | \$ 54,176,570 | \$ 59,301,621       | \$ 59,553,149 | \$ 65,311,347 | \$ 68,384,225       | \$ 70,895,118 | \$ 75,170,187 | \$ 83,598,409 | \$ 91,923,502  |
| <b>Business-type activities</b>             |               |               |                     |               |               |                     |               |               |               |                |
| Net investment in capital assets            | \$ 5,886,806  | \$ 3,160,779  | \$ 3,251,218        | \$ 2,616,401  | \$ 3,185,598  | \$ 3,259,402        | \$ 3,878,591  | \$ 10,792,633 | \$ 11,663,830 | \$ 3,054,114   |
| Restricted                                  | -             | 13,526,684    | 13,782,829          | 14,279,691    | 13,535,478    | 13,529,930          | 13,535,851    | 13,542,120    | 13,535,897    | 13,842,709     |
| Unrestricted (deficit)                      | 4,980,826     | (7,690,723)   | (8,548,768)         | (10,099,290)  | (9,876,792)   | (10,749,698)        | (8,473,985)   | (14,797,208)  | (13,555,738)  | (2,304,880)    |
| Total business-type activities net position | \$ 10,867,632 | \$ 8,996,740  | \$ 8,485,279        | \$ 6,796,802  | \$ 6,844,284  | \$ 6,039,634        | \$ 8,940,457  | \$ 9,537,545  | \$ 11,643,989 | \$ 14,591,943  |
| <b>Primary Government</b>                   |               |               |                     |               |               |                     |               |               |               |                |
| Net investment in capital assets            | \$ 26,022,493 | \$ 10,789,930 | \$ 26,178,271       | \$ 25,728,963 | \$ 31,506,666 | \$ 28,541,434       | \$ 33,376,329 | \$ 45,049,400 | \$ 51,239,233 | \$ 45,044,231  |
| Restricted                                  | -             | 13,526,684    | 13,992,751          | 14,389,189    | 13,674,050    | 16,871,890          | 14,075,016    | 13,607,578    | 13,609,785    | 13,908,403     |
| Unrestricted                                | 29,284,455    | 38,856,696    | 27,615,878          | 26,231,799    | 26,974,915    | 29,010,535          | 32,384,230    | 26,050,754    | 30,393,380    | 47,562,811     |
| Total Primary Government net position       | \$ 55,306,948 | \$ 63,173,310 | \$ 67,786,900       | \$ 66,349,951 | \$ 72,155,631 | \$ 74,423,859       | \$ 79,835,575 | \$ 84,707,732 | \$ 95,242,398 | \$ 106,515,445 |

Notes:

- (1) At June 30, 2014, net position was restated for the implementation of GASB Statements No. 68 and 71 which reduced net position by \$2,284,368.  
(2) At June 30, 2017, net position was restated for the implementation of GASB Statement No. 75 which reduced net position by \$2,216,226.

County of Goochland, Virginia

Table 2  
Page 1

Changes in Net Position (Unaudited)  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

|                                              | June 30,     |              |              |              |              |              |              |              |              |              |
|----------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                              | 2012         | 2013         | 2014         | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         |
| <b>Expenses</b>                              |              |              |              |              |              |              |              |              |              |              |
| Governmental activities:                     |              |              |              |              |              |              |              |              |              |              |
| General government administration            | \$ 3,775,282 | \$ 3,783,527 | \$ 4,036,684 | \$ 4,197,626 | \$ 4,392,816 | \$ 4,937,982 | \$ 5,159,350 | \$ 5,786,584 | \$ 6,176,990 | \$ 6,654,957 |
| Judicial administration                      | 1,456,810    | 1,561,657    | 1,631,514    | 1,527,917    | 1,641,333    | 1,855,368    | 1,715,890    | 1,321,227    | 1,348,979    | 2,060,878    |
| Public safety                                | 7,130,848    | 7,658,681    | 8,223,726    | 8,105,378    | 8,531,631    | 9,191,033    | 10,992,193   | 11,394,515   | 13,780,076   | 15,564,412   |
| Public works                                 | 796,180      | 801,403      | 784,017      | 825,229      | 760,112      | 2,220,929    | 2,105,022    | 3,376,481    | 3,295,293    | 3,681,882    |
| Health and welfare                           | 3,880,617    | 3,938,769    | 4,031,891    | 4,342,568    | 4,744,149    | 4,982,426    | 4,775,671    | 4,827,829    | 4,823,495    | 4,964,698    |
| Education                                    | 17,700,882   | 19,467,678   | 20,255,232   | 23,761,695   | 21,875,546   | 24,665,127   | 24,617,455   | 25,854,715   | 25,775,126   | 26,104,626   |
| Parks, recreation, and facilities management | 2,045,649    | 2,089,590    | 2,124,874    | 2,031,018    | 2,415,654    | 1,050,389    | 914,960      | 588,169      | 1,032,257    | 1,255,019    |
| Community development                        | 1,191,392    | 1,020,421    | 1,265,385    | 1,121,129    | 1,844,255    | 1,105,859    | 1,667,282    | 1,618,182    | 1,879,998    | 1,644,920    |
| Interest and other fiscal charges            | 949,236      | 836,779      | 726,881      | 598,042      | 539,984      | 627,357      | 505,074      | 380,413      | 257,942      | 207,644      |
| Total governmental activities expenses       | 38,926,896   | 41,158,505   | 43,080,204   | 46,510,602   | 46,745,480   | 50,636,470   | 52,452,897   | 55,148,115   | 58,370,156   | 62,139,036   |
| Business-type activities:                    |              |              |              |              |              |              |              |              |              |              |
| Public utilities                             | 10,199,319   | 10,922,109   | 10,761,364   | 1,208,532    | 11,672,931   | 11,447,534   | 11,760,612   | 13,096,007   | 12,545,315   | 14,813,529   |
| Total Primary Government expenses            | 49,126,215   | 52,080,614   | 53,841,568   | 47,719,134   | 58,418,411   | 62,084,004   | 64,213,509   | 68,244,122   | 70,915,471   | 76,952,565   |
| <b>Program revenues</b>                      |              |              |              |              |              |              |              |              |              |              |
| Governmental activities:                     |              |              |              |              |              |              |              |              |              |              |
| Charges for services:                        |              |              |              |              |              |              |              |              |              |              |
| General government                           | -            | -            | 64,513       | 77,785       | 97,985       | 124,371      | 148,624      | 140,556      | 3,666        | 3,666        |
| Judicial administration                      | 14,964       | 28,814       | 75,219       | 75,504       | 83,059       | 173,188      | 167,671      | 132,713      | 53,870       | 105,945      |
| Public safety                                | 87,764       | 317,460      | 1,251,462    | 1,309,043    | 1,826,008    | 1,809,165    | 1,841,212    | 1,766,693    | 1,878,390    | 2,049,043    |
| Public works                                 | 36,284       | 34,325       | 39,768       | 26,794       | 36,532       | 35,705       | 35,622       | 34,105       | 41,686       | 39,088       |
| Health and welfare                           | 47,247       | 36,672       | 30,672       | 21,182       | 25,725       | 24,790       | 23,631       | 25,404       | -            | -            |
| Education                                    | 765,182      | 974,569      | -            | -            | -            | -            | -            | -            | -            | -            |
| Parks, recreation, and facilities management | 126,822      | 127,380      | 135,617      | 152,552      | 195,078      | 217,490      | 208,116      | 209,848      | 75,762       | 107,671      |
| Community development                        | -            | -            | 27,659       | 28,625       | 309,049      | 124,718      | 128,488      | 129,507      | 239,825      | 272,200      |
| Operating grants and contributions           | 3,407,998    | 3,606,738    | 3,693,077    | 3,872,169    | 4,899,901    | 4,463,141    | 4,636,596    | 4,418,646    | 5,647,843    | 4,902,194    |
| Capital grants and contributions             | 190,358      | 37,000       | 1,366,358    | 105,238      | 118,814      | 125,000      | 54,900       | 150,000      | 193,727      | 777,628      |
| Total governmental activities revenues       | 4,676,619    | 5,162,958    | 6,684,345    | 5,668,892    | 7,592,151    | 7,097,568    | 7,244,860    | 7,007,472    | 8,134,769    | 8,257,435    |
| Business-type activities:                    |              |              |              |              |              |              |              |              |              |              |
| Charges for services:                        |              |              |              |              |              |              |              |              |              |              |
| Public utilities                             | 3,576,014    | 4,014,710    | 4,272,246    | 4,610,848    | 5,021,894    | 4,478,230    | 5,346,858    | 5,219,877    | 6,152,519    | 6,486,321    |
| Operating grants and contributions           | -            | -            | 878,797      | 778,312      | 1,156,394    | 878,797      | 3,175,036    | 1,001,296    | 1,128,370    | 2,564,052    |
| Capital grants and contributions             | 1,790,690    | 932,860      | 2,335,129    | 453,250      | 654,500      | 360,651      | 1,166,520    | 1,769,246    | 997,683      | 1,566,829    |
| Total business-type activities revenues      | 5,366,704    | 4,947,570    | 7,486,172    | 5,842,410    | 6,832,788    | 5,717,678    | 9,688,414    | 7,990,419    | 8,278,572    | 10,617,202   |
| Total Primary Government program revenues    | 10,043,323   | 10,110,528   | 14,170,517   | 11,511,302   | 14,424,939   | 12,815,246   | 16,933,274   | 14,997,891   | 16,413,341   | 18,874,637   |

**Changes in Net Position (Unaudited) (continued)**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

|                                                           | June 30,        |                 |                 |                 |                 |                 |                 |                 |                 |                 |
|-----------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                                           | 2012            | 2013            | 2014            | 2015            | 2016            | 2017            | 2018            | 2019            | 2020            | 2021            |
| Net expense:                                              |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Governmental activities                                   | \$ (34,250,277) | \$ (35,995,547) | \$ (36,395,859) | \$ (40,841,710) | \$ (39,153,329) | \$ (43,538,902) | \$ (45,208,037) | \$ (48,140,643) | \$ (50,239,053) | \$ (53,881,601) |
| Business-type activities                                  | (4,832,615)     | (5,974,539)     | (3,275,192)     | (6,166,122)     | (4,840,143)     | (5,729,856)     | (2,072,198)     | (5,105,588)     | (4,266,743)     | (4,196,327)     |
| Total Primary Government net expense                      | (39,082,892)    | (41,970,086)    | (39,671,051)    | (47,007,832)    | (43,993,472)    | (49,268,758)    | (47,280,235)    | (53,246,231)    | (54,505,796)    | (58,077,928)    |
| <b>General revenues and other changes in net position</b> |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Governmental activities:                                  |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Taxes:                                                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Property taxes                                            | 29,314,852      | 33,172,749      | 30,880,310      | 31,564,455      | 33,856,674      | 34,908,623      | 36,957,414      | 39,787,132      | 42,849,346      | 46,254,390      |
| Local sales and use taxes                                 | 2,255,251       | 2,277,542       | 2,495,443       | 2,800,373       | -               | 2,822,028       | 3,026,300       | 3,263,319       | 7,251,410       | 9,516,517       |
| Consumer utility taxes                                    | 422,363         | 423,108         | 390,637         | 441,456         | 453,843         | 459,699         | 466,496         | 484,220         | -               | -               |
| Communications tax <sup>(1)</sup>                         | 876,103         | 875,140         | -               | -               | -               | -               | -               | -               | -               | -               |
| Other local taxes                                         | 1,698,638       | 5,453,754       | 3,592,955       | 3,965,972       | 6,174,773       | 3,340,470       | 3,459,266       | 2,633,381       | -               | -               |
| Unrestricted grants and contributions                     | 2,935,200       | 3,059,051       | 3,944,607       | 3,919,183       | 3,912,925       | 3,913,355       | 3,813,619       | 3,937,956       | 3,820,345       | 4,275,130       |
| Unrestricted revenues from use of money and property      | 217,982         | 90,781          | 154,059         | 59,084          | 133,704         | 311,479         | 675,161         | 1,242,788       | 882,694         | 141,975         |
| Fines and forfeitures                                     | 182,360         | 130,802         | 124,052         | 117,109         | 123,069         | -               | -               | -               | -               | -               |
| Miscellaneous                                             | 375,003         | 796,524         | 729,424         | 811,268         | 506,539         | 856,126         | 1,391,536       | 1,066,916       | 3,863,480       | 2,018,682       |
| Transfers                                                 | (466,067)       | (546,650)       | (790,577)       | (381,000)       | (250,000)       | -               | -               | -               | -               | -               |
| Total general revenues, governmental activities           | 37,811,685      | 45,732,801      | 41,520,910      | 43,297,900      | 44,911,527      | 46,611,780      | 49,789,792      | 52,415,712      | 58,667,275      | 62,206,694      |
| Business-type activities:                                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Taxes:                                                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Property taxes                                            | 3,082,297       | 3,128,789       | 3,302,746       | 3,650,266       | 4,083,633       | 4,368,155       | 4,555,993       | 5,128,920       | 5,805,125       | 6,646,962       |
| Unrestricted revenues from use of money and property      | 336,694         | 424,269         | 520,733         | 524,238         | 552,765         | 557,051         | 562,392         | 573,756         | 568,062         | 497,319         |
| Miscellaneous                                             | 369             | 3,939           | 2,492           | 6,847           | 1,227           | -               | -               | -               | -               | -               |
| Transfers                                                 | 466,067         | 546,650         | 790,577         | 381,000         | 250,000         | -               | -               | -               | -               | -               |
| Total general revenues, business-type activities          | 3,885,427       | 4,103,647       | 4,616,548       | 4,562,351       | 4,887,625       | 4,925,206       | 5,118,385       | 5,702,676       | 6,373,187       | 7,144,281       |
| Total general revenues, Primary Government                | 41,697,112      | 49,836,448      | 46,137,458      | 47,860,251      | 49,799,152      | 51,536,986      | 54,908,177      | 58,118,388      | 65,040,462      | 69,350,975      |
| <b>Change in net position</b>                             |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Governmental activities                                   | 3,561,408       | 9,737,254       | 5,125,051       | 2,456,190       | 5,758,198       | 3,072,878       | 4,581,755       | 4,275,069       | 8,428,222       | 8,325,093       |
| Business-type activities                                  | (947,188)       | (1,870,892)     | 1,341,356       | (1,603,771)     | 47,482          | (804,650)       | 3,046,187       | 597,088         | 2,106,444       | 2,947,954       |
| Total Primary Government                                  | \$ 2,614,220    | \$ 7,866,362    | \$ 6,466,407    | \$ 852,419      | \$ 5,805,680    | \$ 2,268,228    | \$ 7,627,942    | \$ 4,872,157    | \$ 10,534,666   | \$ 11,273,047   |

Note:

(1) Beginning in fiscal year 2014, communications tax was reclassified as unrestricted grants and contributions.

County of Goochland, Virginia

Table 3

Fund Balances - Governmental Funds (Unaudited)

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

|                                         | June 30,             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|-----------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                         | 2012                 | 2013                 | 2014                 | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 |
| <b>General fund</b>                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Nonspendable                            | \$ 2,986,987         | \$ 2,585,293         | \$ 2,577,195         | \$ 2,594,189         | \$ 2,630,719         | \$ 2,418,984         | \$ 1,890,095         | \$ 1,290,362         | \$ 803,978           | \$ 308,261           |
| Restricted                              | 111,334              | 105,609              | 108,620              | 92,580               | 89,250               | 55,239               | 22,520               | 25,583               | 33,360               | 25,160               |
| Committed                               | 3,914,260            | -                    | -                    | -                    | -                    | 580,000              | 1,815,700            | 1,922,345            | 1,922,345            | 2,120,000            |
| Assigned                                | 2,358,443            | 6,066,496            | 11,756,216           | 11,674,825           | 12,261,758           | 11,954,116           | 14,083,500           | 13,625,600           | 16,141,374           | 19,326,570           |
| Unassigned                              | 16,884,189           | 22,873,972           | 19,401,025           | 19,401,951           | 19,404,095           | 19,450,499           | 18,425,513           | 18,643,136           | 19,038,866           | 19,600,903           |
| <b>Total general fund</b>               | <b>\$ 26,255,213</b> | <b>\$ 31,631,370</b> | <b>\$ 33,843,056</b> | <b>\$ 33,763,545</b> | <b>\$ 34,385,822</b> | <b>\$ 34,458,838</b> | <b>\$ 36,237,328</b> | <b>\$ 35,507,026</b> | <b>\$ 37,939,923</b> | <b>\$ 41,380,894</b> |
| <b>All other governmental funds</b>     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Nonspendable for:                       |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Comprehensive services/                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Office of Children's Services           | \$ 506               | \$ 488               | \$ -                 | \$ 529               | \$ 543               | \$ 582               | \$ 610               | \$ 634               | \$ 634               | \$ 638               |
| Restricted for:                         |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Forfeiture funds                        | 125,664              | 117,233              | 101,302              | 90,808               | 49,322               | 38,418               | 38,961               | 39,875               | 40,528               | 40,534               |
| Capital improvements                    | -                    | -                    | -                    | -                    | -                    | 3,303,542            | 477,684              | -                    | -                    | -                    |
| Assigned, reported in:                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Capital projects                        | 2,488,471            | 4,700,812            | 6,613,619            | 8,780,683            | 8,252,623            | 10,977,829           | 11,787,376           | 11,728,523           | 11,541,722           | 13,354,459           |
| Special revenue fund                    | 505                  | 57,642               | 198,594              | 142,743              | 58,087               | 57,520               | 68,975               | 82,777               | 156,562              | 1,991,707            |
| Unassigned                              | (506)                | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| <b>Total all other government funds</b> | <b>\$ 2,614,640</b>  | <b>\$ 4,876,175</b>  | <b>\$ 6,913,515</b>  | <b>\$ 9,014,763</b>  | <b>\$ 8,360,575</b>  | <b>\$ 14,377,891</b> | <b>\$ 12,373,606</b> | <b>\$ 11,851,809</b> | <b>\$ 11,739,446</b> | <b>\$ 15,387,338</b> |

**Changes in Fund Balances - Governmental Funds (Unaudited)**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

|                                                                  | June 30,            |                     |                     |                     |                    |                     |                     |                       |                     |                     |
|------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|
|                                                                  | 2012                | 2013                | 2014                | 2015                | 2016               | 2017                | 2018                | 2019                  | 2020                | 2021                |
| <b>Revenues</b>                                                  |                     |                     |                     |                     |                    |                     |                     |                       |                     |                     |
| General property taxes                                           | \$ 29,123,912       | \$ 32,914,846       | \$ 31,119,082       | \$ 31,996,585       | \$ 34,024,340      | \$ 34,968,837       | \$ 37,025,060       | \$ 39,909,469         | \$ 42,399,909       | \$ 46,520,448       |
| Other local taxes                                                | 5,252,355           | 9,029,544           | 6,479,035           | 7,207,801           | 6,628,616          | 6,622,197           | 6,952,062           | 6,380,920             | 7,251,410           | 9,516,517           |
| Permits, privilege fees, and regulatory licenses                 | 764,566             | 973,999             | 594,726             | 796,842             | 1,323,690          | 1,435,503           | 1,364,408           | 1,369,228             | 1,325,504           | 1,521,728           |
| Fines and forfeitures                                            | 182,360             | 130,802             | 124,052             | 117,109             | 123,069            | 114,795             | 115,307             | 77,182                | 54,790              | 60,398              |
| Revenue from use of money and property                           | 217,982             | 93,455              | 154,059             | 59,084              | 133,704            | 311,479             | 675,161             | 1,242,788             | 882,694             | 141,975             |
| Charges for services                                             | 313,697             | 545,221             | 1,030,184           | 894,643             | 968,146            | 959,129             | 1,073,649           | 992,416               | 909,239             | 995,487             |
| Miscellaneous                                                    | 555,473             | 796,524             | 729,424             | 811,268             | 788,139            | 856,126             | 1,391,536           | 1,066,916             | 3,863,480           | 2,018,682           |
| Recovered costs                                                  | 144,144             | 200,640             | 206,319             | 178,954             | 156,350            | 170,160             | 348,704             | 296,222               | 248,153             | 281,191             |
| Intergovernmental:                                               |                     |                     |                     |                     |                    |                     |                     |                       |                     |                     |
| Commonwealth                                                     | 5,590,356           | 5,749,766           | 6,618,871           | 6,716,446           | 7,762,328          | 7,103,396           | 7,031,202           | 6,994,306             | 6,944,583           | 6,949,601           |
| Federal                                                          | 943,199             | 916,023             | 1,018,813           | 1,180,144           | 1,169,312          | 1,398,100           | 1,473,913           | 1,512,296             | 2,717,331           | 3,005,351           |
| <b>Total revenues</b>                                            | <b>43,088,044</b>   | <b>51,350,820</b>   | <b>48,074,565</b>   | <b>49,958,876</b>   | <b>53,077,694</b>  | <b>53,939,722</b>   | <b>57,451,002</b>   | <b>59,841,743</b>     | <b>66,597,093</b>   | <b>71,011,378</b>   |
| <b>Expenditures</b>                                              |                     |                     |                     |                     |                    |                     |                     |                       |                     |                     |
| General government administration                                | 3,537,551           | 3,717,286           | 4,113,215           | 4,255,040           | 4,660,951          | 5,213,013           | 5,698,385           | 6,594,657             | 6,676,426           | 7,357,989           |
| Judicial administration                                          | 1,391,446           | 1,488,895           | 1,507,389           | 1,482,281           | 1,606,251          | 1,716,551           | 1,664,707           | 2,106,043             | 1,766,529           | 2,189,225           |
| Public safety                                                    | 6,185,483           | 6,687,191           | 7,436,057           | 8,806,727           | 13,684,127         | 15,065,967          | 13,528,103          | 13,613,068            | 17,161,357          | 15,037,852          |
| Public works                                                     | 839,369             | 842,089             | 776,933             | 712,448             | 843,705            | 2,481,016           | 2,878,480           | 3,527,981             | 3,326,664           | 3,704,682           |
| Health and welfare                                               | 3,875,096           | 3,961,330           | 3,969,700           | 4,396,878           | 4,768,175          | 5,036,886           | 4,800,757           | 4,884,107             | 4,823,634           | 4,858,176           |
| Education                                                        | 15,860,009          | 17,539,786          | 18,614,757          | 21,824,649          | 20,383,046         | 22,772,450          | 22,646,784          | 24,109,293            | 23,795,796          | 25,409,154          |
| Parks, recreation, and facilities management                     | 1,813,179           | 1,866,550           | 2,355,179           | 2,189,014           | 2,477,416          | 1,350,010           | 935,973             | 1,009,987             | 1,069,420           | 1,661,585           |
| Community development                                            | 1,105,405           | 1,220,688           | 1,435,436           | 1,452,284           | 2,171,726          | 1,349,793           | 2,037,891           | 1,834,340             | 2,268,176           | 1,935,007           |
| Capital projects                                                 | 1,025,164           | 2,024,139           | -                   | -                   | -                  | -                   | -                   | -                     | -                   | -                   |
| Debt service:                                                    |                     |                     |                     |                     |                    |                     |                     |                       |                     |                     |
| Principal                                                        | 2,888,657           | 2,905,005           | 2,036,724           | 1,781,732           | 1,815,812          | 2,413,563           | 2,912,706           | 2,963,556             | 3,058,814           | 1,524,000           |
| Interest and other fiscal charges                                | 1,019,155           | 906,679             | 789,572             | 655,086             | 599,976            | 643,012             | 573,011             | 450,810               | 329,743             | 244,845             |
| <b>Total expenditures</b>                                        | <b>39,540,514</b>   | <b>43,159,638</b>   | <b>43,034,962</b>   | <b>47,556,139</b>   | <b>53,011,185</b>  | <b>58,042,261</b>   | <b>57,676,797</b>   | <b>61,093,842</b>     | <b>64,276,559</b>   | <b>63,922,515</b>   |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>3,547,530</b>    | <b>8,191,182</b>    | <b>5,039,603</b>    | <b>2,402,737</b>    | <b>66,509</b>      | <b>(4,102,539)</b>  | <b>(225,795)</b>    | <b>(1,252,099)</b>    | <b>2,320,534</b>    | <b>7,088,863</b>    |
| <b>Other financing sources (uses)</b>                            |                     |                     |                     |                     |                    |                     |                     |                       |                     |                     |
| Transfers in                                                     | 1,261,307           | 4,397,117           | 3,474,087           | 5,903,664           | 5,840,551          | 5,756,809           | 3,518,420           | 7,567,435             | 6,675,029           | 7,062,736           |
| Transfers out                                                    | (1,727,374)         | (4,950,607)         | (4,264,664)         | (6,284,664)         | (6,090,551)        | (5,756,809)         | (3,518,420)         | (7,567,435)           | (6,675,029)         | (7,062,736)         |
| Long-term debt issued                                            | 462,951             | -                   | -                   | -                   | 151,580            | 10,192,871          | -                   | -                     | -                   | -                   |
| <b>Total other financing sources (uses), net</b>                 | <b>(3,116)</b>      | <b>(553,490)</b>    | <b>(790,577)</b>    | <b>(381,000)</b>    | <b>(98,420)</b>    | <b>10,192,871</b>   | <b>-</b>            | <b>-</b>              | <b>-</b>            | <b>-</b>            |
| <b>Net change in fund balances</b>                               | <b>\$ 3,544,414</b> | <b>\$ 7,637,692</b> | <b>\$ 4,249,026</b> | <b>\$ 2,021,737</b> | <b>\$ (31,911)</b> | <b>\$ 6,090,332</b> | <b>\$ (225,795)</b> | <b>\$ (1,252,099)</b> | <b>\$ 2,320,534</b> | <b>\$ 7,088,863</b> |
| <b>Debt service as a percentage of noncapital expenditures</b>   | <b>10.15%</b>       | <b>9.27%</b>        | <b>6.84%</b>        | <b>6.04%</b>        | <b>5.28%</b>       | <b>5.90%</b>        | <b>6.78%</b>        | <b>6.41%</b>          | <b>6.07%</b>        | <b>3.10%</b>        |

*County of Goochland, Virginia*

**Table 5**

***Assessed Value and Estimated Actual Value of Taxable Property (Unaudited)  
Last Ten Calendar Years***

| Calendar Year | Real Estate      | Personal Property | Machinery and<br>Tools | Public Service | Total Taxable<br>Assessed Value | Total Direct<br>Tax Rate <sup>(1)</sup> | Estimated Actual<br>Taxable Value | Assessed Value as<br>a Percentage of<br>Actual Value |
|---------------|------------------|-------------------|------------------------|----------------|---------------------------------|-----------------------------------------|-----------------------------------|------------------------------------------------------|
| 2012          | \$ 4,200,112,700 | \$ 262,588,986    | \$ 9,708,425           | \$ 118,768,766 | \$ 4,591,178,877                | \$ 0.73                                 | \$ 4,591,178,877                  | 100.00%                                              |
| 2013          | 4,066,751,908    | 258,095,897       | 9,074,954              | 120,057,618    | 4,453,980,377                   | 0.73                                    | 4,453,980,377                     | 100.00                                               |
| 2014          | 4,054,090,042    | 275,403,341       | 9,286,565              | 119,954,347    | 4,458,734,295                   | 0.74                                    | 4,458,734,295                     | 100.00                                               |
| 2015          | 4,207,913,780    | 273,133,074       | 35,772,558             | 117,609,110    | 4,634,428,522                   | 0.74                                    | 4,634,428,522                     | 100.00                                               |
| 2016          | 4,535,164,147    | 280,261,771       | 38,640,103             | 129,676,678    | 4,983,742,699                   | 0.73                                    | 4,983,742,699                     | 100.00                                               |
| 2017          | 4,657,013,092    | 281,314,285       | 42,501,277             | 132,940,480    | 5,113,769,134                   | 0.72                                    | 5,113,769,134                     | 100.00                                               |
| 2018          | 4,864,785,549    | 287,214,586       | 44,200,310             | 146,834,768    | 5,343,035,213                   | 0.72                                    | 5,343,035,213                     | 100.00                                               |
| 2019          | 5,314,537,900    | 294,644,949       | 45,472,780             | 145,333,404    | 5,799,989,033                   | 0.71                                    | 5,799,989,033                     | 100.00                                               |
| 2020          | 5,646,430,650    | 312,985,039       | 47,075,783             | 164,524,596    | 6,171,016,068                   | 0.71                                    | 6,171,016,068                     | 100.00                                               |
| 2021          | 6,117,653,700    | 332,365,305       | 48,520,170             | 165,559,908    | 6,664,099,083                   | 0.70                                    | 6,664,099,083                     | 100.00                                               |

Note:

(1) The total direct rate for each fiscal year is per \$100 of assessed valuation, calculated on the weighted average basis.

Source: Commissioner of Revenue, Jennifer Brown

**County of Goochland, Virginia**

**Table 6**

**Property Tax Rates (Unaudited) <sup>(1)</sup>  
Direct and Overlapping Governments  
Last Ten Calendar Years**

| Calendar Year | Direct Rates |                      |                        | Total Direct<br>Tax Rate <sup>(2)</sup> | Tuckahoe Creek<br>Service District<br>Ad Valorem |
|---------------|--------------|----------------------|------------------------|-----------------------------------------|--------------------------------------------------|
|               | Real Estate  | Personal<br>Property | Machinery<br>and Tools |                                         |                                                  |
| 2012          | \$ 0.53      | \$ 4.00              | \$ 3.75                | \$ 0.73                                 | \$ 0.31/.032                                     |
| 2013          | 0.53         | 4.00                 | 3.75                   | 0.73                                    | 0.32                                             |
| 2014          | 0.53         | 4.00                 | 1.00                   | 0.74                                    | 0.32                                             |
| 2015          | 0.53         | 4.00                 | 1.00                   | 0.74                                    | 0.32                                             |
| 2016          | 0.53         | 4.00                 | 1.00                   | 0.73                                    | 0.32                                             |
| 2017          | 0.53         | 4.00                 | 1.00                   | 0.72                                    | 0.32                                             |
| 2018          | 0.53         | 4.00                 | 1.00                   | 0.72                                    | 0.32                                             |
| 2019          | 0.53         | 4.00                 | 1.00                   | 0.71                                    | 0.32                                             |
| 2020          | 0.53         | 3.95                 | 1.00                   | 0.71                                    | 0.32                                             |
| 2021          | 0.53         | 3.95                 | 1.00                   | 0.70                                    | 0.32                                             |

Notes:

(1) The individual tax rates are per \$100 of assessed value.

(2) The total direct tax rates are calculated per \$100 of assessed valuation and calculated on the weighted average basis.

**County of Goochland, Virginia**

**Table 7**

**Principal Property Taxpayers (Unaudited)  
Current Year and the Period Nine Years Prior**

| Taxpayer                         | Business Type          | Rank | Fiscal Year 2021*                   |                                     | Rank | Fiscal year 2012*                      |                                     |
|----------------------------------|------------------------|------|-------------------------------------|-------------------------------------|------|----------------------------------------|-------------------------------------|
|                                  |                        |      | Tax Year 2021<br>Assessed Valuation | % of Total<br>Assessed<br>Valuation |      | Tax Year 2011<br>Assessed<br>Valuation | % of Total<br>Assessed<br>Valuation |
| Capital One Bank                 | Bank Headquarters      | 1    | \$ 217,188,800                      | 3.74%                               | 1    | \$ 136,020,900                         | 2.87%                               |
| Bristol Apartments (CS1031 2000) | Apartments             | 2    | 104,960,200                         | 1.81                                | -    | -                                      | 0.00                                |
| Dominion Virginia Power          | Public Utility         | 3    | 83,505,403                          | 1.44                                | 3    | 46,503,100                             | 0.98                                |
| Mid America Apartment            | Apartments             | 4    | 71,299,000                          | 1.23                                | -    | -                                      | 0.00                                |
| Car Max Business Services        | Car Sales Headquarters | 6    | 40,857,200                          | 0.70                                | 4    | 43,271,100                             | 0.91                                |
| Pruitt, Richard I                | Rock Quarries          | 5    | 39,292,000                          | 0.68                                | 6    | 27,127,400                             | 0.57                                |
| Luck Stone Corporation           | Rock Quarries          | 7    | 31,761,800                          | 0.55                                | 5    | 27,163,500                             | 0.57                                |
| Riverstone Group LLC             | Commercial Real Estate | 8    | 28,055,000                          | 0.48                                | -    | -                                      | 0.00                                |
| Avery Point                      | Retirement Community   | 9    | 27,010,700                          | 0.47                                | -    | -                                      | 0.00                                |
| CSX Transportation               | Railroad               | 10   | 26,330,225                          | 0.45                                | -    | -                                      | 0.00                                |
| Federal Reserve Bank             | Bank Headquarters      | 11   | 25,228,600                          | 0.43                                | 8    | 24,873,300                             | 0.53                                |
| Wilkes Ridge Medical (MMAC 150)  | Medical Offices        | 12   | 25,028,600                          | 0.43                                | -    | -                                      | 0.00                                |
| Gottwald, James T                | Individual             | 13   | 22,320,100                          | 0.38                                | 7    | 24,883,100                             | 0.53                                |
| Markel Properties LLC            | Insurance/RE assets    | 14   | 21,030,200                          | 0.36                                | 10   | 20,840,700                             | 0.44                                |
| West Creek/WC/GC Land**          | Land Developers        | -    | -                                   | -                                   | 2    | 119,886,300                            | 2.53                                |
| Hermitage County Club            | Country Club           | -    | -                                   | -                                   | 11   | 20,295,300                             | 0.43                                |
| Verizon Virginia Inc             | Communications         | -    | -                                   | -                                   | 9    | 26,667,121                             | -                                   |
|                                  |                        |      | <u>\$ 763,867,828</u>               | <u>13.15%</u>                       |      | <u>\$ 517,531,821</u>                  | <u>10.36%</u>                       |

Source: Commissioner of Revenue

\*Commissioner's figures are based on Calendar Year 2021 and Calendar Year 2011 without abatements or supplements.

*County of Goochland, Virginia**Table 8**Property Tax Levies and Collections (Unaudited)  
Last Ten Fiscal Years*

| Fiscal Year | Total Tax Levy<br>for Fiscal Year | Collected within the Fiscal<br>Year of the Levy |                       | Collections in<br>Subsequent<br>Years | Total Collections to Date |                       |
|-------------|-----------------------------------|-------------------------------------------------|-----------------------|---------------------------------------|---------------------------|-----------------------|
|             |                                   | Amount                                          | Percentage<br>of Levy |                                       | Amount                    | Percentage of<br>Levy |
| 2012        | \$ 31,544,172                     | \$ 29,854,001                                   | 94.64%                | \$ 1,612,689                          | \$ 31,466,690             | 99.75%                |
| 2013        | 35,903,587                        | 34,089,797                                      | 94.95                 | 1,744,243                             | 35,834,040                | 99.81                 |
| 2014        | 33,104,770                        | 31,802,496                                      | 96.07                 | 1,282,604                             | 33,085,100                | 99.94                 |
| 2015        | 34,354,491                        | 33,176,890                                      | 96.57                 | 1,254,443                             | 34,431,333                | 100.22                |
| 2016        | 36,476,715                        | 35,342,767                                      | 96.89                 | 1,191,706                             | 36,534,473                | 100.16                |
| 2017        | 38,190,041                        | 37,032,670                                      | 96.97                 | 1,231,802                             | 38,264,472                | 100.19                |
| 2018        | 40,127,807                        | 38,886,293                                      | 96.91                 | 1,190,185                             | 40,076,478                | 99.87                 |
| 2019        | 43,873,083                        | 42,315,579                                      | 96.45                 | 1,368,952                             | 43,684,531                | 99.57                 |
| 2020        | 47,522,033                        | 45,748,151                                      | 96.27                 | 1,364,620                             | 47,112,771                | 99.14                 |
| 2021        | 51,711,581                        | 49,741,543                                      | 96.19                 | -                                     | 49,741,543                | 96.19                 |

Source: County Treasurer's office

Note: 2015, 2016 and 2017 appear to have collected over 100%. For comparability, the total tax levy for fiscal year is not updated for subsequent assessments.

**Ratios of Outstanding Debt by Type <sup>(1)</sup> (Unaudited)**  
**Last Ten Fiscal Years**

| Fiscal Year | Governmental Activities  |                           |                                                                              |                                |                | Business-Type Activities |                                    |                             |                         |                          | Total Debt as a Percent of Personal Income (2) | Total Debt Per Capita (2) |
|-------------|--------------------------|---------------------------|------------------------------------------------------------------------------|--------------------------------|----------------|--------------------------|------------------------------------|-----------------------------|-------------------------|--------------------------|------------------------------------------------|---------------------------|
|             | General Obligation Bonds | Total General Bonded Debt | Percent of General Bonded Debt to Estimated Actual Value of Taxable Property | General Bonded Debt per Capita | Capital Leases | Revenue Bonds            | Accreted Interest on Revenue Bonds | Capacity Rights Obligations | Contractual Obligations | Total Primary Government |                                                |                           |
| 2012        | \$ 18,585,000            | \$ 18,585,000             | 0.40%                                                                        | \$ 874                         | \$ 1,263,304   | \$ 65,337,167            | \$ 17,926,838                      | \$ 19,630,367               | \$ 1,762,260            | \$ 124,504,936           | 7.14%                                          | \$ 5,853                  |
| 2013        | 16,963,165               | 16,963,165                | 0.38                                                                         | 787                            | 216,485        | 81,842,364               | 14,213,122                         | 19,359,886                  | 4,245,963               | 136,840,985              | 8.08                                           | 6,346                     |
| 2014        | 15,003,690               | 15,003,690                | 0.34                                                                         | 687                            | 101,732        | 80,658,180               | 16,039,612                         | 19,069,443                  | 5,099,856               | 135,972,513              | 7.58                                           | 6,223                     |
| 2015        | 13,304,215               | 13,304,215                | 0.29                                                                         | 600                            | -              | 79,352,175               | 17,747,281                         | 18,776,878                  | 5,855,594               | 135,036,143              | 6.84                                           | 6,092                     |
| 2016        | 11,544,740               | 11,544,740                | 0.23                                                                         | 513                            | 75,768         | 78,052,945               | 19,290,536                         | 18,515,235                  | 6,691,468               | 134,170,692              | 6.72                                           | 5,967                     |
| 2017        | 9,730,265                | 9,730,265                 | 0.19                                                                         | 429                            | 9,650,076      | 76,502,944               | 20,627,543                         | 17,893,991                  | 6,497,342               | 140,902,161              | 6.69                                           | 6,206                     |
| 2018        | 7,845,790                | 7,845,790                 | 0.15                                                                         | 338                            | 8,602,370      | 74,843,503               | 21,702,513                         | 17,379,681                  | 6,311,595               | 136,685,452              | 6.56                                           | 5,887                     |
| 2019        | 5,891,315                | 5,891,315                 | 0.10                                                                         | 248                            | 7,573,814      | 73,086,941               | 22,461,944                         | 16,378,307                  | 6,307,031               | 131,699,352              | 5.90                                           | 5,545                     |
| 2020        | 3,861,840                | 3,861,840                 | 0.06                                                                         | 156                            | 6,525,000      | 71,236,938               | 22,853,017                         | 15,378,307                  | 6,307,031               | 126,162,133              | 5.33                                           | 5,102                     |
| 2021        | 3,307,365                | 3,307,365                 | 0.05                                                                         | 132                            | 5,536,000      | 80,492,453               | 15,751,757                         | 15,378,307                  | 6,307,031               | 126,772,913              | 5.17                                           | 5,044                     |

## Notes:

(1) Details regarding the County's outstanding debt can be found in Note IV-G to the financial statements.

(2) See Table 11 for population and personal income data.

**Pledged Revenue Coverage (Unaudited)**  
**Last Ten Fiscal Years**

**Utility - Water and Sewer Revenue Bonds**

| Fiscal Year | Utility Revenues | Less:<br>Operating<br>Expenses (1) | Net Available<br>Revenues | Debt Service Requirements |              | Net Available Revenues<br>Coverage |
|-------------|------------------|------------------------------------|---------------------------|---------------------------|--------------|------------------------------------|
|             |                  |                                    |                           | Principal                 | Interest     |                                    |
| 2012        | \$ 7,333,011     | \$ 3,141,261                       | \$ 4,191,750              | \$ 1,155,000              | \$ 1,888,825 | 1.4                                |
| 2013        | 8,504,567        | 3,424,384                          | 5,080,183                 | 1,134,765                 | 2,334,359    | 1.5                                |
| 2014        | 9,498,818        | 3,786,096                          | 5,712,722                 | 1,486,288                 | 2,689,123    | 1.4                                |
| 2015        | 9,570,510        | 4,285,384                          | 5,285,126                 | 1,605,007                 | 2,869,049    | 1.2                                |
| 2016        | 10,815,913       | 4,242,290                          | 6,573,623                 | 1,692,128                 | 3,135,683    | 1.4                                |
| 2017        | 10,282,234       | 4,399,365                          | 5,882,869                 | 1,786,569                 | 3,252,521    | 1.2                                |
| 2018        | 13,640,279       | 4,750,658                          | 8,889,621                 | 1,888,689                 | 3,529,385    | 1.6                                |
| 2019        | 11,923,849       | 4,953,843                          | 6,970,006                 | 1,987,131                 | 3,821,937    | 1.2                                |
| 2020        | 13,654,076       | 5,545,084                          | 8,108,992                 | 1,913,020                 | 3,691,292    | 1.4                                |
| 2021        | 16,149,804       | 5,691,986                          | 10,457,818                | 1,663,020                 | 3,473,007    | 2.0                                |

Note:

(1) Utility operating expenses exclude depreciation.

**Demographic and Economic Statistics (Unaudited)**  
**Last Ten Years**

| <b>Fiscal Year</b> | <b>Population <sup>(1)</sup></b> | <b>Total Personal<br/>Income (000's) <sup>(2)</sup></b> | <b>Median<br/>Income <sup>(1)</sup></b> | <b>Median Age <sup>(1)</sup></b> | <b>School Enrollment <sup>(3)</sup></b> | <b>Unemployment Rate <sup>(4)</sup></b> |
|--------------------|----------------------------------|---------------------------------------------------------|-----------------------------------------|----------------------------------|-----------------------------------------|-----------------------------------------|
| 2012               | 21,273                           | \$ 1,744,788                                            | \$ 82,683                               | 45.30                            | 2,329                                   | 5.80%                                   |
| 2013               | 21,565                           | 1,693,165                                               | 80,976                                  | 45.80                            | 2,308                                   | 5.50                                    |
| 2014               | 21,849                           | 1,794,059                                               | 82,460                                  | 46.60                            | 2,387                                   | 4.90                                    |
| 2015               | 22,165                           | 1,975,645                                               | 79,330                                  | 47.20                            | 2,392                                   | 4.30                                    |
| 2016               | 22,485                           | 1,996,349                                               | 82,326                                  | 47.70                            | 2,495                                   | 3.90                                    |
| 2017               | 22,703                           | 2,107,681                                               | 86,652                                  | 48.40                            | 2,500                                   | 3.60                                    |
| 2018               | 23,219                           | 2,083,696                                               | 89,741                                  | 48.30                            | 2,567                                   | 3.30                                    |
| 2019               | 23,753                           | 2,232,639                                               | 93,994                                  | 48.30                            | 2,575                                   | 2.90                                    |
| 2020               | 24,727                           | 2,367,884                                               | 95,761                                  | 48.74                            | 2,514                                   | 6.60                                    |
| 2021               | 24,727                           | 2,411,575                                               | 97,528                                  | 49.19                            | 2,509                                   | 3.70                                    |

## Notes:

- (1) 2012 to 2019 population estimates, median income, and median age from the US Census Bureau. 2020 population from the US Census Bureau. 2020 and 2021 median income and median age, and 2021 population, estimated from the average change year over year.
- (2) Total personal income calculated using the US Census Bureau median income and population.
- (3) Based on Virginia Department of Education "Spring Student Record Count" (unadjusted average daily membership, not enrollment).
- (4) Virginia Employment Commission, Labor Market Information (LMI), as of June 30 each year.

**Principal Employers (Unaudited)**  
**Current Year and the Period Nine Years Prior**

| Employer                                    | 2021          |      |                                       | 2012           |      |                                       |
|---------------------------------------------|---------------|------|---------------------------------------|----------------|------|---------------------------------------|
|                                             | Employees     | Rank | Percentage of Total County Employment | Employees      | Rank | Percentage of Total County Employment |
| Capital One Bank                            | 1000 and over | 1    | 9.5%                                  | 1,000 and over | 1    | 10.2%                                 |
| Carmax Auto Superstores Inc                 | 1000 and over | 2    | 9.5                                   | 500 to 999     | 2    | 7.6                                   |
| Carmax                                      | 500 to 999    | 3    | 7.1                                   | n/a            | -    | n/a                                   |
| Goochland County School Board               | 250 to 499    | 4    | 3.6                                   | 250 to 499     | 3    | 3.8                                   |
| Sheltering Arms Institute                   | 250 to 499    | 5    | 3.6                                   | n/a            | -    | n/a                                   |
| Capital One NA                              | 250 to 499    | 6    | 3.6                                   | 20-49          | 44   | 0.4                                   |
| Performance Food Group In                   | 250 to 499    | 7    | 3.6                                   | 100 to 249     | 10   | 1.8                                   |
| Luck Stone Corporation                      | 250 to 499    | 8    | 3.6                                   | 250 to 499     | 4    | 3.8                                   |
| Virginia Correctional Center for Women      | 250 to 499    | 9    | 3.6                                   | 100 to 249     | 6    | 1.8                                   |
| County of Goochland                         | 250 to 499    | 10   | 3.6                                   | 100 to 249     | 7    | 1.8                                   |
| Virginia Farm Bureau Mutual Insurance, Inc. | 100 to 249    | 11   | 1.7                                   | 250 to 499     | 5    | 3.8                                   |
| Psychiatric Institute of Richmond           | 100 to 249    | 12   | 1.7                                   | 100 to 249     | 8    | 1.8                                   |
| Goochland Powhatan Community Services Board | 50 to 99      | 23   | 0.7                                   | 100 to 249     | 9    | 1.8                                   |

Source: Virginia Employment Commission, Quarterly Census of Employment and Wages

**Full-time Equivalent County Employees by Function (Unaudited)**  
**Last Ten Fiscal Years**

| Function                                           | June 30, |      |      |      |      |      |      |      |      |      |
|----------------------------------------------------|----------|------|------|------|------|------|------|------|------|------|
|                                                    | 2012     | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| <b>Government:</b>                                 |          |      |      |      |      |      |      |      |      |      |
| General government                                 | 32       | 36   | 36   | 35   | 34   | 35   | 37   | 40   | 41   | 41   |
| Judicial administration                            | 24       | 24   | 24   | 15   | 16   | 17   | 17   | 17   | 17   | 17   |
| Public safety:                                     |          |      |      |      |      |      |      |      |      |      |
| Sheriff's department                               | 39       | 41   | 41   | 41   | 45   | 50   | 49   | 52   | 53   | 56   |
| Fire and rescue                                    | 19       | 20   | 22   | 24   | 27   | 34   | 41   | 41   | 48   | 51   |
| Building inspections                               | 5        | 6    | 6    | 7    | 7    | 8    | 8    | 8    | 9    | 9    |
| Animal control                                     | 3        | 3    | 3    | 3    | 4    | 5    | 7    | 7    | 7    | 7    |
| General services:                                  |          |      |      |      |      |      |      |      |      |      |
| Facilities maintenance                             | -        | -    | -    | -    | -    | 10   | 10   | 10   | 10   | 10   |
| Convenience centers                                | 7        | 6    | 6    | 6    | 6    | 6    | 6    | 6    | 7    | 7    |
| Utilities                                          | 6        | 6    | 6    | 6    | 7    | 8    | 8    | 9    | 9    | 9    |
| Health and welfare:                                |          |      |      |      |      |      |      |      |      |      |
| Department of social services                      | 22       | 22   | 22   | 23   | 23   | 23   | 21   | 21   | 22   | 22   |
| Parks, recreation, and facilities management       | 18       | 18   | 19   | 16   | 19   | 4    | 5    | 5    | 5    | 5    |
| Community development:                             |          |      |      |      |      |      |      |      |      |      |
| Planning                                           | 11       | 10   | 10   | 10   | 10   | 10   | 10   | 10   | 12   | 13   |
| Total Government                                   | 186      | 192  | 195  | 186  | 198  | 210  | 219  | 226  | 240  | 247  |
| <b>School Board:</b>                               |          |      |      |      |      |      |      |      |      |      |
| Central office administrators                      | 13       | 11   | 12   | 13   | 13   | 13   | 13   | 13   | 14   | 13   |
| Principals and Assistant Principals <sup>(1)</sup> | 8        | 8    | 8    | 8    | 8    | 9    | 9    | 9    | 9    | 9    |
| Instructors:                                       |          |      |      |      |      |      |      |      |      |      |
| Elementary school                                  | 99       | 97   | 102  | 104  | 105  | 105  | 109  | 107  | 102  | 103  |
| Middle school                                      | 50       | 51   | 52   | 51   | 50   | 48   | 51   | 53   | 53   | 53   |
| High school                                        | 56       | 55   | 55   | 58   | 60   | 62   | 63   | 67   | 65   | 65   |
| Special education professionals                    | 12       | 12   | 14   | 14   | 14   | 14   | 14   | 15   | 15   | 15   |
| Instructional aides (all schools)                  | 33       | 33   | 36   | 39   | 37   | 39   | 36   | 37   | 37   | 31   |
| Other administrative support staff                 | 24       | 24   | 23   | 25   | 25   | 25   | 25   | 27   | 31   | 35   |
| Custodians, bus drivers, cafeteria workers         | 76       | 79   | 75   | 75   | 77   | 78   | 76   | 75   | 73   | 66   |
| Total School Board                                 | 371      | 370  | 377  | 387  | 389  | 393  | 396  | 403  | 399  | 390  |
| <b>Total County</b>                                | 557      | 562  | 572  | 573  | 587  | 603  | 615  | 629  | 639  | 637  |

Source: Payroll, Virginia Department of Education IPAL (Instructional Personnel and Licensure) and the related IPAL survey

County of Goochland, Virginia

Table 14

Operating Indicators by Function (Unaudited)  
Last Ten Fiscal Years

| Function                                                 | June 30, |         |         |         |         |         |         |         |         |         |
|----------------------------------------------------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|                                                          | 2012     | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    |
| <b>PUBLIC SAFETY</b>                                     |          |         |         |         |         |         |         |         |         |         |
| Sheriff's department:                                    |          |         |         |         |         |         |         |         |         |         |
| Number of Calls for Service                              | 19,471   | 18,311  | 18,972  | 21,301  | 22,963  | 22,981  | 21,070  | 21,961  | 22,002  | 22,620  |
| Total number of calls into the 911 center <sup>(4)</sup> | -        | -       | -       | -       | -       | 19,152  | 36,055  | 36,328  | 36,809  | 38,600  |
| Civil papers                                             | 5,143    | 4,688   | 4,259   | 4,466   | 4,780   | 4,847   | 5,269   | 4,712   | 4,964   | 4,755   |
| Fire and rescue:                                         |          |         |         |         |         |         |         |         |         |         |
| Number of calls answered                                 | 3,444    | 2,718   | 2,572   | 2,522   | 2,680   | 2,444   | 2,809   | 3,165   | 3,195   | 3,483   |
| Building inspections:                                    |          |         |         |         |         |         |         |         |         |         |
| New residential and commercial permits                   | 63       | 145     | 150     | 216     | 236     | 293     | 273     | 311     | 373     | 452     |
| Animal protection:                                       |          |         |         |         |         |         |         |         |         |         |
| Number of calls answered                                 | 5,712    | 5,548   | 5,500   | 534     | 637     | 1,212   | 1,421   | 1,882   | 1,894   | 1,940   |
| <b>CULTURE AND RECREATION</b>                            |          |         |         |         |         |         |         |         |         |         |
| Parks and recreation:                                    |          |         |         |         |         |         |         |         |         |         |
| After-school program participants <sup>(3)</sup>         | 1,279    | 1,255   | 1,648   | 1,683   | 2,041   | 2,358   | 2,287   | 2,107   | 1,041   | 2,998   |
| Youth sports participants                                | 1,350    | 1,475   | 1,300   | 1,450   | 1,575   | 1,060   | 1,104   | 915     | 900     | 965     |
| <b>COMPONENT UNIT - SCHOOL BOARD</b>                     |          |         |         |         |         |         |         |         |         |         |
| Education:                                               |          |         |         |         |         |         |         |         |         |         |
| School age population <sup>(1)</sup>                     |          |         |         |         |         |         |         |         |         |         |
| Elementary school                                        | 1,039    | 1,001   | 1,061   | 1,036   | 1,108   | 1,098   | 1,118   | 1,098   | 1,042   | 1,041   |
| Middle school                                            | 556      | 580     | 570     | 588     | 575     | 585     | 611     | 627     | 642     | 616     |
| High school                                              | 734      | 727     | 756     | 768     | 812     | 817     | 838     | 850     | 829     | 852     |
| Free and reduced meals served <sup>(2)</sup>             | 123,274  | 119,515 | 127,674 | 121,617 | 124,036 | 131,906 | 139,678 | 137,482 | 120,886 | 216,943 |

Source: Individual county departments

Note:

(1) Based on Virginia Department of Education "Spring Student Record Collection." (Unadjusted average daily membership, not enrollment)

(2) Based on Virginia Department of Education SNP Report. During the Covid Pandemic, the federal government made breakfast and lunch available free to all students.

(3) The FY2020 decrease was due to the Covid Pandemic. The FY2021 increase was caused by more residents moving to Goochland.

(4) A midyear FY2017 software upgrade allowed tracking of total calls into the 911 center.

**Capital Asset Statistics by Function (Unaudited)**  
**Last Ten Fiscal Years**

| Function                                      | June 30, |      |      |      |      |      |      |      |      |      |
|-----------------------------------------------|----------|------|------|------|------|------|------|------|------|------|
|                                               | 2012     | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Governmental activities:                      |          |      |      |      |      |      |      |      |      |      |
| General government:                           |          |      |      |      |      |      |      |      |      |      |
| Administration buildings                      | 1        | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Vehicles                                      | 6        | 4    | 3    | 3    | 4    | 3    | 3    | 3    | 2    | 2    |
| Public safety:                                |          |      |      |      |      |      |      |      |      |      |
| Sheriff's department:                         |          |      |      |      |      |      |      |      |      |      |
| Patrol units                                  | 55       | 55   | 55   | 55   | 60   | 63   | 63   | 69   | 86   | 89   |
| Fire and rescue:                              |          |      |      |      |      |      |      |      |      |      |
| Vehicles                                      | 16       | 15   | 19   | 19   | 20   | 20   | 21   | 26   | 28   | 29   |
| Building inspections:                         |          |      |      |      |      |      |      |      |      |      |
| Vehicles                                      | 4        | 5    | 4    | 5    | 4    | 5    | 5    | 6    | 7    | 7    |
| Animal control:                               |          |      |      |      |      |      |      |      |      |      |
| Vehicles                                      | 3        | 5    | 5    | 6    | 6    | 6    | 7    | 8    | 8    | 8    |
| Public works:                                 |          |      |      |      |      |      |      |      |      |      |
| General maintenance:                          |          |      |      |      |      |      |      |      |      |      |
| Trucks/vehicles <sup>(1)</sup>                | -        | -    | -    | -    | -    | 9    | 13   | 15   | 15   | 16   |
| Convenience center:                           |          |      |      |      |      |      |      |      |      |      |
| Vehicles                                      | 1        | 1    | 2    | 2    | 2    | 3    | 3    | 3    | 2    | 2    |
| Equipment                                     | 1        | 1    | 1    | 1    | 2    | 2    | 2    | 2    | 2    | 3    |
| Sites                                         | 2        | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Health and welfare:                           |          |      |      |      |      |      |      |      |      |      |
| Department of Social Services:                |          |      |      |      |      |      |      |      |      |      |
| Vehicles                                      | 6        | 7    | 6    | 6    | 5    | 5    | 5    | 6    | 5    | 5    |
| Parks, recreation, and Facilities management: |          |      |      |      |      |      |      |      |      |      |
| Community Centers                             | 2        | 1    | 1    | 1    | 1    | 1    | 1    | 2    | 2    | 2    |
| Vehicles                                      | 19       | 18   | 16   | 15   | 15   | 6    | 6    | 6    | 6    | 7    |
| Community development:                        |          |      |      |      |      |      |      |      |      |      |
| Planning & Environmental Vehicles             | 2        | 3    | 3    | 4    | 4    | 5    | 3    | 4    | 5    | 5    |
| Business-type activities:                     |          |      |      |      |      |      |      |      |      |      |
| Utilities:                                    |          |      |      |      |      |      |      |      |      |      |
| Vehicles                                      | 4        | 6    | 6    | 7    | 7    | 7    | 9    | 12   | 13   | 14   |
| Education:                                    |          |      |      |      |      |      |      |      |      |      |
| Administration buildings                      | 1        | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Elementary schools                            | 3        | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |
| Middle schools                                | 1        | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| High schools                                  | 1        | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Vehicles                                      | 53       | 52   | 51   | 55   | 56   | 56   | 62   | 59   | 60   | 60   |
| School buses                                  | 60       | 60   | 59   | 58   | 61   | 60   | 63   | 62   | 63   | 63   |

Source: Human Resources/Risk Management, School administration

Note:

(1) Combined with Parks and Recreation vehicles beginning in fiscal year 2012 to 2016

## **COMPLIANCE SECTION**



**INDEPENDENT AUDITOR'S 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 Goochland, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparison of the General Fund of the County of Goochland, Virginia (County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 16, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County'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 we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*PBmares, LLP*

Harrisonburg, Virginia  
November 16, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Members of the Board of Supervisors  
County of Goochland, Virginia

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

We have audited the County of Goochland, Virginia's (County) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

## Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*PBmares, LLP*

Harrisonburg, Virginia  
November 16, 2021

***County of Goochland, Virginia***

***Schedule of Expenditures of Federal Awards***

**Year Ended June 30, 2021**

| <b>Federal Grantor/Pass - Through Grantor/<br/>Program or Cluster Title</b>               | <b>Federal<br/>Assistance<br/>Listing<br/>Number</b> | <b>Pass-Through<br/>Entity Identifying<br/>Number</b> | <b>Provided<br/>To<br/>Subrecipients</b> | <b>Total Federal<br/>Expenditures</b> |
|-------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------|------------------------------------------|---------------------------------------|
| <b>DEPARTMENT OF AGRICULTURE</b>                                                          |                                                      |                                                       |                                          |                                       |
| Pass-through payments:                                                                    |                                                      |                                                       |                                          |                                       |
| Department of Agriculture and Consumer Services:                                          |                                                      |                                                       |                                          |                                       |
| Child Nutrition Cluster:                                                                  |                                                      |                                                       |                                          |                                       |
| Commodity Distributions                                                                   | 10.555                                               | 00185                                                 | \$ -                                     | \$ 61,308                             |
| Department of Education:                                                                  |                                                      |                                                       |                                          |                                       |
| Child Nutrition Cluster:                                                                  |                                                      |                                                       |                                          |                                       |
| National School Lunch Program                                                             | 10.555                                               | 202016N109941                                         | -                                        | 1,486                                 |
| COVID-19 Summer Food Service Program for Children                                         | 10.559                                               | 202016N109941                                         | -                                        | 755,798                               |
| Total Child Nutrition Cluster                                                             |                                                      |                                                       |                                          | 818,592                               |
| State Administrative Expenses for Child Nutrition                                         | 10.560                                               | Not provided                                          | -                                        | 1,620                                 |
| Department of Social Services:                                                            |                                                      |                                                       |                                          |                                       |
| Child and Adult Care Food Program                                                         | 10.558                                               | Not provided                                          | -                                        | 718                                   |
| SNAP Cluster:                                                                             |                                                      |                                                       |                                          |                                       |
| State Administrative Matching Grants for the<br>Supplemental Nutrition Assistance Program | 10.561                                               | 0010117/0010118/0040117/0040118                       | -                                        | 345,244                               |
| Total SNAP Cluster                                                                        |                                                      |                                                       |                                          | 345,244                               |
| <b>Total Department of Agriculture</b>                                                    |                                                      |                                                       |                                          | <b>1,166,174</b>                      |
| <b>DEPARTMENT OF DEFENSE</b>                                                              |                                                      |                                                       |                                          |                                       |
| Direct payments:                                                                          |                                                      |                                                       |                                          |                                       |
| JROTC                                                                                     | 12.000                                               | N/A                                                   | -                                        | 74,783                                |
| <b>Total Department of Defense</b>                                                        |                                                      |                                                       |                                          | <b>74,783</b>                         |
| <b>DEPARTMENT OF JUSTICE</b>                                                              |                                                      |                                                       |                                          |                                       |
| Pass-through payments:                                                                    |                                                      |                                                       |                                          |                                       |
| Department of Criminal Justice Services                                                   |                                                      |                                                       |                                          |                                       |
| Crime Victim Assistance                                                                   | 16.575                                               | 16-S9582VW15                                          | -                                        | 53,160                                |
| <b>Total Department of Justice</b>                                                        |                                                      |                                                       |                                          | <b>53,160</b>                         |
| <b>DEPARTMENT OF TRANSPORTATION</b>                                                       |                                                      |                                                       |                                          |                                       |
| Pass-through payments:                                                                    |                                                      |                                                       |                                          |                                       |
| Department of Motor Vehicles:                                                             |                                                      |                                                       |                                          |                                       |
| Highway Safety Cluster:                                                                   |                                                      |                                                       |                                          |                                       |
| State and Community Highway Safety                                                        | 20.600                                               | FSC-2020-50190-20190                                  | -                                        | 8,021                                 |
| State and Community Highway Safety                                                        | 20.600                                               | FSC-2021-51173-21173                                  | -                                        | 10,200                                |
| National Priority Safety Programs                                                         | 20.616                                               | FM2HVE-2021-51427-21427                               | -                                        | 1,968                                 |
| Total Highway Safety Cluster                                                              |                                                      |                                                       |                                          | 20,189                                |
| Alcohol Open Container Requirements                                                       | 20.607                                               | 154AL-2020-50178-20178                                | -                                        | 3,144                                 |
| Alcohol Open Container Requirements                                                       | 20.607                                               | 154AL-2021-51179-21179                                | -                                        | 6,711                                 |
| <b>Total Department of Transportation</b>                                                 |                                                      |                                                       |                                          | <b>30,044</b>                         |

*See Notes to Schedule of Expenditures of Federal Awards.*

**County of Goochland, Virginia**

**Schedule of Expenditures of Federal Awards**

**Year Ended June 30, 2021**

| <b>Federal Grantor/Pass - Through Grantor/<br/>Program or Cluster Title</b>                                                              | <b>Federal<br/>Assistance<br/>Listing<br/>Number</b> | <b>Pass-Through<br/>Entity Identifying<br/>Number</b> | <b>Provided<br/>To<br/>Subrecipients</b> | <b>Total Federal<br/>Expenditures</b> |
|------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------|------------------------------------------|---------------------------------------|
| <b>DEPARTMENT OF TREASURY</b>                                                                                                            |                                                      |                                                       |                                          |                                       |
| Direct payments:                                                                                                                         |                                                      |                                                       |                                          |                                       |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds                                                                               | 21.027                                               | N/A                                                   | \$ -                                     | \$ 62,808                             |
| Pass-through payments:                                                                                                                   |                                                      |                                                       |                                          |                                       |
| Office of the Attorney General: SB VA Dept of Accounts<br>COVID-19 Coronavirus Aid, Relief, and Economic Security<br>(CARES) Act of 2020 | 21.019                                               | Not provided                                          | -                                        | 3,056,780                             |
| <b>Total Department of Treasury</b>                                                                                                      |                                                      |                                                       |                                          | <b>3,119,588</b>                      |
| <b>ENVIRONMENTAL PROTECTION AGENCY</b>                                                                                                   |                                                      |                                                       |                                          |                                       |
| Pass-through payments:                                                                                                                   |                                                      |                                                       |                                          |                                       |
| Virginia Department of Health:                                                                                                           |                                                      |                                                       |                                          |                                       |
| Drinking Water State Revolving Fund Cluster                                                                                              |                                                      |                                                       |                                          |                                       |
| Capitalization Grants for Drinking Water State Revolving Funds                                                                           | 66.468                                               | Not provided                                          | -                                        | 36,635                                |
| Total Drinking Water State Revolving Fund Cluster                                                                                        |                                                      |                                                       |                                          | 36,635                                |
| <b>Total Environmental Protection Agency</b>                                                                                             |                                                      |                                                       |                                          | <b>36,635</b>                         |
| <b>DEPARTMENT OF EDUCATION</b>                                                                                                           |                                                      |                                                       |                                          |                                       |
| Pass-through payments:                                                                                                                   |                                                      |                                                       |                                          |                                       |
| Virginia Department of Education:                                                                                                        |                                                      |                                                       |                                          |                                       |
| Special Education Cluster (IDEA):                                                                                                        |                                                      |                                                       |                                          |                                       |
| Special Education - Grants to States                                                                                                     | 84.027                                               | H027A200107-2020-430710000                            | -                                        | 625,063                               |
| Special Education - Preschool Grants                                                                                                     | 84.173                                               | H173A200112-2020-625210000                            | -                                        | 16,899                                |
| Total Special Education Cluster (IDEA)                                                                                                   |                                                      |                                                       |                                          | 641,962                               |
| Title I Grants to Local Educational Agencies                                                                                             | 84.010                                               | S010A200046-2020-429010000                            | -                                        | 252,614                               |
| Career and Technical Education - Basic Grant to States                                                                                   | 84.048                                               | V048A200046-2020-610950000                            | -                                        | 33,778                                |
| Education for Homeless Children and Youth                                                                                                | 84.196                                               | S196A190048                                           | -                                        | 161                                   |
| Title III, Part A: English Language Acquisition<br>State Grant                                                                           | 84.365                                               | S365A200046-2020-605120000                            | -                                        | 4,188                                 |
| Supporting Effective Instruction State Grant (formerly<br>Improving Teacher Quality State Grants)                                        | 84.367                                               | S367A200044-2020-614800000                            | -                                        | 19,225                                |
| Student Support and Academic Enrichment Program                                                                                          | 84.424                                               | S424A200048-2020-602810000                            | -                                        | 33,152                                |
| Education Stabilization Fund                                                                                                             |                                                      |                                                       |                                          |                                       |
| COVID-19 Governor's Emergency Education Relief (GEER) Fund                                                                               | 84.425C                                              | S425C200042                                           | -                                        | 112,881                               |
| COVID-19 Elementary and Secondary School Emergency Relief<br>(ESSER) Fund                                                                | 84.425D                                              | S425D210008                                           | -                                        | 494,185                               |
| COVID-19 Elementary and Secondary School Emergency Relief<br>(ESSER) Fund                                                                | 84.425D                                              | S425D200008                                           | -                                        | 23,366                                |
| COVID-19 American Rescue Plan - Elementary and Secondary<br>School Emergency Relief (ARP ESSER)                                          | 84.425U                                              | S425U210008                                           | -                                        | 5,140                                 |
| Total Education Stabilization Fund                                                                                                       |                                                      |                                                       |                                          | 635,572                               |
| <b>Total Department of Education</b>                                                                                                     |                                                      |                                                       |                                          | <b>1,620,652</b>                      |

*See Notes to Schedule of Expenditures of Federal Awards.*

***County of Goochland, Virginia***

***Schedule of Expenditures of Federal Awards***

**Year Ended June 30, 2021**

| <b>Federal Grantor/Pass - Through Grantor/<br/>Program or Cluster Title</b>    | <b>Federal<br/>Assistance<br/>Listing<br/>Number</b> | <b>Pass-Through<br/>Entity Identifying<br/>Number</b> | <b>Provided<br/>To<br/>Subrecipients</b> | <b>Total Federal<br/>Expenditures</b> |
|--------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------|------------------------------------------|---------------------------------------|
| <b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>                                 |                                                      |                                                       |                                          |                                       |
| Pass-through payments:                                                         |                                                      |                                                       |                                          |                                       |
| Department of Social Services:                                                 |                                                      |                                                       |                                          |                                       |
| Promoting Safe and Stable Families                                             | 93.556                                               | 0950116/0950117                                       | \$ -                                     | \$ 11,881                             |
| Temporary Assistance to Needy Families (TANF)                                  | 93.558                                               | 0400117/0400118/2101VATANF                            | -                                        | 148,153                               |
| Refugee and Entrant Assistance - State Administered Programs                   | 93.566                                               | 0500117/0500118                                       | -                                        | 232                                   |
| Low Income Home Energy Assistance                                              | 93.568                                               | 0600417/0600418                                       | -                                        | 18,965                                |
| Community Services Block Grant                                                 | 93.569                                               | Not provided                                          | -                                        | 273,342                               |
| Child Care and Development Fund Cluster:                                       |                                                      |                                                       |                                          |                                       |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund | 93.596                                               | 0760117/0760118                                       | -                                        | 27,865                                |
| Total Child Care and Development Fund Cluster                                  |                                                      |                                                       |                                          | 27,865                                |
| Chafee Education and Training Vouchers Program                                 | 93.599                                               | Not provided                                          | -                                        | 1,717                                 |
| Stephanie Tubbs Jones Child Welfare Services Program                           | 93.645                                               | 090116/0900117                                        | -                                        | 103                                   |
| Foster Care - Title IV-E                                                       | 93.658                                               | 1100117/1100118                                       | -                                        | 124,181                               |
| Adoption Assistance                                                            | 93.659                                               | 1120117/1120118                                       | -                                        | 149,426                               |
| Social Services Block Grant                                                    | 93.667                                               | 1000117/100118                                        | -                                        | 156,234                               |
| Chafee Foster Care Independence Program                                        | 93.674                                               | 9150117/9150118                                       | -                                        | 4,122                                 |
| Children's Health Insurance Program                                            | 93.767                                               | 0540117/0540118                                       | -                                        | 2,911                                 |
| Medicaid Cluster:                                                              |                                                      |                                                       |                                          |                                       |
| Medical Assistance Program (Title XIX)                                         | 93.778                                               | 1200117/1200118                                       | -                                        | 259,025                               |
| Total Medicaid Cluster                                                         |                                                      |                                                       |                                          | 259,025                               |
| <b>Total Department of Health and Human Services</b>                           |                                                      |                                                       |                                          | <b>1,178,157</b>                      |
| <b>DEPARTMENT OF HOMELAND SECURITY</b>                                         |                                                      |                                                       |                                          |                                       |
| Pass-through payments:                                                         |                                                      |                                                       |                                          |                                       |
| Department of Emergency Management:                                            |                                                      |                                                       |                                          |                                       |
| Emergency Management Performance Grants                                        | 97.042                                               | Not provided                                          | -                                        | 20,404                                |
| <b>Total Department of Homeland Security</b>                                   |                                                      |                                                       |                                          | <b>20,404</b>                         |
| <b>Total Federal Expenditures</b>                                              |                                                      |                                                       |                                          | <b>\$ 7,299,597</b>                   |

*See Notes to Schedule of Expenditures of Federal Awards.*

COUNTY OF GOOCHLAND, VIRGINIA  
Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

**I. Basis of presentation and accounting**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the *County of Goochland, Virginia* (County) and component units of the *Goochland County Public School Board and the Goochland County Economic Development Authority* under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

*Federal Financial Assistance* – The Single Audit Act Amendments of 1996 (Public Law 104-156) and Uniform Guidance define federal financial assistance as grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations or other assistance. Nonmonetary deferral assistance including food commodities is considered federal assistance and, therefore, is reported on the Schedule. Federal financial assistance does not include direct federal cash assistance to individuals.

*Direct Payments* – Assistance received directly from the Federal government is classified as direct payments on the Schedule.

*Pass-through Payments* – Assistance received in a pass-through relationship from entities other than the Federal government is classified as pass-through payments on the Schedule.

*Major Programs* – The Single Audit Act Amendments of 1996 and Uniform Guidance establish the criteria to be used in defining major programs. Major programs for the County of Goochland, Virginia and its component units were determined using a risk-based approach in accordance with Uniform Guidance.

*Federal Assistance Listing* – The Federal Assistance Listing is a government-wide compendium of individual federal programs. Each program included in the catalog is assigned a five-digit program identification number, which is reflected in the Schedule.

*Cluster of Programs* – Closely related programs that share common compliance requirements are grouped into clusters of programs. A cluster of programs is considered as one federal program for determining major programs. The following are the clusters administered by the County of Goochland, Virginia and its component units: Child Nutrition, SNAP, Highway Safety, Drinking Water State Revolving Fund, Special Education, Child Care and Development Fund, and Medicaid.

**II. Summary of significant accounting policies**

Expenditures reported on the Schedule are reported on the modified 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.

**III. Indirect cost rate**

The County has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**IV. Non-cash assistance**

In addition to amounts reported on the Schedule, the County of Goochland, Virginia consumed non-cash assistance in the form of food commodities. Commodities with a fair value of \$61,308 at the time received were consumed during the year ended June 30, 2021. These commodities were included in the determination of federal awards expended during the year ended June 30, 2021.

# COUNTY OF GOOCHLAND, VIRGINIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2021

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### Section I. SUMMARY OF AUDITOR'S RESULTS

#### *Financial Statements*

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weaknesses identified?

\_\_\_\_\_ Yes    √ No

Significant deficiencies identified?

\_\_\_\_\_ Yes    √ None Reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes    √ No

#### *Federal Awards*

Internal control over major programs:

Material weakness identified?

\_\_\_\_\_ Yes    √ No

Significant deficiencies identified?

\_\_\_\_\_ Yes    √ None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

\_\_\_\_\_ Yes    √ No

Identification of major programs:

| <u>Federal Assistance Listing</u>    | <u>Name of Federal Program or Cluster</u>                                                    |
|--------------------------------------|----------------------------------------------------------------------------------------------|
| 21.019                               | COVID-19 Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020                  |
| <b>Child Nutrition Cluster:</b>      |                                                                                              |
| 10.555                               | Commodity Distributions                                                                      |
| 10.555                               | National School Lunch Program                                                                |
| 10.559                               | COVID-19 Summer Food Service Program for Children                                            |
| <b>Education Stabilization Fund:</b> |                                                                                              |
| 84.425C                              | COVID-19 Governor's Emergency Education Relief (GEER) Fund                                   |
| 84.425D                              | COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund                       |
| 84.425U                              | COVID-19 American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER) |

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

Auditee qualified as low-risk auditee?

√ Yes    \_\_\_\_\_ No

**COUNTY OF GOOCHLAND, VIRGINIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Year Ended June 30, 2021**

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**Section II. FINANCIAL STATEMENT FINDINGS**

None.

**Section III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.

**COUNTY OF GOOCHLAND, VIRGINIA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**Year Ended June 30, 2021**

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The prior year single audit disclosed no findings in the Schedule of Findings and Questioned Costs and no uncorrected or unresolved findings exist from prior audit's Summary Schedule of Prior Audit Findings.